CHAPTER I

INTRODUCTION

1.1. Background

Economic development in Indonesia is currently supported by the existence of Micro, Small, and Medium Enterprises (MSMEs). Data from the Ministry of Cooperatives and Small and Medium Enterprises shows that MSMEs contribute around 61.07% to Gross Domestic Product (GDP) and absorb more than 97% of the workforce in all economic sectors (Ministry of Cooperatives and SMEs, 2021) . The contribution of MSMEs to the national economy makes them the main pillar in creating jobs, increasing competitiveness, and driving local economic growth. MSMEs also play an important role in community empowerment and community development. They are often the solution for people to improve their standard of living, especially in rural areas that face economic challenges. In addition, MSMEs also function as a means to develop local skills and innovation, creating a sustainable entrepreneurial culture. However, in facing various challenges, support from the wider community, especially the younger generation, is very important to encourage the sustainability and growth of this sector.

Generation Z, born between 1997 and 2012, is an age group that is currently in a transition phase towards adulthood and is starting to play an active role in the economy. They grew up in the digital era, where access to information and technology is very easy. Research shows that Generation Z has unique characteristics, where they tend to pay more attention to social and environmental ompared to previous generations (McCrindle & Fell, 2019) . The social mbraced by Generation Z, such as sustainability, business ethics, and or local products, influence their consumption patterns and support for

MSMEs. In addition, Generation Z is known for their tendency to do research before making a purchase, indicating that they pay more attention to brand reputation and the social impact of the products they consume.

However, despite the high awareness among Generation Z to support MSMEs, various challenges still hinder their interest in making real contributions. One of the main challenges is the lack of knowledge and information about the existence of local MSMEs, as well as the products they offer. Many young consumers are unaware of high-quality and innovative local products, which are often overlooked amidst the flood of imported products. Imported products often dominate the market, making it difficult for local products to compete in terms of visibility and sales. This makes it difficult for local MSMEs to compete, even though they have great potential to meet the diverse needs of the market. In this context, there needs to be an effective strategy to increase public awareness, especially Generation Z, about the existence and quality of local products.

Generation Z's expectations for a fast and efficient shopping experience are often at odds with the way many MSMEs still rely on traditional marketing methods. According to Priporas et al. (2022) In this digital era, Generation Z tends to prefer shopping online and using social media platforms as the main channel for discovering new products . However, many MSMEs have not utilized digital technology properly, thus missing out on opportunities to reach a wider market. They are often trapped in conventional marketing patterns, such as direct sales or physical stores, without utilizing the potential of the internet and *e-commerce* . This makes it difficult for MSMEs to adapt to increasingly dynamic changes in consumer

In addition, Generation Z prefers brands that have a strong online and actively interact with consumers through social media (McCrindle &).

Limited capital and access to resources are also serious problems faced by many MSMEs. Many of them do not yet have adequate financial support to develop their businesses, whether in terms of production, marketing, or product development. These limitations often limit their ability to innovate and improve the quality of the products offered. On the other hand, Generation Z has high expectations for the quality of products and services, which can make them reluctant to transact with MSMEs that are considered unprofessional or do not meet quality standards. Product quality is one of the determining factors in Generation Z's purchasing decisions, so it is important for MSMEs to ensure that they can compete in this regard. In addition, factors such as packaging, *branding* , and customer testimonials also play an important role in attracting Generation Z.

Amidst these challenges, understanding more deeply about the relationship between the social values embraced by Generation Z and their interest in supporting the development of local MSMEs is very important. Generation Z is known to have a high level of concern for social issues, including the sustainability and environmental impact of the products they consume. They tend to choose products that are in line with the values they believe in and that have a positive impact on the community (Ramdhani & Madani, 2024)

Therefore, if MSMEs are able to communicate their social and sustainability values , it is likely to attract Generation Z to support and shop for local products. This approach will not only increase public awareness of local products, but can also create stronger consumer loyalty to local brands.

In addition, the use of digital platforms and social media is a key factor in Generation Z. With the increasing use of social media as a source of on and communication channels, MSMEs can use this platform to their products more effectively. Marketing campaigns that utilize strong

visual content and narratives can create an emotional connection between products and young consumers. Generation Z is more likely to engage with brands that have stories and values that align with theirs. Therefore, MSMEs need to innovate in their marketing approach, by emphasizing the uniqueness and values they offer. The use of local *influencers* or collaboration with relevant content creators can also increase the appeal and credibility of MSME products in the eyes of Generation Z.

In addition to marketing aspects, collaboration between MSMEs and local communities can also increase support from Generation Z. Involving Generation Z in various initiatives related to MSMEs, such as local marketing events, product exhibitions, or Corporate Social Responsibility (CSR) programs, can increase their awareness and concern for local products. By giving them the opportunity to contribute, either through purchasing products or participating in activities, Generation Z can feel more connected to MSMEs and more motivated to provide support. Activities such as workshops or training for Generation Z on entrepreneurship can provide a deeper understanding of the MSME development process and the challenges faced.

Increasing support for local MSMEs is expected to bring positive impacts, such as increasing income and job creation, as well as strengthening the local economy. Strong and growing MSMEs can make a significant contribution to regional and national economic growth. In addition, support from Generation Z can also encourage innovation and creativity in the MSME sector, so that they can adapt to rapid and diverse market changes. The success of MSMEs in attracting tion and support of Generation Z can be the first step in creating a more and sustainable business ecosystem.

Overall, the influence of Generation Z's social values on their support for local MSMEs is very significant. This study will explore and analyze these dynamics to contribute to the development of effective strategies in promoting MSMEs and increasing Generation Z's involvement in supporting local products. Through this approach, it is hoped that MSMEs can utilize existing market potential, so that they can compete effectively in an increasingly competitive and globally oriented market. By understanding and overcoming existing challenges, and utilizing the social values embraced by Generation Z, MSMEs can achieve greater success and contribute to more sustainable economic development.

1.2. Formulation of the problem

Based on the problem background above, the problem formulation in this study is: How do social values affect the involvement of Generation Z in supporting the development of local MSMEs?

1.3. Problem Objective

The aim of the problem in this research isto identify and analyze the influence of social values on the involvement of Generation Z in supporting the development of local MSMEs.

1.4. Benefits of research

1.   Theoretical Benefits

a. Development of Science

This research contributes to the strategic management literature, particularly regarding how social values can be a strategic factor in the development of

MEs by involving Generation Z as consumers and actors.

gration of Social and Strategic Values

This research provides a new perspective on how social values can be integrated into MSME business development strategies, especially in the digital and community-based era.

2. Practical Benefits

a. This research can provide recommendations to MSME actors about effective strategies to attract the attention of Generation Z by utilizing the social values they uphold.

b. The results of this study can be used as input for the government or related institutions to design MSME empowerment programs that involve the active role of Generation Z.

1.5. Writing system

This research is structured into several interrelated chapters.

Chapter I = Introduction, which discusses the background of the problem, problem formulation, and benefits of research.

Chapter II = Literature Review, which contains an explanation of relevant theories, previous research, and important concepts underlying this research.

Chapter III = Research Methodology, describes the research approach, data collection methods, and analysis techniques used.

Chapter IV = Results and Discussion, which presents the research results and their interpretation in the context of the problem being researched.

Chapter V = Includes Conclusions and Suggestions, which presents the conclusions of this research as well as recommendations for interested parties .

CHAPTER II

LITERATURE REVIEW

2.1. Theoretical basis

2.1.1. Strategy Management

1. Definition of Strategic Management

Definition of Management is the science and art of regulating the process of utilizing human resources and other resources effectively and efficient to achieve a certain goal (MSP Hasibuan, 2007) . According to (Farida, 2022) Management is an art and science in planning, coordination/organize, direction and supervision to achieve the goals that have been set.

According to (Kristina & Widyaningrum, 2019) Management is the coordination of all resources through the process of planning, organizing, determining the workforce, directing and supervising to achieve predetermined goals. According to (Sari & Marlini, 2012) Management is a science as well as an art to make others willing and willing work is To achieve the goals that have been formulated together, therefore management requires basic concepts of knowledge, the ability to analyze existing situations, conditions, human resources and think of the right way to carry out interrelated activities to achieve the goals. At Essentially Human activities in general are regulating *(Managing)* To organize here is needed an art, how others need work to achieve a common goal.

Definition of Management according to (Ismail & Pamilu, 2024) is a series of processesand g includes planning, organizing activities, implementation, on, evaluation and control in order to empower all organization/company s, both Resources human *(human resource capital), capital (financial*

capital), material *(land, natural resources or raw materials),* and technology optimally to achieve the goals of the organization/company.

Management as a science and art. Why is it called that, because the two cannot be separated. Management as a science, because it has been studied for a long time, and has been organized into a theory. This is because it explains the symptoms of management, these symptoms are then researched using scientific methods formulated in the form of principles embodied in the form of a theory. While management as an art, here it is seen that in achieving a goal it is necessary to cooperate with others, so how to order others so that others want to cooperate. others need work to achieve a common goal (Ibid).

Meanwhile, the term strategy comes from the word *"strategic"* which means planning and direction. According to (Taufiqurrahman & Nabilah, 2023) says that Strategy is a determination the long-term basic goals and objectives of an organization and adoption of a set of actions and allocation of resources necessary to achieve these goals.

Furthermore, the definition of management Strategy according to (Taufiqurrahman & Nabilah, 2023) is a decision-making process and actions that lead to to the development of a strategy effective or helpful The company achieves its goals. Strategy management is embodied in shape Scalable planning large covering all components in the environment of an organization that is outlined in the form of a plan strategic (renstra) which then elaborated into planning operational, which is further described in the form of a work program and annual projects.

ategy management is a system as unit, has various interconnected nts and influencing each other, and moving simultaneously (together) to e direction (Nawawi, 2017). Strategic management, according to Ismail

Solihin, is a series of managerial decisions and actions resulting from the formulation process and implementation of the plan with the aim of achieving excellence Competitive. If this definition is associated with terminology, then Strategy management can also be defined as the process of planning, direction, organization and control of various decisions and Madrasah Strategic Actions with the Aim of Achieving Excellence Competitive.

2. **Strategic Management Concept**

According to (Sedarmayanti, 2019), the meaning of the concept of strategic management that is:

a. Linking the planning function with the administrative system and organizational structure.

b. Strategy and implementation

c. The integration of the administrative system and organizational structure.

While the concept of strategic management according to (Mulyasa, 2004) among others as follows:

a. Strategic management is a series of managerial decisions and actions that determine a company's performance in the long term. Strategy management includes environmental observation , strategy formulation, strategy implementation, as well as evaluation and control.

b. Strategy management emphasizes more on observing and evaluating opportunities and threats to the environment from the perspective of strengths and *weaknesses.* The internal and external variables that are most important for the company in the coming time are called strategy factors and can be fied through SWOT analysis.

egy **Management Model and Process**

egy Management Model

Strategy management is an activity of planning, implementing, and evaluating decisions taken to be able to realize the goals that the madrasah wants to achieve. Strategy management starts from the strategy formulation stage, which consists of making a vision and mission, setting long-term goals, preparing evaluations and selecting strategies which are carried out by carrying out internal and external audits. Next is the strategy implementation stage, which consists of annual policy and goal setting activities, as well as resource allocation activities. Then the last is the evaluation stage which contains activities to measure and evaluate work.

According to (Wheelen et al., 2018) The strategic management process includes environmental observation, strategy formulation (strategic planning or long-term planning), *Strategy Implementation*, evaluation and control.

1) Environmental observation

Environmental observation is seen from two aspects, namely, external analysis and internal analysis. The external environment consists of locals, competitors, customers, creditors, trade unions, special interest groups, and trade associations.social . The work environment consists of elements or groups that directly influence or are influenced by the main operations of the organization. Some of these elements are shareholders, governments, suppliers, community variables (opportunities and threats) that are outside the organization and are not specifically under the short-rm control of top management. These variables shape the state in the ganization in which this organization lives. The external environment has /o parts, namely, the work environment and the environment

2) Strategy formulation

Strategy formulation is the development of a long-term plan for effective management of environmental opportunities and threats, viewed from the strengths and weaknesses of the organization. Strategy formulation includes the organization's mission, goals to be achieved, strategy development and policy guidelines.

3) Strategy implementation

Strategy implementation is the process by which management realizes its strategies and policies in action through a change in the overall culture, structure or management system of the organization as a whole. Except when drastic changes are needed in the organization, middle and lower level managers will implement their strategies specifically with consideration from top management. Sometimes referred to as operational planning , strategy implementation often involves daily decisions in resource allocation.

4) Evaluation and control

Evaluation and control is the process of the company's activities and the results of the monitored performance and the actual performance compared to the desired performance. Managers at all levels use performance outcome information to take corrective action and solve problems. While evaluation and control are the main final elements of strategic management , they can also pinpoint weaknesses in the implementation of previous strategies and encourage the overall process start over.

egy Management Process

Strategy management is a decision-making activity to determine the plan that will be used for the future. Therefore, the process implemented in strategy management must be correct, so that there are no errors in decision-making and unsatisfactory results.

According to (SP Siagian, 2007) In general, the strategy management process It consists of the following stages:

1) Formulation of organizational mission.

2) Determination of organizational profiling.

3) Analysis and selection of strategies.

4) Setting long-term goals.

5) Determination of the master strategy.

6) Determination of operational strategy.

7) Short-term goal setting.

8) Formulation of wisdom.

9) Institutionalization of strategy.

10) Creation of a surveillance system.

11) Creation of a rating system.

12) Creation of a feedback system.

Meanwhile, the process of strategic management in the world of education according to (Sagala, 2013) Among others:

1) Formulation of the vision and mission of the madrasah.

2) Goals and targets of the madrasah.

etermination of madrasah organizational strategy.

nplementation of madrasah organizational strategy.

areful and accurate SWOT analysis.

From the above discussion, the author concludes that the strategy management process in the world of education can consist of stages , namely strategy formulation, strategy implementation, and strategy evaluation.

4. **Nature of Strategy Management**

According to (Suwarjono, 2017) Strategy Management is a tool to achieve a good goal, that is, a goal organization or company, then strategy has several characteristics, including:

a. Unified*;* That is, uniting all parts of an organization or company.

b. Comprehensive *(comprehensive)*; that is, covering all aspects of an organization or company.

c. Integral; i.e. all strategies will be suitable from all levels *(corporate, business, and functional).*

Thus, it can be stated that strategy is a set of overall ways carried out by an institution, agency or organization to achieve the desired goal by looking at opportunities and threats externally, using internal capabilities and resources to achieve it with a careful plan to achieve a specific goal.

5. **Principles of Successful Strategy Management**

Executives need to ensure that the strategies they develop can succeeded convincingly. For this reason, Hatten and Hatten (Monica et al., 2022) give some clues on how a strategy is made so that it can successful.

a. Strategy determination is carried out consistently

b. Make a planning plan or alternative plan

c. Working together in an organization

e is unhealthy competition between organizations

s on the organizational development goals you want to achieve

aging the organization's environment to execute strategies

g. Making a strategy that will be used, is it really worthy of being used as a strategy?

h. Controlling the risks that will be faced in the chosen strategy

i. Strategize well

j. Strategies should be prepared on the basis of the successes that have been achieved. Don't strategize on failure.

k. There is support from related parties.

6. Challenges in Strategic Planning

According to (Bryson, 2010) There are four challenging factors faced in strategic planning, namely:

a) Human problems

Human problems are the management of attention and commitment. People's attention should be focused on issues, decisions, conflicts, policy preferences at key places in the organization's processes and hierarchy. Commitment and attention management is a problem for individuals, groups, organizations and communities. At each level, the problem has its own texture. Planning should focus on a few issues of decision, and action that really matters.

b) Process issues

The most important process issue in strategic planning is strategic idea management becomes "goodcurrency" in other words how new ideas can be sold to others.

c) Structural problems

uctural problems are the management of the relationship between parts hole. The internal and external environment must be a link that profitable.

itional problems

Institutional problems are problems of implementing transformative leadership . The most difficult problem that planning must face .

2.1.2. Social Values

1. Understanding Social Values

Value in English *"Value",* in Latin "Velere", or Old French *"Valoir"* or value can be interpreted as useful, capable, powerful, valid, beneficial and most correct according to the beliefs of a person or group of people (Arliman et al., 2022) . In everyday life, value is something that is valuable, quality, shows quality, and is useful for humans. In this discussion, value is a quality that is based on morals. In philosophy, this term is used to indicate an abstract noun which means value that is equivalent to meaning or goodness (Rusdiana, 2014)

Social values are values adopted by a society, regarding what is considered good and what is considered bad by society. For example, people consider helping to have good value, while stealing has bad value. (Fadli, 2017) stated that social values have a general function in society. Among them, values can contribute a set of tools to direct society in thinking and behaving. In addition, social values also function as the final determinant of humans in fulfilling social roles.

Social values are beliefs held by individuals or groups in society about what is considered good, right, and appropriate in life together. Social values serve as guidelines and standards of behavior that shape how individuals interact with others and with their environment. According to (WBA Majid et al., 2022) social values are an explicit or implicit conception of what society wants or expects.

Social values can motivate someone to realize their hopes according to their ____ial values also function as a tool of solidarity among members of a ____ty group. Social values also function as a tool for monitoring *(controlling)*

human behavior with a certain pressure and binding power so that people behave according to the values they adhere to.

(Fitri & Susanto, 2021) stated that value is an awareness accompanied by emotions that are relatively long-lost towards an object, idea, or person. Meanwhile, social values according to (Robbins, 1994) are things that concern the common welfare through effective consensus among them, so that social values are upheld by many people.

Social values are not simply acquired at birth, but through a value system taught by parents to their children with adjustments here and there (Hasanah & Andari, 2021) .

According to (Setiawan et al., 2023) explains that social values are awareness that is relatively ongoing accompanied by emotions towards objects. According to (Aisyah et al., 2016) , social values are everything that is valued by society because it has functional utility for the development of human life.

According to (Zurohman et al., 2016) the definition of social values is a rule that is formed from a mutual agreement and is important to be obeyed and implemented, the aim is to maintain social order in community life. Meanwhile, according to (Achmad, 2020) it is explained that social values are a form of ideas that a person or group has about what is desired, what is appropriate to apply, and what is good and bad.

According to (Tarsinih, 2018) social values are ideas that explain an action in society, where the action can be said to be important or unimportant. So, according to both of them, social values include all actions taken by members of ˙his action has good and bad assessments which also determine whether ˙tant to do or not.

2. Types of Social Values

Next is to know the classification. Because the types of social values are very diverse and if seen from the aspect of the source of the social value, namely:

a. Extrinsic Value

The first type of social value when viewed from its source is extrinsic social value. Extrinsic value is a social value that is formed and sourced from within the circle of community members. So this type of social value is formed by involving all assessments from members of a community. There are many external factors that influence the formation of this value.

For example, seeing differences in physical, religious, racial, and so on is commonplace. Everyone is aware of having differences but all remain good citizens who inhabit a country or a nation.

b. Intrinsic Value

The second type is intrinsic social value, namely social value that originates and is formed from internal factors of the individual which of course involves the subjective assessment of the individual.

In other sources, it is also explained that intrinsic value is a social value that comes from human dignity (individual). This intrinsic value is then closely related to Human Rights or HAM.

For example, the right for anyone to have an opinion and the obligation to respect the opinions of other members of society. Other examples are the right to embrace a religion or belief, the right to education, the right to be treated fairly in society, and so on.

ial Value

The first type or classification of social values based on their type is material values. In general, material values are social values that are useful for the human body and have a real physical form and can be used for physical needs.

Examples of this material value are electronics, where these electronics have physical and physical benefits as well. Like air conditioning to lower the room temperature or vice versa. Another example is sand and cement that can be used by humans to build houses as shelters.

d. Vital Values

The second type is vital value, namely social value whose existence can support human daily activities in a community group. So, the existence of things or objects that are included in this vital value can support a person's activities.

Without any supporting value, a person's social activities can be hindered, delayed, or less than optimal or even less than perfect. There are many examples, starting from vehicles, both cars and motorbikes that support people's mobility to the places they need. Such as schools, offices, and others.

e. Spiritual Values

The last is spiritual value which is all forms of things or values that are felt inwardly or spiritually. It can also be interpreted as social values that are used to fulfill spiritual needs or the spiritual needs of society.

Spiritual values are then divided into 4 types, namely:

a. Truth value, is a value that comes from a regular thinking process that uses human reason (logic, ratio) and is followed by facts that have occurred. So that everything that can be proven and becomes evidence falls into this
fication.

b. The value of beauty is a value that is related to the expression of feelings or the contents of a person's soul regarding beauty, or is usually also called aesthetic value.

c. Moral values are all values regarding commendable and reprehensible behavior or social values concerning good and bad. Moral values are often also called ethical values.

d. Religious values are divine values that contain human belief or trust in God Almighty. The religion that is embraced is one form of religious values.

3. Function of Social Values

Social values have several important functions in community life, including:

a. Code of Conduct

Social values become a benchmark for individuals to act according to prevailing social expectations. For example, the value of solidarity directs individuals to help others in need.

b. Social Identity Formation

Social values help individuals recognize themselves as part of a larger group or society. By sharing the same values, individuals feel connected and have a shared identity with their group.

c. Social Awareness Driver

Social values encourage individuals to care about the welfare of others and the environment. For example, the value of mutual cooperation encourages

on in society.

lity and Social Integration

Social values create harmony and unity in society by encouraging behavior that is in accordance with social norms and expectations.

4. Social Value Indicators

According to (Abbas et al., 2019) several indicators of social values are as follows:

a. Opportunity to interact with others

b. Opportunity to pursue a hobby

c. A prestigious job

d. Opportunity to work with experts in other fields.

2.1.3. Social media

1. Understanding Social Media

According to (KBBI, 2020) Social media consists of two words, namely media and social. Media is a tool, means of communication, intermediary, or connector. Social means related to society or likes to pay attention to public interests (likes to help, donate, etc.). From the language side, social media is interpreted as a means of communicating and sharing.

According to (Puntoadi, 2011) , social media is an online media where users can easily participate, share and create content including blogs, social networks and wikis which are the forms of social media most frequently used by people throughout the world. Social media is a website-based feature that can form networks and allow people to interact in a community. On social media we can do various forms of exchange, collaboration, and get to know each other in the form of visual or audiovisual writing. Examples include *twittwer, facebook, blog,* , and others.

cording to (Shirky, 2010) social media is a tool to improve users' ability to llaborate between users and take collective action, all of which are outside

the institutional or organizational framework. Social media is described as a collection of software that allows individuals and communities to gather, share, communicate, and in certain cases collaborate or play. Then according to Van Dijk, social media is a media platform that focuses on the existence of users that facilitates them in their activities or collaboration. Therefore, social media can be seen as an online medium *(facilitator)* that strengthens relationships between users as well as a social bond.

According to (Bahari et al., 2024) , "Social media is a social network that can be used to market media products that can be used, one of which is Facebook, Twitter and Kaskus. And social networks can be said to be an effective communication media tool for companies to be able to interact with their consumers and can be a strategic tool with *Word of Mouth* ".

According to (Novaldo, 2021) "Social media is an information technology where with the development of the era that exists, something booming is happening right now with the existence of social media". Social Media is a new marketing industry, a facility to be able to communicate in one direction, which is balanced and supported by the existence of traditional marketing media such as Television, Radio, and Newspapers which can be connected and have two directions by giving permission to everyone if they want to spread and participate in online conversations.

2. Characteristics of Social Media

There are special characteristics that only social media has compared to other media. One of them is that social media starts from the understanding of how a is used as a social medium in the virtual world. The characteristics of dia according to (Nasrullah, 2015) , namely:

ork

Between users Social media has a social network character. Social media is built from social structures formed within a network or the internet . The network formed between users is a network that is technologically mediated by technological devices, such as computers, mobile phones or tablets. The character of social media is to form a network between its users. It doesn't matter whether in the real world (offline) the users know each other or not, but the presence of social media provides a medium for users to connect through technological mechanisms.

b. Information

Information becomes an important entity of social media. Because unlike other media on the internet, social media users create representations of their identities, produce content, and interact based on information. Even information becomes a kind of commodity. In social media, information becomes a commodity consumed by users. The commodity is basically commodities produced and distributed between users themselves. From this consumption activity, users and other users form a network that ultimately consciously or unconsciously leads to the institution of a network society .

c. Archives

For social media users, archives become a character that explains that information has been stored and can be accessed at any time and through any device. Any information uploaded on Facebook for example, the information does not just disappear when the day, month, or year changes. The information will continue to be stored and can even be easily accessed.

d. Interaction

ıply put, the interactions that occur on social media are at least in the form

comments or giving signs, such as thumbs up on *Facebook* or hearts on

Instagram. Interaction in media studies is one of the differences between old media *and* new *media.*

e. Simulation Social

Social media has a character as a medium for *society* in the virtual world. Social media users can be said to be digital citizens who are based on openness without any limitations. Like society or the state, social media also has rules and ethics that bind its users. Social media no longer displays reality, but has become a reality in itself, even what is on social media is more real than reality itself.

f. Content by users

Another characteristic of social media is content by users or more popularly known as *user generated content* (UGC). This user generated content is a sign that on social media, the audience does not only produce content, but also consumes content produced by others. This content is a new format of interaction culture where users in simultaneously acting as producers on the one hand and as consumers of content produced in online spaces on the other.

g. Distribution *(Share)*

Sharing is another characteristic of social media. Sharing is a characteristic of social media that shows that the audience actively spreads content while developing it. The purpose of this development, for example, is comments that are not just opinions, but also data on the latest facts. On social media, content is not only produced by the audience of users, but also distributed manually by other users.

3. Social Media Applications

Nowadays, social media has become a basic need for some people, they are
...ts who will feel strange if they do not use social media applications for a

day. Here are the applications on social media that are most often used by students (ertya Ayu putri) :

a. *Facebook*

Facebook is a very popular social network in cyberspace, even the whole world also uses this. Facebook is a social media that connects people with people in cyberspace. Facebook appeared in February 2004 founded by Mark Zurkerberg .

The beginning of its creation facebook only intended For circles Harvard University student . New in 2005 facebook open membership For circles child school . A year Then specifically In 2006 Facebook opened membership universally aka who just from hemisphere earth wherever everyone can join with facebook .

Facebook has become the largest social networking site moment There is so Lots benefits facebook that can We use . Here is a number of benefit facebook that is very noticeable in life Now This :

1) As place For look for Friend .

2) As place For promotion .

3) As place For discussion .

4) As place For to weave relationship , for example look for boyfriend because on facebook easy just For get boyfriend .

5) As place For Study .

Facebook also has losses , as follows is loss from facebook :

1) Can reduce time effective .

ography , Facebook makes it very possible For distribution smelly photos

ography .

school No ignored .

4) Work No ignored .

5) Increase feelings of jealousy towards your partner .

There are also advantages from Facebook , namely :

1) Interweaving friendship , Islam to advocate For each other guard rope friendship .

2) Place learning , such as try test toefl and so on .

3) Refreshing.

4) Business , facebook is one of the business fields that is quite tempting .

5) Place confide , with write a piece the sentence in progress felt in the column circumstances , then people will understand What is We feel .

6) Practical , Facebook have many facility compared to with other application .

b. *Twitter*

Twitter is a social networking services including in category microblogging . In March 2006 it started the founding of Twitter which was founded by Jack Dorsey, Evan Williams and Biz Stone. The concept beginning from twitter is A system that users can For send messages that can spread out to all friends . With do discussion and correction in the system said , then moment this twitter has develop become network service social that has feature For publish a short post or similar status with SMS that can accessed on the Internet.

c. *Youtube*

Youtube Launched in May 2005, YouTube has made it easier billions of people to discover , watch , and share various videos. Youtube provides a forum for people to each other relate , give information , and inspire others around the ¡ well as act as a distribution platform for original content makers and rs , both large and also small . Youtube is one of company owned by

Youtube created by 3 ex- people employee PayPal (*commercial online website)* , Chad Hurley, Steve Chen, and Jawed Karim in February 2005. Since beginning launched , youtube direct get welcome good in society . Youtube is online video and the main one from Usefulness of this site is as a medium for search , view and share original and original videos all over the world through a web.

Presence youtube bring influence outside normal to society , especially society that has passion field video making , start from short films , documentaries , to video blogs, but No own land " for publish his work ". Youtube easy used , not need cost high , and can accessed wherever , of course with a sophisticated smartphone . It is make amateur video maker can with free upload their video contents For published .

d. Instagram

Instagram is application service share photo that allows user For take a photo and give it a filter then spread it out in the media social like facebook , twitter, and others. Since Instagram's appearance on October 6 , 2010 on the Apple Store application This direct hunted by users Apple. Founded in 2010 , the company Burbn Inc, is a startup technology that only focus to development application For telephone handheld. Proven at the end December 2010 user instagram has reach 1 million users and in June 2011 it has reach 5 million users with a total of 150 million photos in the month August 2011.

On April 9, 2012, it was announced that Facebook agrees take switch Instagram with mark almost $1 billion in form cash and shares . On May 11 , 2016, n introduced new appearance along with new icons and designs new on . Inspired by the app icon previously , new icon is camera simple and ife in form gradient .

e. *Line*

Line is A application sender message free instant that can be used on various platforms such as smartphones, tablets and computers . But line can also it is said social media applications Because inside it there is a number of timeline feature as useful place For create status, photos , videos , and other information . Line can also make voice calls and video calls for free.

The country from which Formerly until Now Still develop line up to as good as This is the country of Japan . At first line only can operated on android only , but now line can used in various lata communication including mobile phones and laptops or Windows.

f. *Whatsapp*

Whatsapp founded in 2009 by Jan Koum and Brian Acton who have use up 20 years on yahoo . Whatsapp joined facebook in 2014 , but Keep going operate as separate application with focus For build service exchange message that works with fast and reliable anywhere around the world.

Whatsapp started as alternative for SMS, sending and receiving various types of media: text , photos , videos, documents , locations , and also calls voice . Messages and calls secured with end-to-end encryption which means No There is third party including whatsapp that can read message or hear calling .

4. Benefit Social media

Benefits of social media moment This No can inseparable with life everyday

his is social media Already become the part that is not inseparable from

, young , male , female , boss big , even office boys have to know and to

ut social media .

Development technology rapid information is one of the reasons the boom of social media . *Web developers are* now also compete For develop various social media that can enjoyed all circles , such as : Facebook , Twitter, Instagram , Path, and more Lots again . Next a number of benefits of social media seen from various field :

a. Social media For Socializing

Benefits of social media Of course in accordance with his name that is For socialize . Socialization This can done When only , where only , without time and space limits , but limited to connection , signal and internet quota . This is objective main from social media and success suck up Lots users who want to socialize and communicate with his relatives .

b. Social media Replace Function Diary Book

80-90s generation for sure Already No foreign Again with diary book . Book This usually contains confessions from the owner about his feelings . Can contain confession sad , confession fall love , or a pleasant confession . When This diary function is already almost extinct and can be replaced by social media .

No confidential Again if Lots social media users who write confessions they , such as : complaining , sad , falling love , and time happy . Because it's easy in using it , then social media often become place its users For share .

c. Social media Can Meet Old friend

still is the relationship with socializing , social media Can bring We For meet old friends , childhood friends , business partners who have lost contact even Can meet you long - separated womb .

I media Find New friends

This is one of them very interesting benefits of social media . From the results playing on social media , can get friends new that may be suitable with social media users .

e. As a Media of Entertainment

Social media Lots provide interesting entertainment for everyone . For example listen music , video streaming, funny stories , funny pictures , and also interesting quotes that can make relax and be able to forget confused , bored and dizzy for a moment .

f. Distribution Hobby

There are many groups and accounts from social media which becomes place gathering of users with similar interests and hobbies . There is a community vehicle motorized , community hobby unique , community collector , supporter community , community lover music , and even there is also a community employee with type the same job . In community This , social media users can each other share experience , tips and more things about hobbies and similarities interest them .

g. Give Various Type Information most updated

Social media containing a myriad information , news , science , knowledge and news latest , even information the more fast spread via social media compared to electronic media , such as television and radio.

h. Popularize Self

Social media can also just make someone known by many public , good Because intentional and also No intentionally . Popular kind of This usually of that person own matter unique and interesting attention .

l media For Request Help

There are a lot of social media users , the number is hundreds million and enough more several hundred or a number of tens of thousands its users domiciled around . This is Can utilized For request help . For example is when There is lost brother wallet Can request help social media users For help and still Lots another example .

j. Social media For Making money

One benefit This currently the crowds enjoyed by social media users . No existence tax collected from promotion and marketing on social media , making social media users can make money with free with using social media .

Only with the capital of social media and good marketing techniques , then buyer will come with itself .

5. Impact of Social Media

In essence, social networks are like a double-edged sword, sometimes used as a tool to present educational content and sometimes damages the awareness of the younger generation. Because with the existence of social networking will make children and teenagers lazy to study communicate in real life. Level of language comprehension disturbed. If children communicate too much in cyberspace, then knowledge about real-life aspects of communication, such as language, body and tone of voice become less. Social media certainly has a positive influence on everyone. its users. In teenagers, the use of social media can bring positive impacts including understanding one's potential, means discussion, the ability to interact easily with friends, and communication. The information is very well facilitated. Not only good influence, but there is also a bad influence from

…edia.

…ere are several negative influences of social media on... Adolescent

…described in the journal (Asrida, 2019) is as follows:

a. Social networking sites social will make children and adolescents the more selfish . They become No realize environment around they moment use up part big time on the internet. This is Can make child not enough empathize in the real world .

b. For children and adolescents , no There is rule spelling and grammar on social media . This is will make them the more difficult differentiate between social media and the real world . This is Certain will influence ability write they are at school in matter spelling and grammar . Social networking sites social is place develop the breeding of criminal predators . We do not will Once know whether someone new just found child we on the Internet use identity original .

c. Make a teenagers are lazy to study Because often use Network social For play games on the site .

6. Social Media Indicators

According to (Ekasari et al., 2019) Social Media indicators are as follows:

a. *Relationship* , which is when building relationships with consumers through existing media.

b. Communication, namely an interaction that occurs between the seller and the consumer.

c. Consumers , after consumers buy a product

ghting Spirit

rstanding Fighting Spirit

According to (Tambunan, 2020) Call Fighting Spirit as Adversity Intelligence *(adversity quotient)* has the meaning of the ability that an individual has in facing and trying hard to overcome difficulties, so that they do not have an impact deeply into the individual's efforts in living his life. The fighting Spirit was first introduced by Stoltz with the term *adversity quotient* (adversity power). struggle), namely the intelligence of an individual in facing obstacles or difficulties with tenacity and perseverance while still adhering to principles and dreams.

Fighting Spirit is a psychological concept about intelligence. To know the ability to face the difficulties that hinder someone, fighting spirit plays an important role in predicting how far a person is able to survive in the face of difficulties and how much ability to solve the problem. The term Spirit (AQ) in psychology is defined as challenges in life. The fighting spirit which is the most important breakthrough in human understanding of something that is needed to achieve success. Adversity ability is an ability to build character that reflects personal and increase self-confidence, as well as the ability to face anything that contains risk and is out of the ordinary enjoyable (Rizki et al., 2024) .

According to (Safitri, 2020) , fighting spirit is a description that complete about how humans deal with difficulties. While in fact, difficulties are the things that are most avoided but in the fighting spirit, it is a challenge that will make each person better. In the concept of fighting Spirit, individuals with high fighting Spirit will tend to feel responsible for the problems he faces when in trouble, able to control problems, skilled at finding fractions problems and focus on solutions.

Fighting Spirit is a theory that formulates what is needed to achieve success. ore of fighting Spirit is the ability that a person has in surviving difficulties o achieve the desired success, each individual has a different level of ipirit from each other. (Hadinata et al., 2017) Fighting Spirit is a form of

human intelligence that is able to provide a positive influence in terms of responding to and overcoming various tests, trials and difficulties in life.

Based on the definition above, it can be concluded that fighting Spirit is a person's attitude or ability to face all obstacles or existing difficulties.

2. Aspects of Fighting Spirit

According to (Lelievre & Stoltz, 2016) stated that there are four dimensions of fighting Spirit known as CO2RE, namely *control , origin and ownership , reach , and endurance* , namely:

a. Control

This aspect of control indicates how much an individual can feel in the face of an event that causes difficulties. The more control an individual has, the more the greater the possibility that a person will be able to survive in facing difficulties and hardships, but on the other hand, if the control possessed by the individual is low, it will result in the individual to be unable to survive the difficulties in his life.

b. Origin and *ownership*

The origin aspect focuses on how individuals identify the origin. obstacles. Ownership is the ability of a person to have sense of responsibility for the difficulties that occur. Ownership aspect emphasizes the importance of increasing the sense of responsibility as one way to expand control.

c. Reach

The reach aspect assesses how well an individual is able to limit the influence of a difficulty in his life. Individuals with high reach aspect will be able to limit the reach the influence of a problem such as conflict and an event that may

ırther commitments and actions are not the end of life.

ırance

The endurance aspect has two perspectives, namely the first regarding how long the difficulties will last and secondly how much how long the cause of the difficulty lasts. Endurance aspect is an individual's belief about the cause of a problem what happens is temporary.

3. **Factors of Fighting** Spirit

(Lelievre & Stoltz, 2016) depicts the potential and resilience of individuals in a tree called the tree of success. The aspects that exist In the tree of success, it is thought that it can influence fighting Spirit individuals, namely:

a. Internal Factors

   1) Genetics

   Genetic inheritance will not determine a person's fate but can influence, this is proven by research which states that genetics greatly underlies the behavior on which the research was conducted to hundreds of identical twins who have lived apart since birth and raised in different environments. When they grow up, children Identical twins living apart were found to be very similar in his behavior.

   2) Belief

   Beliefs influence a person in facing a problem and help someone in achieving life goals.

   3) Talent

   A person's ability and intelligence in dealing with conditions that are not favorable to him/her can be influenced by talent. Talent is a combination of ꭾe, competence, experience and skills.

   esire or Will

Achieving success in life requires a driving force. in the form of a desire or called passion. Desire describes motivation, enthusiasm, passion, drive, ambition and zeal.

5) Character

Individuals who have good character , enthusiasm, toughness and intelligence will have the ability to achieve success. Character is an important part for us to achieve success and life coexist peacefully.

6) Performance

Performance is the part that is easily seen by others so that This is often evaluated and assessed. A person's success in facing difficulties and achieving life goals can be carved through performance carried out by individuals.

7) Intelligence

Forms of intelligence are now divided into several fields which is often used and referred to in multiple intelligence. Field dominant intelligence can influence career, work, lessons and hobbies.

8) Health

Emotional and physical health can affect a person in responding to success. Individuals who are sick will distract him from the problem he was facing. Prime physical and mental condition will support a person in solve the problem.

b. External Factors

1) Education

Education can shape intelligence, form habits that healthy, character ᴴᵉⁿᵗ, skills, passion and performance produced. Research conducted by McMillan & Violato, 2008) stated that although individuals do not like ᵉ or misery resulting from a pattern of relationships with parents, but the

parents' problems directly play a role in the development of adolescent resilience. One of them is the inner way the formation of attitudes and behavior is through education.

2) Environment

The environment in which an individual lives can influence how individuals adapt and respond to the difficulties they face. Individuals who are accustomed to living in difficult environments will have resilience. higher struggle. Individuals who are accustomed and only being in a difficult environment will have the fighting Spirit bigger because of more experience and adaptability good at solving the problems he faced. Based on the description above, it can be concluded that the factors that influencing the fighting Spirit are internal and external factors. Internal factors What influences fighting Spirit is genetics, belief, talent, passion, character, performance, intelligence, and health. While external factors are education and the surrounding environment.

4. Fighting Spirit **Indicator**

According to (Arifin, 2020) There are 4 indicators that have fighting Spirit, namely:

a. *Control* or control is how much control an individual has in dealing with problem.

b. *Origin and ownership* or origin and recognition, namely what is the cause problems and how they relate to oneself.

c. *Reach* or extent is how a problem affects another dimension of life.

d. *Endurance* or endurance is the response to the time it takes place problem.

2.1.5. Creativity

:rstanding Creativity

general, creativity is formulated in terms of person , process and product.

can also be viewed from personal and environmental conditions that

encourage *(press)* individuals to behave creatively. Rhodes calls these four types of creativity definitions the " *Four P's of Creativity: Person, Process, Press, Product".* These four P's are interrelated, namely creative individuals who involve themselves in the creative process, and with support and encouragement (press) from the environment, produce creative products. (Munandar, 2021) . Creativity is the ability to create new combinations based on existing data, information, or elements. The new combination in question does not mean creating completely new things, but combining (combining) things that already exist.

Creativity is an individual mental process that produces new ideas, methods, or products that are imaginative, flexible, integrated and differentiated (Mulyani, 2023) . Creativity is defined as the process of emerging new results into an action. Meanwhile, according to other opinions, creativity is the ability to create something new (MT Ali et al., 2018) . In general, creativity is an individual mental process that produces new ideas, processes, methods or effective new products that are imaginative, aesthetic, flexible, integrated, successive, discontinuous, and differentiated that are useful in various fields to solve a problem (Nurliana et al., 2022) .

2. Characteristics of Creativity

In cultivating the creative spirit of early childhood, education and an environment are needed that can pay attention to the child's natural traits and support the growth of creativity. These basic natural traits need to be stimulated and developed so that their creative nature is not lost. There are five traits that characterize creative thinking abilities, namely *fluency,* flexibility *,* originality *,*

ɔn *,* and redefinition *(Ahmad Susanto)*

itude characteristics (the ability to think creatively) and *no-aptitude*

) characteristics. (D. Pratiwi, 2020) .

a. Aptitude (creative thinking skills), includes:

   1) Creative thinking skills

   2) Flexible thinking skills

   3) Original thinking skills

   4) Detailing skills

   5) Assessment skills.

b. Non-Aptitude (affective)

   1) Curiosity

   2) Imaginative in nature

   3) Feeling challenged by diversity

   4) The nature of daring to take risks

   5) Respectful Attribute

According to (Hutagalung et al., 2024) , the characteristics of creativity are as follows:

a. Enjoy seeking new experiences

b. Having fun doing difficult tasks

c. Have initiative

d. Have high perseverance

e. Tend to be critical of others

f. Dare to express your opinion

g. Always curious

h. Sensitive or sensitive

i. Energy and tenacity

   complex tasks

m the opinions above, it can be concluded that the characteristics of

are creative thinking, having a great curiosity, having imagination, daring

to take risks and being able to see a problem from various perspectives. So it can be understood how diverse the personalities of creative people are. Therefore, the role of teachers is very important in helping children balance their personality development so that children become creative and develop optimally.

3. **Stages of Creativity**

The creative process goes through four stages, namely preparation, incubation, illumination and verification. (Agustina et al., 2021) that is :

a. Preparation stage. At this stage a person prepares himself to solve problems by learning to think, looking for answers, asking others and so on.

b. Incubation stage. At this stage, the activity of searching and collecting data/information is not continued. The individual seems to temporarily detach himself from the problem, in the sense that he does not think about it consciously but in the pre-conscious realm.

c. Illumination stage. At this stage, "insight" or "Aha-Erlebnis" arises, when new inspiration or ideas arise, along with the psychological processes that initiate and follow the emergence of new inspiration/ideas.

d. Verification stage. At this stage, the new idea or creation must be tested against reality. This is where critical and convergent thinking is needed. In other words, the process of divergence (creative thinking) must be followed by the process of convergence (critical thinking).

Based on the discussion above, it can be concluded that the development of creativity goes through four stages. Therefore, a teacher or parent should know ...es of the development of children's creativity. It is not easy to identify ... which stage a process is taking place. However, what must be observed ...nptoms in the form of behavior that can be displayed by the individual.

4. **Creativity Indicator**

Indicators of creativity according to (Mukti, 2019) There are 4 (four) indicators of creativity, namely:

   a. Feeling of desire know

   b. Able to see problem from various corner view

   c. Easy convey a idea

   d. Willing take risk .

2.1.6. Generation Z

1. Definition of Generation Z

Generation Z is the generation with a productive age after the *Millennial Generation* . Generation Z, also known as Gen Z, is a group of individuals born between 1997 and 2012. They grew up and developed in the era of digital technology that has changed their thinking, interaction, and consumption patterns. Generation Z has unique characteristics that are different from previous generations, especially in terms of the use of digital technology. According to (Rizki et al., 2024) Generation Z has a preference for online shopping because of easy access to digital technology.

Research (Simamora et al., 2024) states that generation Z is the newest working generation, born between 1995 and 2012, also called the net generation or internet generation. Based on this research, generation Z is different from generation Y or millennials. In his book (Simamora et al., 2024) *How the Next Generation Is Transforming the Workplace* is explained, one of the differences Gen Y and Gen Z is that Generation Z has a more advanced grasp of gy, is more open-minded and doesn't care too much about norms.

neration Z has similarities with generation Y, but generation Z is able to activities at one time such as tweeting *using* a cellphone, *Browsing* with a

mobile device, and listening to music using a headset. Whatever is done is mostly related to the virtual world. Since childhood, generation Z has been familiar with technology and is familiar with sophisticated gadgets that indirectly affect their personality. At this age, generation Z is categorized as adolescence who at this age experience rapid changes in physical, emotional, social, moral and intelligence. Adolescents are divided into 3 categories of adolescence, namely early adolescence aged 12-15 years, middle adolescence aged 15-18 years and late adolescence aged 18-21 years (Dharmawan et al., 2021)

2. Generation Z Indicators

According to (Natalia & Rodhiah, 2019) explains a number of indicator children who are part of Generation Z:

a. Own ambition big For success

Child era Now tend own character Which positive and optimistic in reach out dream they.

b. Tend practical And behave instant (*speed*)

Children in era generation Z like practical problem solving. They No like linger take time out long process to observe a problem. Matter This due to Children are born into a world of instant gratification.

c. Love freedom And own believe self tall

This generation loves freedom. Freedom of speech, freedom of creativity, freedom of expression, and so on. They were born in a modern world, where most of them do not like lessons that involve memorization. They prefer lessons that involve exploration. Children in this generation mostly have high self-confidence.

e an optimistic attitude in many things.

evelopment MSME Performance

rstanding Development

According to (Warsitasari & Arifin, 2020) , development is a system in learning with the aim of supporting the student learning process which includes a series of events aimed at the internal learning process. According to Gegne and Brings, development is also all efforts to create conditions that influence and consciously support student learning to be achieved.

According to Abdul (A. Majid et al., 2023) , development is an effort to improve technical, theoretical, abstract (conceptual), and moral quality through education and training. Development is a procedure for creating structured learning activities. With the aim of being able to determine all actions (activities) that will be carried out in the learning method while still observing the abilities and competencies of students.

Development according to (MR Hasibuan et al., 2022) , is an effort to develop technical, theoretical, conceptual, and moral abilities according to the needs of the employee's job or position through education and training.

The essence of development according to (M. Ali et al., 2023) , is a formal and non-formal educational effort that is carried out rationally, systematically, according to objectives, and consistently with the aim of introducing, growing, directing, and improving the basis of personality. The basis of personality can foster balance, integrity, harmony, knowledge, and skills that are in line with interests and talents, ideals, and capacities as preparation for one's own initiative with the aim of adding and developing oneself towards achievement.

Development according to (Priansa & Annisa, 2024) , is an effort through several long-term educational processes involving structured and organized with the aim of managerial employees gaining knowledge conceptually etically.

Based on the opinions of the experts above, development is an effort made to develop and increase the capacity and quality of something with a certain method in creating quality.

2. Definition of MSMEs

MSME is a picture of the condition of a company during a certain period of time. This is a result or achievement that is influenced by the company's operational activities in utilizing the resources it has. (Bank, 2010) , MSME is a business that meets the requirements based on the number of employees, income and asset ownership. Meanwhile, according to (Legislation, 2021) No. 7 of 2021 MSME defines that micro businesses are productive businesses owned by individuals or individual business entities that meet the business criteria as regulated. According to (Indonesia., 2015) , MSME is an abbreviation for micro, small and medium enterprises. Bank Indonesia seeks to increase the role of MSMEs in the economy.

According to (Idawati & Pratama, 2020) states that MSME performance is the result of work achieved by an individual and can be completed with the individual's tasks in the company and in a certain period, and will be linked to the value or standard of the company that the individual's performance in working. In a performance produced by an MSME properly, it will be stronger to become the backbone of the economy and will play an increasingly important role in the national economy.

According to the Republic Law, No. 20 of 2008, the general provisions for MSMEs are as follows:

Enterprises are productive businesses owned by individuals and/or dual business entities that meet the criteria for Micro Enterprises as ated in this Law.

2) Small Business is a stand-alone productive economic enterprise, carried out by an individual or business entity that is not a subsidiary or branch of a company owned, controlled, or is part of either directly or indirectly a Medium Business or Large Business that meets the criteria of a Small Business as referred to in this Law.

3) Medium Enterprises are independent productive economic enterprises, carried out by individuals or business entities that are not subsidiaries or branches of companies owned, controlled, or are part of either directly or indirectly with Small Enterprises or Large Enterprises with the amount of net assets or annual sales results as regulated in this Law.

According to (Rahayu & Musdholifa, 2017) MSMEs are the results of work achieved by individuals who adjust to the role or task of the individual in a company in a certain period, which is associated with a certain value measure or standard in the company the individual works. MSMEs are one of the most important targets for financial management, namely by maximizing the prosperity of the owner in addition to maximizing the value of the company.

MSMEs are a complete display of the company's condition during a certain period of time, which are results or achievements that are influenced by the company's operational activities in utilizing the resources it has.

3. Factors Affecting MSMEs

According to (A.O. Siagian & Cahyono, 2021) , the factors that influence MSMEs are:

a. Sales growth

    ...wth is the increase in sales of a product or service over time. Sales growth

    ...s how well a business is performing in terms of revenue from sales. Sales

    ...an be measured by comparing sales year-over-year (YoY), quarter-over-

quarter, or month-over-month (MoM). If the calculation shows higher sales figures than the previous period.

b. Capital Growth

Capital growth, or capital appreciation, is the increase in the value of an asset or investment over time. Capital growth is measured by the difference between the current value of the asset or investment, or market value, and its purchase price, or the value of the asset or investment when it was acquired. Capital growth is usually calculated and expressed on an annual or yearly basis, as a percentage.

c. Labor force growth

Labor growth can be interpreted as the number of workers or employees who work on average per working day. Labor is a factor of production provided by human resources and is distinguished according to its nature and abilities. Labor can play an important role in economic growth, both as an actor of development and an economic actor individually or in groups. Labor can increase the productivity and welfare of society, as well as encourage the productivity of economic growth in a region.

d. Market growth

Market growth is the percentage increase in the size of a market over a given period. It can be measured by the percentage increase in sales value or volume over the past two years. To measure the market growth rate, we need to know the total market size in terms of revenue, which includes the total sales of the entire market with us and all competitors combined.

e. Profit Growth

fit growth is a ratio that shows the increase or decrease in profit earned

npany compared to the previous year. Profit growth can show the

ge increase in profit that a company can generate in the form of net profit.

According to Manizu, there are 2 types of factors that influence MSME performance, namely internal factors and external factors:

a. Internal Factors

Internal factors play an important role and become the foundation for building strengths and overcoming organizational weaknesses. Internal factors consist of human resource aspects, financial aspects, technical and operational aspects, and market and marketing aspects. Positive internal factors can be utilized by companies to achieve their missions, goals, and objectives. These factors include skills and knowledge, experienced sales force, positive public image and other factors. Internal factors are the basis for building goals and strategies in creating strengths and overcoming organizational weaknesses . Dimensions of internal factors include: (David, 2008)

1) Human Resources Aspect

Human resources are individuals who work and become members of a company or institution. Human resources cannot be separated from an organization, human resources are very necessary to run and develop a business, without human resources, the business cannot operate or cannot achieve its goals. Human resources can also be said to be assets and function as non-material capital in a business organization, which can be a real potential physically and non-physically to realize the existence of the organization.

2) Financial Aspects

The financial aspect certainly determines the sustainability of the business. Financial management must be done properly and correctly to ne capital for financing and business development, as well as seeking num profit. Financial aspects such as capital and profit generated by Es.

3) Aspects and Operations

MSME actors must consider technical and operational aspects such as location, production area, arrangement of business equipment, determining the technology needed by MSMEs, inventory methods, selection of quality workers.

4) Market and Marketing Aspects

Market and marketing are interconnected components with the same goal, which is to focus on consumer desires and needs. This is because the benchmark of a business is consumer satisfaction. The market itself is defined as a place where transactions occur between buyers and sellers.

b. External Factors

External factors are factors outside the business that have the potential to affect the business. External factors affect a company in determining the direction and actions that the company will take. External factors are divided into three:

1) Distant environment (economic, social, political, technological, and ecological),

2) Industry environment (barriers to entry, supplier power, buyer power, availability of substitute products, and competitive rivalry), as well as

3) Operational environment (competitors, creditors, customers, labor markets, and suppliers).

External factors are factors that come from outside the MSME. These factors can hinder the development of MSMEs. In the next few years, there will be various dynamics that will affect the development of MSMEs. These various actors include the following:

cts of government policy in the MSME sector

2) Social, cultural and economic aspects

3) Aspects of the role of the institution

4. Development Indicators MSMEs

According to (Winarso & Kurniawati, 2022) the following are indicators of MSME performance, as follows:

1. Sales Growth

Sales growth is one way of showing the size of a company's performance because one of the company's sources of income comes from sales .

2. Customer growth

Customer growth is the increase or decrease in the number of customers a company has from year to year. Customer growth can impact a company's profit or loss.

Customer growth rate is a metric that measures how quickly a company is acquiring new customers for its product or service. A positive customer growth rate can indicate that there is market demand for the product and that the company is successfully capitalizing on that demand. Customer growth rate can also be used to predict long-term success and financial stability, especially for SaaS businesses that use a recurring revenue model.

3. Profit growth

Profit growth is the increase or decrease in profit earned by a company compared to the previous year. By knowing the profit growth, the company can

e whether there is an increase or decrease in its financial performance.

fit is the positive difference between revenue in a period and the costs

to generate the profit. A company experiences a profit or gain if the

amount of revenue exceeds the amount of expenses, conversely the company experiences a loss if the amount of expenses exceeds the amount of revenue.

2.2. Previous Research

Before conducting further research, the author first looks at existing or previous researchers, in order to get clear references, and become better and perfecter. For more details, see table 2.1 below.

Table 2.1 Previous Research

NO.	Name/Year	Research Title	Research Methods	Results
1.	(Nofriser, 2024)	The Influence of Social Media on Increasing Entrepreneurship Awareness Among Generation Z in Rokan Hulu Regency	Descriptive and inferential statistical analysis techniques	The results of the study show that social media has a significant role in increasing entrepreneurial awareness among Generation Z. Social media platforms such as Instagram, Facebook, and TikTok contribute to disseminating information about business opportunities, inspiring business ideas, and providing space for *networking* and sharing experiences with fellow entrepreneurs. In addition, social media also plays a role in building a positive perception of entrepreneurship, which ultimately increases interest and intention to entrepreneurship among Generation Z

No.		Title	Method	Results
2.	(Pratama et al., 2023),	The Effect of Self-Efficacy, Motivation and Social Media Utilization on Entrepreneurial Interest in Generation Z in the East Surabaya City Area	Adescriptive statistical analysis Simple linear regression analysis	Results of this study The results of this study show that simultaneously all independent variables have a positive and significant effect on entrepreneurial interest in Generation Z in East Surabaya. The results of the partial variables of Self-Efficacy, Motivation and Social Media Utilization have a positive and significant effect on Entrepreneurial Interest in Generation Z in East Surabaya. The result of the coefficient of determination (R^2) was obtained at 48.0% which is the influence of the variables Self-Efficacy, Motivation and Social Media Utilization, the rest is influenced by other variables outside this study, such as capital, family environment, etc.
3.	(Prasetya, 2024)	The Influence of Social and Cultural Values on Interest in Using Social Media through the Attitude of Generation Z in Palembang City	Quantitative Methods Statistical Analysis	The results of this study investigate the influence of social influences and cultural values on the interest in using social media through the attitude of Generation Z in Palembang City. Statistical analysis was conducted to evaluate the relationship between social influencers, cultural values, Generation Z attitudes, and their interest in using social media. The results are expected to provide insight into the factors

No.	Author	Title	Method	Results
				that influence the behavior of Generation Z social media use in Palembang City, with implications for companies, governments, and educational institutions in designing strategies that are in accordance with the cultural values and social influence of Generation Z
4.	(Ramdhani & Madani, 2023)	Gen-Z Activation of MSME's Development Through Digitalization in Cases in the Kapanewon Moyudan Area	Qualitative descriptive	The results of the study revealed that Generation Z has an innovative role in developing MSMEs through digitalization. Through digital transformation, MSMEs can increase visibility and efficiency through e-commerce platforms and online promotions. This digital transformation is supported by the high penetration of the internet and social media in Indonesia. The government also plays a role in the development of Generation Z's digital skills through various programs. Generation Z who are digitally skilled are able to take an active role in developing MSMEs, as seen from the success of the KKN Conversion event in marketing MSME products from Moyudan. As seen in the results of this study, the role of Gen Z can be a hope for the progress of MSMEs in

|				the Kapanewon Moyuda area
5.	(Hutamy et al., 2021)	Analysis of the Canvas Model's Application to Micro-Entrepreneurs of Generation Z	Descriptive Research	Based on the results of the research conducted, it can be concluded that in the analysis of the application of the canvas business model in the micro business of generation Z entrepreneurs is 83%, which means that the response according to the respondents is Good. This is expected to be an alternative for generation Z entrepreneurs in running micro businesses such as online business ventures. The determination to choose a good business strategy tool is important so that a company can survive and be able to develop its business in the midst of fierce competition.
6	(Lestari, 2024)	U MKM Marketing Management Strategy in Generation Z Towards Brand Image	Qualitative Convenience Method	The results of the research at the MSME show show show that business actors have not been able to fully implement marketing strategies by utilizing existing social media platforms. The influence of social media on brand image proves that official social media involvement can affect the brand image of a product to strengthen the success of increasing business sales.

2.3. Conceptual Framework

A conceptual framework is a design or outline Which has initiated by researcher in to design process study. Framework thinking is explanation temporary to phenomenon Which becomes object problem. Framework This arranged with based on on review library results study Which relevant or bound. Criteria main so that a framework of thought that can be convincing is a train of thought that logical in building a conceptual framework that produces conclusions in the form of hypothesis. Problem Which has identified connected with the theory so that it is found also solutions to problems that has identified the. Matter This intended so that can answer or explain problems that have been identified.

Based on the description of the theoretical basis and previous research, a framework of thought can be prepared. Where , the independent variables *are Social* Values (X1) , Social Media (X2), Fighting Spirit (X3) and Creativity Generation Z (X4) while the dependent *variable variable)* is Local MSME Development (Y).

According to (Sugiono & Irwansyah, 2019) , a framework of thought is a conceptual model of how theory relates to various factors that have been identified as important problems.
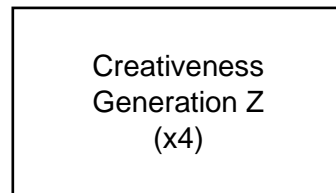
Research Framework

<div style="border:1px solid black; text-align:center;">
Creativeness
Generation Z
(x4)
</div>
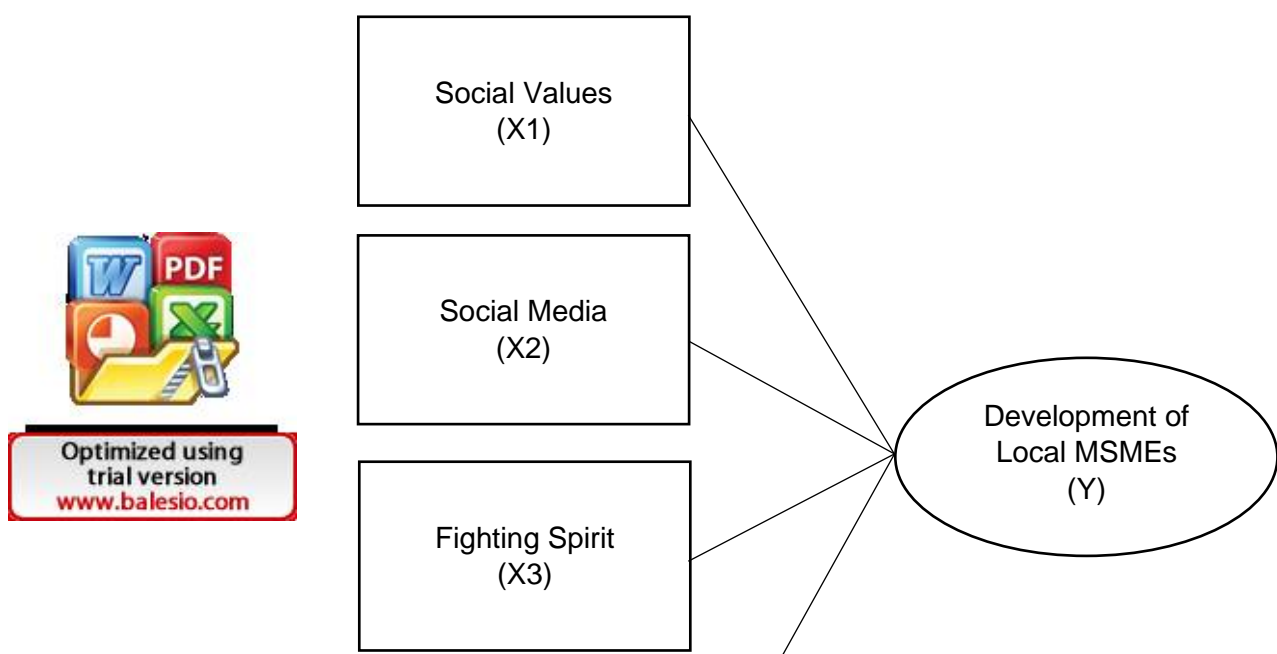
Figure 4.1

Framework Thinking

2.4. Hypothesis

The hypotheses that will be tested in this research are as follows:

Q 1 : Allegedly Social values have a positive and significant influence on the development of local MSMEs

Q 2 : It is suspected that social media has a positive and significant influence on the development of local MSMEs.

Q 3 : It is suspected that the Fighting Spirit has a positive and significant influence on the development of local MSMEs.

Q 4 : Allegedly Creativity Generation Z has a positive and significant influence on the development of local MSMEs

H 5 : Allegedly Social Values , Social Media , Power and Creativity Generation Z has a positive and significant influence on the development of local MSMEs