

FINANCIAL LITERACY AND CULINARY SMEs

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Abstract

Traditional food plays a significant role in the lives of people all over the world, including Indonesia. The combination of society and culinary creates a unique bond that is always fascinating to explore. Many individuals who run traditional food businesses have achieved unimaginable success, such as owning houses and vehicles. When we observe the process of these simple culinary businesses, it becomes clear that they alone cannot fulfill all of their daily needs. In this article, we will qualitatively describe the importance of accounting for the behavior of traditional Indonesian food from ancient times to the present. By examining the existing evidence, it is evident that these simple culinary businesses have thrived in the community for many decades. Accounting for the behavior of traditional Indonesian food businesses is essential for understanding their impact on the local economy and society. By studying their practices and strategies, we can gain insights into how these businesses have managed to thrive and adapt to changing market conditions.

Keywords: *Literacy, Finance, Culinary SMEs*

1. INTRODUCTION

Micro, small and medium businesses in the culinary sector have become a new magnet in the last few years in Indonesia, because they are able to open up many new job opportunities (Vermeulen et al., 2018). The fact is The culinary field is one of the entrepreneurial activities that is in great demand by people everywhere. This entrepreneurial activity is a field that is never empty of consumers. Consumers are always looking for what they already know from family, closest friends, and other closest groups, even social media which is always the information is updated by human resources who have good knowledge of the field (Vermeulen et al., 2018)

The activity of finding out about products offered on the market by a consumer is a normal activity to do. Their literacy about a product is a benchmark in making decisions to consume that product (Ye & Kulathunga, 2019). A culinary product will be the choice of many people if all consumer needs are contained in it. The opposite will happen if consumers do not find the necessary materials, so that replacement products will be sought.

When consumers are looking for a substitute product that may not be more expensive, but in terms of taste really fulfills consumers' needs and desires, then that is where business owners are obliged to maintain the value of their business (Taderera et al., 2014)). Business owners are obliged to pay attention to consumer needs if they want an increase in income that is even better than the existing one (Sustainable Oman, 2021). However, it will be easier for business owners to continue carrying out financial recording activities for business, even

if it is simple. Nowadays simple financial recording activities can be done by anyone, even housewives.

Carrying out simple financial recording activities can be done by anyone who wants order in the field of personal finance. Even a housewife who has never had financial education can do it well, because she wants to manage her family's finances. Especially for housewives who are micro, small and medium businesses in the culinary sector who have smartphones, currently there are many simple financial applications that can be selected in the application menu on their smartphones (Taderera et al., 2014). This simple financial application that can be selected can certainly help regulate and prevent losses or irregularities in the business finance sector (Svatošová, 2017)

This simple financial arrangement can be carried out regularly, so that strategic business development steps can also be taken (Quartey et al., 2017). Steps in developing a business are not just addition of new locations. The process of developing a business can also be marked by the addition of product variants (Sustainable Oman, 2021). Because with increasing product variants, it is certain that the amount of income will also increase.

2. LITERATURE REVIEW

2.1 Literacy

Literacy is a learning process in order to find a solution to a problem faced, in any field, by anyone. This process is required by many people in their daily activities. Literacy activities can be a solution for many people in many areas of daily community activities (Shezawi et al., 2018) People can carry out these literacy activities independently or non-independently without being disturbed by distance and time. All of these processes are solutions for many people to solve many problems in the required fields (Shezawi et al., 2018). This learning activity is strongly supported by current advances in technology and information. Current advances in technology and information really support literacy activities or learning many positive new things (Robson & Bennett, 2000). Armed with internet quota and equipment, everyone can gain new knowledge in many fields, including finances. If there is someone with better abilities to support people who want to learn, then the literacy process or transfer of knowledge will be better (Svatošová, 2017). Along with the development of science and technology and information, electronic equipment such as smartphones is not a luxury item for many people, although not everyone can afford to have one (Lusardi & Mitchell, 2007). For people who do not have smartphones However, they can obtain printouts of the applications they need. This can help with the necessary learning process so that it becomes knowledge and skills that are beneficial for themselves and their families and other people around them. Knowledge or literacy about financial activities in simple terms will become valuable knowledge. when the results are visible in numbers and facts (Lusardi & Mitchell, 2007)

2.2 Finance

Finance is a field of knowledge that has existed since ancient times. One of the simplest processes and has been carried out since ancient times is bartering. This process is one way for humans to fulfill life's needs. This activity of fulfilling life's needs was one of the most common solutions before the establishment of ancient currency (Shao et al., 2013).

After hundreds of years had passed, finally the currency value was determined by the people of that era. Determining the value of currency is finally able to improve the value of an object which in ancient times was considered not to have good value. Until now, financial activities carried out by the community have finally become better in many areas (Quartey et al., 2017) The financial sector has finally become one of the important areas of activity entrepreneurship which is carried out by many levels of society today (Lusardi & Mitchell, 2007).

2.3 Culinary SMEs

There are many interesting fields to choose from when it comes to carrying out entrepreneurial activities. One of the most interesting fields to carry out entrepreneurial activities is the culinary field. Micro, small and medium business activities in the culinary sector are considered to be a very interesting field from many sides (Ratanova & Voroncuka, 2021). Micro, small and medium businesses in the culinary sector are a field full of creativity in order to fulfill desires consumers (Ratanova & Voroncuka, 2021).

Creativity in micro, small and medium businesses in the culinary sector is the key to the process of attracting consumers. The shape of the product processed by many culinary business professionals may be the same, but the product execution in the final process is the key determinant (Ramachandran & Yahmadi, 2019) Polishing the product at the end of the process before being received by consumers is a differentiator from one producer to another. The concept of observing, imitating and modifying is the basis for the creativity of an entrepreneur in the culinary field (Ramachandran & Yahmadi, 2019).

The positive value of the culinary sector and creativity means that consumers always get the tools to fulfill their needs in the culinary sector. The creativity value of entrepreneurs in the culinary sector will be able to maintain the number and segments of consumers, as well as the income earned (Gherghina et al., 2020). Consumers in the culinary sector are consumers who can not only be satisfied by the many product variants offered and presented. The product variants offered and presented must also be supported by the taste desired and expected by consumers with appropriate value or price (Haddad et al., 2020).

3. RESEARCH METHODOLOGY

This research was written in order to convey facts in a qualitative descriptive manner regarding the need to know and understand financial literacy for culinary entrepreneurs, both in simple and more complex ways, so that the final result in the form of financial improvements can be obtained and losses can be avoided or minimized.

4. FINDINGS AND DISCUSSION

4.1. Literacy

Literacy is part of the learning process for some people who want to have better knowledge and abilities than before. Currently, this activity has become a very common thing for many people. Literacy activities are carried out by almost all groups of individuals from all spheres of society. This process of gaining new knowledge about many things is carried out by almost all levels of generations everywhere (Nunoo & Andoh, 2011). Apart

from across generations, many across genders also carry out these activities without feeling embarrassed or embarrassed by other people's views, because learning is the right of all humans (Johnsen & McMahon, 2005).

A lot of knowledge can be gained by anyone in this literacy activity, especially for many micro, small and medium business activities, learning activities about one of the support systems needed is very important (Haddad et al., 2020). The process of learning about finance for micro, small and medium enterprises is one of the important points in entrepreneurial activities. In this field, micro, small and medium enterprises in the culinary sector will be greatly helped by increasing knowledge in the field of finance (Lu & Beamish, 2001). Learning about the financial sector in a simple way will indirectly reduce or prevent losses. At a minimum, business actors are able to record the value of expenditure, production and profits earned every day.

Current advances in technology and information really open up opportunities for learning quickly and independently without being limited by distance and time (Nunoo & Andoh, 2011). Moreover, currently smart phones are not a luxury item for some people. Almost the majority Entrepreneurs must already have a smartphone (Lu & Beamish, 2001). Apart from being a tool to connect themselves with relationships, entrepreneurs can also access things related to their entrepreneurial activities.

Currently, cellphones and the internet are important for the process of independent literacy activities. However, learning independently or autodidactically will be better if there are other people as a place to ask questions interactively (Johnsen & McMahon, 2005). Indirectly, the knowledge obtained online will become more real as a result by obtaining explanations offline. For this reason, current entrepreneurs always take advantage of the time and opportunities to follow advances in financial science (Civelek et al., 2021).

Learning activities regarding financial bookkeeping for micro, small and medium enterprises for business actors has now become an important need (Hassan Al-Tamimi & Anood Bin Kalli, 2009). This learning process can be carried out independently or together with the support of academics and non-academics. Independent learning can be done when micro, small and medium entrepreneurs start learning to use financial applications (Gherghina et al., 2020). By using a smartphone at a minimum, the learning process can be carried out independently without being limited by distance and time.

Currently, micro, small and medium enterprises can find many financial bookkeeping applications (Hassan Al-Tamimi & Anood Bin Kalli, 2009). Various financial applications that exist today are available in the simplest to with even the most complicated ones. This application to support simple bookkeeping activities can be accessed and studied in a short time. All available applications can be selected according to the user's abilities (Florido et al., 2015).

4.2. Finance

Finance is one of the supporting pillars in entrepreneurial activities in any field, including the culinary field. The financial sector is an important pillar in the process of developing entrepreneurial activities apart from human resources and equipment (Florido et al., 2015). Without good bookkeeping and financial management skills, it is certain that entrepreneurial activities will not be able to develop smoothly good (Bawuah et al., 2014).

For housewives who are entrepreneurs, many people carry out simple bookkeeping activities (Neelufer & Al Amri, 2014). However, there are still many who only record their business finances in the form of the amount of initial capital and selling price. Financial recording model This kind of thing still causes the process of financial bookkeeping for business activities to be unclear. Based on this, it can be stated that there are still many housewives who are micro, small and medium businesses who need support to gain better knowledge regarding recording their business finances (Civelek et al., 2021).

The ability to carry out good and correct financial bookkeeping activities can be obtained after gaining good and correct literacy either by self-teaching or not independently (Berger & Udell, 1998). The learning process through books and e-books or the internet is the choice of the perpetrator entrepreneurs anywhere. After undergoing a good learning process, the choice of using appropriate financial applications is returned to the entrepreneur (Cassar, 2004). It is mandatory to choose a financial application that suits the user's abilities and comfort, so that the financial bookkeeping process is able to produce results optimal over a long period of time.

Financial applications available on the internet today are considered to be very helpful for business people in their bookkeeping activities (Cassar, 2004). Apart from being considered simple and easy to use even for users who are not yet smart, even entrepreneurs who have not studied the field of finance very well Many people also choose to use simple financial applications that are available online today. They consider these simple financial applications to really help them manage the finances of their entrepreneurial activities well (Berger & Udell, 1998).

Selecting a suitable application also requires more than sufficient literacy for novice users. Because sufficient literacy will be able to help determine the choice of appropriate financial applications (Bashir & Ondigo, 2018). If micro, small and medium enterprises choose not to use simple financial applications, they will continue to carry out business financial bookkeeping activities manually properly. All of this is an initial process for business owners to be able to develop their business by saving profits in the nearest bank before they make the choice to increase the number of business locations or buy equipment or supplies for their business (Bawuah et al., 2014).

4.3. Culinary SMEs

Micro, small and medium businesses are the entrepreneurial fields that are chosen and run by the majority of people in Indonesia (Neelufer & Al Amri, 2014). The business fields that are chosen by many entrepreneurs today are the culinary field. The culinary field is becoming the reason is that every creature needs food that is ready to be consumed at any time. Culinary is also an attractive business field because it is one of the fields with the fastest financial turnover (Bashir & Ondigo, 2018).

Another attraction of micro, small and medium businesses in the culinary sector today is that there is a very large variety of culinary delights in Indonesia. Starting from culinary in the form of processed dishes that are commonly cooked simply every day in Indonesian society, to culinary in the form of snacks that are commonly consumed by the public (Al Bulushi & Bagum, 2017). In fact, there are quite a few business actors The culinary sector processes food originating from other countries to be sold in Indonesia at different prices. All of this is expected to be able to meet consumers' needs to be able to enjoy various types

of processed food originating from Indonesia and abroad, at prices that are affordable for the Indonesian people (Al Bulushi & Bagum, 2017). It can be seen that currently various culinary processed products in Indonesia do not only sell authentic Indonesian food. Many culinary spots in Indonesia also sell processed culinary products that combine cooking recipes from outside Indonesia with food products made from native Indonesian ingredients (Alqassabi, 2020). The creativity of micro, small and medium businesses to combine flavors and product ingredients Local basis is a way to accommodate the needs and desires of non-local culinary fans (Al-Tit et al., 2019). All of this is done in order to obtain a better increase in income in the culinary sector.

Efforts to increase income for micro, small and medium enterprises in the culinary sector will be helped to find the selling value of products that are produced correctly (Al Badi, 2019). By determining the correct selling value, losses will be minimized within a short period of time not long. If the selling price cannot be changed in order to maintain the number of consumers, then a slight change must be made to the size of the product. Apart from changing the size of the product, the producer must find another product as a substitute product that is cheaper, but has almost the same quality (Al-Tit et al., 2019). The space for creativity in the context of developing micro, small and medium enterprises in Indonesia is currently at an extraordinary point (Al-Shanfari, 2012). Because quite a variety of new processed products can be found in many places throughout Indonesia. There are also various ways used in the context of promoting the business products produced, so that consumers are increasingly interested in paying for the products offered. This can indirectly improve and increase the income of micro, small and medium businesses, because the number of consumers will also increase (Al Badi, 2019).

5. CONCLUSION

Financial literacy is crucial for the success of micro, small, and medium enterprises. These businesses need to enhance their financial knowledge in order to thrive. By improving their financial literacy skills, they can effectively support the growth of the business sector. It is essential for every entrepreneur in this sector to have a basic understanding of financial concepts. Fortunately, in today's digital age, learning about financial literacy has become more accessible. Individuals can easily educate themselves through online resources, without any constraints of time or location. For those who prefer traditional methods, there are also books available that explain simple financial management techniques.

Financial literacy should be an ongoing knowledge transfer activity for many people everywhere. Transferring knowledge regarding simple bookkeeping activities should be an activity that can attract everyone from various segments without limitations. Without any limitations in the learning process, knowledge about financial bookkeeping activities, even if it is simple, is not complicated. Because so far the assumption has been created that knowledge about finance, even if only in simple form, is complex and specialized knowledge is only for people who run businesses.

For this reason, financial knowledge transfer activities should be introduced from an early age to school students. This will make the simple process of transferring financial knowledge easier. Because children have been introduced to with this knowledge from an

early age and in a very simple form. At the next level, a child's literacy development will be very good for himself and for sharing with others around him.

This research still does not cover a broader topic regarding the effects of financial literacy on ordinary people. Future researchers can develop observations regarding financial literacy for people in other business fields, so that they can arouse the desire of many people to increase and develop their financial literacy in the future.

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