

Sustainability of Kipas MSMEs Traditional Based Local Wisdom as Supporting Village Household Economy

Muhammad Khoirul Umam¹, Dimas Permana², Elsha Marselina³

Politeknik Siber Cerdika Internasional, Indonesia

Corresponding Author: muhammad_khoirul@polteksci.ac.id¹,
pd871154@gmail.com², ecamarselina@gmail.com³

Doi: <https://doi.org/10.64910/ecmont.v2i2.61>

Accepted: June 20, 2026 Approved: July 20, 2026 Published: October 02, 2026

Abstract

This study aimed to analyze the sustainability of traditional *hihid* micro, small, and medium enterprises (MSMEs) based on local wisdom as a means of supporting household economies in Kumbung Village, Rajagaluh District, Majalengka Regency. A descriptive qualitative case study design was employed, involving nine purposively selected informants: five *hihid* producers, three family members, and one dealer. Data were collected through in-depth interviews, non-participant observation, and documentation from March to June 2025 and analyzed using the Miles and Huberman model, framed by livelihood strategy and social capital perspectives. The results showed that traditional *hihid* MSMEs contributed 60 to 75 percent of total household income, with weekly output of 150 to 200 units sold to dealers at IDR 3,000 to 3,500 per unit, and functioned as a family economic strategy for income stability. Business sustainability was supported by inherited weaving skills, locally sourced bamboo, and the involvement of family members as labor, which kept production costs low. The dealer based marketing system, although offering limited added value, proved an adaptive mechanism providing market certainty. Sustainability was nevertheless constrained by product modernization and weak regeneration, since only two of the nine informants had identified successors. This study concluded that the sustainability of traditional MSMEs was determined not by business growth but by the capacity of households to secure income continuity and preserve local cultural identity. The novelty lies in positioning household economics, rather than firm competitiveness, as the analytical entry point for MSME sustainability.

Keywords: traditional MSMEs; *hihid*; local wisdom; household economy; business sustainability

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in the Indonesian economy, particularly in rural areas, where they function as a primary source of income and a means of reducing poverty. Estimates of their macroeconomic weight differ slightly between sources, but they converge on a contribution of approximately 61 percent of national GDP and the absorption

of close to 97 percent of the national workforce (Aprilia et al., 2025; Sinha et al., 2024).

Read together, these studies portray MSMEs less as a residual sector than as the structural backbone of the domestic economy: they supply essential goods and services that secure public access to basic necessities (Sinha et al., 2024), and in rural areas they operate as a social safety net that raises household income and reduces poverty (Aprilia et al., 2025). Their integration with local resources and cultural knowledge strengthens their role in promoting community development and economic resilience.

Despite their significant contribution, MSMEs face various challenges, including limited access to capital, difficulties with digitalization, and regulatory barriers, so that the strategies proposed for releasing their potential concentrate on improving access to finance and encouraging the adoption of digital technologies (Safitri et al., 2025). What this body of work shares, however, is a vantage point located at the level of the firm and of the aggregate economy; it says comparatively little about what MSME activity means inside the household that depends on it, which is the level at which the present study intervenes.

However, ongoing modernization, industrialization, and changes in consumer preferences have created serious challenges for the sustainability of traditional MSMEs. Mass-produced products are often more practical and easily accessible, gradually displacing traditional products in the market. This situation has caused many MSMEs based on local knowledge and experience to experience declining demand, business stagnation, and even closure. In fact, traditional MSMEs possess not only economic value but also social and cultural value, serving as an important part of local identity and community heritage (Umam et al., 2025).

This tension is not confined to Indonesia. Comparative work on craft based rural economies reports the same configuration elsewhere: Chen et al., (2021) show how batik production among the Miao population of Danzhai, China, has been mobilised as a rural development resource in which artisans must negotiate their position among competing stakeholders, while Ding et al., (2025) note that the ageing of skill holders, declining interest among younger generations, and industrial mass production recur as the dominant threats in the global craft heritage literature, and Shafi et al., (2022) find that handicraft enterprises which endure do so through incremental innovation rather than through preservation alone. Positioning the Indonesian case within this international debate clarifies that the problem examined here is a local expression of a widely documented pattern.

The challenges faced by traditional MSMEs as a consequence of modernization and changing consumer preferences are significant, affecting both their sustainability and cultural heritage. Traditional businesses compete with mass-manufactured products that offer greater convenience and accessibility, resulting in declining demand and business stagnation. However, these enterprises possess economic, social, and cultural value and function as vital components of local identity.

The following section explores several key aspects of this problem. Modern retail stores often overshadow traditional shops, resulting in shifts in consumer preferences toward organized and air-conditioned environments (Ali & Nurani, 2024). Traditional markets face competition from modern markets, which offer a wider variety of products and greater convenience, resulting in declining visitor numbers and sales among traditional vendors (Gani et al., 2024). Revitalization efforts, including improvements to digital infrastructure and training, have shown positive results, such as a 15% increase in visitor numbers and a 10% increase in revenue among participating traders (Gani et al., 2024).

Community service initiatives aimed at improving business management skills have helped traditional MSMEs, such as Dawet Ayu producers, improve operational efficiency and expand their market reach (Mulyono & Purnomo, 2025). Traditional MSMEs play an important role in preserving cultural heritage while contributing to the local economy, highlighting the need for a balanced approach to modernization (Casimiro et al., 2025). The coexistence of traditional and modern markets can promote community empowerment and cultural preservation, demonstrating that collaboration is essential for sustainable development (Nazaruddin et al., 2023).

Read as a body rather than as separate findings, these three studies converge on one implication: traditional enterprises rarely decline because their products lose cultural meaning, but because the channels through which those products reach consumers are reorganised around convenience and scale. Their survival therefore depends less on modernising the product than on securing the relationships and channels through which it is sold, an argument that remains empirically untested at the level of the producing household.

One form of MSME based on local knowledge that has survived to the present day is the traditional fan-making craft, locally known as *hihid*, in Kumbung Village, Rajagaluh District, Majalengka Regency. This business has been practiced since approximately 1970 and continues to maintain manual production processes using traditional weaving techniques passed down from generation to generation. Traditional fan-making MSMEs have become a

primary source of livelihood for business owners while contributing to household economic resilience in rural areas.

The sustainability of traditional fan-making MSMEs in Kumbung Village is an interesting phenomenon to examine scientifically. Amid the influx of modern products and the limited regeneration of business practitioners, these MSMEs have remained capable of surviving and generating income for business-owning families. This condition demonstrates the existence of adaptation mechanisms, household economic resilience, and the role of local knowledge, aspects that have not yet been extensively explored in academic research.

The sustainability of micro, small, and medium enterprises (MSMEs) can be effectively analyzed through the perspectives of household economics, social capital theory, and local knowledge. These enterprises often develop by utilizing non-financial resources, such as cultural values and social networks, which help them address economic challenges. Integrating local knowledge into business practices not only increases productivity but also preserves cultural identity, making sustainability a multifaceted concept encompassing economic, social, and cultural dimensions. Social capital strengthens community ties that support MSMEs, enabling them to share resources and knowledge (Sinarwati et al., 2019). This improves business performance by facilitating collaboration and trust among local entrepreneurs (Yudiantara et al., 2024).

Local knowledge provides guidance in utilizing indigenous resources and traditional techniques, which can lead to more sustainable practices (Sagajoka & Fatima, 2023; Yudiantara et al., 2024). It also contributes to the cultural identity of MSMEs, ensuring that business operations remain aligned with community values (Violinda et al., 2022). MSMEs that utilize social capital and local knowledge demonstrate improved performance and resilience while contributing to household income stability (Ruswandi et al., 2024).

A focus on sustainability extends beyond growth metrics to encompass the preservation of local culture and community welfare (Sagajoka & Fatima, 2023). On the other hand, although an emphasis on non-financial capital is important, some argue that without adequate financial resources and technological advancement, MSMEs may struggle to compete in global markets, potentially undermining their sustainability efforts.

Although traditional fan-making MSMEs in Kumbung Village have survived, they face several challenges, including limited market access, dependence on traditional marketing systems, low value-added products, and declining interest among younger generations in continuing traditional businesses. These problems potentially threaten the long-term sustainability

of the businesses. In addition, some MSME development policies and programs remain oriented toward business scaling and technological modernization, which may not necessarily align with the characteristics of MSMEs based on local knowledge. This situation raises a fundamental question: what is the actual role of traditional MSMEs in supporting household economies, and what factors enable these businesses to survive amid modernization pressures?

Normatively (*das Sollen*), local-knowledge-based MSMEs are expected to become a driving force for rural household economies, improve community welfare, and contribute to the preservation of local culture. Ideally, MSMEs should receive adequate support in marketing, product innovation, and capacity strengthening to ensure their sustainability. However, empirically (*das Sein*), many traditional MSMEs, including traditional fan-making businesses, continue to operate under conditions of limited capital, technology, and market access. Business sustainability often depends on individual resilience and family support rather than on structured support systems. The gap between normative expectations and empirical realities demonstrates the existence of a research gap, particularly concerning how traditional MSMEs can survive and the extent to which they contribute to household economies in rural areas.

Previous research has generally discussed MSMEs from the perspectives of business development, competitiveness enhancement, and technological innovation adoption. Studies on local-knowledge-based MSMEs have often emphasized cultural preservation or the economic potential of the creative sector, but relatively few studies have specifically examined the sustainability of traditional MSMEs as a means of supporting household economies through a micro-level approach based on business practitioners' experiences.

The novelty of this study lies in its focus on analyzing the sustainability of traditional fan-making MSMEs by placing household economics as the primary analytical perspective. Two forms of novelty are distinguished here. Contextual novelty lies in the object: the *hihid* weaving centre of Kumbung Village has not previously been documented in the academic literature, although it has operated continuously for more than five decades. Theoretical and empirical novelty lies in the reframing: sustainability is treated as a household livelihood outcome, measured by income continuity and skill transmission, rather than as a firm level performance outcome measured by growth, and that reframing is tested against the accounts of the producers themselves.

This research does not view MSMEs solely as economic units but also as an integrated livelihood and survival strategy for rural families grounded in local knowledge. A qualitative approach based on in-depth interviews and

observations allows the study to uncover empirical realities that are rarely accessible through quantitative research.

Based on the background and research gaps described above, this study aims to: (1) analyze the role of traditional, local-knowledge-based fan-making MSMEs in supporting household economies in Kumbung Village; (2) identify the factors that influence the sustainability of traditional fan-making MSMEs amid ongoing modernization; and (3) formulate strategic implications for the development and assistance of traditional MSMEs to ensure their continued sustainability.

This study is expected to deliver three benefits. Theoretically, it extends the discussion of MSME sustainability by relocating the unit of analysis from the firm to the household, so that sustainability is read as income continuity and cultural reproduction rather than as business scaling (Natarajan et al., 2022). Practically, it offers business actors and assistance providers an empirical picture of how local wisdom, family labor, and the dealer system interact, which can be used as a basis for designing assistance that does not dismantle the mechanisms that currently keep these enterprises alive.

In policy terms, the findings give village governments, cooperatives, and MSME support programmes a contextual reference for formulating interventions for craft based MSMEs whose operating logic differs from that of growth oriented enterprises (Grobar, 2019). Based on the research background, theoretical considerations, and empirical conditions of traditional fan-making MSMEs in Kumbung Village, Rajagaluh District, Majalengka Regency, the research questions are formulated as follows:

1. How do traditional, local-knowledge-based MSMEs contribute to supporting household economies in Kumbung Village?
2. How does the utilization of local knowledge in the production processes of traditional fan-making MSMEs contribute to household economic resilience?
3. How does the dealer based marketing system influence the business sustainability and income stability of traditional fan-making MSME actors?

RESEARCH METHOD

This study used a descriptive qualitative approach with a single case study design (Yin, 2018). This approach was chosen because it was considered the most appropriate for providing an in-depth description of the empirical reality of the sustainability of traditional fan-making MSMEs based on local knowledge as a means of supporting household economies. A case study design was selected because the phenomenon is bounded in place and time and cannot be separated from the village context in which it occurs. A

qualitative approach allowed the researchers to understand the meanings, processes, and dynamics of the socioeconomic conditions experienced by MSME actors within the context of their everyday lives, which could not be reduced to numerical data alone.

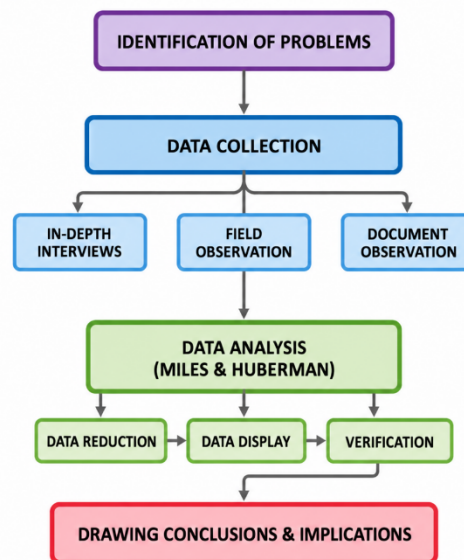


Figure 1. Research Flow of the Sustainability of Traditional Hihid MSMEs

The study was conducted in Kumbung Village, Rajagaluh District, Majalengka Regency. This location was purposively selected because Kumbung Village is one of the centers of traditional fan-making MSMEs (*hihid*) that has survived to the present day and has been managed from generation to generation. The research subjects were traditional fan-making MSME actors, particularly business owners who were directly involved in the entire production and marketing processes. In addition, supporting informants included family members involved in the businesses, as well as parties with knowledge of the product marketing context through the dealer system.

Informants were selected purposively using three criteria: the person had run a *hihid* business for at least five years, produced independently at home, and depended on the business as a source of household income. The set was then widened through snowball referral until no new information emerged, a point reached at the ninth informant. Nine informants took part: five producers (coded P1 to P5), three family members involved in production (F1 to F3), and one dealer (D1). Fieldwork ran for four months, from March to June 2025, and each producer was interviewed twice, with a follow-up visit for clarification.



Figure 2. Location of Traditional Hihid MSMEs in Kumbung Village

Table 1. Characteristics of the Informants

Code	Role	Age (years)	Years in business	Data collection technique
P1	Business owner and weaver	58	31	Interview, observation
P2	Business owner and weaver	47	22	Interview, observation
P3	Business owner and weaver	52	26	Interview, observation
P4	Business owner and weaver	68	45	Interview, observation, documentation
P5	Business owner and weaver	55	28	Interview, observation
F1	Family member, finishing stage	34	9	Interview
F2	Family member, bamboo splitting	61	30	Interview
F3	Family member, finishing stage	29	6	Interview
D1	Dealer, local and out-of-area markets	49	17	Interview, documentation

Source : Field data (2025)

Data were collected using several techniques, namely in-depth interviews, observation, and documentation. Semi-structured interviews were conducted to obtain information about business history, production processes, marketing systems, household income, and business actors' perceptions of MSME sustainability. The interview guide consisted of five thematic blocks: business history and skill acquisition; the production process and raw material sourcing; the marketing channel and price formation; household income composition and expenditure; and perceptions of succession and the future of the craft.

Each interview lasted between 45 and 90 minutes and was recorded with the informant's permission. Observation followed a checklist covering the eight production stages, the division of labor by household member, the tools used, and the interaction between producer and dealer at the point of collection. Non-participant observation was conducted to directly examine the manufacturing process of traditional fans, the use of weaving techniques, the division of labor within families, and interactions between business actors and middlemen. Documentation was used as a supporting and verification technique and included production records, sales price data, photographs of production activities, and other relevant documents related to MSME sustainability. These data collection procedures follow established conventions for qualitative case study research (Yin, 2018).

Ethical procedures were observed throughout the fieldwork. Before each interview the researchers explained the purpose of the study, the intended use of the data, and the right to decline or to withdraw at any stage, and verbal informed consent was obtained and recorded. Recording was carried out only with explicit permission. All informants are identified by code rather than by name, and no household level financial figure is reported in a form that would identify an individual producer. Permission to conduct research in the village was obtained in advance from the Kumbung Village administration.

The research data were analyzed using a descriptive qualitative approach, following the stages of data analysis proposed by Miles and Huberman: data reduction, data presentation, and conclusion drawing (Miles et al., 2020). Data reduction involved selecting and focusing on data relevant to the research objectives. In practice, interview recordings were transcribed verbatim and read line by line. Open coding produced 38 initial codes, which were then grouped into 11 categories and finally into the three themes used to organise the findings below: household income and livelihood, local wisdom as non-financial capital, and the dealer based marketing channel.

Coding was carried out independently by two members of the research team and differences were resolved through discussion until an agreed coding

frame was reached. Data were presented in the form of structured narrative descriptions based on the main themes, namely household economics, local knowledge, and MSME sustainability. Conclusions were drawn by identifying patterns, relationships, and meanings emerging from the research findings.

Data validity was ensured through triangulation techniques, including source triangulation and methodological triangulation. Source triangulation was conducted by comparing data obtained from MSME actors, family members, and other supporting informants. Methodological triangulation was conducted by comparing the results of interviews, observations, and documentation to enhance the validity and credibility of the research findings. Concretely, the income figures reported by each producer were checked against the quantities recorded by the dealer and against the output counted during observation visits; where the three differed, the lower figure was adopted and the discrepancy noted.

Statements about the division of household labor were cross-checked with the family members concerned, and statements about price formation were cross-checked with the dealer. A summary of the preliminary findings was returned to three producers for member checking, and their corrections, which concerned the seasonality of demand, were incorporated into the analysis.

RESULT AND DISCUSSION

This section presents the scientific findings obtained from the field study on the sustainability of traditional fan MSMEs (*hihid*) based on local wisdom in Kumbung Village, as well as an analytical and comparative discussion with the findings of previous studies. The discussion focuses on the role of MSMEs in supporting the household economy, the mechanisms underlying business sustainability, and the factors influencing the resilience of traditional MSMEs amid the pressures of modernization.

Table 2. Profile of Traditional Hihid MSMEs in Kumbung Village

No	Aspect	Information
1	Type of business	Traditional fan MSME (<i>hihid</i>)
2	Business location	Kumbung Village, Rajagaluh District, Majalengka Regency
3	Year established	± 1970
4	Business ownership	Individual/family business
5	Number of workers	1–2 people (family members)
6	Production system	Manual/traditional weaving
7	Marketing system	Through local and out-of-area dealers

8	Source of household income	Main source of family income
---	----------------------------	------------------------------

The Role of Fan MSMEs Traditional in Supporting the Household Economy

The main findings of the study show that traditional fan MSMEs in Kumbung Village function as the primary source of income for the households of the business owners. Income generated from the production and sale of traditional fans is used to fulfil basic family needs, such as food, education, and daily necessities. The scale of that dependence is measurable. The five producing households recorded a weekly output of between 150 and 200 units, sold to dealers at IDR 3,000 to 3,500 per unit, which yields a monthly income of roughly IDR 1.8 million to IDR 2.8 million per household.

Cross-checked against the household expenditure reported by the same informants, this stream accounts for between 60 and 75 percent of total household income; the remainder comes from seasonal agricultural wage labor, which is available only during planting and harvest. These findings indicate that traditional fan MSMEs are not merely supplementary economic activities but also serve as an economic strategy for maintaining household livelihoods.

“If we stop weaving for a week, no money comes in that week. There is no salary here and no other work nearby. From this work we eat, and from this work the children go to school.” (P2, interview, 12 April 2025).

From a scientific perspective, this condition can be explained through the concept of a livelihood strategy, in which rural households utilize the resources they possess, particularly family skills and labor, to maintain the sustainability of their economic livelihoods (Natarajan et al., 2022). Dependence on household-based MSMEs occurs because of limited access to formal employment and large-scale business capital.

This pattern is consistent with Chen et al., (2021), who show that heritage craft production in rural China is sustained by household and village level networks of production, distribution, and exchange rather than by firm level expansion, and with Ferreira et al., (2019), whose account of subsistence artisan entrepreneurship treats craft work as a livelihood practice embedded in local tradition rather than as a growth oriented venture.

Within Indonesia, the same dependence appears in the findings of Listiana et al., (2023); Muhaimin et al., (2025), although both remain at the level of business performance. The present finding extends that literature by quantifying the dependence: where those studies assert that traditional

MSMEs matter to rural households, the figures reported above specify how much of the household budget the activity actually carries.

Table 3. The Role of Traditional Hihid MSMEs in the Household Economy

Household Economic Aspects	Forms of MSME Contribution
Fulfillment of basic needs	Financing food and daily necessities
Family education	Supporting children's educational expenses
Income stability	Providing regular, although limited, income
Economic resilience	Reducing dependence on other informal jobs
Livelihood strategy	Serving as the primary source of household income

Source : Interviews with nine informants, non-participant observation, and documentation (2025), verified through source and method triangulation

Table 4. Contribution of Hihid Production to Household Income

Informant	Weekly output (units)	Dealer price (IDR/unit)	Monthly income from hihid (IDR)	Share of household income (%)
P1	180	3,200	2,304,000	70
P2	150	3,000	1,800,000	65
P3	165	3,200	2,112,000	60
P4	200	3,500	2,800,000	75
P5	170	3,300	2,244,000	68

Source : Interviews with five producing households and dealer records (2025), four week average

The subsequent findings show that the sustainability of traditional fan MSMEs is strongly influenced by the utilization of local wisdom in the production process. All stages of production, beginning with the selection of raw materials, weaving techniques, and the shaping of the fans, are carried out manually using skills inherited across generations. None of the five producers learned the technique through formal training; all of them acquired it at home before the age of fifteen, and four of the five source their bamboo from gardens within the village, which removes the raw material from the cost structure altogether. This local wisdom functions as a form of non-financial capital that enables the businesses to continue operating despite limitations in technology and capital.

“Nobody taught me in a course. I watched my mother while she worked, and my hands learned by themselves. The bamboo comes from behind the house, so what we spend is time, not money.” (P4, interview, 20 April 2025).



Figure 3. Production Process of Traditional Hihid

Table 5. Forms of Local Wisdom in Traditional Hihid MSMEs

Aspect of Local wisdom	Implementation in MSMEs
Traditional Skills	Weaving techniques inherited across generations
Local raw materials	Utilizing materials that are readily available around the village
Family-based work patterns	Production carried out by family members
Cultural values	Products reflecting local cultural identity
Local knowledge	Production processes based on empirical experience

Source : Interviews with nine informants, non-participant observation, and documentation (2025), verified through source and method triangulation

This phenomenon can be explained through the theory of social and cultural capital, in which local knowledge and cultural values become important factors in maintaining business continuity (Sinarwati et al., 2019; Yudiantara et al., 2024). Local wisdom creates production cost efficiency because it utilizes readily available raw materials and production techniques that do not require substantial technological investment.

These findings align with Sagajoka & Fatima, (2023); Violinda et al., (2022), who treat local wisdom as a productive asset rather than as a cultural residue, and with Utami et al., (2025), whose work on bamboo craftsmen reports the same cost advantage from village sourced raw material. They also qualify that literature: the efficiency observed here is not a strategic choice but a structural condition, since the absence of capital leaves producers with no alternative input. The distinction matters for assistance design, because an intervention that replaces local material with purchased material would remove the very margin that keeps these households solvent.

The research findings also show that the marketing system of traditional fan MSMEs in Kumbung Village remains dependent on the dealer system. The products are sold to local and out-of-area dealers at relatively stable prices, although profit margins remain limited. All five producers sell exclusively to two dealers, who collect the output weekly at the house and pay in cash on collection. The dealer interviewed resells the fans in the markets of Majalengka and Cirebon at IDR 6,000 to 8,000 per unit, which means that producers retain roughly half of the final consumer price. None of the producers sells directly to end consumers, and none uses digital channels. Although this system limits the bargaining position of business owners, its existence provides market certainty and reduces the risk of losses resulting from unsold products.

“The price is set by the collector, and we cannot bargain much. But the goods are always taken and the money is handed over on the spot. If I sold them myself at the market, I would lose a day of weaving and might come home with nothing.” (P1, interview, 14 April 2025).

Table 6. Marketing System of Traditional Hihid MSMEs

Aspect Marketing	Condition of MSMEs
Distribution channels	Local and out-of-area dealers
Selling price	Relatively stable, with limited margins
Bargaining position of business owners	Low
Marketing risk	Low (products are consistently absorbed by the market)
Impact on business	Ensures continuity of income

Source : Interviews with nine informants, non-participant observation, and documentation (2025), verified through source and method triangulation

From a scientific perspective, dependence on the dealer system reflects an adaptive strategy employed by traditional MSMEs in response to limitations in market access. In the context of the household economy, income certainty is

often prioritized over the possibility of obtaining higher profits through riskier market strategies. Examined critically, the arrangement carries a clear trade-off. On the benefit side it transfers three risks away from the household: the risk of unsold stock, the risk of price negotiation, and the opportunity cost of the working day that direct selling would consume.

On the cost side it caps the household at roughly half of the final consumer price, prevents any accumulation of market knowledge, and leaves producers structurally unable to respond if a dealer withdraws, since no alternative channel has ever been built. The system is therefore stabilising in the short run and immobilising in the long run, and this is precisely why the widely recommended remedy of direct digital marketing Ryazinhaw et al., (2025) cannot simply be transplanted here: it removes the certainty before it supplies a substitute. This reading resonates with Ferreira et al., (2019), who identify the weak articulation between artisan producers and the wider market as the central constraint on subsistence artisan entrepreneurship, and it qualifies Gani et al., (2024), whose revitalisation model assumes a producer able to absorb transitional risk.



Figure 4. Schematic of the Dealer Based Marketing System of Traditional Hihid MSMEs

The study also found that the main challenges to the sustainability of traditional fan MSMEs originate from the pressures of modernization and the low interest of younger generations in continuing the business. More modern and practical products produced on a mass scale have contributed to a decline in demand for traditional fans. The evidence for weak regeneration is specific rather than impressionistic. The five producers are between 47 and 68 years old, with a mean of 56, and only two of the nine informants could name a family member willing to continue the business.

In the three remaining households the children work in garment factories or in retail in Cirebon and Bandung, and the parents themselves described the craft as work they did not wish their children to inherit. In addition, younger generations' perceptions of the low income and social status associated with

traditional businesses also contribute to the lack of regeneration among business owners.

“My son knows how to weave, he learned as a child. But he works at the factory now. He says one day at the factory is worth three days of weaving, and he is not wrong.” (P5, interview, 22 May 2025)

Table 7. Challenges to the Sustainability of Traditional Hihid MSMEs

Challenge Aspect	Impact on Sustainability
Modern products	Declining consumer interest
	Difficulty in increasing income
Business regeneration	Lack of interest among younger generations
Market access	Dependence on dealers
Policy support	Lack of policies specifically targeting traditional MSMEs

Source : Analysis of interviews with nine informants, observation, and documentation (2025), verified through source and method triangulation

From a scientific perspective, this phenomenon can be explained through social change theory, in which transformations in the values and preferences of younger generations affect the sustainability of traditional businesses. The pattern is not local. Ding et al., (2025) record the ageing of skill holders and declining youth participation as recurring threats to craft heritage across the global literature, and Shafi et al., (2022) show that handicraft enterprises which survive do so through incremental innovation rather than through preservation alone.

Listiana et al., (2023) reach a comparable conclusion for Indonesian youth in the Tapis craft. What the present case adds is the mechanism: regeneration fails here not because the skill has been lost, since the children can weave, but because the return per working day is uncompetitive with factory wages. The obstacle is therefore one of relative income, not of cultural transmission, and it will not be resolved by training programmes alone.

Overall, the findings of this study address the research objective by demonstrating that traditional fan MSMEs based on local wisdom play a significant role in supporting the household economy while simultaneously contributing to the preservation of local culture. The novelty of this study lies in its emphasis on MSME sustainability as a household economic strategy rather than solely as a business-unit issue. Its specific contribution can be stated in two parts.

Theoretically, it shows that the sustainable livelihoods perspective Natarajan et al., (2022) accounts for these enterprises better than firm level competitiveness models, because the asset that is actually being sustained is the household income floor rather than the business. Practically, it identifies the dealer relationship and the village bamboo supply as the two mechanisms that any assistance programme must preserve rather than replace. These findings contribute theoretically to the study of MSMEs and rural economics, as well as practically to the formulation of policies and programs for mentoring and supporting MSMEs based on local wisdom.

CONCLUSION

This study concludes that traditional fan MSMEs (*hihid*) based on local wisdom in Kumbung Village play a strategic role in supporting the household economy while preserving local cultural heritage. These MSMEs are not merely subsistence activities but a livelihood strategy that carries between 60 and 75 percent of household income. The sustainability of these enterprises is supported by inherited weaving skills, the use of local raw materials, and the involvement of family members in the production process.

This local wisdom functions as non-financial capital that enables businesses to continue operating despite limited capital and technology. The dealer based marketing system, although limiting profit margins and the bargaining position of business owners, provides market certainty and minimizes the risk of losses. However, this study also identifies challenges to sustainability, particularly the pressures of modernization and weak business-owner regeneration. Future research could address these limitations through longitudinal tracking of the same households.

ACKNOWLEDGEMENT

The authors thank the traditional *hihid* producers of Kumbung Village, Rajagaluh District, Majalengka Regency, for their willingness to share their time and their accounts of their work, and the Kumbung Village administration for facilitating access to the field. The authors also thank Politeknik Siber Cerdika Internasional for institutional support during the research.

REFERENCES

- Ali, A. M., & Nurani, M. F. (2024). Existence Shop Traditional And Modern Shops; Aspirations Trader Small And Regulation Government Regency Land Sea. *Journal Of Accounting Research Politala*, 7(1), 1–9. <https://doi.org/10.34128/Jra.V7i1.368>
- Aprilia, N., Subroto, W. T., & Sakti, N. C. (2025). The Role Of Small And Medium Enterprises (Smes) In Supporting The People's Economy In Indonesia. *International Journal Of Research And Scientific Innovation*, Xi(Xii), 368–376. <https://doi.org/10.51244/Ijr.si.2024.11120036>
- Casimiro, J. A., Romualdo, K., & Santiago, V. S. (2025). *Advancing Innovation In Philippine Cultural Msmes: Balancing Tradition And Modernization*. Philippine Institute For Development Studies. <https://doi.org/10.62986/Pn2025.05>
- Chen, Z., Ren, X., & Zhang, Z. (2021). Cultural Heritage As Rural Economic Development: Batik Production Amongst China's Miao Population. *Journal Of Rural Studies*, 81, 182–193. <https://doi.org/10.1016/J.Jrurstud.2020.10.024>
- Ding, C., Ismail, N. A., Hussein, M. K., & Hussain, N. (2025). A Systematic Review Of The Traditional Handicrafts Preservation Toward Sustainable Intangible Cultural Heritage. *Sage Open*, 15(3). <https://doi.org/10.1177/21582440251337837>
- Ferreira, J., Sousa, B. M., & Gonçalves, F. (2019). Encouraging The Subsistence Artisan Entrepreneurship In Handicraft And Creative Contexts. *Journal Of Enterprising Communities: People And Places In The Global Economy*, 13(1/2), 64–83. <https://doi.org/10.1108/Jec-09-2018-0068>
- Gani, A., Wardhani, R. S., Yunita, A., & Zukhri, N. (2024). Sustainability Of Traditional Markets On Face Of Modern Market In Province Of Bangka Belitung Islands. *Journal Of Community Service And Society Empowerment*, 3(01), 30–36. <https://doi.org/10.59653/Jcsse.V3i01.1166>
- Grobar, L. M. (2019). Policies To Promote Employment And Preserve Cultural Heritage In The Handicraft Sector. *International Journal Of Cultural Policy*, 25(4), 515–527. <https://doi.org/10.1080/10286632.2017.1330887>
- Listiana, I., Rara, R., Gultom, D. T., & Nurmayasari, I. (2023). Business Sustainability Analysis Of Tapis Jejama Kham Msmes Among Youth. *Agriecobis*, 6(02). <https://doi.org/10.22219/Agriecobis.V6i02.25619>
- Miles, M. B., Huberman, A. M., & Saldaña, J. (2020). *Qualitative Data Analysis: A Methods Sourcebook* (4th Ed.). Sage Publications.
- Muhaimin, M., Wahyudi, S., Juniati, L., & Merina, B. (2025). Local Wisdom As Key Msme Success On White Sand Beach: Building A Creative Economy Culture-Based. *Journal Educational Management And Science Social*

- Sciences (Jmpis)*, 6(4), 2774–2791.
<https://doi.org/10.38035/Jmpis.V6i4.4971>
- Mulyono, P., & Purnomo, S. (2025). Assistance For The Management Of Micro, Small, And Medium Enterprises (Msmes) “Dawet Ayu” Typical Of Banjarnegara. *Aspirasi*, 3(5), 95–102.
<https://doi.org/10.61132/Aspirasi.V3i5.2240>
- Natarajan, N., Newsham, A., Rigg, J., & Suhardiman, D. (2022). A Sustainable Livelihoods Framework For The 21st Century. *World Development*, 155, 105898. <https://doi.org/10.1016/j.worlddev.2022.105898>
- Nazaruddin, M., Kamil, A. I., Nasution, A., & Aulia, F. (2023). The Survival Of Acehese Traditional Markets In The Modernization Era. *Journal Peuradeun Scientifc*, 11(3).
<https://doi.org/10.26811/Peuradeun.V11i3.1021>
- Ruswandi, W., Wulandari, R., Juliansyah, E., Resmanasari, D., & Mulia, V. P. (2024). Financial Literacy And Social Capital On Performance For Msme Sustainability. *Ekombis Review: Jurnal Ilmiah Ekonomi Dan Bisnis*, 12(1), 1133–1144. <https://doi.org/10.37676/Ekombis.V12i1.5111>
- Ryazinharwa, H., Revika, S. P., Zen, F. F., Fadhilah, K. K., Ramadhani, N., & Yusniah, Y. (2025). Empowerment Of Traditional Msmes Budin Keripik Through Digital Branding In Tempel Jaya Village. *Sewagati*, 4(1), 114–126. <https://doi.org/10.56910/Sewagati.V4i1.3248>
- Safitri, N., Dinana, A., & Mashudi, M. (2025). Msmes As The Backbone Of The Economy: Optimizing Potential And Facing Various Challenges. *Public Service*, 2(1), 28–38. <https://doi.org/10.61166/Service.V2i1.10>
- Sagajoka, E., & Fatima, I. (2023). Wisdom Local, Social Capital And Development Sustainable. *Analisis*, 13(2).
<https://doi.org/10.37478/Als.V13i2.2938>
- Shafi, M., Szopik-Depczyńska, K., Cheba, K., Ciliberto, C., Depczyński, R., & Ioppolo, G. (2022). Innovation In Traditional Handicraft Companies Towards Sustainable Development: A Systematic Literature Review. *Technological And Economic Development Of Economy*, 28(6), 1589–1621. <https://doi.org/10.3846/Tede.2022.17085>
- Sinarwati, N. K., Yuliarmi, N. N., & Utama, M. S. (2019). *Social Capital And Sustainability Of Msmes*. 182–192.
<https://doi.org/10.32528/Pi.V0i0.2478>
- Sinha, K. J., Sinha, S., & Sinha, B. J. (2024). Micro, Small, And Medium-Sized Enterprises (Msmes): The Significant Role And Challenges In Indonesia's Economy. *International Journal For Multidisciplinary Research*, 6(3).
<https://doi.org/10.36948/Ijfmr.2024.V06i03.20824>
- Umam, M. K., Askarno, A., & Rochmansyah, B. N. (2025). Optimizing A Local

- Resource-Based Business Model For The Gadod Weaving Industry: Increasing Brand Awareness And Customer Engagement. *Journal Of Research Of Social Science, Economics, And Management*, 5(4), 4165–4180. <https://doi.org/10.59141/Jrssem.V5i4.1176>
- Utami, M. R., Afif, N. A. N., & Mujib, M. (2025). Empowerment Msmes Craftsmen Bamboo Through Training Digital Marketing In Villages Kembangkuning, Magelang. *Journal Citra Bakti Scientific Community Service*, 6(3). <https://doi.org/10.38048/Jailcb.V6i3.5445>
- Violinda, Q., Widodo, S., & Prasetyo, D. A. (2022). Improvement Productivity Business Based Mark Wisdom Local To Smes In The Village Jatijajar. *Selaparang*, 6(1), 464. <https://doi.org/10.31764/Jpmb.V6i1.7179>
- Yin, R. K. (2018). *Case Study Research And Applications: Design And Methods* (6th Ed.). Sage Publications. <https://doi.org/10.4135/9781506336169>
- Yudiantara, I. G., Sudibia, I. K., & Yuliarmi, N. N. (2024). Sustainability Study Of Small And Medium Industries Based On Local Wisdom In Denpasar City. *Journal Of Quantitative Economics Applied*, 17(2), 295. <https://doi.org/10.24843/Jekt.2024.V17.I02.P08>