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## Determining Factors for the Escalation of MSME Turnover in Depok

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**Abstract:** The aim of this research was to analyze important factors that have an impact on increasing the turnover of micro-, small, and medium enterprises (MSMEs) in Depok. The research took place from August 1 to August 30, 2023, focusing on 371 MSME actors selected through random sampling from the population of New Business Owners (WUB). This research used a quantitative/deductive approach with data processing using multinomial logistic regression. The uniqueness of this research lies in its focus on a previously unexplored subject: New Entrepreneurship (WUB) MSMEs in Depok. This particular sector has not been studied before, making this research groundbreaking and significant in contributing to the existing body of knowledge. The research concluded that most MSMEs in Depok (49.6%) experienced an increase in turnover, while the remainder (47.2%) managed to maintain their turnover. Only 3.2% of MSMEs in Depok experienced a decline in turnover over three consecutive years (2021-2023). Factors that influence increased turnover include the age group, product type, number of permits, number of workers, increased production, increased assets, increased capital, and marketing area.

**Keywords:** MSMEs, Depok, turnover escalation.

## 德波中小微企业营业额上升的决定因素

**摘要：**本研究的目的是分析影响德波中小微企业(中小微企业)营业额增加的重要因素。该研究于 2023 年 8 月 1 日至 8 月 30 日期间进行，重点关注从新企业主(世界银行)群体中随机抽样选出的 371 名中小微企业参与者。本研究采用定量/演绎方法，并使用多项逻辑回归进行数据处理。这项研究的独特之处在于它关注了一个以前未探索过的主题：德波的新创业(世界银行)中小微企业。这一特定领域以前从未被研究过，这使得这项研究具有开创性，并且对现有知识体系的贡献具有重要意义。研究得出的结论是，德波的大多数中小微企业(49.6%)的营业额有所增加，而其余的(47.2%)则设法维持营业额。德波只有 3.2%的中小微企业营业额连续三年(2021-2023 年)下降。影响营业额增加的因素包括年龄组、产品类型、许可证数量、工人数量、产量增加、资产增加、资本增加和营销领域。

**关键词：**中小微企业、德波、营业额升级。

## 1. Introduction

The existence of MSMEs cannot be eliminated or avoided in today's national society because it is very useful in the equitable distribution of people's income. In addition, it can also give birth to creativity as part of efforts to maintain and develop the traditional elements and culture of the local community. On the other hand, MSMEs can absorb labor on a large scale because of Indonesia's large population, thus reducing unemployment. From there, it can be seen that the existence of MSMEs, which are labor-intensive businesses using simple and easy-to-understand technology, can be a place for everyone to work together [1, 2].

MSMEs are a type of business that plays an important role in Indonesia. The importance of the role of small and medium enterprises is shown through the promulgation of Law of the Republic of Indonesia Number 20 of 2008 concerning Micro, Small and Medium Enterprises. In Indonesia, there are several types of small and medium enterprises, such as manufacturing companies, trading companies, and service companies [3, 4]. Manufacturing companies or commonly called factories are a type of business that processes raw goods into semi-finished goods or finished goods and then sells them to consumers. Using multiple regression analysis to determine if there is a significant relationship between sociodemographic characteristics and perceptions of age, physical structure of the company, annual turnover, property, and assets are independent variables selected. The dependent variable is turnover escalation [5, 6]. The research hypothesis is as follows:

*Hypothesis 1:* There is a significant relationship between age and the escalation of turnover in Depok.

*Hypothesis 2:* There is a significant relationship between product types and the escalation of turnover in Depok.

*Hypothesis 3:* There is a significant relationship between legality and turnover escalation in Depok.

*Hypothesis 4:* There is a significant relationship between labor escalation and turnover escalation in Depok.

*Hypothesis 5:* There is a significant relationship between production escalation and turnover escalation in Depok.

*Hypothesis 6:* There is a significant relationship between asset escalation and turnover escalation in Depok.

*Hypothesis 7:* There is a significant relationship between capital escalation and turnover escalation in Depok.

*Hypothesis 8:* There is a significant relationship between the capital marketing area and turnover escalation in Depok.

## 2. Literature Review

### 2.1. Age

Age can be interpreted as the length of time a person lives, calculated from the year of birth to their last birthday. Age can also be measured using units of time viewed in chronological terms. Based on age categories according to the WHO, the division of age categories can be divided into several categories, namely toddlerhood, childhood, early adolescence, late adolescence, early adulthood, late adulthood, early old age, late elderly, and elderly. Identification of commodities and types of leading MSME businesses can help improve the regional economy. Since the definition of MSME underwent many revisions, there must be difference in the experiences of different MSMEs operating in different eras. Therefore, it is imperative to investigate the impact of the age of MSMEs, the duration since establishment, on their business activities [7, 8]. The age and experience of an organization are considered synonymous. Empirically, age is used as a proxy of experience where not much information is available regarding the latter. In this study, questions regarding social security initiatives or societal initiatives taken by MSMEs were asked. Social responsibilities included activities like contribution to children's welfare, working for upliftment of the poor, contribution to the health care sector, promoting education, and environmental initiatives like tree planting.

During the literature review on the correlation between the age of an organization and its social security initiatives, it was discovered that older firms contribute more toward fulfilling social responsibilities than younger firms. It was hypothesized that age may not be a significant factor influencing social security initiatives; therefore, there is no obligation for companies to engage in such initiatives or CSR activities. Further research indicated that the age of a company, along with its size and industry type, is a positive and significant determinant of CSR. However, it was concluded that the age of a company does not have a direct impact on CSR activities and is not a significant factor in determining the extent of CSR initiatives undertaken by the organization [9, 10].

### 2.2. Product Type

Various regions are home to a diverse array of products, including those from culinary, fashion, agri-, beauty, and digital businesses. Among these, culinary and fashion businesses stand out as particularly popular among the community. These MSMEs consistently generate profits through their goods and food offerings, which are in high demand due to evolving trends and innovative community preferences [11, 12].

In general, MSMEs are engaged in the industrial and goods and services sectors. In accordance with Presidential Decree No. SK 127 of 2001, the following

categories of products are manufactured:

- 1) Food and beverage processing industry, which adheres to regulations governing salt preservation, salting, sweetening, smoking, drying, boiling, frying, and fermentation using traditional methods.
- 2) Yarn processing industry transforming artificial fibers into patterned yarn through dyeing and tying techniques using hand tools.
- 3) Textile industry encompassing weaving, knitting, manufacturing, and embroidery of batik fabrics utilizing ATB or hand-operated tools, particularly for batik, peci, skullcap, and similar items.
- 4) Processing of non-food forest products and forest materials for construction or household purposes, such as bamboo, nipah, shingles, charcoal, and coconut. Industrial materials like gum, bark, natural silk, and gambier are also included.
- 5) Industrial manual or semi-mechanical hand tools for carpentry and cutting.
- 6) Agricultural industry tools essential for land preparation, production processes, harvesting, post-harvest activities, and processing, excluding hoes and shovels.
- 7) Production of pottery, both glazed and unglazed, for domestic use.
- 8) Maintenance and repair services for automobiles, marine vessels under 30 GT, electronics, and household appliances conducted manually or semi-automatically.
- 9) Handicraft industry showcasing a diverse range of regional cultural heritage with artistic value, utilizing both natural and artificial raw materials [13, 14].

### 2.3. Legality

Business legality is important for MSMEs. Business legality and distribution permits are crucial in the business world. Having a valid business legality and distribution permit not only meets legal requirements but also brings various benefits to business owners, such as giving confidence to customers, business partners, and investors that the business is run with integrity and in accordance with established standards [15, 16]. MSMEs must have legal business legality to obtain legal certainty and means of empowerment to be able to develop their business. Legality can also help MSMEs obtain loans for business and make it easier to develop their business [5, 11].

Legality can greatly benefit MSMEs by facilitating business growth and operational efficiency. Establishing a clear business entity status is a crucial factor that simplifies the process of running a business for MSMEs. MSMEs must take care of business licensing to obtain official legality. MSMEs can obtain Micro and Small Business Licenses (IUMK) through licensing systems like JakEvo or Risk-Based OSS, which serve as evidence of legality on a national scale. Legality enables MSMEs to safeguard the rights of their businesses, owners, and consumers [16, 17].

Business legality and distribution permits can also open access to wider markets and new business opportunities. Having legitimate business legality can help MSMEs gain the trust of customers, business partners, and investors, as well as open access to wider markets and new business opportunities.

MSMEs are one of the solutions to optimize the use of national resources and improve community welfare while supporting the economic sector. Obstacles or problems for MSMEs related to business licensing are a very important issue and require special attention. Most people often ignore permits, even though they are critical in providing certainty of the legality of a business. Obtaining a Micro Business License (IUMK) is crucial for MSMEs seeking to secure capital for business development. This licensing process offers numerous benefits, including business protection, ease of cooperation, legality, tax awareness, and easy access to financial resources from financial institutions. In addition, industrial business licenses are required for small and medium entrepreneurs requiring legality or compliance with documents to support businesses operating in the industrial sector, such as domestic industrial food business licenses (PIRT), which are home-based businesses or MSMEs run by homes as activity centers [1]. This home-based business is growing and becoming one of the main supports of the national economy in Indonesia. This is evidenced by the number of home-based small and medium entrepreneurs in Indonesia. This license is important because it ensures that the home-based food or beverage business sold meets the current food standards, all of which are necessary to maintain compliance with customer safety and comfort and create good relationships between government business owners and customers.

### 2.4. Labor Escalation

Labor escalation is an increase in the number of workers in a particular industry or sector. The term “escalation” can also refer to the adjustment of the unit price of contract components, including labor, construction materials, energy, and equipment, to the contract value at the time of bidding [18, 19]. Labor escalation in MSMEs is related to their growth. Although this topic is not directly related to the presentation of material on the relationship between medical, consumer, advertising, and social media, it can be a relevant factor in the context of MSME marketing and management. Labor escalation in MSMEs can include increasing the number of employees, managing human resources, increasing productivity, and their impact on business growth. In the context of marketing and social media, a qualified workforce can help manage advertising campaigns and interact with consumers. Workforce escalation can also be related to efforts to improve operational efficiency and productivity through the specialization of roles and

responsibilities [1, 20]. Successful MSMEs will often face increased demand for their products or services, requiring more manpower to meet consumer needs. Social entrepreneurs tend to experience a lower level of work-related wellbeing, leading to escalation of exit intention, which undermines their business sustainability and career development. Thus, social entrepreneurs should be sufficiently aware of the role of work-related wellbeing and find appropriate alternatives to improve it. Furthermore, relevant governmental agencies should provide more support, such as relevant policies, facilities, training, and consultation, to improve social entrepreneurs' work-related wellbeing [1, 21].

### 2.5. Production Escalation

Production escalation in MSMEs refers to the increase in the production of goods or services offered by businesses. This can be a critical step in increasing revenue and business growth. Evaluation of MSME production needs must understand current and future production needs. This includes evaluating market demand, estimating sales, and planning to meet production needs. Production process optimization Check and improve efficiency in the production process. This could involve identifying and improving bottlenecks in production, a more efficient use of raw materials, or the use of technology that can automate parts of the process.

Increasing production capacity can involve expanding facilities, adding machinery and equipment, or increasing employee productivity. This may require capital investment. Opening new product lines or relevant services can help increase sales and production. Investing in technology is crucial for enhancing production efficiency. By utilizing the appropriate technology, businesses can streamline their operations and increase productivity. This can include production management software, automation machines, or IoT (internet of things) for production monitoring. Maintaining consistent product quality is paramount, even as production levels increase. It is imperative to ensure that the quality of the end product remains unwavering.

### 2.6. Asset Escalation

The significance of MSMEs has gained recognition in both developed and developing countries for their substantial contributions to achieving various socioeconomic objectives such as fostering higher employment growth, increasing output, promoting exports, and nurturing entrepreneurship. They play a crucial role in the industrial development of any country [22]. The MSME sector is an important pillar of the Indian economy as it greatly contributes to its growth. This sector even assumes greater importance as the country moves toward a faster and inclusive growth agenda. Moreover, the MSME sector can help realize

the target of the proposed national manufacturing policy of raising the share of the manufacturing sector in GDP from 16% at present to 25% by the end of 2023 [21]. Asset escalation in MSMEs refers to the growth or increase of business assets. The growth of these assets can involve business expansion, increased revenue, and wealth accumulation. Here are some common ways to optimize MSME asset escalation: 1. increasing sales and revenue; 2. diversifying products or services; 3. geographical expansion or opening of new branches; 4. innovation and market research; 5. online expansion. It is important to carefully plan and manage asset escalation, considering risks and potential return on investment. Action taken must be aligned with the long-term business strategy and vision of MSME owners. Without innovation, most SMEs will not be able to adapt to the structural changes occurring in their economic environment [8, 23].

This mistake in Indonesia's MSME development strategy during its implementation has caused Indonesian MSMEs to lag behind other countries. Indonesian SMEs play a crucial role in the economy by providing significant employment opportunities. However, it is important to recognize that their potential extends beyond simply absorbing labor. In fact, Indonesia's SMEs have the capacity to drive innovation and contribute to the country's economic growth, much like SMEs in developed nations. To increase competitiveness, SMEs must continuously innovate. To determine the impact of innovation on the competitiveness of SMEs, a measure is needed. When measuring innovation, the factors that need attention are innovation culture and innovation capacity, while when measuring competitiveness, the indicators need to pay attention to product competitiveness and innovation capacity business competition [10, 22].

### 2.7. Capital Escalation

The economy is a robust and dynamic sector of the country, akin to that of developed nations with high levels of economic growth. Indonesia, with the fourth largest population in the world, is a developing country poised for significant growth and advancement. The rapid development of infrastructure, industrial goods, services, and technological innovations is driving economic progress and paving the way for Indonesia to transition into a developed nation [4, 13]. Capital budgeting is considered an important thing that business actors should do when making project decisions. National economic growth contributes to the economic development and progress of each region. This cannot be separated from the MSMEs that dominate each region [14, 24].

The business landscape in Indonesia is predominantly comprised of micro- and small businesses, and the supporting factors for regional economic development through the development of SMEs include the following: 1) community potential;

2) entrepreneurs; 3) credit institutions; 4) related agencies; 5) cooperatives are business entities. This factor must be strengthened by local government policies that encourage the development of small and medium businesses. The development of small and medium enterprises in the regions needs to achieve several goals: 1) attracting development to the regions; 2) creating added value; 3) creating jobs; 4) increasing regional income; 5) improving income distribution; (6) increasing entrepreneurial knowledge through technological change [17].

MSME capital escalation can be achieved through several programs provided by the government and privately. Working capital management through MSME collaboration can help in increasing capital and expanding market reach. Good branding can help MSMEs increase investor confidence and invest to develop their business. The MSME digitalization program aims to increase export scale and reach a wider domestic market. Securities crowdfunding and peer-to-peer lending can help MSMEs obtain capital without collateral. The People's Business Credit Program (KUR) can help MSMEs increase business capital [7].

## 2.8. Marketing Area

The marketing area of MSMEs can vary depending on the type of business, the products or services they offer, and the marketing strategies they use. Here are some marketing areas commonly used by MSMEs:

1. *Local or nearby areas*: Many MSMEs start by focusing on the local market or nearby area. They serve customers within their own community or beyond.

2. *Region*: Some MSMEs expand their coverage to the regional level. It can cover a larger administrative area or a group of cities or counties.

3. *Nation*: Some MSMEs can become national players and reach customers across the country. They may use broader distribution strategies or partner with national retailers.

4. *International*: Ambitious MSMEs may decide to enter the international market. This involves exporting their products to other countries or actively marketing them to international customers.

5. *Online*: E-commerce has opened opportunities for MSMEs to sell their products online, which can reach customers in various regions, even internationally. Online businesses can include online stores, e-commerce platforms, and social media [19].

## 3. Research Methods

This research uses a quantitative/deductive approach. A quantitative approach allows researchers to measure certain variables and analyze their relationships using statistical tools. Deductive research involves starting with a general theory or hypothesis, which is tested for validity using empirical data. Data collection techniques in this research include

observation, documentation, and surveys. The population of this research is New Entrepreneurship (WUB) MSME actors in Depok. The research utilized a random sampling technique to select participants. Through this method, 371 MSME actors were chosen to be part of the study. The collected data were analyzed using multinomial logistic regression processing. Multinomial logistic regression is a statistical classification method that is an extension of binary logistic regression for multiclass problems, i.e., problems with more than two separate possible outcomes. Multinomial logistic regression is used to model the relationship between a dependent variable that is polychotomous or multinomial in nature and several independent variables that are continuous, categorical, or both. Multinomial distribution is a generalization of binomial distribution with the criterion that the number of categories is more than two. Multinomial logistic regression is also known by several other names, such as polytomous LR, multiclass LR, softmax regression, multinomial logit (mlogit), maximum entropy classifier (MaxEnt), and conditional maximum entropy model.

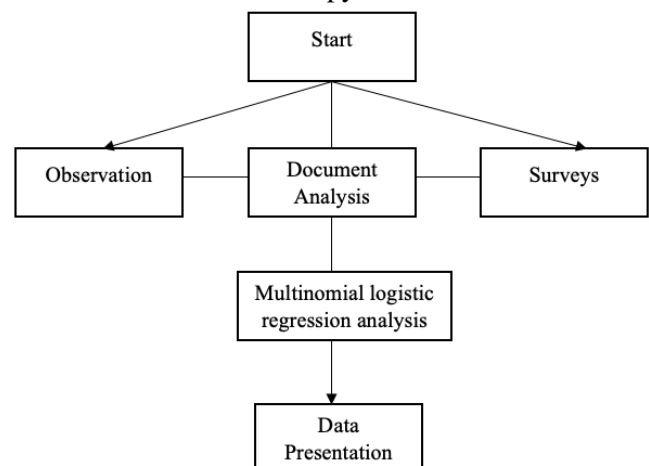


Fig. 1 Research flow (Developed by the authors, 2024)

## 4. Results and Discussion

### 4.1. Bivariate Analysis

MSME players in Depok totaling 371 people experienced an escalation (increase in turnover) of 49.60%, while those who managed to maintain their turnover of 47.20%. These data were obtained based on field observations for three consecutive years (2021-2023).

Table 1 Analysis of the escalation of MSME actors' turnovers by age group (Developed by the authors, 2024)

Age Group	Turnover Escalation			Total
	Fixed	Down	Up	
<=25	44.40%	11.10%	44.40%	100.00%
25-30	18.80%	0.00%	81.30%	100.00%
30-40	39.70%	6.40%	53.80%	100.00%
40-50	50.30%	2.60%	47.10%	100.00%
>=50	53.20%	1.30%	45.50%	100.00%
Depok	47.20%	3.20%	49.60%	100.00%

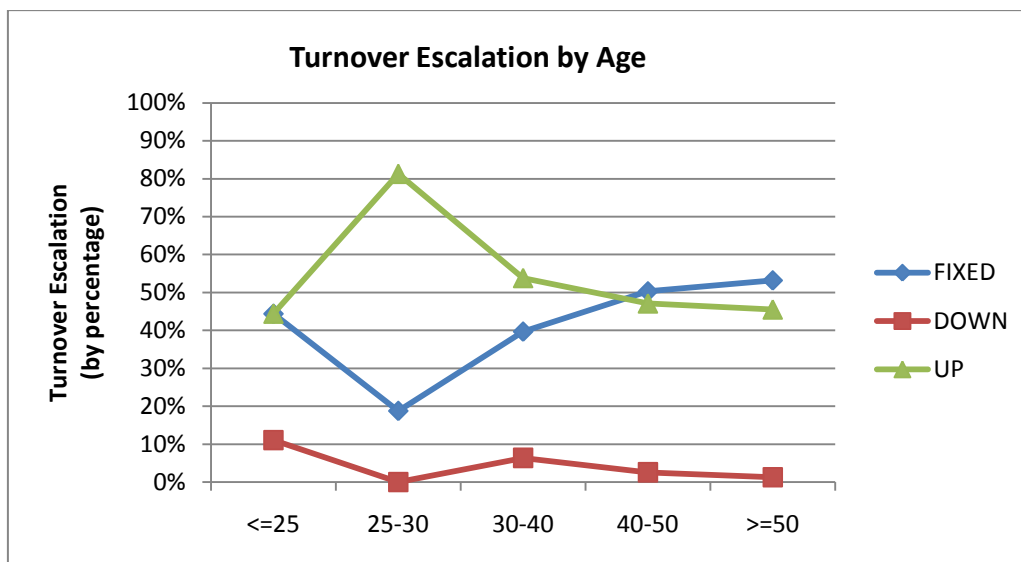


Fig. 2 Analysis of the escalation of MSME actors' turnovers by age group (Developed by the authors, 2024)

Referring to the escalation of MSME turnover in Depok by age group, it can be seen that the age of 25-30 years experienced an escalation in turnover of 81.30%. The MSME players who managed to maintain turnover were over 50 years old with a percentage of 53.20%.

Product Type	Turnover Escalation			Total
	Fixed	Down	Up	
Craft	44.40%	0.00%	55.60%	100.00%
Fashion	33.30%	16.70%	50.00%	100.00%
Culinary	48.70%	1.90%	49.40%	100.00%
Other	40.00%	8.60%	51.40%	100.00%
Basic Food	42.90%	14.30%	42.90%	100.00%
Depok	47.20%	3.20%	49.60%	100.00%

Table 2 Analysis of the MSME actors' turnover escalation based on product type (Developed by the authors, 2024)

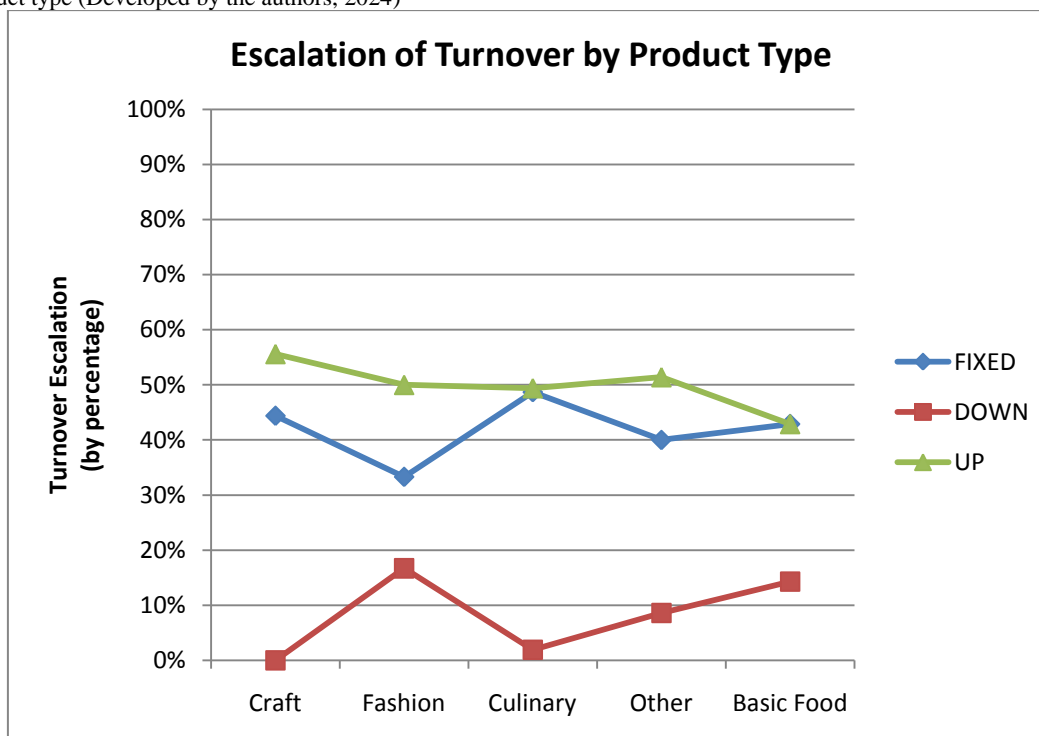


Fig. 3 Analysis of the MSME actors' turnover escalation based on product type (Developed by the authors, 2024)

Referring to the escalation data on MSME turnover in Depok based on product type, it can be seen that MSMEs of craft products experienced an escalation in turnover of 55.60%. The MSME players who managed to maintain turnover were in the culinary sector with a percentage of 48.70%.

Table 3 Analysis of the MSME actors' turnover escalation based on legality (Developed by the authors, 2024)

Legality Status	Turnover Escalation			Total
	Fixed	Down	Up	
Legality 1	55.50%	6.20%	38.40%	100.00%
Legality 2	47.00%	0.00%	53.00%	100.00%

Continuation of Table 3					Legality>=4	20.00%	6.70%	73.30%	100.00%
Legality 3	41.00%	1.60%	57.40%	100.00%	Depok	47.20%	3.20%	49.60%	100.00%

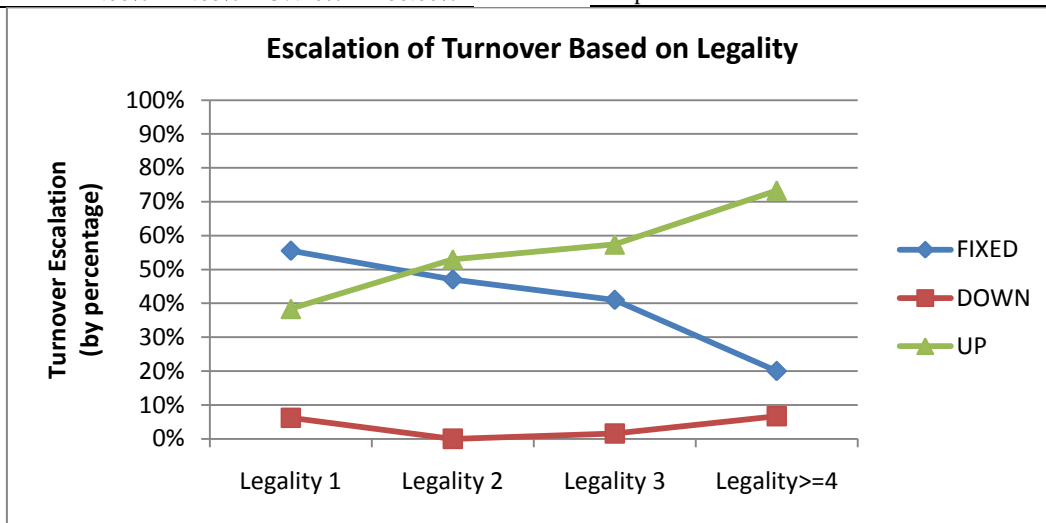


Fig. 4 Analysis of the MSME actors' turnover escalation based on legality (Developed by the authors, 2024)

Referring to the escalation data on MSME turnover in Depok based on legality status, it can be seen that MSMEs with more than four permits experienced an escalation in turnover of 73.30%. The MSME actors who succeed in maintaining turnover have License 1 with a percentage of 55.50%.

labor escalation (Developed by the authors, 2024)				
Labor Escalation	Turnover Escalation			Total
	Fixed	Down	Up	
Fixed	54.90%	3.90%	41.20%	100.00%
Down	40.00%	20.00%	40.00%	100.00%
Up	33.80%	1.50%	64.70%	100.00%
Total	47.20%	3.20%	49.60%	100.00%

Table 4 Analysis of the MSME actors' turnover escalation based on

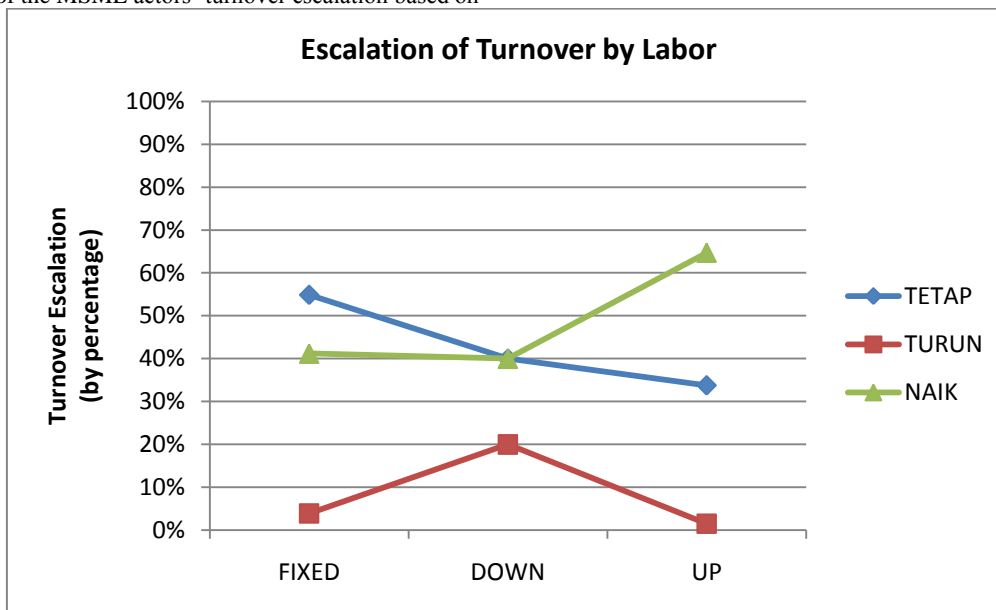


Fig. 5 Analysis of the MSME actors' turnover escalation based on labor escalation (Developed by the authors, 2024)

Referring to the data on the escalation of MSME turnover in Depok based on labor escalation, it can be seen that MSMEs that have increased have an escalation in turnover of 64.70%. The MSME players managed to maintain a fixed turnover of 54.90%.

Table 5 Analysis of the MSME actors' turnover escalation based on production escalation (Developed by the authors, 2024)

Production Escalation	Turnover Escalation			Total
	Fixed	Down	Up	
Fixed	56.80%	10.80%	32.40%	100.00%
Down	70.60%	4.90%	24.50%	100.00%
Up	35.30%	1.30%	63.40%	100.00%
Depok	47.20%	3.20%	49.60%	100.00%

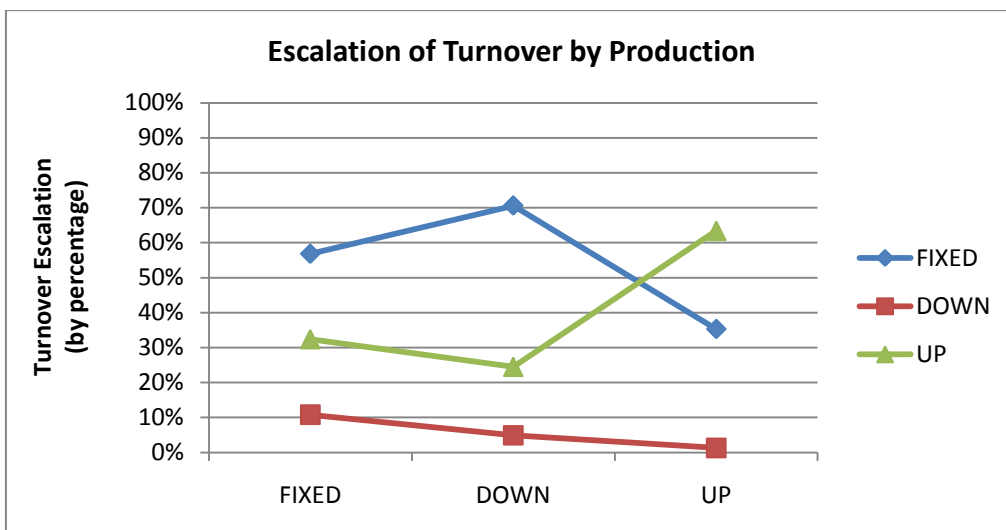


Fig. 6 Analysis of the MSME actors' turnover escalation based on production escalation (Developed by the authors, 2024)

Referring to the escalation data on MSME turnover in Depok based on production escalation, it can be seen that MSMEs that have increased have experienced an increase in turnover of 63.40%. The MSME players who managed to maintain production escalation turnover fell by 70.60%.

asset escalation (Developed by the authors, 2024)

Asset Escalation	Turnover Escalation			Total
	Fixed	Down	Up	
Fixed	52.20%	3.20%	44.60%	100.00%
Down	44.40%	11.10%	44.40%	100.00%
Up	43.40%	2.90%	53.70%	100.00%
Depok	47.20%	3.20%	49.60%	100.00%

Table 6 Analysis of the MSME actors' turnover escalation based on

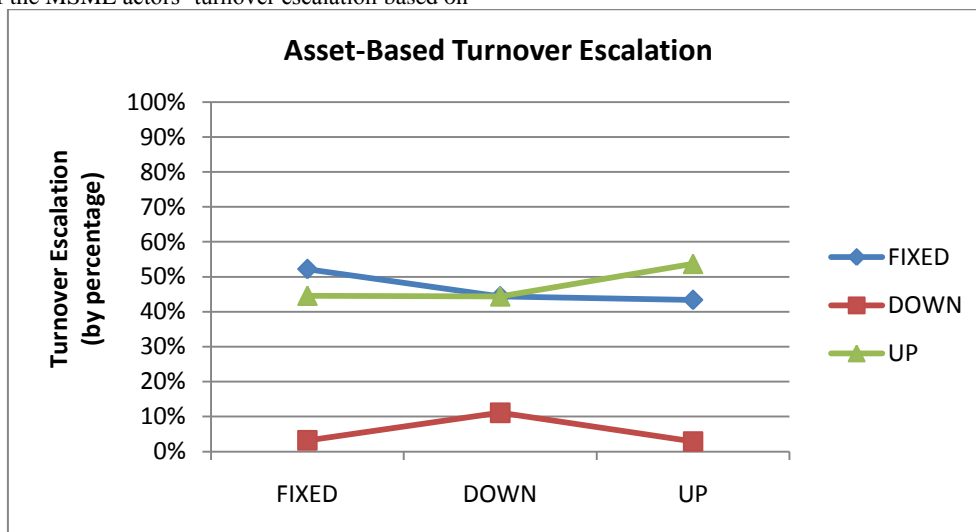


Fig. 7 Analysis of the MSME actors' turnover escalation based on asset escalation (Developed by the authors, 2024)

Referring to the data on the escalation of MSME turnover in Depok based on asset escalation, it can be seen that MSMEs that rose experienced an escalation in turnover of 53.70%. The MSME players managed to maintain a fixed turnover of 52.20%.

capital escalation (Developed by the authors, 2024)

Capital Escalation	Turnover Escalation			Total
	Fixed	Down	Up	
Fixed	71.80%	1.40%	26.80%	100.00%
Down	57.10%	17.10%	25.70%	100.00%
Up	27.20%	2.10%	70.70%	100.00%
Depok	47.30%	3.30%	49.50%	100.00%

Table 7 Analysis of the MSME actors' turnover escalation based on



The first hypothesis is accepted; there is a significant relationship between age and the escalation of turnover in Depok.

The second hypothesis is accepted; it is found that there is a significant relationship between product types and the escalation of turnover in Depok.

The third hypothesis is accepted; it is found that there is a significant relationship between legality and turnover escalation in Depok.

The fourth hypothesis is accepted; it is found that there is a significant relationship between labor escalation and turnover escalation in Depok.

The fifth hypothesis is accepted; it is found that there is a significant relationship between production escalation and turnover escalation in Depok.

The sixth hypothesis is accepted; it is found that there is a significant relationship between asset escalation and turnover escalation in Depok.

The seventh hypothesis is accepted; it is found that there is a significant relationship between capital escalation and turnover escalation in Depok.

The eleventh hypothesis is accepted; it is found that there is a significant relationship between capital marketing area and turnover escalation in Depok.

Based on the inferential analysis data above, there are opportunities for MSMEs to rise and fall in Depok. Based on a significant 10% turnover rate (0.086), the likelihood of turnover decreasing is 3.9 times higher in the age group of 40 years and under than those over 40 years old. Based on a 10% chance of turnover (0.17), individuals aged 40 and below are 1.5 times more likely to experience turnover increase than those over 40 years old. Based on the chance of turnover at a significance of 5% (0.036), non-culinary product types are 5.9 times more likely to experience a decrease in turnover than culinary types. Based on a 10% chance of turnover (0.112), the likelihood of turnover decreasing is 1.3 times higher in licensing groups with a lower number of licenses than those with a higher number of licenses. With a turnover rate of 10% (0.056) in the labor escalation group, individuals who experience an increase are 1.7 times more likely to increase turnover than those with a fixed production escalation. With a turnover rate of 10% (0.051), there is a 2.4 times higher likelihood of turnover increasing with an escalated production rate than a fixed production rate. With a turnover rate of 10% (0.108), there is a 1.5 times higher likelihood of increasing turnover when assets are increased than in companies with a fixed production escalation. According to the probability of turnover being a significant 5% (0.003), an increased capital escalation is 4.1 times more likely to result in turnover increase than a fixed capital escalation. A turnover rate of 5% (0.042) indicates a 4.6 times higher likelihood of turnover growth in the expanded marketing area than the fixed marketing area.

## 5. Conclusion

Based on the findings in the field and the data processing results, all the research hypotheses are accepted. The Depok City Government offers guidance to MSMEs of all age groups through tailored training and consultation programs based on their specific business needs. The availability of both offline and online training and consultations sparks enthusiasm among MSME players for managing their businesses and sharing knowledge and information within their community. The Depok City Government has successfully fostered the growth of MSMEs through a combination of digital and offline strategies. This comprehensive approach has yielded significant positive outcomes for the advancement of local businesses. The types of MSME products and services are growing not only because of free offline and online training and consultations but also because of bazaar activities that are held quite frequently by the Depok City Government. This condition facilitates networking opportunities for MSME players and enables the exchange of information with fellow business actors, leading to an increase in turnover.

This study specifically examines the factors that are relevant to the Depok area, in contrast to other research that is more general or covers a broader geographical scope such as the determinants of MSME turnover at the national or regional level. These theoretical implications can offer valuable insights into the impact of local economic policies, support for MSMEs, and other factors like infrastructure, market access, and government assistance on driving the growth of MSMEs. In addition, this research can also help complete the literature on factors that influence MSME performance in urban contexts, especially in developing cities such as Depok. Recommendations for further research that can be carried out to dig deeper into the determinants of increasing turnover of MSMEs in Depok are secondary data analysis using data from government agencies, research institutions or related organizations to obtain more comprehensive information about the condition of MSMEs in Depok and the factors that influence their turnover.

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