

## LEVERAGING RUGBY EVENT TO ENHANCE THE ECONOMIC DEVELOPMENT OF MSMEs IN GARUT

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### ABSTRACT

*Since the past several decades, sports are increasingly in demand by people in the world, including the Indonesian. This is supported by the large number of sports activities held in Indonesia, like Rugby sporting event. Rugby is a sport that needs to be introduced further to the public considering its enormous benefits in building positive character for young people. The purpose of this research is to promote Rugby in Indonesia, especially in West Java, as well as to find out the impact of hosting Rugby event in increasing the economy of Micro, Small, and Medium Enterprises (MSMEs) who are participating as tenants of this event. To reach those objectives, participatory technique was used through mentoring and training methods, by collaborating with PRUI West Java. This research was analyzed using descriptive qualitative approach by utilizing the primary data obtained from the participatory technique. The results of this study indicate that by hosting Rugby event, MSMEs in Kerkof Garut can increase their income by 56.37%. This event also can be used as platform for MSMEs to promote their products.*

### ABSTRAK

Sejak beberapa dekade terakhir, olahraga semakin diminati oleh masyarakat dunia, termasuk masyarakat Indonesia. Hal ini didukung dengan banyaknya kegiatan olahraga yang diadakan di Indonesia, seperti event olahraga Rugby. Rugby merupakan olahraga yang perlu dikenalkan lebih jauh kepada masyarakat mengingat manfaatnya yang sangat besar dalam membangun karakter positif bagi generasi muda. Tujuan dari penelitian ini adalah untuk mempromosikan olahraga Rugby di Indonesia khususnya di Jawa Barat, serta untuk mengetahui dampak penyelenggaraan event Rugby dalam meningkatkan perekonomian Usaha Mikro, Kecil, dan Menengah (UMKM) yang berpartisipasi sebagai tenant acara ini. Untuk mencapai tujuan tersebut, digunakan teknik partisipatif melalui metode pendampingan dan pelatihan, dengan bekerjasama dengan PRUI Jawa Barat. Penelitian ini dianalisis menggunakan pendekatan kualitatif deskriptif dengan memanfaatkan data primer yang diperoleh dari teknik partisipatif. Hasil penelitian ini menunjukkan bahwa dengan menjadi tuan rumah acara Rugby, para UMKM di Kerkof Garut dapat meningkatkan pendapatannya sebesar 56,37%. Acara ini juga dapat dijadikan sebagai wadah bagi UMKM untuk mempromosikan produknya.

## INTRODUCTION

The development of science and technology in Indonesia has brought progress in all fields, including in sport. Sport is one of the necessities of life because sport activities are beneficial to the person's physical and mental quality (Fossati et al., 2021). Sports also become one of the important elements in improving the quality of human resources since sports can build positive characters (Omar-Fauzee et al., 2012). Therefore, human resource development is currently inseparable from the development of sports. Through sports, the younger generation gets broad opportunities to compete and make achievement which is in its application it is hoped that sports will bring out good character and moral values for the life of the nation and state. Character values in sports include social and moral values. Social character values include loyalty, dedication, sacrifice, and teamwork, while moral values include honesty, fairness, sportsmanship, truth, and responsibility (Beller, 2002).

Beside of its benefits in building characters, sport also can be a driver for the economic development, especially in developing country like Indonesia (Acquah-Sam, 2021). For example, at the 2018 Asian Games which took place in Jakarta and Palembang, the Indonesian economic raised by 5.2% (Deny, 2018). Sports events can give a direct impact to the development of Micro, Small and Medium Enterprises (MSMEs) who are located and participated in the sport events. Sport events can attract people who come to the event to buy their products. Besides that, there are indirect impacts including the construction phase, operational implementation, and visitor arrivals, contributing to GDP growth and economic added value, an increase in sector output, employment, and an increase in real income (Bappenas, 2018).

Mass mobilization in sporting events is expected to be able to generate the community's economy. In today's modern world, sport is not just a hobby, or an instrument to be competed with, it has a wider dimension, including entertainment, prestige, individual pride, as well as a means of reaping financial benefits (Setiyo, 2016). He also said, there are two time horizons related to the impact of organizing sports events on the economy, which are the short term (when the sports contest takes place) and the long term (after the sports performances are over) impacts. Short-term impacts can be in the form of selling food and beverages, merchandise, tickets, transportation, and others. Meanwhile, the long-term impacts are increasing the interest of the younger generation in sports, increasing the potential of the region in organizing other sports activities, as well as the opportunity for the region to become the organizer of international sports events.

One of the sports that have a positive impact on the development of economic, social, and moral values is Rugby. Rugby is growing significantly across the world from years to years. Rugby is the fastest growing sport in the USA (Farah et al., 2022). There are currently over 5 million rugby players in 117 countries and the IRB is committed to continue to inspire new generations to play and watch the sport. With worldwide growth of over 19% since 2007, the game is in a healthy state with participation now spreading through new territories and across demographics in emerging markets including Indonesia (Chadwick et al., 2010). In terms of character building and social value, Rugby builds creativity and problem solving. Rugby is also can build empathy, teamwork, cooperation, and resilience characters (Scott & Cadywould, 2016).

In Indonesia, Rugby is quite new and has just started to be competed officially at PON 20 in 2021 in Papua after previously being competed as an exhibition sport at PON 19 in 2016 in West Java (Nursanti, 2021). Although it is relatively new, Rugby is quite popular in Indonesia. It is supported by the establishment of a Rugby field at the Gelora Bung Karno (GBK) Sports complex, Senayan Jakarta, followed by the establishment of the Papua Rugby Field to welcome PON 20 and the Merdeka Rugby Field in Garut, West Java. This proves the seriousness of the government and the high public interest in this sport.

Rugby is a group sport that is in great demand in Indonesia as well as soccer or volleyball that is very dominant in involving many people and creating community movements to witness and be involved in it, as well as provoke community interaction, both in terms of economics and the meanings contained in the spirit of sport. So, by seeing the potential of Rugby in character development and economic enhancement, especially for MSMEs, it is necessary to increase public interest in Rugby.

To compete at the national and international levels, Indonesian Rugby Union (PRUI) West Java needs to introduce Rugby further to the public. With the increasing public interest in Rugby, it is expected to increase their participation in playing or watching Ruby matches. So, it can move the community's economy, especially MSMEs who participate as tenants in Rugby events. Through this paper, we are trying to increase public interest in Rugby, by organizing Rugby events, especially in Kerkof Garut. This event is also expected to help MSMEs to promote and sell their products so they can increase their income.

## LITERATURE REVIEW

There are a lot of literature explained about sport and its benefits to many aspects like health, social, and even economic development. Rugby is one of the sports that is perceived to give many benefits for people's life, not only in terms of physical and mental health, but also the economy and society. Rugby union is a team-based sport, played in over 120 nations by over 8 million individuals around the world. Rugby has different forms in terms of number of players, rules about movement or physical contact, and others. Rugby gives many benefits for its players, in terms of health improvement and character building. Scott and Cadywould (2016) in their research found the benefits of playing Rugby in developing more character and values like creativity, resilient, teamwork, and cooperation. Besides of its benefits, other studies also were conducted to give deeper knowledge and understanding about Rugby.

Studies about Rugby have been published by many researchers around the world. Most of the studies are focused on the Rugby Union and factors that determine the Rugby's performance like researches conducted by Cunningham et al. (2016) and Flanagan et al. (2017). Other researchers also analyzed about Rugby's performance (Colomer et al., 2020), the linkage between Rugby and its impact to the health and well-being (Griffin et al., 2021), and even its influence to the Rugby's revenue stream and its financial position (Bond et al., 2021).

Meanwhile, in Indonesia itself, Rugby is quite new so the studies are much limited compared to studies in developed countries. Previous studies in Indonesia just limited to the Rugby Union Game Rules Knowledge Level as researches conducted by Alriad et al. (2016) and Jati (2017). Other researcher also focused on the physical training for Rugby players (Antonius Tri & Sari, 2020; Kurniawan et al., 2021).

Given the limited research on Rugby in Indonesia, through this paper, we are trying to give new insight about the importance of increasing public interest in rugby in Indonesia. In this study, we will also emphasize the importance of organizing Rugby activities in relation to improving the welfare and economy of the MSMEs. We refer to some literature that finds a link between the implementation of sports activities and economic improvement, or what is commonly known as the impact of sport tourism.

In Australia, Bond et al. (2021) made an exploration about the financial growth and the development of Rugby Union in Australia. From this research, they found that Rugby event directly can generated high profit for the organization. Then, hosting Rugby event not only brings benefits for the organization, but also to the society. The term of society in this research might be refers to the SMEs and other society who are participated in the event. Hosting sport events in small-scale also can enhance the tourism activity and can contribute to the region's economy and society (Malchrowicz-Moško & Poczta, 2018). Studies about economic impact of hosting sport events have been conducted by many researchers like research conducted by Thibault in 2009 and by Maennig & Zimbalist in 2012. Different with other research, research conducted by Taks (2013) then confirmed that hosting small-scale sport event can bring durable benefits for the host community and increase social sustainability.

## METHOD

This study use descriptive qualitative approach using participatory techniques. This research is a part of community service program that is aimed to fostering knowledge and public interest in sports, especially Rugby and to enhance the economic development of Micro, Small and Medium Enterprises (MSMEs). There are 20 MSMEs participating as tenants in this Rugby event. Those MSMEs are tenants who are usually sell their products around the Kerkof sports area in Garut Regency. Most of them sell food and beverage products as described in the table below.

**Table 1.**  
**List of MSMEs Partners**

No.	MSMEs	Products	No.	MSMEs	Products
1	Makanan my mie box	Foods	11	Cikbul	Foods
2	Bola obi gardujati	Foods	12	Kedai Semur	Foods
3	Sate Thai can	Foods	13	Coffee Shop	Foods
4	Burjo time warmindo	Foods	14	Kebab Uday dan Sosis Bakar	Foods

No.	MSMEs	Products	No.	MSMEs	Products
5	Ayam Gorowok	Foods	15	Drink and Food	Foods and Beverages
6	Seblak Kedai Semut	Foods	16	Nge-fry Snack n drinks	Foods and Beverages
7	Yaamin Dood Corner	Foods	17	Drink	Beverages
8	Baby Crab Sultan	Foods	18	Razy mixes drink	Beverages
9	Mr.Crepes	Foods	19	Kopi garut areng jeps	Beverages
10	Ayam Geprek Lalapar	Foods	20	Es Permen Karet	Beverages

This study used participatory technique where the MSMEs as the object of this research are empowered using 3 stages: counseling, training and mentoring. In the stage of counseling, the MSMEs are given information about the importance of training to optimize their business and marketing activities. Then, in the stage of training, the MSMEs are given training that is relevant to the MSMEs' needs. In the last stage, the mentoring stage was carried out by the research team in the rugby match event which lasted for four consecutive days. During this assistance, the service team continues to evaluate the performance of the MSMEs every day, especially related to their financial performance.

To obtain our data, we create a program called "Get into Rugby". This program is aimed for teenagers and adults aged 15-23 years. This program is organized in collaboration with the Indonesian Rugby Union (PRUI) West Java and the Branch Manager of the Indonesian Rugby Union Garut Regency (PRUI GARUT) to introduce and practice Rugby in a simple way. The motto of this program is "Try, Play, Stay", where participants are directed to try the sport of Rugby so that they are interested in playing it and continue to play Rugby. This program is divided into 5 stages. The first stage is introduction where participants are given information about Rugby and how to play Rugby. The second stage is Play Rugby (participants are directed to try to play Rugby). Then, the next stages are Organize (participants are guided to organize Rugby Sports activities), Training (participants are given real-time simulation and training), and Evaluation (measure the understanding and interest of the participant to the program).

## RESULTS

The results of this paper are divided into two parts. The explanation about the Rugby event organized by our team will be described first.

### Get into Rugby

This Rugby match was held for 3 (three) days starting from 20 to 22 December 2021. This match was participated by eleven district and city teams in West Java, consisting of seven women's teams and eleven men's teams. Districts and cities that participated in this match are below.

**Table 2.**  
**List of Rugby Match Participants**

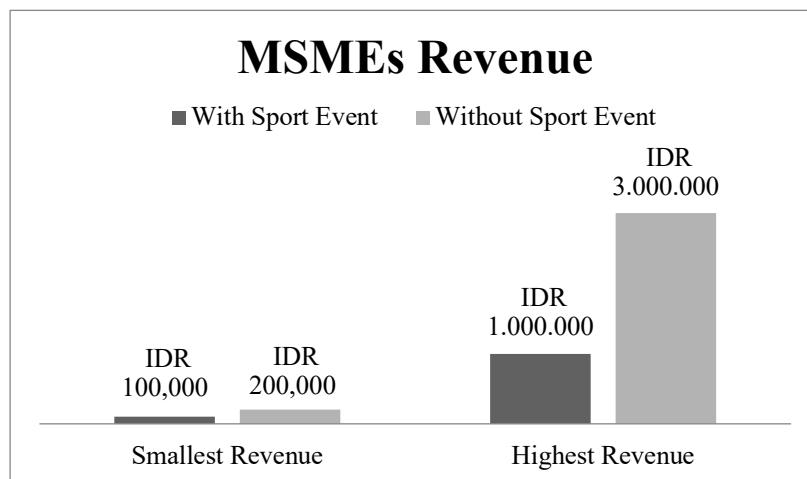
No	Men's Team	Women's Team
1	Bandung City	Bandung City
2	Bandung District	Bandung District
3	Cimahi City	Cimahi City
4	Bogor District	Bogor District
5	Sumedang District	Sumedang District
6	Ciamis City	Ciamis City
7	Cirebon District	Cirebon District
8	Bandung Barat District	
9	Sukabumi District	
10	Bogor City	
11	Purwakarta District	

There are differences in the pattern of games played by each group. For the women's team, all teams were brought together so that the team with the highest final score will be the winner. Meanwhile, for the men's team, since there are 11 teams, they were divided into four groups. Each group consists of 3 teams that were brought together. The first winner in each group was competed with the second winner in a different group. Then, the winning team met the other winning teams to determine the first and second place winners. And for the losing team, they were competed with the other losing teams to compete for third place. This match successfully produced 3 winners, both from the women's and men's teams from different cities and districts.

"Get into Rugby Program" initiated by the National and Regional PRUI succeeds to educate people about Rugby. This program also succeeded in gathering a crowd of approximately 300 people who wanted to try playing Rugby from the people living around the district.

### Rugby and MSMEs Revenue

The result reveals that during four days of these Rugby events held, most of them experienced a significant increase in their revenue where on average they could increase their revenue by 56.37%. This value is quite high compared to the income they have when there is no sport event or hold in that place. Figure below described the increase in income earned by MSMEs when there is or there is not a sporting event like Rugby event.



**Figure 1.** MSMEs Revenue With and Without Sport Event

Source: Data Processing Result

The revenue of MSMEs actors when there are no sports or other events ranges from Rp. 100,000 to IDR 1,000,000. Yaamin Dood Corner has the smallest revenue and Ayam Gorowok has the largest revenue being Ayam Gorowok. Meanwhile, the revenue of MSMEs actors when there is sporting or other events ranges from IDR 200,000 to IDR 3,000,000. The smallest revenue of MSME actors is Cikbul while the largest is Ayam Gorowok. Most of the MSMEs take profits between 20%-85%. There are four MSMEs that take 20% profits, like Ayam Geprek Lalapar, Seblak Kedai Semut, Burjo Time Warmindo and My Mie Box Food, while Ayam Gorowok takes the highest profit around 85%.

### DISCUSSIONS

One of the aims of this paper is to find out the impact of hosting Rugby event to the MSMEs economy, especially in terms of revenue earned during the event. By referring to some of the literature that discusses the influence of organizing sports events on the economy, the result revealed that there is significant increase in the revenue earned by the MSMEs participating in Rugby event held in Kerkof Garut. This finding was supported by previous studies, like studies conducted by Chalip & Leyns (2002). In their research, they found out that sport events should be leveraged by local entrepreneurs as a medium to promote and sell

their products. It is expected to help those local entrepreneurs to get more economic benefits from the large number of visitors who come to these activities.

The finding of our research also supported by the study conducted by (Roche et al., 2013). At their study, they prove the positive impact of hosting sport events on the revenue of local entrepreneurs at the destination city (host of the event). They found that “the more sport tourists who travel to a destination, the greater the revenues generated”. It means that, the more visitors spend their money to buy the products sold by the local entrepreneurs, the more revenue will be earned by those entrepreneurs.

This research is expected to give new contribution for the sport literature. The result of this research is more specific to the Micro, Small, and Medium Enterprises which is not much studied by other researchers. This study may bring a new insight about how MSMES should leverage sport events like this Rugby event to earn more benefits, like economic benefits and social benefits.

## CONCLUSIONS

Rugby event can be used as a media to introduce the sport of Rugby. This event also can be leveraged by the MSMEs to enhance their business. The MSMEs can earn economic benefits for their business by promoting and selling their products in this event. In fact, after holding the event for three days, the results showed that MSME players that participate in this event experienced an increase in their average revenue by 56.37%. It can be concluded that by participating in this Rugby event, the MSME can increase their revenue. Therefore, in the future, it is hoped that there are more sporting events will be held, especially at SOR Kerkof Garut. Marketing promotion activities through social media such as Facebook Ads, Instagram Ads, Tiktok Ads and others are also important to increase the number of visitors and introduce various activities to the society.

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