

The Transformation of Women Entrepreneurs: Building a Gender Equity-Based Creative Economy to Improve Community Welfare in Bantul

Andhi Wijayanto¹, Irnin Miladdyana Airyq^{2*}, Syam Widia³, Nuuferulla Kurniantyas Pangastiti⁴

¹ Study Program of Management, Faculty of Economics and Business, Universitas Negeri Semarang, Semarang, Indonesia

² Study Program of Management, Faculty of Economics and Business, Universitas Negeri Semarang, Semarang, Indonesia

³ Study Program of Management, Faculty of Economics and Business, Universitas Negeri Semarang, Semarang, Indonesia

⁴ Study Program of Management, Faculty of Economics and Business, Universitas Negeri Semarang, Semarang, Indonesia

* Corresponding Author: irninmiladdyana@mail.unnes.ac.id

Abstract.

Bantul Regency is a region with high potential for creative economy development, supported by rich local culture and a diverse range of micro, small, and medium enterprises (MSMEs). One such example is the Rajut Nogosari 2 MSME located in Wukirsari Village, Imogiri District, which is predominantly managed by women artisans. Despite its significant potential, this MSME faces several challenges, including low digital literacy, limited access to modern marketing strategies, and decreased productivity in the aftermath of the COVID-19 pandemic. This community service project aims to formulate a relevant and applicable empowerment strategy for women entrepreneurs based on gender equity. The method used is a reference study, involving a review of academic literature and interviews with business actors to gain insights into the actual conditions and identify existing needs. The findings indicate that empowerment based on gender equality, combined with digital entrepreneurship training, financial literacy, and strengthened business management, can serve as a strategic solution to enhance the capacity and sustainability of women-led MSMEs. This strategy not only promotes women's economic independence but also strengthens their contribution to inclusive and sustainable local economic development in Bantul.

Keywords: MSMEs; Creative economy; Gender equity; Digital literacy.

I. INTRODUCTION

Bantul Regency, located in the Special Region of Yogyakarta, holds strong potential for the development of community-based creative economies. This potential is supported by rich local cultural heritage and the presence of diverse micro, small, and medium enterprises (MSMEs) that operate across various sectors such as handicrafts, culinary arts, and the creative industry. Local products like hand-drawn batik from Giriloyo, pottery from Kasongan, and bamboo handicrafts from Pajangan have demonstrated significant competitiveness, even reaching international markets (Atlantika et.al, 2023). The culinary sector, including traditional products such as *geplak* and local coffee, also continues to grow in line with increasing public interest in local products. These trends indicate that MSMEs play a crucial role in driving regional economic development and improving community welfare (Hidayat et.al, 2022).

One example of a women-led MSME with strong local potential is Rajut Nogosari 2, located in Dusun Nogosari II, Wukirsari Village, Imogiri Subdistrict. This MSME is primarily run by housewives who produce handcrafted knitted items such as bags, wallets, and fashion accessories. According to Bayumi et.al (2022), women's participation in MSMEs significantly contributes to household income and strengthens their involvement in local economic development. However, despite its potential, the group faces multiple challenges, including low digital literacy, limited marketing strategies, and a decline in productivity following the COVID-19 pandemic, which drastically altered consumer behavior and distribution patterns (Julialevi & Mustaqqof., 2022). As a result, many products remained unsold, and some artisans began marketing their work individually at lower prices, which ultimately weakened the collective image and sustainability of the enterprise.

These conditions reflect a wider issue: women entrepreneurs in MSMEs continue to face structural barriers, particularly in accessing entrepreneurship training, digital technology, and modern marketing tools. This situation is exacerbated by the absence of an integrated business management system covering production, distribution, and finance. In today's digital transformation era, the ability to adapt to technological change is essential for MSME competitiveness. As Suhaeli et.al (2024) emphasize, limited digital and managerial capacity remains a critical challenge for women-led MSMEs to thrive in an increasingly competitive economic environment. If left unaddressed, these limitations could exacerbate inequality and hinder women's contribution to sustainable economic transformation.

To respond to these challenges, a gender-equity-based empowerment strategy is needed—one that recognizes and strengthens the role of women as key actors in the creative economy. This strategy should not only focus on technical skills but also on expanding access to information, technology, business networks, and equitable participation in economic decision-making. Nurjanah & Fitriani (2021) found that empowering women through gender equity approaches can enhance household economic resilience and broaden women's participation in social and economic development.

This community service initiative employed a reference study method by reviewing literature, previous research, and best practices successfully implemented in empowering women-led MSMEs in the creative economy sector across various regions. This study serves as the foundation for formulating a transformation model that can be contextually adopted by the knitting artisan groups in Bantul. Purwanto (2023) emphasize that the adoption of digital technologies such as cooperative applications, financial literacy training, and integrated management systems can significantly improve work efficiency, transparency, and the competitiveness of rural MSMEs.

In light of these conditions, it becomes increasingly important to design a community service program that not only addresses technical limitations but also fosters a holistic transformation of women-led MSMEs. This includes building digital competencies, strengthening entrepreneurial mindsets, and encouraging collective action through integrated cooperative systems (Cahyaningdyah et.al, 2024). By utilizing a gender equity framework, the empowerment process becomes more inclusive and impactful, ensuring that women are not merely beneficiaries but active agents of change within their economic environment. Furthermore, aligning empowerment strategies with the dynamics of the creative economy and

digital innovation is essential to ensure long-term sustainability and competitiveness. The outcomes of this program are expected to serve as a replicable model for other rural MSME groups facing similar challenges, while also contributing to the broader goals of community-based economic development and gender-responsive policy implementation at the local level

II. METHODS

2.1 Location, time, and subject of research

The research location was in Bantul Regency, specifically in Dusun Nogosari, Wukirsari Village, Imogiri District, Yogyakarta Special Region. The community service activity was conducted on May 20, 2025. The study involved women participants from the MSME knitting group *Rajut Nogosari 2*, most of whom are housewives and small-scale farmers engaged in knitting crafts. A total population of 20 women MSME actors was identified, and five informants were selected for in-depth interviews. The selection of these informants was not based on specific criteria, but rather on their willingness and availability to be present at the activity site. This practical consideration was taken to accommodate the limited time and resources available during the field implementation, while still ensuring that the data collected reflected the experiences of active MSME members in the local context.

2.2. Data Collection Method

We collected primary data to explore the conditions, challenges, and empowerment needs of women-led MSMEs in the creative economy sector, particularly within the *Rajut Nogosari 2* knitting craft group in Dusun Nogosari, Wukirsari Village, Imogiri District, Bantul. The data were qualitative in nature and were analyzed thematically. We conducted semi-structured interviews with five purposively selected women entrepreneurs based on their business experience, leadership roles within the group, and diversity of obstacles faced post-COVID-19 pandemic.

The method employed was a reference study approach, combining literature review with empirical data collection through direct, semi-structured interviews. This approach ensured that the empowerment strategy proposed was evidence-based, locally relevant, and responsive to the specific conditions faced by the target community (Creswell & Poth, 2018; Sugiyono, 2021). As participant observers, we visited their production spaces, observed the crafting process, and discussed their current business practices, marketing approaches, and financial management systems. During the visit, we also documented their workspaces and reviewed business records, sales logs, and promotional materials used. This immersive engagement enabled us to understand both visible business operations and the socio-cultural context in which these women entrepreneurs function.

In-depth interviews were guided by key themes adapted from previous studies on gender-equitable MSME empowerment, including digital literacy, marketing innovation, financial inclusion, and enterprise sustainability (Pancawati, 2021; Hutauruk et.al 2024). Each session was audio-recorded, transcribed, and thematically categorized. Supporting data were also gathered through document analysis and field notes to triangulate findings and validate the narratives. By combining interview insights with observational data, we were able to identify structural challenges

and strategic opportunities for transforming the MSME women's group into a more resilient and inclusive economic actor.

2.3 Data Analysis Methods

We used a thematic analysis approach to analyze the qualitative data collected from interviews and field observations. This method allowed us to identify recurring themes related to digital literacy, marketing practices, business challenges, and empowerment needs of women MSME actors (Nowell et al., 2017). All interview recordings were transcribed verbatim and read carefully to find meaningful patterns. The information was then grouped into categories that reflect the real experiences of the participants.

To support the validity of the findings, we also used triangulation by comparing the interview results with data from field notes, documentation, and relevant literature. This process helped us ensure that the conclusions drawn were not only based on participant perspectives but also aligned with existing research. The analysis was done descriptively without the use of software tools, keeping the focus on understanding the context and needs of the local MSME community.

III. RESULT AND DISCUSSION

3.1 The Origin of Rajut Nogosari 2 MSME

Wukirsari is one of the culturally rich villages located in the Imogiri District of Bantul Regency, within the Yogyakarta Special Region (DIY), Indonesia. The village is renowned for its peaceful environment, strong sense of community, and deep-rooted Javanese cultural traditions. As part of a region that combines fertile agricultural land with a rich artisan heritage, Wukirsari has become a potential hub for the growth of creative and community-based economic activities. Many residents in the village, especially women, engage in informal economic endeavors to supplement household income, ranging from farming to craft production.

Bantul Regency itself plays a strategic role in the development of creative industries in DIY. It is home to a wide range of MSMEs (Micro, Small, and Medium Enterprises) that focus on traditional crafts and cultural products. These include hand-drawn batik from Giriloyo, pottery from Kasongan, and bamboo handicrafts from Pajangan. These products have successfully penetrated national and even international markets (Widyastuti & Kusnandar, 2021). Moreover, Bantul's local culinary sector—such as *geplak* (a traditional sweet snack) and locally grown coffee—continues to thrive with the rise of community-based tourism and café culture. These sectors have not only preserved local heritage but also provided sustainable livelihoods for rural communities (Pertiwi & Suryani, 2020).

Within this dynamic environment, Rajut Nogosari 2 emerged as a grassroots initiative to empower rural women through crochet-based creative production. The MSME was founded in 2013 by Mrs. Sri Mulyani, a local woman from Dusun Nogosari, Wukirsari Village. Motivated by the lack of economic opportunities for housewives in her neighborhood, she began teaching crochet skills informally to a small group of women using simple tools and leftover yarn. Initially started as a hobby and a form of social gathering, the activity grew into a productive economic enterprise as the quality of the products improved and gained recognition in local craft markets.

As the group expanded, it officially formed Rajut Nogosari 2, with a membership of over 20 women, most of whom were housewives and small-scale farmers. The products created include

handmade bags, wallets, hats, and fashion accessories, all made using crocheting techniques. These items are marketed through local bazaars, exhibitions, and increasingly through digital platforms as the members begin to embrace digital literacy and online promotion. The group also received support in the form of training and guidance from local government agencies, NGOs, and academic institutions, particularly in areas such as product development, branding, and simple bookkeeping.

Rajut Nogosari 2 represents more than just an MSME—it is a symbol of rural women's empowerment, creativity, and resilience in the face of socio-economic challenges. It provides a safe space for women to learn, grow, and support each other both economically and socially. The group has also fostered leadership and confidence among its members, some of whom have gone on to mentor other women in neighboring villages. However, despite its growth and impact, the group has also faced challenges, particularly in adapting to technological changes and digital marketing. Limited digital skills, lack of financial literacy, and inconsistent product quality have constrained the group's scalability and competitiveness in wider The COVID-19 pandemic further disrupted their activities, resulting in decreased orders, stock accumulation, and reduced income.

3.2 Types of Activities

The community service activities were designed to support the empowerment of women-led MSMEs through a participatory and contextual approach. Specifically, the activities focused on the Rajut Nogosari 2 group in Dusun Nogosari, which engages in crochet-based handicrafts. These activities aimed to assess the production capacity, operational challenges, and empowerment needs of the participants, while simultaneously building relationships between the community and facilitators.

The first type of activity involved direct field observation at the artisans' workspaces, which are typically located in their homes. This allowed the service team to gain a deeper understanding of the knitting production process, including the tools used, the complexity of designs, quality of yarns, and techniques applied in creating products such as handmade bags, wallets, hats, scarves, and household accessories. These observations revealed the group's potential in producing high-quality, creative products that reflect local identity and craftsmanship. In addition to observations, the team engaged in participant observation, where they interacted with artisans during production and daily business routines. This approach offered real-time insights into the collaborative processes among group members, their role distribution, peer learning, and social cohesion.

The second activity was an informal group discussion with representatives of the Rajut Nogosari 2 group members. This discussion covered various aspects such as marketing methods, the impact of the COVID-19 pandemic on business continuity, and members' aspirations for business development. Participants also conveyed obstacles related to access to digital platforms, promotional knowledge, and pricing strategies. This dialogue allowed facilitators to map critical gaps in digital literacy, product branding, and entrepreneurial knowledge.



Figure 1. Sharing and Discussion Session Between Facilitators and Female Business Actors

The third activity involved a review of existing business documentation, in which the service team analyzed various forms of media used by the MSME group, including their social media presence, product packaging, and promotional materials such as flyers and brochures. This analysis was complemented by on-site photo and video documentation aimed at supporting future content creation for digital marketing purposes. The documentation review revealed that, although the group had succeeded in establishing a recognizable product identity, efforts in structured documentation, branding consistency, and strategic digital marketing remained limited.

These activities were not solely diagnostic but also formative, serving as a foundation for building trust with participants, identifying capacity gaps, and collaboratively formulating development strategies. The insights obtained from these interactions were then triangulated with field observations and relevant literature, providing a comprehensive basis for the design of an inclusive, context-sensitive, and gender-equitable empowerment model. This model is expected to enhance the entrepreneurial performance, adaptability, and long-term resilience of women-led MSMEs in Bantul Regency.

3.3 Challenges Identified and Strategic Empowerment Needs

Through the series of participatory activities, several core challenges were identified that directly affect the performance and sustainability of Rajut Nogosari 2 MSME. First, limited digital literacy emerged as a significant barrier. Most members still relied on traditional sales channels, such as local markets or word-of-mouth, with minimal use of digital platforms for promotion or e-commerce. This digital gap has prevented the group from expanding their market reach, especially to younger and more tech-savvy consumers who prefer online transactions. As supported by Suhaeli et al. (2024), enhancing digital skills among rural women entrepreneurs is essential to strengthening market access and improving business resilience in the face of market disruption.

Second, the absence of structured marketing strategies has contributed to irregular sales and inconsistent pricing. Many members were unfamiliar with branding concepts, content creation, or pricing models based on production costs and profit margins. As a result, some products were undervalued in the market, which not only affected group income but also created confusion among consumers. This condition aligns with the findings of Hutauruk et al. (2024), which highlight that branding and pricing knowledge are crucial components in empowering community-based MSMEs to compete in broader economic ecosystems.

Third, the group faced issues in business administration, particularly related to bookkeeping and inventory tracking. Most of the documentation was done manually or informally, with limited understanding of financial literacy principles. This hindered the ability to track expenses, measure profit, or plan business growth effectively. These findings confirm the observations of Pancawati (2021), who states that many MSMEs led by women lack financial planning tools, which can jeopardize long-term sustainability and limit access to external funding or government support.

Additionally, the impact of the COVID-19 pandemic was still evident. Members shared that their operations were heavily disrupted, with stockpiles of unsold items and a decline in customer engagement. The shift in consumer behavior towards online shopping could not be matched by the group's capacity to adapt quickly due to the technological and knowledge gaps. This situation reinforces the urgency for tailored post-pandemic recovery strategies for rural MSMEs, particularly those led by women.

In response to these findings, the community service initiative concluded that empowerment strategies should focus on four key areas: (1) digital literacy training with practical modules on social media marketing and e-commerce platforms, (2) branding and storytelling workshops to develop a unique product identity, (3) financial literacy programs to enhance simple bookkeeping and budget planning, and (4) cooperative-based management to strengthen collective bargaining and ensure equitable income distribution. These recommendations are in line with the models proposed by Cahyaningdyah et al. (2024), which emphasize inclusive empowerment approaches that integrate skill development, technology, and collaborative systems for sustainable MSME growth.

3.4 Empowerment Strategy Formulation

Based on the identified challenges and needs analysis, this community service activity formulated a gender-equitable empowerment strategy aimed at enhancing the sustainability and competitiveness of the Rajut Nogosari 2 MSME group. The strategy was designed to be inclusive, participatory, and responsive to the socio-economic context of rural women entrepreneurs in Wukirsari Village.

The first component of the strategy focused on digital literacy development. Training modules were proposed to introduce MSME members to basic digital tools, such as the use of smartphones for marketing, managing social media platforms (e.g., Instagram and WhatsApp Business), and accessing online marketplaces. This component responds directly to the gap in digital skills that hinder the group from tapping into wider markets. Digital literacy is not only about technological adoption but also about empowering women to be confident users and content creators in the digital economy (Pertwi & Suryani, 2020; Kumar et.al; Suhaeli et al., 2024).

The second component emphasized branding and product storytelling. This includes visual identity development (e.g., logos and packaging), narrative creation around product uniqueness, and cultural representation in craft designs. The goal is to create added value and emotional connection with potential buyers, particularly in niche and ethical markets that value authenticity and social impact. According to Widyastuti & Kusnandar (2021), storytelling is a powerful tool to differentiate handmade products in competitive markets and to attract support from conscious consumers.

The third component involved basic financial literacy and bookkeeping. Through this module, participants would learn how to record sales and expenses, calculate profits, and plan for

reinvestment. Simple and user-friendly templates were introduced, designed for artisans with limited educational backgrounds. The implementation of this financial component is expected to improve transparency, enhance internal trust, and potentially prepare the group for future access to microfinance or cooperative funding (Pancawati, 2021; Hagawe et.al 2023).

The fourth component promoted a cooperative-based collaborative business model. Rather than each member operating individually, this model encourages group-based production, marketing, and profit-sharing. By adopting this structure, the MSME group can benefit from economies of scale, strengthen its bargaining position in the market, and reduce the risks associated with individual dependency (Gupta & Gupta, 2024). Collective business models have been proven effective in various women empowerment programs, especially in rural and informal sectors (Purwanto, 2023; Cahyaningdyah et al., 2024).

Finally, a follow-up mentoring mechanism was also proposed. This involves periodic assistance from academic institutions, local government, and NGOs to ensure continuity and capacity-building beyond the initial intervention. Mentorship not only helps sustain motivation but also opens pathways for innovation and network expansion. As highlighted by Nurjanah & Fitriani (2021), consistent mentoring has a significant effect on long-term empowerment outcomes, particularly in increasing women's leadership and entrepreneurial confidence.

IV. CONCLUSION

This community service initiative underscores the vital role of women-led MSMEs in supporting inclusive and sustainable economic growth at the village level. The case of Rajut Nogosari 2 illustrates how rural women, through creativity and collaboration, are able to produce high-value handmade products rooted in local culture. However, various structural barriers—such as limited digital skills, lack of marketing strategy, and weak financial literacy—continue to inhibit their full potential. The findings reveal that a gender-equity-based empowerment approach can serve as an effective strategy to overcome these barriers. Through thematic analysis, it became evident that four key aspects are essential to strengthen the resilience and competitiveness of women-led MSMEs: (1) digital literacy to expand market access and product visibility, (2) branding and storytelling to add emotional value and differentiate products, (3) financial literacy to improve transparency and business planning, and (4) cooperative-based business models to encourage collective action and equitable distribution of benefits.

The implementation of these strategies not only enhanced the entrepreneurial capacity of the group but also fostered confidence, leadership, and solidarity among its members. The participatory method employed—combining interviews, observation, and literature review—ensured that the proposed solutions were aligned with real conditions on the ground and reflected the aspirations of the MSME actors themselves. In the long run, this empowerment program is expected to serve as a replicable model for similar MSME groups in rural areas, particularly those led by women. It offers a strategic framework that integrates digital innovation, community-based cooperation, and gender equity to achieve broader goals of social inclusion and economic sustainability. Furthermore, academic institutions, government agencies, and civil society must work collaboratively to provide continued support through mentoring, policy advocacy, and access to resources. Only through such multi-stakeholder engagement can the transformation of rural women entrepreneurs be truly inclusive, impactful, and sustainable.

V. ACKNOWLEDGMENTS

The authors would like to express their sincere gratitude to the Faculty of Economics and Business, Universitas Negeri Semarang (FEB UNNES), for the institutional support provided during the implementation of this international community service activity. We also extend our appreciation to the organizing committee of the International Conference on Community Services (ICS) for offering a valuable platform to conduct and present this community engagement initiative. Special thanks are due to the women artisans of Rajut Nogosari 2 MSME for their openness, active participation, and inspiring dedication throughout the program. Their enthusiasm and commitment were essential in making this initiative meaningful and impactful. We are also grateful to the local leaders of Dusun Nogosari and Wukirsari Village for their support and facilitation during the field activities

REFERENCES

- Bayumi, M. R., Jaya, R. A., & Shalihah, B. M. (2022). Kontribusi peran perempuan dalam membangun perekonomian sebagai penguatan kesetaraan gender di Indonesia. *Al Huwiyah: Journal of Woman and Children Studies*, 2(2).
- Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry and research design: Choosing among five approaches* (4th ed.). SAGE Publications.
- Cahyaningdyah, D., Abiprayu, K. B., Kamilia, N., & Airiq, I. M. (2024). Persiapan pembentukan koperasi sebagai sarana penguatan kelembagaan guna menunjang pengembangan bisnis UMKM di desa Branjang, kabupaten Ungaran. *SELAPARANG: Jurnal Pengabdian Masyarakat Berkemajuan*, 8(3), 2789-2795.
- Gupta, R. K., & Gupta, R. (2024). *Fundamentals of Entrepreneurship and MSME Management*. Academic Guru Publishing House.
- Hagawe, H. M., Mobarek, A., Hanuk, A., & Jamal, A. (2023). A unique business model for microfinance institution: the case of Assadaqaat Community Finance (ACF). *Cogent Business & Management*, 10(1), 2135202.
- Hidayat, A., Lesmana, S., & Latifah, Z. (2022). Peran Umkm (Usaha, Mikro, Kecil, Menengah) Dalam Pembangunan Ekonomi Nasional. *Jurnal Inovasi Penelitian*, 3(6), 6707-6714.
- Hutauruk, R. P. S., Zalukhu, R. S., Collyn, D., Jayanti, S. E., Sinaga, M., & Damanik, S. W. H. (2024). Pengaruh Literasi Keuangan, Inklusi Keuangan dan Gender Terhadap Perilaku Pengelolaan Keuangan Pelaku UMKM di Kota Medan. *Accounting Progress*, 3(1), 72-84.
- Julialevi, K. O., & Mutsaqqof, A. F. T. W. (2022). Dampak Pandemi Covid-19 Terhadap Keberlangsungan UMKM (Studi Kasus pada Delima Bakery di Desa Klahang, Kecamatan Sokaraja, Kabupaten Banyumas). *Jurnal Pendidikan Dan Teknologi Indonesia*, 2(4), 157-162.
- Kumar, S., Kumar, V., & Devi, N. (2024). Digital literacy: a pathway toward empowering rural women. *Global Knowledge, Memory and Communication*.
- Nowell, L. S., Norris, J. M., White, D. E., & Moules, N. J. (2017). Thematic analysis: Striving to meet the trustworthiness criteria. *International Journal of Qualitative Methods*, 16(1), 1–13. <https://doi.org/10.1177/1609406917733847>.
- Purwanto, A. (2023). Sosialisasi Ekonomi Kreatif dan Pengembangan UMKM Berbasis Bisnis Digital Di Mario, Tanasitolo, Kab. Wajo. *Compile Journal of Society Service*, 1(1), 16-21.

- Pancawati, G. (2021). Pemberdayaan Ekonomi Perempuan Melalui Pendekatan Kesetaraan Gender. *Journal of Public Power*, 5(2), 159-165.
- Suhaeli, E., Nasution, N. A., Januarika, J., Setyaningsih, R., & Rudi, R. (2024). Strategi digitalisasi untuk kemandirian umkm dan pemberdayaan wanita: pengabdian masyarakat di kecamatan kebon pedas, sukabumi. *Blantika: Multidisciplinary Journal*, 2(3), 323-329.
- Sugiyono. (2021). *Metode penelitian kualitatif, kuantitatif dan R&D*. Alfabeta.