

The Role of Entrepreneurship in Advancing the Acehese Traditional Cake Industry for Long-Term Profitability

Rizki Alhulaimi¹, Syaifuddin Yana^{2*}, Mahdi¹, Maksalmina¹,
Rian Maulana Akbar¹, Hafiz¹, Suci Mauliani¹, Ulan Arsah Nelia¹

¹Accounting Department, Universitas Serambi Mekkah, Indonesia

²Management Department, Universitas Serambi Mekkah, Indonesia

*Corresponding Author: syaifuddin.yana@serambimekkah.ac.id

Abstract. *This article explores the role of entrepreneurship in advancing the Acehese traditional cake industry, focusing on long-term profitability and sustainability. Traditional cakes like Kue Bhoi, Timphan, and Meuseukat represent a rich cultural heritage, yet they face challenges such as shifting consumer preferences and limited interest from the younger generation. Through entrepreneurship, the industry can innovate and adapt by employing strategies like product diversification, technological improvements, and effective digital marketing. Additionally, the article highlights the importance of education and training to equip local entrepreneurs with the skills needed to enhance production efficiency and expand market reach. These entrepreneurial efforts are essential to preserving cultural values while ensuring economic benefits for local communities. By implementing these strategies, the Acehese traditional cake industry can achieve a sustainable and competitive position in broader markets.*

Keywords: *Acehese traditional cakes, entrepreneurship, product innovation, cultural preservation, market expansion, sustainable development*

1. Introduction

The Acehese traditional cake industry plays a vital role in preserving the region's culinary heritage and significantly contributes to the local economy (Nazila, 2023). Traditional cakes such as Kue Bhoi, Timphan, and Meuseukat not only offer unique flavors but also embody strong historical and symbolic values (Kurniawati, 2023; Nazila, 2023). However, over time, this industry has faced various challenges, ranging from shifts in consumer consumption patterns to the minimal participation of the younger generation in preserving traditional cakes (Andriyani et al., 2017). These issues have led to stagnation in the traditional cake industry in Aceh, which may continue unless addressed through innovative and adaptive entrepreneurial approaches.

Entrepreneurship holds an important role in overcoming these obstacles (Akhmad, 2021). Beyond merely starting a business, entrepreneurship involves product innovation, efficient resource management, and marketing strategies that align with current consumer needs (Anisah et al., 2023; Nursanti et al., 2024). Entrepreneurs in this industry are expected to view their ventures not only from an economic perspective but also as efforts to preserve invaluable culinary heritage (Hazmi et al., 2018). This article outlines the importance of entrepreneurship in supporting the advancement of the Acehese traditional cake industry and explores strategies to achieve sustainability and long-term profitability. The significance of this article lies in identifying the main issues—including the low interest of the younger generation, technological limitations, and limited markets—and providing a gap analysis that highlights the mismatch between the industry's significant potential and the strategies currently implemented.

2. Method

This article employs a literature study approach to analyze relevant theories and previous research on the role of entrepreneurship in the development of the Acehese traditional cake industry. The literature study method involves collecting and reviewing information from various secondary sources, including academic journals, books, reports, and credible online articles related to traditional culinary heritage, entrepreneurship, product innovation, marketing strategies, and sustainable business practices.

The literature review is organized into three main areas:

a. Cultural Heritage and Traditional Culinary Value

This section examines the significance of traditional foods, such as Acehese cakes, in preserving local culture and identity. Literature on cultural preservation provides insights into the historical and symbolic values of traditional culinary products, particularly their role within local communities. These sources help explain the importance of sustaining traditional practices and promoting Acehese cakes as cultural assets.

b. Entrepreneurship and Product Innovation

This section reviews the literature on the role of entrepreneurship in product innovation, with a focus on how innovation can enhance the relevance and appeal of traditional products in modern markets. Studies on consumer behavior and product development are analyzed to understand how flavor variation, packaging design, and market segmentation can attract younger consumers and expand market reach. This helps in identifying effective entrepreneurial strategies for Acehese traditional cakes.

c. Marketing and Sustainable Business Development

The third section explores marketing strategies and sustainable business practices to ensure long-term growth. Literature on digital marketing, branding, and e-commerce highlights how traditional products can reach wider audiences through online platforms. Additionally, sustainable business models and local partnerships are discussed as essential factors for building resilience and economic viability in the Acehese traditional cake industry.

By synthesizing findings from these three areas, this literature study aims to develop a comprehensive understanding of how entrepreneurial strategies, cultural preservation, and sustainable practices can be integrated to support the growth and competitiveness of the Acehese traditional cake industry in modern markets.

3. Results and Discussions

Analysis of the Role of Entrepreneurship in Facing Challenges in the Acehese Traditional Cake Industry

The Acehese traditional cake industry faces various challenges, both internally and externally (Afra, 2024). One of the biggest hurdles is the low interest of the younger generation in continuing these traditional culinary businesses (Afra, 2024). In the digital era, young people are more attracted to modern, technology-based ventures (Colombo & Grilli, 2005). This is where entrepreneurship plays a crucial role in adding value to traditional products, making them more relevant and appealing to today's market. Innovations in packaging, flavor, and product presentation are examples of how entrepreneurship can overcome these obstacles.

In addition to regeneration issues, another frequent challenge is the technological limitations in the production process, which is still manual and labor-intensive. Entrepreneurs can seek simple technological solutions, such as using dough mixers or

efficient baking equipment. Even though these technologies are basic, they can accelerate production without compromising quality.

Another issue is the limited market for traditional products, which tend to be local. Entrepreneurship plays a role in expanding market access by utilizing digital technology (Pergelova et al., 2019). By marketing traditional cakes through e-commerce platforms and social media, these products can become known outside of Aceh, even reaching international markets.

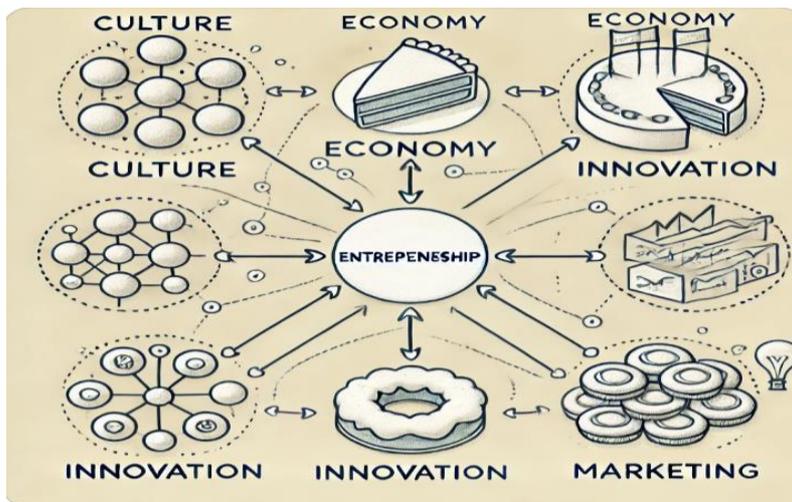


Figure 1. The integrative role of entrepreneurship in the Acehese traditional cake industry: linking culture, economy, innovation, and marketing (Kotler et al., 2016)

The diagram illustrates the integrative role of entrepreneurship within the Acehese traditional cake industry by showing the interconnections between four critical aspects: Culture, Economy, Innovation, and Marketing. At the center of the diagram, entrepreneurship functions as the linking force that unites these components, enabling each to enhance the industry's competitiveness and sustainability.

Culture represents the traditional values and heritage that Acehese cakes embody, which provide a unique identity and appeal to local and regional markets. The economy reflects the industry's contribution to local economic development, including job creation and income generation, which are crucial for communities dependent on small-scale industries. Innovation highlights the need to adapt traditional products to modern tastes, which may include changes in flavors, packaging, or production methods to increase appeal, especially to younger consumers. Finally, Marketing encompasses strategies to broaden the industry's reach, such as digital marketing, social media engagement, and branding efforts that communicate the cultural value of Acehese cakes to a wider audience.

Entrepreneurship plays an integrative role by bridging these four aspects, allowing the industry to maintain cultural authenticity while being economically viable and competitive in the modern market. By connecting cultural heritage with economic growth, entrepreneurship enables the preservation of traditional practices through profitable business models. Meanwhile, innovation facilitated by entrepreneurship helps to keep the products relevant, addressing changing consumer preferences and expanding market potential. Marketing, when driven by entrepreneurial insights, further amplifies the reach and impact of traditional cakes, attracting diverse consumer segments and potentially positioning these products in broader markets.

This interconnected approach demonstrates that the traditional cake industry in Aceh can thrive through entrepreneurial efforts that align cultural preservation with market demands. By balancing these elements, entrepreneurship ensures the industry's sustainability and contributes to the resilience of local culture and economy in the face of globalization and modernization

Product Innovation as a Key to Sustainability

Innovation is an essential element in entrepreneurship to maintain product relevance amid changing consumer preferences (Naidoo, 2010). In the Acehnese traditional cake industry, innovation is necessary to keep products attractive to the younger generation and a broader market. Innovations are not limited to developing new flavors or shapes but also include aspects of health and sustainability. For instance, using natural or organic ingredients that are healthier and environmentally friendly.

With product innovation, Acehnese traditional cakes can attract new market segments, such as health-conscious consumers. Creating attractive and practical packaging can also increase the products' appeal in modern markets. Sustainable innovation ensures that Acehnese traditional cakes remain relevant amid the fierce competition in the food and beverage industry. Moreover, innovation can extend to marketing aspects. For example, introducing products through "food tasting" events or creating digital content that narrates the uniqueness and production process of traditional cakes. Innovation in marketing helps reach more consumers in creative and engaging ways.

Marketing Strategies to Expand Market Reach

Marketing strategy is an important aspect that needs to be well-managed to introduce Acehnese traditional cakes to a wider audience. Entrepreneurship in marketing includes creativity in content creation, appropriate branding, and effective distribution channel selection (Ashley & Tuten, 2015). Utilizing social media platforms like Instagram and Facebook can be an effective means of introducing products to younger demographics. On these platforms, entrepreneurs can share photos and videos of the traditional cake-making process, the cultural values behind each product, and customer reviews.

Additionally, marketing products through e-commerce platforms allows Acehnese traditional cakes to reach consumers outside of Aceh. Collaborating with third parties like marketplaces or direct shipping services can be an effective strategy to reach customers in other regions. With the right marketing strategies, Acehnese traditional cakes can be positioned as widely recognized local specialties. Strong local branding can provide a unique identity to the products, highlighting cultural values and establishing Acehnese traditional cakes as culinary icons in international markets.

Long-Term Benefits of Developing the Acehnese Traditional Cake Industry

The long-term benefits of developing the Acehnese traditional cake industry encompass many aspects—economic, social, and cultural. Economically, the development of this industry can create job opportunities and increase income for the local community. This is particularly important for areas that rely on small industries as their primary source of livelihood. Developing this industry also opens opportunities for expansion into national and international markets, enhancing the competitiveness of local products (Eskelinen et al., 2002).

From a social and cultural perspective, the traditional cake industry plays a role in preserving existing culture and traditions. Well-packaged products can introduce Acehnese

culture to the younger generation and wider society. In the long run, developing this industry can balance cultural preservation with improving community welfare. Furthermore, a sustainably managed traditional cake industry has a smaller environmental impact compared to modern food industries that rely on chemical ingredients and non-environmentally friendly packaging.

Education and Training to Promote Entrepreneurship in the Traditional Cake Industry

Education and training are crucial elements in supporting entrepreneurship within the Acehese traditional cake industry. Many entrepreneurs in this sector still need training in management, marketing, and the use of simple technologies to improve efficiency (Hernita et al., 2021). Training programs involving local governments, educational institutions, and the private sector can help small business owners acquire the skills needed to compete in the market.

Entrepreneurship training can also encourage the younger generation to become more interested and active in this industry. With proper training, young people can understand the importance of innovation and business strategies in maintaining the sustainability of the traditional cake industry. Entrepreneurship education can be conducted through seminars, workshops, or collaborations with schools and universities to introduce the cultural values and business potential of the Acehese traditional cake industry.

4. Conclusions

Entrepreneurship plays a highly significant role in advancing the Acehese traditional cake industry. Through product innovation, effective marketing, and sustainable strategies, this industry can develop into a profitable venture capable of competing in broader markets. Success in developing this industry will not only provide economic benefits but also preserve culture and offer social advantages to the community.

To achieve this success, local governments, educational institutions, and the private sector need to collaborate in providing training, marketing support, and access to necessary technology for local entrepreneurs. By doing so, the Acehese traditional cake industry can evolve into a business that is economically, socially, and culturally beneficial.

The Acehese traditional cake industry, featuring products such as Kue Bhoi, Timphan, and Meuseukat, plays a crucial role in preserving Aceh's culinary heritage and supporting the local economy. Despite its cultural significance, this industry faces challenges like changing consumer preferences and limited participation from the younger generation. Entrepreneurship offers solutions to these challenges through product innovation, improved resource management, and targeted marketing strategies. Key strategies discussed in this article include using simple technologies to streamline production, developing new flavors, updating packaging, and leveraging digital platforms for wider market reach. By adopting these approaches, traditional cakes can attract modern consumers while preserving their cultural value.

5. References

- Afra, Z. F. (2024). Strategi peningkatan daya saing UMKM di Banda Aceh melalui analisis faktor-faktor penghambat dan solusi. UIN Ar-raniry.
- Akhmad, K. A. (2021). Peran pendidikan kewirausahaan untuk mengatasi kemiskinan. *Jurnal Ekonomi, Sosial & Humaniora*, 2(06), 173–181.

- Andriyani, A. A. I., Martono, E., & Muhamad, M. (2017). Pemberdayaan masyarakat melalui pengembangan desa wisata dan implikasinya terhadap ketahanan sosial budaya wilayah (Studi di desa wisata penglipuran Bali). *Jurnal Ketahanan Nasional*, 23(1), 1–16.
- Anisah, A. L., Pradani, T., Yusuf, R., Dianawati, E., Saluby, W. S., Anggraeni, I., Ma'rifah, D., Marlina, S., Zega, Y., & Hidayat, D. (2023). Pengantar bisnis. *Edupedia Publisher*, 1–160.
- Ashley, C., & Tuten, T. (2015). Creative strategies in social media marketing: an exploratory study of branded social content and consumer engagement. *Psychology & Marketing*, 32(1), 15–27.
- Colombo, M. G., & Grilli, L. (2005). Founders' human capital and the growth of new technology-based firms: a competence-based view. *Research Policy*, 34(6), 795–816.
- Eskelinen, H., Hannibalsson, I., Malmberg, A., Maskell, P., & Vatne, E. (2002). Competitiveness, localized learning, and regional development: specialization and prosperity in small open economies. Routledge.
- Hazmi, A. R., Saroh, S., & Zunaida, D. (2018). Strategi pemasaran kerajinan topeng malangan dalam melestarikan produk budaya lokal. *Jurnal Ilmu Administrasi Niaga/Bisnis*, 7(2), 25–31.
- Hernita, H., Surya, B., Perwira, I., Abubakar, H., & Idris, M. (2021). Economic business sustainability and strengthening human resource capacity based on increasing the productivity of small and medium enterprises (SMES) in Makassar City, Indonesia. *Sustainability*, 13(6), 3177.
- Kotler, P., Keller, K. L., Brady, M., Goodman, M., & Hansen, T. (2016). Marketing management 3rd edn PDF eBook. *Pearson Higher Ed*.
- Kurniawati, N. (2023). Pariwisata berbasis budaya di Gampong Lubok Sukon Kecamatan Ingin Jaya Kabupaten Aceh Besar. UIN Ar-Raniry.
- Naidoo, V. (2010). Firm survival through a crisis: the influence of market orientation, marketing innovation, and business strategy. *Industrial Marketing Management*, 39(8), 1311–1320.
- Nazila, R. (2023). Upaya meningkatkan perekonomian masyarakat melalui pengembangan produk UMKM kue Bhoi Aceh menurut perspektif ekonomi Islam (studi di Gampong Blang Krueng Seumideun Kabupaten Pidie). UIN AR-RANIRY.
- Nursanti, T. D., Haitamy, A. G., DN, D. A., Masdiantini, P. R., Waty, E., Boari, Y., & Judijanto, L. (2024). Entrepreneurship: strategi dan panduan dalam menghadapi persaingan bisnis yang efektif. *PT. Sonpedia Publishing Indonesia*.
- Pergelova, A., Manolova, T., Simeonova-Ganeva, R., & Yordanova, D. (2019). Democratizing entrepreneurship? Digital technologies and the internationalization of female-led SMEs. *Journal of Small Business Management*, 57(1), 14–39.