Phenomenon And Potential Of The Grain *Arisan* As A Social Modal Source Based On Financial Technology In Sidrap District

Muhammad Nur Revollah¹, Muhammad Fadel Dwi Makmur², Juan Jimmy Dwiangga Allo Linggi³, Rasyidah Bakri⁴

¹Department of Agricultural Socio Economic, Faculty of Agriculture, Hasanuddin University, ²Department of Economics, Faculty of Faculty of Economics, Hasanuddin University, ³Department of Informatics Engineering, Faculty of Engineering, Hasanuddin University

*Corresponding author:* revolahh@gmail.com

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**ABSTRACT**

The Grain arisan refers to a lottery club’s activity that uses grain price standards in its payment. This activity was held in 1999 by the society in Bulo Timoreng Village, Panca Rijang District, Kabupaten Sidrap, South Sulawesi. This paper aims to explain the structures and arrangement processes of the Grain arisan and the benefits its members obtain while joining that activity. Moreover, the authors seek to analyse the potential of the Grain arisan as a social modal based on financial technology. This research uses a mixed method. Data collection in this research uses observation, in-depth interviews, documentation, and questionnaire. This research finds that Grain arisan is becoming a local financial institute that gives many benefits to its members through these several methods. It is proven through score calculation by the Likert scale. This dominance shows that the grain lottery club has a significant potential to become a social modal based on financial technology. Many activities are not yet modern or still traditional. Nevertheless, the members have tried to make the lottery club more modern by optimizing technology.

**Keywords:** financial technology, grain arisan, local financial institute, social modal


**INTRODUCTION**

A social gathering or "arisan" has become a well-known socio-economic activity among the people of Indonesia. *arisan* is an activity to collect money of the same value and then draw lots to get the winner. With social gatherings, individuals can earn money, increase social interaction, and build relationships with others (Bakri, 2013; Prastya et al., 2021; Anam et al., 2021).
Economic needs and capabilities lead to arisan, such as arisan for motorcycle auctions, household furniture, trade, necessities, and others (Putri, 2018; Idris et al., 2020; Baihaki & Malia, 2018).

One of the unique forms of arisan is the grain arisan by the people of Bulo Timoreng Village, Panca Rijang District, Sidrap Regency, South Sulawesi. The villages have formed a system of grain arisan by making the grain price a benchmark for payment. This concept means that each member will deposit their money based on the cost of the grain grinder obtained in tons.

The emergence of the grain arisan is strongly influenced by the local community's concept of local wisdom, namely pappaseng nene malommo. Pappaseng Nene Mallomo is a literary work that contains values, beliefs, customs, and traditions passed down through oral speech. (Rawe et al., 2020; Teng et al., 2021; Baso, 2021). The emergence of grain arisan in Sidrap was initiated by Hj. Marwati in 1999. The main objective was to meet life’s needs and increase the rice farmers' business.

The grain arisan indicates the existence of social capital in the process. Social capital is an effort to utilize social relations. Social capital empowers the potential for social and cultural interactions in society to become economic value. Social capital is formed because of communities and activities together (Fathy, 2019; Harahap & Herman, 2018).

The grain arisan became increasingly popular in 2010 because many farmers began to need capital to carry out their agricultural business. Apart from having no restrictions on the following conditions, the grain arisan has an easy, simple, and fast procedure. When the Covid-19 pandemic occurred, people preferred to borrow funds through grain arisan.

Due to the increasingly prominent role of the unhusked grain arisan, this paper aims to explain the structure and process of managing the grain arisan and the benefits to farmers during the activity. This paper analyses the potential of the grain arisan as social capital based on financial technology to help the financial condition of rice farmers. Financial technology refers to grain arisan as an alternative solution to financial problems.

Farida, (2018) researched the preacher's view of the arisan index in Banyuwangi. Masithah, (2018) reviewed the implementation of mobile online arisan on Instagram and studied it according to Islamic law. Khoiriyah, (2020) discussed the practice of online arisan for one of the owners of a Facebook account. She looked at the issue through the Civil Code Law and theologian's views in the Banyuwangi Regency. Wati, (2015) compared two arisan models, including CC arisan in Jakarta using economic capital and SM arisan in Malang using symbolic and cultural capital. Sanggo, (2016) discussed online arisan fraud in Surabaya and examined judicially utilising the perspective of Law no. 11 of 2008 concerning Information and Electronic Transactions.

This paper's novelty focuses on implementing grain arisan from a fintech perspective. In this paper, the grain arisan has a more specific purpose: an alternative solution for community capital sources, mainly farming communities. Several studies still focus on the Javanese locus. Due to the lack of discussion about the arisan system outside Java, this paper attempts to examine this issue by making the people of South Sulawesi the main focus.

**METHODS**

**Research Approach**

The research uses a mixed method by combining quantitative and qualitative approaches (Regnault et al., 2018). A qualitative approach is used to interpret public perceptions using in-depth interviews. A quantitative approach uses to analyse the Likert Scale questionnaire statistically. This study uses four data collection techniques: observation, in-depth interviews, documentation, and questionnaires. First, observations are made by observing the research sample (Ciesielska et al., 2018; Pope & Allen, 2019; Jack, 2018; Putra, 2016). In this study, the observation activities start from the determination of participants, the mechanism for mobilizing and distributing funds, to the drawing of winners.

Second, in-depth interviews aim to find information more openly from respondents. An in-depth Interview is a process to obtain information by researchers utilizing a question and answer while face to face between the interviewer and the respondent or the person being interviewed, with or without using an interview guide in which the interviewer and informant are involved in social life that is relatively long (Deterding & Waters, 2018; Morris, 2015; Rutakumwa et al., 2019).

This study conducts in-depth interviews with the grain arisan Group in Bulo Timoreng Village to obtain perceptions about institutions, processes, and goals. This research uses semi-structured interviews.

Third, documentation is used to obtain data and information in books, archives, documents, written numbers, and pictures related to research (Sugiyono, 2017; Putra & Indradjati, 2021; Tobiasz et al., 2019). This research uses a camera tool to picture the activity. In addition, the virtual method is also carried out through a review of the members' social media to obtain the necessary records.

Fourth is a questionnaire that aims to conclude problems in specific populations by making samples (Young, 2016; Ikart, 2019; Taherdoost, 2016).
This study uses a Likert scale questionnaire to obtain perceptions. The Likert scale is a psychometric scale commonly used in questionnaires and is the most widely used scale in survey research. There are two forms of Likert: positive questions to measure positive interest and negative ones to measure adverse interest. The Likert scale answer consists of strongly agree, agree, disagree, and strongly disagree (Taluke et al., 2019; León-Mantero et al., 2020).

**Population and Sampling**

This study uses 50 samples of grain arisan participants from 4 groups, including Padaelo Samaturu, Buhungja, Kalpaturu, and Balanglohe. The sampling method is non-probability through the Respondent Driven Sampling (RDS) approach. This approach focuses on appointing respondents (chain referrals), namely the grain arisan chairman, to gather members to meet the targeted number of respondents.

**Data Analysis**

This research uses two analyses, including content analysis and Descriptive statistics. Content analysis is a technique to conclude by identifying various special characteristics of a message objectively and systematically (Arafat, 2019; Erlingsson & Brysiewicz, 2017). This study uses content analysis to interpret in-depth interviews with stakeholders participating in the grain arisan. This analysis is used to describe the process and management of the grain arisan community. Descriptive statistical analysis is a method to describe and provide an overview of the frequency distribution of research variables. Descriptive statistics overview the distribution and behavior of sample data by looking at the minimum, maximum value, average (mean), and standard deviation of each independent and dependent variable (Ghozali, 2017; Muchson, 2017). This study uses descriptive statistical analysis to present the mean value of perceptions related to economic improvement through the social capital of grain arisan. The results of the Likert questionnaire are interpreted using descriptive statistical analysis (Yellapu, 2018; Vetter, 2017).

**RESULTS AND DISCUSSIONS**

**Structure of the Grain Arisan Group**

Evaluation of age, education level, and occupation are carried out to know the structure of the grain arisan group in Bulo Timoreng Village. In addition, in
understanding the organizational structure of the grain arisan group, it is also evaluated from the institutions related to the stewardship structure in managing the number of members involved. This evaluation is supported by data from documents of the arisan membership owned by the chairman and treasurer of the grain arisan group.

Participants’ characteristics
Based on the age variable, the grain arisan group is dominated by mothers in their 30s. Their purpose in joining the group is to increase the need for funds for their families. The education level of the members tends to be poor. This reason causes the financial recording of arisan to be done conventionally and less systematically. Based on the occupation variable, the grain arisan group is dominated by farmers. Most of the participants work as farmers and join the grain arisan group to improve their welfare.

Institutional’s Characteristics
There are three structural positions in the grain arisan group: the chairman, treasurer, and group members. The chairman has a more critical role than other positions, such as being responsible for group formation, facilitating the implementation of arisan, overcoming the problem of unpaid member dues, and

<table>
<thead>
<tr>
<th>Table 2. Participants’ characteristics of the Grain Arisan Group in Bulo Timoreng Village</th>
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<tbody>
<tr>
<td>Variable</td>
</tr>
<tr>
<td>Age</td>
</tr>
<tr>
<td>Education Level</td>
</tr>
<tr>
<td>Elementary School</td>
</tr>
<tr>
<td>Junior High School</td>
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<tr>
<td>Senior High School</td>
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<tr>
<td>Occupancy</td>
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<tr>
<td>Farmer</td>
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<tr>
<td>Housewife</td>
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</table>

Source: Primary data analysis for 2022

<table>
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<tr>
<th>Table 3. Institutional Characteristics of the Grain Arisan Group in Bulo Timoreng Village</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group name</td>
</tr>
<tr>
<td>Padaelo Samaturu</td>
</tr>
<tr>
<td>Kalpataru</td>
</tr>
<tr>
<td>Buhungja</td>
</tr>
<tr>
<td>Balanglohe</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Source: Primary data analysis for 2022
having the right to make various decisions. The treasurer acts as the person in charge of the group's finances so that the treasurer will get incentives from arisan lottery winners. Meanwhile, group members should pay contributions in each harvest period, namely February and September. **Operationalization management of the Grain Arisan Group**

Grain *arisan* activities begin with the process of recruiting group members. The chairman usually conveys information from house to house to find new members. Members recruited are family, neighbors, or people who are well known. Moreover, the group leader position will be handed over to the initiator or based on mutual agreement. However, there is also a case when the chairman passes down the place to their child. It occurred in the Balanglohe *arisan* group.

Financial recording activities are carried out manually using a notebook as the medium during activities happening in the grain arisan. In addition, each member's name is written on a piece of paper, and they put it in a glass as its container. The cup is covered with a sheet of paper with a hole in the middle so that the piece having the member's name can come out while it is being drawn.

Before the lottery, the group leader will ask the members about the purpose of using the funds if they win. This action is to find out if members suffered from a disaster so they can be prioritized as winners of the lottery. The statement of the chairman of the Buhungja arisan group supports this analysis stating, "If an arisan member who needs financial assistance such as paying for the hospital or wedding expenses, usually the arisan group will consult, if it is considered that the member needs to be helped, then that member becomes the winner of the lottery for that period." (Mrs Rohana, interview: June 29, 2021).

![Figure 1. Operationalization management of Grain Arisan](image)

Source: Primary data analysis for 2022
Benefits of Grain Arisan as Social Capital to Lift Local Economic

The interaction between the people in Sidrap creates an opportunity to create grain arisan. The existence of grain arisan can empower local communities and impact the economic improvement of the local community. Content analysis through in-depth interviews describes how the grain arisan improves the local economy.

By participating in the grain arisan, small-income farmers have the opportunity to get a large enough loan. They can use these funds to meet the needs of life or develop the business they have done. The statement from Mrs. Ani supports this analysis as a member of Kalpataru's grain arisan: "Following the grain arisan is good. The winning money is huge. It can be used for living expenses, children's education costs, some for business capital, some for buying farming equipment or new fields." (Mrs Ani, interview: July 5, 2021).

The grain arisan can also strengthen social relations among fellow members. This finding is because the lottery does not always determine the winner’s determination. However, if members need funds for urgent needs, they will be the lottery winner based on mutual agreement. The statement from Mrs. Asdiati supports this analysis as the Balanglohe arisan member: "Once, my family had an accident, my husband's rice field failed to harvest, and I conveyed this to the head of the Balanglohe arisan. The chairman of the arisan and the other members negotiated and agreed to give me all the arisan money deposited for that season and removed my name in the next draw." (Mrs Asdiati, interview: July 4, 2021).

These statements prove that the 'pappasaeng' concept has been well implemented in the grain arisan. With the arisan, the relationship between the community will increase mutual trust. This claim follows the Bugis tribe values, including the honesty value (Alempureng), the intelligence value (Amaccangeng), the persistence value (Agettengeng), and the kinship value or affection (Asseajingeng), which is manifested through respecting and not taking the rights of arisan members, the ability to managing finances, mutual

<table>
<thead>
<tr>
<th>No</th>
<th>Benefit</th>
<th>Reason</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Opportunity to get a loan with a large enough amount</td>
<td>They can use funds to meet their daily needs or develop the business</td>
</tr>
<tr>
<td>2</td>
<td>Strengthen social relations among members</td>
<td>Determination of the winner is not always determined by lottery. However, if there are members who need funds for urgent needs, then they will be the winner of the lottery based on a mutual agreement</td>
</tr>
<tr>
<td>3</td>
<td>Increase mutual trust, respect, and care for each other</td>
<td>Implementation of the Bugis value tribe realized through respect and not taking the rights of arisan members</td>
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respect between members, and a sense of caring for each other to help each other.

The Grain *Arisan* Potential as a Financial Technology-Based Social Capital Source

The data from 50 respondents from the Likert scale score shows how significant the potential of the grain *arisan* is to become a social capital source based on financial technology. Financial technology is an innovation in the field of financial services which no longer needs to use paper money. In other words, financial technology turns currency into digital to make it more efficient. FinTech refers to using technology to provide financial solutions (Arner et al., 2015; Hiyanti et al., 2019; Leong, 2018). The fintech implications in the grain *arisan* are in the form of communication, data collection, and electronic money in the form of a platform to facilitate *arisan* activities. The descriptive statistical analysis in Figure 2 presents the perception of using fintech for grain *arisan*.

![Diagram of Likert scale scores for potential grain *arisan* as a social capital source based on financial technology](diagram.png)

**Figure 2.** Descriptive Statistics for Potential Grain *Arisan* Diagram

Source: Primary data analysis for 2022

From the diagram, it can be known that there is a high potential for grain *arisan* to become a social capital source based on financial technology in Bulo Timoreng Village because most respondents strongly agreed and agreed with the method of implementing grain *arisan* using financial technology by 70%.

Apart from referring to alternative solutions as a local financial institution, financial technology also refers to a more modern system and implementation of the grain *arisan*. The role of technology can facilitate the recruiting process, more systematic financial records, and the draw for the grain *arisan* on a scheduled basis. Based on observations and interviews, members have implemented a modern *arisan* system. An example is mobile phone usage for delivering information about the *arisan* timing. In addition, the high scores of Strongly Agree (SA) and Agree (A) also indicate the interest of *arisan* members in developing their group towards a more modern direction. The statement from Mrs. Isna supports this analysis as...
treasurer of the Balanglohe grain arisan:
"Before collecting the arisan dues, I will usually inform each group member via SMS or WhatsApp because some farmer mothers are here. Already have cellphones, maybe if there were media such as applications, the arisan activities might be better and scheduled" (Mrs Isna, interview: July 4, 2021).
Therefore, grain arisan will likely become a social technology-based social resources provider. So far, the program has acted as a local financial institution and social capital agent. However, the more modern arisan system has not yet been fully implemented. Nevertheless, arisan members desire to bring current values into their arisan activities.

CONCLUSION AND SUGGESTION

The grain arisan has been carried out by the people of Bulo Timoreng Village, Panca Rijang District, Sidrap Regency, South Sulawesi, since 1999. This arisan is the benchmark for the price of grain in the payment. Grain arisan became famous in 2010. This arisan is a local financial institution for the community to borrow funds in urgent situations.

The grain arisan aims to establish interaction and improve social relations among its members. This situation causes the relationship between brotherhood and kinship to increase. The value and purpose of the grain arisan are very much influenced by 'pappaseng.' This concept is then realized through acts of tolerance, mutual respect, and mutual help.

The grain arisan has developed into a local financial institution for the local community. Arisan funds are often used to establish agricultural businesses. Because it has excellent benefits, grain arisan has the potential to be a capital source for the community and more modern by using technology. The community desires to make grain arisan more modern by optimizing technology usage. Although most arisan activities are still conventional, the technology used to support arisan activities has begun to be seen. This argument can be seen from mobile phones to mobilize arisan activities. Therefore, it can be said that as a local financial institution, grain arisan has a high potential to develop into a social capital source based on financial technology in Bulo Timoreng Village.

REFERENCES


