

## ABSTRACT

ASEAN Economic Community (AEC) is the goal of regional economic integration by 2015. The competition is not only domestically but also in the Southeast Asian Region. Whereas, as the impact of the implementation of ACFTA, about thirty percent of craftsmen in Binong Jati Knit Industry Center had stopped operating. The number of craftsmen in Binong Jati Knit Industry Center in 2009-2013 tended to decreased since 2010.

This study aimed to identify the characteristics of entrepreneurship, internal environmental factors and external environmental factors on small businesses in Binong Jati Knit Industry Center and identify strategies to maximize competitive advantages. The mapping result showed that there was 73 micro business and 220 small business in Binong Jati Knit Industry Center. This study was a qualitative descriptive research with Miles Hubberman Models and SWOT Analysis as the techniques of analysis.

The results indicated that the small businesses in Binong Jati Knitting Industrial Center were independent and had an optimistic nature, task and results oriented, able to take and face the risks and opportunities, had the ability to lead, not have originality in product design, and future-oriented. Strategies that can be implemented are maximize the government assistance, developing markets, maximizing customer loyalty, maximize digital / online promotion and social media, encouraging the government to facilitate the access road, maximize the use of the machine manually, utilizing demographic characteristics for innovation, maximize product differentiation, finding new markets, maximize online retail sales , maximizing the quality of the product, using automatic machines, maximize system maklun, and innovation in product design.

Keywords: Small Business, Entrepreneurship, Competitive Advantage