



Social Capital of Entrusted Service Agents for Imported Fashion and Cosmetics Products

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Abstract

The increasing online trading system through e-commerce and social media has triggered a group of people, as entrusted service agents, to take part in the trade of fashion and cosmetics products carried out by either individual or social communities. In an effort to support the success of this individual trading system, the entrusted service agents take advantage of social capital to establish social relationships to be part of the circle of transactions for either re-sellers or sellers. Social capital is a skill that is inherent in an individual to establish social relationships with others. Based on the results of the study, the entrusted service agents have the habit to gather with the hedonist community, such as socialites and groups of wealthy people who have a consumptive nature, in a hope that in the circle of social relations there will be a social structure in the pattern of circular communication to create massive personal trade transaction relationships.

Keywords: *Social Capital; Entrusted Service Agent; Fashion and Cosmetics Products*

Introduction

The presence of entrusted service agents in Indonesia can be said as a new activity that has developed into a profession in the informal sector. Nowadays, this kind of profession is increasingly popular and favored by young people and adults as a side job that does not interfere with their other activities. The role of entrusted service agents can be done individually or in a group. This shows that there is a new expansion in the business sector so that it can build a variety of new human resources that have the potential to advance financial turnover among amateur business people.

For workers in industry and students, having job as an entrusted service agent is no longer considered as a side job. Therefore, the number of entrusted service agents is currently increasing. Many people are trying to benefit from this business by becoming part of sales agents. Through access to the supply of goods owned, the entrusted service agents can also run their business without having to have a permanent business permit for a particular business.

Although this job does not consider gender, the majority of the entrusted service agents are women from all segments, including housewives. Some teens who want to earn extra income from buying and selling products also try this business.

Until now there has been no exact data on the number of personal or group members who run this business. This kind of job is not an official or formal job, but on the one hand, it cannot be said as illegal job. Entrusted service agent is a job that does not provide a monthly income like usual office workers who can get a monthly salary. The entrusted service agents seek customers through friendship media and market their products through social media.

This activity originated from a system of selling products or goods that are not marketed in the retail market in general, such as in shopping centers, but the goods are sold privately, from person to person, through word of mouth, and through the social media. The products offered by the entrusted service agents are also diverse, ranging from products that are officially sold in Indonesia in a wide market to products that are not officially sold in the Indonesian market. Foreign products that are not sold in Indonesia include products with brands that are not well known in the country, such as fashion, cosmetics, books, and medicines.

The entrusted service agents can be said to be brave enough to supply products from abroad not only from the Asian region, but also from Australia and Europe. This is an effort taken by the entrusted service agents to be able to get additional income.

The number of entrusted service agents continues to increase because people think that this job does not consume much energy, does not require special expertise, and does not interfere with other activities. Some even consider that being a part of an entrusted service agent can also be a means to travel abroad to supply goods, especially when becoming an entrusted service agent for imported products.

The products bought and sold by entrusted service agents are mostly products for personal use. Head of the Sub Directorate General of Public Relations of the Directorate General of Customs and Excise of the Ministry of Finance, Deni Surjantoro, says that in the practice of customs there is no term "entrusted service", but goods for personal use and goods not for personal use (traded). The term "entrusted services" is a popular term created by certain circles which is then agreed to be a new term that is easy to remember.

Based on data from Customs and Excise Office in 2019, of the 422 cases of entrusted service agents, the goods traded came from Bangkok, Singapore, Hong Kong, Guangzhou, Abu Dhabi, and Australia. Meanwhile, based on the types of items, about 75% was dominated by clothes, cosmetics, bags, shoes, and other high-value items. These items mainly came from centers of fashion and electronics abroad. Types of items such as clothes, cosmetics, bags, shoes and cell phones are new types of goods that do not yet exist or have not been sold in the domestic market. So, in this case the government imposes a tax on any goods brought from abroad, even the slightest. This is the basis for supervision of the entrusted service business.

Recognized by many parties including the Executive Director of the Center of Indonesia Taxation Analysis (CITA), Yustinus Prastowo, that at present there are no strict rules governing the details of the entrusted service business. So, there is a gap for these business people to use it. One of them is by splitting or dividing shopping goods to several people. On the one hand, the government is aggressively to control the entrusted service agents. But on the other hand, the government needs to be careful in disciplining the entrusted service business, because it is feared that the government's efforts will actually be counter-productive.

The number of entrusted service agents is increasing and mushrooming, especially at the level of adolescence and adulthood, and providing additional profits for agents. But some of them are considered illegal because they deviate from taxes. According to the data, the Directorate General of Customs and Excise (DJBC) has found 422 cases of violations committed by entrusted service agents.

The violations committed by the entrusted service agents include violations in administration, such as not paying import duty, value added tax, income tax, import provisions, and sales tax on luxury goods. The total amount of state revenue saved from the prosecution is unknown. However, some have already paid and saved up to IDR 4 billion in revenues.

Previously, the Directorate General of Indonesian Customs and Excise said that the potential loss of the country reached 17% of the price of the goods if the entrusted service businesses increased in Indonesia. This loss comes from VAT (10%), income tax (10%), and import duty (7.5%). The government does not prohibit people from bringing goods from abroad, but the quantity of goods must be conditioned on the price that can be brought into the country, which is a maximum of USD 500 or IDR 7 million. So, it is important for business people with the status of entrusted service agents to continue their business legally and comply with the rules (<http://www.neraca.co.id/article/122494/pemerintah-diminta-hati-hati-tertibkan-usaha-jastip>).

The government requests that entrusted service organizers who want their business to run legally have a Taxpayer Identification Number (NPWP) and declare the goods they carry as merchandise, not as personal goods. However, this is apparently not done by the entrusted service agents and they prefer to continue to operate through social media or face-to-face meetings with customers.

Monitoring of entrusted service agents is not only through their face-to-face business activities, but also through buying and selling activities on social media. The Directorate General of Customs and Excise (DJBC) of the Ministry of Finance has carried out a number of measures to control the entrusted service agents. The Customs and Excise Office also asked the entrusted service agents to conduct business activities legally by obeying customs procedures to carry out trade activities fairly.

In addition, the entrusted service agents were also asked to carry out buying and selling activities through official platforms such as in e-commerce, not through social media. The rules for entrusted service agents must be clear because this is a new phenomenon that utilizes technology. Although the appeal has been issued by the Government, but the entrusted service agents still violate the regulation in selling the products through social media and other relationships connected through their social media accounts.

Regarding the government's prohibition of entrusted service agents to sell on social media, many parties reveal that the government does not have the right to ban this business because this type of business does not yet exist or has not been regulated in regulations. The emergence of the entrusted service business is a product of technological development.

The government takes precautions and is careful in taking steps by placing its priorities. However, this has also become a dilemma because the number of entrusted service agents is increasingly widespread and is considered to be increasingly unsettling for the formal retail markets that have official business status and official trade status.

The entrusted service agents are believed to have damaged the retail market and the trade market widely because the prices offered can sometimes damage the market, such as giving prices that are too cheap or too expensive. They sometimes even sell unofficial products in Indonesia or products that are only traded abroad.

Among those that are quite troubling are the products of fashion, accessories, and cosmetics that are purchased directly from abroad or imported products that are not legalized domestically so that this is quite unsettling for the retail market, including the presence of goods in and out through immigration that are not identified.

In addition, the entrusted service agents are able to build wider social relations, so that consumption of goods takes place continuously. This is an opportunity for entrusted service agents to supply massively due to the increasing number of demands from their relations built on social media. The entrusted service agents also rely heavily on social media as a working tool. Social media is a form of media that connects the entrusted service agents with their customers. This then makes legal markets threatened because many customers choose to buy products from entrusted service agents and leave legal traditional or modern markets in shopping center vendors.

Based on the cases and problems that have been explained above, the problem is that the existence of entrusted service agents easily grabs consumers from the legal retail market in the domestic market. This is what makes the entrusted service agents to be considered able to damage the market by offering a cheaper price and by relying on close social relations with customers. So, the problem here is focused on social capital owned by entrusted service agents who sell imported products of fashion, accessories and cosmetics.

Research Theory

Entrusted service agents are often referred to as usurpers of the consumer market. They shift it to a trading system that arises by word of mouth or from the sale of goods through content posted via social media. This is what is interesting to study, about how entrusted service agents to build social relations to be able to attract consumers from the legal retail market.

Social relations are the main tool for the entrusted service agents to be able to continue to exist, sell their products, and have their own consumers. So it is important for entrusted service agents to have social capital as a strategy to maintain their position in the structure of the sale of imported products that are carried out informally. In addition, the entrusted service agents serve as the main agents in dominating the customers and access of the traders.

According to John Field (2003: 86), social capital is seen as a market and labor asset; even when recruited through intermediaries, customers and workers show greater loyalty and commitment than is possible among strangers. Networks are also seen as contributing to a consistent and stable management style, which in turn can be vital to encourage companies to stay afloat in external shocks, especially in sectors that experience ups and downs, such as construction.

Furthermore, John Field (2003) says that their financial capital and cultural capital relatively also tend to be high in social capital. But in general, they are more involved with other people. They tend to be in social capital so they can be more involved with other people, and they tend to build connections with people who have close ties.

Social capital can encourage inequality especially because access to different types of networks is very unequally distributed. Every person, like an entrusted service agent, can use his connections as a way to realize his interests, but some connections are built by others. Social capital provides direct benefits to network members. In addition, it can help replace the lack of other sources. Finally, strong groups can try to limit or undermine the social capital of less powerful groups. This characterizes the employer's (dominant actor) strategy in an informal community.

The entrusted service agents, through their social capital, always try to keep their process of production of goods running and keep supplying. When cultural industry products undergo a process of commodification and mass production to target the broadest market, one inevitable consequence is the emergence of synergistic consumption behavior (Suyanto, 2017).

For the power of capitalism that produces culture on a mass scale, synergistic consumption behavior is usually deliberately encouraged to develop. It is not only to boost sales turnover, but also to stimulate the growth of increasingly loyal, addictive, and differentiated consumer behavior to various cultural products that are increasingly varied, interrelated, and influential (Bourdieu, 2005).

This is in line with the opinion of Nan Lin (2001) that social capital is an investment in social relations by individuals through which they gain access to nearest sources to improve the expected results from expressive or instrumental actions. So, social investment includes social resources, such as networks, beliefs, values and norms, and driving forces in the structure of social relations to achieve individual and / or group goals efficiently and effectively with other capital (Damsar & Indrayani, 2019).

Furthermore, Nan Ling explains that social capital sees how the group develops and maintains social capital as a group asset, then the group assets facilitate its members to achieve economic benefits or social benefits. In the social capital of the entrusted service agent, it can be seen that the individual actor utilizes the resources inherent in these social relations to obtain economic benefits of social benefits.

Research Methods

This research uses a qualitative approach with case studies. The constructivism paradigm is used to see the reality of the construction process of entrusted service agents in carrying out their lives in the social world and to understand how the interwoven social relations built by private service agents, including the principles, rules and norms, and values formed by the entrusted service agents with the groups that are under the auspices of their structure.

According to Max Weber, in the constructivism paradigm used in the social action paradigm, there are five main characteristics that are the target of research (Ritzer, 2013): (1) human actions, which according to actors, contain subjective meanings; (2) concrete actions or completely thoughtful actions that are subjective in nature; (3) actions which include the positive influence of a situation and actions that are intentionally repeated in the form of tacit agreement; (4) the actions directed at someone or some individuals; (5) the actions to pay attention to the actions of others and are directed at the other person.

This research also tries to find out other capital that supports the performance and operations of the entrusted service agents. To find out what capital is needed by entrusted service agents in carrying out their operations in informal trade, the data analysis technique used in this study is social capital analysis through mutual interpretation.

In this context, the social capital is analyzed at the micro, meso, and macro levels, and each level of analysis has a different component. At the micro level, elements of social capital are associated with motivation, beliefs, opportunities inherent in the individual of the actors and social interactions that are built in achieving goals and meeting interests (Usman, 2018).

At the meso, and macro levels, social elements are associated with social values and norms such as rules and values instilled by entrusted service agents in their social sphere. And then, groups of entrusted service agents and their social relations, in carrying out transactions, draw up special agreements and collective agreements, as well as the interests of the community that are affiliated in carrying out

collective activities and social structures. The existence and function of each component at each level of analysis can be explained using qualitative methods with descriptive types.

Data collection techniques were carried out by means of non-participant observation in the vicinity of the gathering location of the community of entrusted service agents located in the area of South Jakarta as well as the operational place of entrusted service agents in conducting their work. The next step is to conduct in-depth interviews with entrusted service agents specializing in selling imported products, and supported by data in the form of conversation with their community groups including data from several groups in one community.

Research Discussion

The existence of entrusted service agents has become a popular conversation in the midst of an increasingly consumptive and modern society that seek to find pleasure through the attributes of goods used to achieve high value of prestige among modern society. This condition is utilized by the entrusted service agents to be able to target the market of consumptive consumers in order to obtain more benefits and a definite market target. And this is what is used by the entrusted service agents to be able to target the consumer consumptive market in order to obtain more benefits and a definite target market.

The main target of the entrusted service agents are customers in the upper middle class, teenagers, and adults. The scope includes teenagers who already work, entrepreneurs, and college students. It is said by Putri Nila (27) and Claudia (30) that the entrusted service agents that operate in the Jakarta area have expanded their social networks to sell quality imported fashion and cosmetic products that are supplied directly from various countries, such as Malaysia, Singapore, Thailand, and China.

Initially, as housewives, Putri and Claudia run this business as part of their daily activities. And these activities have been carried out since 2018 as followers of other entrusted service agents (their friends) who are already experienced and have tried to reach a smaller scale for 5 months as a beginning to seek experience and seek social networks from other more experienced entrusted service agents, until finally starting informal trading practices that are traded personally and through social media.

Their interest in becoming an entrusted service agent, besides easy to do, is to fill their daily lives and get profits. The first products sold were clothing, pants, shoes, perfume, cosmetics, food and medicinal products. For the supply of her own products, Putri did not start from domestic products that were directly related to the distributor or producer of the goods.

Increasingly, Putri and Claudia began to develop their own trading network through their social networks by becoming entrusted service agents who were able to supervise the re-sellers as one of the customers of large-scale buyers or wholesale agent services. And their goods were traded back to consumers at a large.

The types of resellers also vary, ranging from personal or individual, collective, to traders who have a formal business that supplies goods from entrusted service agents. People who want to be entrusted service agents usually have to start from the lower level as a customer (buyer), then as a reseller, until finally when they already have enough experience and adequate social networks, these resellers can then stand alone as independent entrusted service agents who have extensive social networks.

Putri admitted that during her practice of buying and selling fashion products, she and other entrusted service agents often deviated from taxes, such as buying goods in large quantities in several countries, then revoking all brand labels or storing them in special packages so that the goods were not easily known by custom officers.

The existence of entrusted service agents sometimes also attracts the attention of customs and excise officers at the airport. For example, there are a number of entrusted service agents who are caught at the International Airport in Jakarta for carrying goods of foreign products with certain brand labels that are not included in the record of the types of legal goods traded in the country. This is what makes the entrusted service agents have to redeem their goods with a sum of money.

It was said by Putri that she also sometimes has a special connection with officers to 'compromise' so that every supply of goods from abroad is safe, but this is not easy. Efforts to establish good social relations with airport or customs officers must be done by means of social exchanges, in which the connections must be based on gratuities in the form of money given to customs officers so that the work system of the entrusted service agents can run smoothly.

According to Putri, a fairly large obstacle usually occurs when supplying imported goods from China, where the supply of goods from China is quite difficult and the luggage must be limited so as not to be easily suspected by customs officers in China and in Indonesia. Furthermore, Putri said that purchasing goods in large quantities is actually cheaper when viewed per item. Putri and Claudia already have permanent vendors as customers to buy fashion and cosmetics products.

To supply imported goods, such as fashion and cosmetics, usually requires a sizable budget of IDR 50 to 100 million per trip to be able to supply goods in large quantities. However, the provision of the budget also depends on the destination country. The budget is usually already borne in advance by Putri, and the price of imported products sold to her connections is also more expensive, which includes transportation costs and profits.

To keep the business running well, Putri and Claudia always maintain communication with their resellers and regular customers in a communication group mediated through social media, such as WhatsApp, Messenger or Instagram.

Through a joint group consisting of entrusted service agents, resellers and customers, Putri and Claudia usually like to take pictures of the latest items traded by the tenants visited when they are abroad, and not only one tenant, but also several tenants who can offer quality products. In addition, the photos shared via social media are also offered to customers. If there are customers who are interested, the entrusted service agent is obliged to provide the supply of goods on demand.

Micro - macro integration in the analysis of social capital of the entrusted service agents, which includes relationships, structures, and entrusted service agents, builds a network of its own in the form of a group community that is not agreed upon as a special community, but based on the desire of each individual to be invited to join the social network of the entrusted service agent. The group that consists of entrusted service agent, resellers, and customers is actually in a friendship relationship with the entrusted service agent.

Within the group comes a sense of trust or belief that is not forced. However, the entrusted service agent symbolically seeks to build a value of trust that is actually forced on the social network, so that the efforts made by the entrusted service agents become something of value and convincing for the customer or reseller that what is offered contains more value and the prestige offered is also very valuable.

In the end, the trust system instilled by the entrusted service agent encourages consumers to be more consumptive and this can also change their aesthetic lifestyle patterns with high-value products.

The consumers of private service agents, like post-modern society, present themselves in front of others. How a person builds an identity in front of his social environment is, in many ways, influenced by

his lifestyle and construction in addressing the demands of society and the interests that lie behind them. Entrusted service agents offer foreign products that look valuable and that are not traded domestically, so consumers feel that they wear exclusive foreign attributes that are not widely owned by others, regardless of the element of rationality.

Lifestyle is expressed through what a person wears, what he consumes, and how he acts and behaves when he is in front of others. Lifestyle is not just an activity to fill spare time. Lifestyle grows and is developed by the power of capital in the interests of building market share, increasing profits, and driving people's aggressiveness in consuming various products of the cultural industry (Suyanto, 2017).

The consumers of entrusted service agents are also trapped in the vortex of lifestyle development. In addition, they are also symbolically forced to be able to negotiate between themselves and market demands, where they are often helplessly surrounded by capitalist forces that are creatively offering products of attractive cultural industries and as if the products offered by the entrusted service agents must be the needs of consumers.

When viewed from the micro level, which is observed based on the scope of the agent in daily life such as household, friendship, and family, both Putri and Claudia live a life in their respective households. They have a husband and children like domestic life in general. But on the one hand, the household life they live is in the upper economic strata or established family life. In addition, they also come from the family business environment and have a life that is completely adequate. The family's background certainly also influences their taste in life, including their taste in choosing products offered to customers.

With a background of consumptive values in his daily life, the business actor seeks to encourage others to have equality in lifestyle with the actor. So when there are members of the community in the group of entrusted service agents or with resellers who are not in line with the rules and norms set by the actor, such as those concerning the rules of payment of goods and selection of product model tastes, the actor as an agent of entrusted services does not hesitate to exclude individuals from group discussions on social media.

Every product offer can be done in several ways, such as ordering via WhatsApp or Instagram. Orders through social media, if Putri and Claudia are in abroad, can be made in a sudden order, with the provisions that the customer must transfer a sum of money to the entrusted service agent and must adjust the price specified. Therefore, the entrusted service agent has full authority to determine the types of products that can be sold.

Putri and Claudia do not want the product order with selling value below IDR 300.000. In addition, they also limit the price of products sold for a maximum of IDR 1.000.000. But for certain types of products that have a high brand value above IDR 20 million and a maximum limit, it must be through special orders and the payment must be made in advance.

The main segment addressed by the entrusted service agents is women who have an established economic level and high social economic status. In addition, their target is also women who have a high level of consumerism. Efforts to improve the consumptive lifestyle and the habit of making purchases must be transformed and luxury items must be made so that it is considered to be a necessity by the community.

According to Richard Robbins (1999), in Sugihartati (2016), there are three ways to make lifestyle changes come true:

(1) Making changes to the meaning of goods and the way goods are sold. The entrusted service agents use a more modern way of selling without having to go through an official vendor intermediary or official showroom. The products sold by the entrusted service agents are prestigious and exclusive products which are not marketed domestically, so the products are considered to have more value.

(2) Increasing the ability of the community in making purchases. By increasing this capability, the community is expected to have greater potential to make purchases. This is the reason for the entrusted service agents to target the consumer market which is expected to be able to increase their purchasing power and be able to force the purchasing power.

(3) Changing the intellectual value of the people so that they have a stronger drive within themselves to make a purchase. Through these imported product attributes, they want to be seen in the eyes of others that there is intellectual value stored on the consumers. This kind of order gave rise to a new style of capitalism to be able to bring profit by no longer exploiting the weaknesses of the proletariat in labor, but rather utilizing the public at large as a means for profit.

Meanwhile at the meso level, inter-community networking of entrusted service groups with customers and resellers are connected more intensely through social media. In addition to recruiting members as their customers and re-sellers, Putri and Claudia also often invite their partners who have high purchasing power potential and competence to trade goods to become part of the resellers or part of the entrusted service agent.

Entrusted service agents and resellers have different levels. It can be said that individuals who have become entrusted service agent are at a high level. Meanwhile, for those who are still at the beginning or just starting out as a merchant of entrusted service products, Putri and Claudia always suggest them to become reseller first, because reseller is usually intended for individuals who have little capital for the business and for the supply of goods. So they are suggested to become a reseller or sell products that are supplied by the entrusted service agent first.

If the individuals have not been able to become an agent or reseller, they are advised to join a coordinated group through WhatsApp social media or to make intense contact and communication via Instagram, or just as a viewer for agents involved in informal trade. So, the entrusted service agents are always active to contact via social media and rely on social media to promote the products supplied.

In buying and selling transaction and member recruitment, there is no element of coercion between the group of entrusted service agents and resellers, including customers, so that the buying and selling system is carried out voluntarily without coercion. However, on the one hand, the entrusted service agents are building their own autonomous structure in the position of front line, especially in terms of stratification among the entrusted service agents, resellers, and customers.

The position of customer is placed second after the reseller, which is then followed by the buyer at a lower stratification level. This is due to the fact that resellers get direct supply from the entrusted service agents and always buy imported products in large quantities or in a matter of wholesale, in which the supplied goods are then traded freely.

The supply of goods in such a large amount could invite more profit for the entrusted service agents. Of course, to become a reseller, one must have a significant amount of capital to be able to get goods from entrusted service agents, even though they are offered at more affordable prices. This agent's strategy is intended to determine the capital owned to meet the budgeted supply of imported goods. In addition, the language management undertaken by the entrusted service agents is by applying a flexible and friendly communication style.

The entrusted service agents, like Putri and Claudia, see that selling fashion and cosmetics products personally or through the word of mouth network has a great opportunity to get more profit by targeting the groups of consumptive women who love shopping. Such a condition is then utilized by entrusted service agents to look for more profits.

There are no formality structures that are agreed upon nationally. The structures are not always the same among entrusted service agents. Sometimes there are entrusted service agents who choose to run their own market operations without having to rely on the resellers. However, in an organized system and to look for more profit, the entrusted service agents usually try to convince other individuals to be involved as resellers and they get supply of goods from the agents.

When viewed from the macro aspect, agents are in a supportive social environment enabling the agents to build their social relations networks, such as in establishing social groups that prioritize the principles of hedonism or are very generous in trading. Basically, the entrusted service agents already know the social arena they are involved in and they also build networks and social structure interactions among consumers. It also looks at the economic interests of entrusted service agents in building their social networks using social capital they own.

According to Gary Becker (1964), human capital has turned into a tool for assessing the effectiveness of different types of investments and calculating the distribution of profits, for example between entrusted service agents, suppliers of goods, and the government. His views on human capital became an important background for the acceptance of the concept of social capital and helped prepare the basis for the application of this theory by important mainstream institutions such as Banking (Field, 2018).

In building social networks, it is important for the entrusted service agent to be able to build the trust of entrepreneurs as providers of these goods. A trust-based relationship between employers can help compensate for these risks and can reduce various transaction costs (especially legal costs for patent protection, the costs of research into the identification of relevant techniques and technologies, and the costs of becoming usable items). The depth and scope of the trust-based relationship are used to explain the unexpected success of the small-scale economy in the Nordic region that combines high labor costs with the capacity to compete in the global market.

The entrusted service agents, if examined from their social micro, must have sufficient knowledge in communicating with their clients, suppliers of goods, goods-producing entrepreneurs, and re-sellers through circular communication patterns, not in linear communication pattern, such as between leaders and subordinates. However, social relations must be built on circular communication patterns, an interactive form that runs massively both through face-to-face meeting media in verbal and non-verbal communication and indirect communication through social media. In addition, the entrusted service agents must have enough knowledge to communicate through media of digital communication like chatting.

Knowledge in social capital is a vulnerable commodity because sellers are not protected from uncontrolled buyer behavior. Apart from the high price of choice of legal action, the knowledge tends to be exchanged in ways that are far from free rather than the optimal price for business performance.

Exchange of innovation and established activities between companies, such as trade in goods and services, seems to be driven by the existence of a stable network of people who trust one another. Cooperation, especially between competitors of entrusted service agents, in fact provides mutual business networks and customer networks and is facilitated by the norms of trust inherent in inter-company and

intra-company networks, including networks built by such entrusted service agents with companies as the fulfillment of supply and demand and the needs of individuals. (Turner, 1998)

These norms are useful, especially for private service agents, because they allow businesses to trade with one another without relying solely on formal mechanisms and procedures, whereby the transaction system can be carried out anywhere and at any time and with a free contact system, without formal ties such as business-specific licensing, including legally binding contracts or legal agreements, which tend to be slow and expensive. The role of social capital in reducing transaction costs is widely recognized in the social capital literature to facilitate the informal buying and selling system, but it also generates more profits depending on the classes of the entrusted service agents.

Conclusion

Based on the results of research conducted, it can be concluded that the entrusted service agents make social capital a top priority for the strength of capital owned by each actor to be able to build business networks with suppliers of cosmetics and fashion products and to build relationships with customers outside the circle of entrusted services agents or resellers.

In addition to building relationships with customers and suppliers of products, the entrusted service agents also strengthen their network relationships with fellow entrusted service agents and with re-sellers. This was said by the informants that building social relations with re-sellers and fellow entrusted service agents aims to strengthen the network with external parties. The entrusted service agents who are members of one group basically have their respective social relations. In addition, with different capacities of social capital, on the aspect of micro structure, the strength of social capital is formed through the social habits of the actors themselves and the habits of the entrusted service agents in forming a network of their own structure with internal and external scope.

On the aspect of meso, structure, the entrusted service agents seek to build a commitment and agreement in a vision and mission with the group of entrusted service agents, for example there is a sense of sharing if there are other entrusted service agents who do not have client or re-seller network. This sense of solidarity makes the group of entrusted service agents share their clients or relations with each other in an effort to strengthen the group's position and their social position. However, competition within the group or competitive climate between entrusted service agents continues and does not attempt to make others jealous.

Although this social relationship can be formed strongly, this is actually quite alarming for the official business actors or local business actors who produce domestic fashion and cosmetics products. The entrusted service agents, as a whole, sell imported products or foreign products ranging from products from Asia to products from Australia and Europe. They sell foreign products that can be priced at a cheaper price than the price of imported products sold in showrooms in malls or vendors in a shopping center.

On the aspect of macro structure, the effort to build social relations is not only done within the internal group only, but also outside social environment, such as targeting individual actors outside the group and building relationships with young executives. In addition, the relations with business actors, as suppliers of fashion and cosmetics products from abroad, must also be maintained well even though it is done by traveling to countries that are considered to be prospective to supply quality fashion and cosmetics products.

Not all trademarks for clothing, accessories and cosmetics products supplied and sold are brands that are not in great demand. Some products have a lot of interest at the Asian and Indonesian levels. In fact, the imported products which are sold cheaper are much favored by women.

The relationship is not only limited to those involved in the trade chain, but also with parties outside the trade group, such as with customs officers at international airports in the countries visited. In addition, the entrusted service agents also seek to sneak goods to be traded and pay bribes to customs officers at the airport so that they are not subject to violations of customs tax or the misuse of purchasing goods for resale. In order not to be monitored, the entrusted service agents must build a strong network of social capital through close acquaintance with customs officers.

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