

GIPANG CASSAVA MARKETING STRATEGY (CASE STUDY ON IKM IKA-KE IN PURWAKARTA DISTRICT, CILEGON CITY)

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Abstract

Gipang cassava is an innovation of one of the local foods from Cilegon, gipang is a traditional food usually made of glutinous rice (one of the rice varieties that only can be found in Asia), peanut, and caramel is one of the local foods from Cilegon. IKA-KE SMI is one of those gipang cassava industries in Cilegon. The food industry is one of the most popular industries. Each industry holds one's own to serve the best product. This research purpose is to analyze the internal and external factors of IKA-KE SMI, formulate alternative strategies that are appropriate to be implemented by IKA-KE SMI, and specify the best alternative strategy for IKA-KE SMI. Data analysis using Matrix IFE and EFE, IE Matrix, SWOT Analysis or SWOT Matrix and QSPM Matrix. The result shows that internal factors have 8 strengths and 6 weaknesses, and external factors have 7 opportunities and 4 threats. Matrix IE shows IKA-KE SMI is in cell II position means that it's in growth and built condition. SWOT Matrix formulate 8 alternative strategies for IKA-KE SMI and QSPM Matrix shows the most recommended alternative with the highest TAS value for IKA-KE SMI to improve promotional campaign and improve online business with a TAS value of 6.825.

Keywords: Gipang Cassava; *IE Matrix*; *Marketing Strategy*; *SWOT Matrix*.

INTRODUCTION

Seeing the abundance of natural resources and the interest and consumption of food in Indonesia, it is an opportunity for the Indonesian people to make this field a business. Agro-industry is important for the Indonesian economy because as an agricultural country that produces a variety of agricultural products that require processing facilities to process primary agricultural products into various finished products needed, both by the domestic market and foreign markets. Various kinds of businesses that process agricultural products from all sectors. This can help the economy and income of the Indonesian people.

The focus of attention on the development of the economic sector is felt to be given to the subsector of small industries and handicrafts that have very important potential. Its existence, which is mostly located in rural areas, certainly makes this small industry and handicrafts contribute to the area. Agribusiness together with agro-industry is an integrated processing system between the agricultural sector and the industrial sector so that added value will be obtained from these agricultural products. Agro-industry is a form of activity to process raw materials derived from plants and animals. Defining agro-industry in two ways, firstly agro-industry as an industry made from the main raw materials of agricultural products and secondly agro-industry as a

stage of development as a continuation of agricultural development but before that stage of development reaches the stage of industrial development.

The industrial sector is the sector that dominates the economic contribution in Cilegon City. The development of this sector also has a significant impact on the people of Cilegon City. IKM is in Purwakarta District and among them there is an IKM IKA-KE with its product Gipang Cassava. The marketing carried out by IKM IKA-KE is still limited to entrusting its products in souvenir centers and cake shops around Cilegon-Serang. Gipang is a typical Cilegon city meal which is generally made from glutinous rice. Every company, whether engaged in products or services, has a goal to stay alive and develop, these goals can be achieved through efforts to be able to maintain and increase the level of profit or operating profit of the company. This can be done if the company can maintain and increase sales of the products or services they produce. By implementing accurate marketing strategies using opportunities in increasing sales, the company's position or position in the market can be improved or maintained. In this regard, the implementation of modern marketing today has a very large role as direct support for the increase in company profits.

Invention and innovation in the business world are closely related to industrial enterprises in mastering the state of the market. To inventions and innovations at least the company's strategy appears in the form and development of new products, sophistication, and supply to meet the needs of the market. The fierce competition between glutinous rice gipang sellers made Mrs. Djum'ati as the owner of IKM IKA-KE think of something different that could be marketed and liked by the public. Ideas to change the basic ingredients of gipang in the form of glutinous rice into cassava. Gipang cassava is cheaper and healthier compared to glutinous rice gipang. The texture is also crispier. This is the characteristic of IKA-KE IKM products. To make it even more interesting, the product is given a variety of flavors, namely mocha, durian, strawberry, orange, pandanus, melon, and grapes.

As an IKM in general, IKM IKA-KE also experiences several problems faced in running its business. Based on the field survey conducted, IKM IKA-KE experienced several fundamental problems, including the production process which still uses simple technology such as *the packaging* process which still uses plastic, and a simple press machine so that the production is less efficient and has a storage time that is not too long. The packaging used is still very simple, namely with clear plastic that is quite thick with a *sticker design* that is still simple and less attractive. Mrs. Djum'ati also participated in promoting this cassava gipang at exhibitions that are usually held by the local government/agencies and those outside the city. Although the marketing is carried out only through cake shops and souvenir centers around Cilegon City and Serang City, this product has good prospects to be further developed and marketed more widely because it is liked by the public.

Based on the background above, it can be concluded that the problems raised in this study (1) What are the internal and external factors that are the strengths, weaknesses, opportunities, and threats in the marketing of cassava gipang IKM IKA-KE? (2) What are the appropriate alternative strategies to be implemented by IKM IKA-KE? (3) What is the most appropriate strategy for IKA-KE SMEs?

RESEARCH METHODS

Research Location and Time

The research was conducted at IKM IKA-KE located at Link. Cilentrang RT 02/RW 01 Purwakarta Village, Purwakarta District, Cilegon City, Banten. Research on September - November 2019.

Types and Data of research

The type of research used in this study is qualitative and quantitative descriptive methods with a case study phenomenon approach.

Analysis Data

The data analysis methods used in this study are qualitative and quantitative analysis. Qualitative analysis is used to determine the business environment in the form of strengths, weaknesses, opportunities, and threats faced by the company. Quantitative analysis is used on IFE Matrix, EFE Matrix, IE Matrix, and QSPM Matrix.

RESULTS AND DISCUSSION

Internal Environment Analysis of IKM IKA-KE

Marketing internal factors play an important role in business activities in post-production. To achieve this marketing success, a set of marketing tools is needed, namely *the marketing mix*. The marketing mix consists of several elements known as 4P, namely: Product, Price, Distribution (*Place*), and Promotion (*Promotion*). *The product offered by this company is cassava gipang*. One of the advantages of cassava gipang produced by IKM IKA-KE compared to similar companies is that it has various variants of gipang flavors, namely original, *strawberry*, orange, pandan, melon, *Mocca*, grapes, durian, and onion which have flavors, aromas, and textures. IKM IKA-KE already has a P-IRT (Household Industry Food Production) certificate Number 215367202016024 and a Halal Certificate Number 17100048860719. The price of 200 gr tube packaging is Rp15,000/pcs, 600 gr tube packaging is Rp25,000/pcs and 230 gr refill packaging is Rp13,000/pcs. The distribution stores where IKM IKA-KE markets its products are *supermarkets*, cake shops, souvenir centers, factories, and SME outlets. Meanwhile, the final consumer is a consumer who buys products directly from the IKA-KE IKM location. Promotion of marketing cassava gipang is to promote *mouth-to-mouth*, exhibitions/bazaars organized by the government and the private sector, as well as social media.

In the production aspect, raw materials are the main factor, namely cassava obtained from the subscription supply of Djum'ati's mother. The application of the technology used is still relatively simple. Production is carried out in the house of the owner of the IKM IKA-KE. The number of workers owned by IKM IKA-KE currently amounts to 4 workers. The workforce owned by IKM IKA-KE comes from the environmental community around IKM. The working time of IKM IKA-KE employees \pm 3-4 hours, starting from 08.00 or 09.00 WIB to 12.00 WIB. The capital used in running a business is private funds.

Analysis of the external environment of IKM IKA-KE

Table 1. MATRIX IFE IKM IKA-KE

Internal Strategy Factors (IFE)	Weight	Rating	Shoes
STRENGTH			
1. Tenacity of the owner in running a business	0,073	3,6	0,263
2. Has many flavors of cassava gipang	0,082	3,4	0,279
3. The owner actively participates in business exhibitions	0,058	3,4	0,197
4. Have Halal and P-IRT Certificates	0,085	3,8	0,323
5. Have a permanent business partner	0,084	3,6	0,302
6. The resulting product is of good quality	0,084	3,6	0,302
7. Availability of raw materials is relatively stable	0,068	3,2	0,218
8. Affordable product price	0,075	3,4	0,255
DEBILITATION			
1. The packaging is still simple, and the shelf life is not long	0,066	1,8	0,119
2. Less strategic business location	0,057	2	0,114
3. Promotions have not been effective	0,082	1,2	0,098
4. Recording and bookkeeping have not been maximized	0,047	2,6	0,122
5. The tools used are still simple	0,066	2,4	0,158
6. Limitations of transportation for product distribution	0,069	1,8	0,124
Sum			2,875

Source: Primary Data Processed (2019).

Table 2. IKA-KE IKM EFE Matrix

External Strategy Factors (EFE)	Weight	Rating	Shoes
CHANCE			
1. The existence of good relations with partners	0,107	3,6	0,385
2. The market share is still wide	0,111	3,8	0,422
3. Growth of the number of residents	0,077	3,2	0,246
4. The development of information and communication technology that is increasingly advanced	0,082	3,2	0,262
5. Government support	0,104	3,2	0,333
6. Stable raw material prices	0,093	3,2	0,298
7. The product is a typical souvenir of Cilegon City	0,107	3,4	0,364
THREAT			
1. Similar business competition	0,068	2,4	0,163
2. Threat of substitution products	0,088	1,8	0,158
3. The presence of new business actors	0,076	2,6	0,198
4. Competitors' distribution network is wider	0,087	2	0,174
Sum			3,003

Source: Primary Data Processed (2019).

IE Matrix Analysis

The position of the IKA-KE IKM is in cell II, namely *growth and build*. So that the commonly used strategy is an intensive strategy (market penetration, market development, and product development) or an integrative strategy (forward integration, backward integration, and horizontal integration). Future integration is a strategy carried out by the company to own and control distributors or retailers. Backward integration is an effort made by the company to own and control raw material suppliers. Horizontal integrase is carried out by companies to own and control competing companies.

SWOT Matrix Analysis

Table 3. SWOT Matrix of IKM IKA-KE

Internal Factors	Strength (S)	Weakness (W)
	<ol style="list-style-type: none"> 1. The persistence of the owner in running a business 2. Has many flavors of cassava gipang 3. The owner is active in participating in business exhibitions 4. Have Halal and P-IRT Certificates 5. Have a permanent business partner 6. The resulting product is of good quality 7. Availability of raw materials is relatively stable 8. Affordable product price 	<ol style="list-style-type: none"> 1. The packaging is still simple, and the shelf life is not long 2. Less strategic business location 3. Promotions have not been effective 4. Recording and bookkeeping have not been maximized 5. The tools used are still simple 6. Limitations of transportation for product distribution
External Factors	SOStrategy	WO Strategy
Opportunity (O)	SOStrategy	WO Strategy
<ol style="list-style-type: none"> 1. The existence of good relations with partners 2. The market share is still wide 3. Population growth 4. The development of information and communication technology that is increasingly advanced 5. Government support 6. Stable raw material prices 7. The product is a typical souvenir of Cilegon City 	<ol style="list-style-type: none"> 1. Expanding the market share of cassava gipang to unreached areas 2. Maintain good relationships with partners and establish partnerships outside the city 	<ol style="list-style-type: none"> 1. Increase promotion and grow online business 2. Utilizing government programs and assistance to expand the business
Threat (T)	Strategy ST	WT Strategy

1. Similar business competition	1. Keeping the selling price of the product stable	1. Conducting good and detailed financial recording and recording
2. Threat of substitution products	2. Increase product innovation and excellence to overcome competitors' product competition > substitution	2. Improving the company's facilities for the efficiency of the production process and product marketing
3. The emergence of new business actors		
4. Large competitor distribution network		

Source: Primary Data Processed (2019).

QSPM Analysis

The *Quantitative Strategic Planning Matrix* (QSPM) is to summarize and evaluate various alternative strategies objectively based on the internal and external factors of the IKA-KE IKM that have been previously identified. Each variable is searched for an attractive score (AS). The US value indicates the attractiveness of each strategy to the internal and external key factors of the company. The US score was obtained through interviews addressed to respondents, namely the owner of the IKA-KE IKM and its employees.

Table 4. QSPM IKM IKA-KE Matrix Results

Order of Priority	Strategy	TAS Value
1	Increase promotion and grow <i>online</i> business	6,825
2	Expanding the cassava gipang market to unreached areas	6,781
3	Increase product innovation and excellence to overcome competitors' product competition > substitution	6,690
4	Maintain good relationships with partners and establish partnerships outside the city	6,320
5	Improving the company's facilities for the efficiency of the production process and product marketing	6,273
6	Utilizing government programs and assistance to expand the business	6,099
7	Keeping the selling price of the product stable	5,976
8	Conducting good and detailed financial recording and recording	4,349

Source: Primary Data Processed (2019).

CONCLUSIONS AND SUGGESTIONS

Internal factors that are the strength of IKM IKA-KE are: Tenacity of the owner in running a business, many variants of cassava gipang flavors, the owner actively participates in business exhibitions, halal and P-IRT certificates, a fixed business partner, products that produce good quality, availability of raw materials are relatively stable and product prices are affordable. Meanwhile, internal factors that are weaknesses are: Packaging is still simple and shelf life is not long, business locations are not strategic, promotions have not been effective, recording and bookkeeping are not optimal, the tools used are still simple and limited transportation for product distribution. External factors that are opportunities include the existence of good relations with partners, market share is still wide, population growth, the development of information and communication technology that is increasingly advanced, the

existence of government support, stable raw material prices, and products are typical souvenirs of Cilegon City. Meanwhile, external factors that become threats Similar business competition, threats of substitution products, the presence of new business actors, and wider distribution networks of competitors.

Based on the SWOT analysis, 8 alternative strategies can be implemented by IKM IKA-KE, namely: Expanding the market share of cassava gipang to unreached areas, maintaining good relations with partners and establishing partnerships outside the city, increasing promotion and developing *online* businesses, utilizing government programs and assistance to develop businesses, increasing innovation and product excellence to overcome competitors' product competition & substitution, keeping the selling price of products stable, conducting books and financial records properly and in detail and improving the company's facilities for the efficiency of the production process and product marketing. Alternative strategies obtained from SWOT analysis are prioritized using QSPM analysis to get the most recommended or most appropriate strategy that can be implemented by IKM-KE, namely: Increasing promotion and developing *online business*.

The arrangement that the author can give to IKM IKA-KE is expected to further increase promotional activities by dealing directly (*face to face* and *mouth to mouth*) with the intended consumers and targets. With more intense promotional activities, more and more people know about cassava gipang products and reach more consumers. In addition, IKM IKA-KE is expected to be able to develop the *e-commerce* business and have a special account for the sale of cassava gipang to serve consumers *online* to make it easier for consumers to order cassava gipang. That way it will help IKA-KE SMEs to expand market share. IKM IKA-KE is expected to continue to improve product innovation by adding variations in the taste of gipang and improving the quality of packaging to more modern packaging to attract consumers and be more durable. As well as adding operational vehicles to facilitate product distribution activities.

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