



Analysis of Marketing Strategies to Increase MSME Income (Case Study of STAMPAI MSME)

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ABSTRACT

Indonesia is one of the countries with a large number of MSME sectors. The establishment of MSME is one solution that can overcome both economic problems and unemployment problems. The goal of this study is to learn about MSMEs' marketing strategies in order to help them boost their revenue. The study, planning, implementation, and supervision of programs aimed at developing exchanges with the target market with the goal of accomplishing business goals is referred to as marketing strategy. Marketing strategy is able to describe a series of activities in achieving predetermined goals. This type of research is descriptive qualitative. This research was conducted at the STAMPAI MSME which is located at Jl, Kurnia, Tiakar Village, Kec. East Payakumbuh, Payakumbuh City. By using a SWOT analysis, you can find out what kind of marketing strategy is the most effective. Internal factors such as strengths and weaknesses, as well as external factors such as opportunities and threats are considered by MSMEs. The marketing strategy applied to this MSME is the Marketing Mix which consists of 4Ps, namely product, price, place, and promotion.

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1. Introduction

An increase in the economy is an important thing and is needed by the development of a country, so that with an increase in economic growth, it will be able to show the welfare of the people in that country. This can be seen from the increase in per capita income accompanied by the increasing interest and purchasing power of the people. Indonesia is a country that has a very high potential for economic development, and has begun to be noticed by the international community. Through good economic growth can change the economic condition of the State of Indonesia for the better. We can assess economic growth with the development of micro, small and medium enterprises (MSMEs).

Micro, Small, and Medium Enterprises (MSMEs) are business activities that can increase employment opportunities, provide a wide range of economic services to the community, contribute to the process of equity by increasing people's income, promote economic growth, and contribute to national stability (Putri, 2017). In line with what was said (Sulistiyani et al., 2020a) that "MSMEs must be given support to be able to develop their business units, because MSMEs do not only contribute large amounts of tax, MSMEs are also able to reduce the unemployment rate in Indonesia". Meanwhile, according to (Syairozi & Fattah, 2018) "The establishment of MSMEs is one solution that can overcome problems, both economic problems and unemployment problems". Indonesia is one of the countries with a large number of MSME sectors, the number of MSME actors recorded in the data from the Department of Cooperatives and Micro, Small and Medium Enterprises is 59.69 million, MSMEs are

also one of the pillars of the Indonesian economy where the sector has a significant contribution to of 62.57% of GDP in 2016 (industri.bisnis.com, 2018). In addition, based on a study conducted by Davis, Hills, and LaForge (1985) it is stated that the MSME sector has three significant roles in contributing to Gross National Income (GNP), employment, and innovation.

The development of a business is determined based on the ability to plan and implement a strategy, because the strategy requires business owners to think in the long term and improve all of its implementation in a more innovative way. Strategy in a business implementation can increase the entrepreneur's awareness of what goals will be achieved in a business, maintain the rhythm, and facilitate the delegation and process of effective leadership (Susanto, 2014). In line with the statement (Sulistiyani et al., 2020b) strategy preparation requires good concepts and planning, one of the keys for SMEs to win the competition. Development in a business can be interpreted as increasing the conceptual, theoretical, technical, and moral abilities of each individual according to the needs of the job and position through education and training that is carried out periodically (Alyas & Rakib, 2017). Concepts and plans for market analysis must be properly structured in order to provide the required information. Information related to markets, buyers and products needed is needed in determining marketing strategies for MSMEs.

Marketing strategy is one of the main activities carried out by entrepreneurs to maintain business continuity, to develop, and to earn profits (Dellia Mila Vernia et al., 2020). Marketing strategy is defined as the study, planning, implementation, and oversight of programs aimed at establishing interactions with a target market in order to achieve company objectives. (Kotler, 1980). According to (Taufik, 2021) marketing strategy is able to describe a series of activities in achieving predetermined goals, a series of activities which of course are the result of a policy that becomes a rule that is used for a certain period. In line with the opinion (Dellia Mila Vernia et al., 2020) there are three elements of the concept in marketing, namely: Consumer Orientation; Formulation of marketing activities integrally, and Consumer Satisfaction. Meanwhile, according to (Ariza & Aslami, 2021) one of the important elements in marketing is a marketing strategy and marketing mix (*marketing mix*) which consists of the 4Ps, namely the product (*product*) is a combination of goods and services offered by the company to the target market including variety, quality, design, brand. Price Amount Of money that customers have to pay to get the product. Place *location*, inventory. Promotional activity that conveys or persuades customers to buy. Based on the explanation above, an analysis of the marketing strategy was carried out to increase the income of MSMEs.

2. Methods

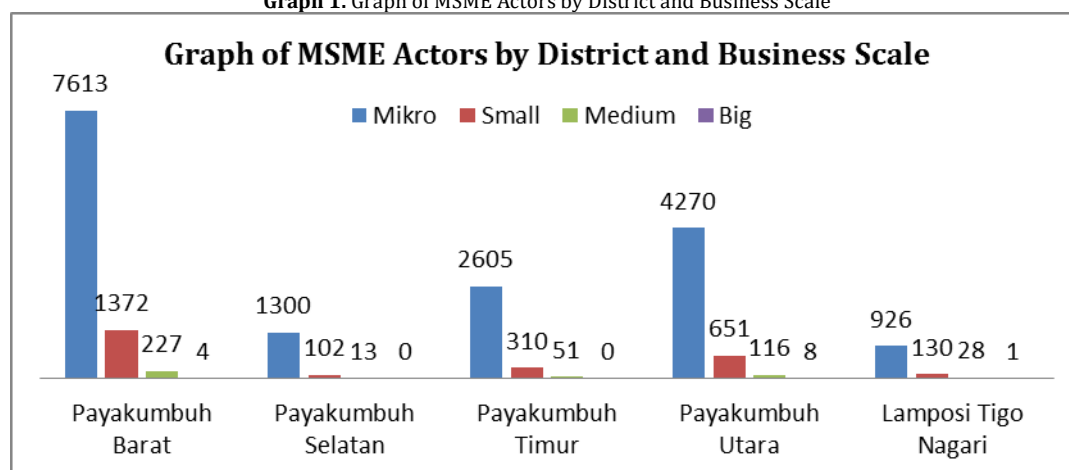
Based on the above explanation, the purpose of this research is to find out the marketing strategies carried out on MSMEs, so that they can increase income. This type of research is descriptive qualitative. This research was conducted at the STAMPAI MSME which is located at Jl, Kurnia, Tiakar Village, Kec. East Payakumbuh, Payakumbuh City. Data collection techniques in the study were obtained from:

- a. Documentation is a technique used to obtain information about supporting aspects. Such as the type of business and the amount of profit that can be obtained.
- b. An interview is a conversation with a specific purpose. Consists of two people, namely the person who asks and the person who answers.
- c. Observation is a technique that is carried out directly to the research site.

The data analysis technique used is descriptive. According to (Sekaran & Bougie, 2016) the purpose of descriptive research is to describe the characteristics of a particular object, phenomenon, or event.

3. Results and Discussion

According to the findings of the observations, there are already numerous MSME actors in Payakumbuh City at this time, as shown in the graph below:

Graph 1. Graph of MSME Actors by District and Business Scale

Based on the graph above, we can see that at this time the West Payakumbuh sub-district has a micro business scale of 7613, a small business scale of 1372, a medium-scale business of 227 and a large scale of 4. 1300, small is 102, medium is 13 and 0 is large. For the East Payakumbuh sub-district, the micro scale is 2605, the small is 310, the medium is 51 and there is no large scale. Meanwhile, for North Payakumbuh Sub-district, it is known that the micro-scale business is 4270, the small-scale business is 652, the medium-scale business is 116 and the large-scale is 8. of 28 and a large scale of 1.

3.1 STAMPAI MSME marketing strategy

The STAMPAI MSME marketing strategy applies a marketing strategy by analyzing the overall marketing situation by conducting a SWOT analysis (SWOT analysis) to assess the strengths, weaknesses, opportunities and threats.

1. Internal Factor Analysis

1) Strengths

Includes internal capabilities or human resources in this case how the business can develop and sell well in the market. The STAMPAI MSME business is able to survive with easy-to-find and quality raw materials so as to produce products with a delicious, unique and the same taste for each product. This product from STAMPAI SMEs does not use preservatives in the manufacture of its products.

2) Weaknesses

At this time these MSMEs do not have many workers, so sometimes if they get a lot of orders, the STAMPAI MSME actors will experience some difficulties. The capital issued for the STAMPAI MSME business is not too much so that it is able to set up a business without large capital. Although using their own capital, STAMPAI's MSME business must also take into account the benefits. This STAMPAI MSME product must know the expiration date of the cake, it is not suitable for consumption. Cake is a type of food that can not last long so it needs an expiration date. At this time there have been many cake businesses that have been established so STAMPAI MSMEs must be able to provide new innovations to their products so that they can maintain their business.

3) Opportunities

This business is in great demand and favored by various circles. Products from STAMPAI SMEs are usually ordered for activities such as meetings, social gathering, or other activities. This STAMPAI SMEs product can also be ordered for various events such as weddings, birthdays and others. This business is run using a simple and structured management system so that it is easy to know the profit from the sale. With good sales, it will be able to make this business more developed. The development of STAMPAI SMEs will make this business bigger, thus creating various opportunities such as the opening of new job opportunities and the establishment of

good cooperation with other business actors with local agencies or offices in the vicinity of the establishment. STAMP AI SMEs need regular management or administration in terms of bookkeeping or recording.

4) Threats

This business is a business that is widely established so that there is competition, but the STAMP AI MSME actors do not despair because consumers are able to choose which one they want. So that these business actors must be able to innovate or create new creations so that the products sold are different from other products even though they are of the same type. The emergence of competitors does not make STAMP AI MSMEs feel competitive, even in this business STAMP AI MSMEs have started partnering with other MSMEs.

Application of marketing strategies for STAMP AI SMEs:

a. Market Segmentation

Market segmentation for STAMP AI MSMEs is aimed at all ages because products from MSMEs can be enjoyed in any situation and condition.

Factors in market segmentation are :

- 1) Geographic segmentation: located in the city of Payakumbuh.
- 2) Demographic segmentation: for all ages
- 3) Psychological segmentation: most orders are for meeting, social gathering and for daily consumption
- 4) Behavioral segmentation: consumers who are interested in this STAMP AI MSME product will immediately order themselves without going through intermediaries

b. Determination of Market Targets

By determining the target market, STAMP AI SMEs are trying to get a place in the community, the chosen targets are office environments, hospital environments, school environments and areas that do not provide much similar food.

c. Market Position

At this time, the market location can be reached and found by consumers easily. The current position can be found on Google Maps.

The marketing strategy that has been executed and is expected to design the marketing mix (*Marketing Mix*), which comprises of everything that company actors undertake to impact product demand and is made up of the 4Ps as follows:

a. Product

Product is something that is offered to the market to be noticed, owned, used, or consumed, so that it can satisfy a want or need (Daryanto & Hasiholan, 2019). The products sold in the market are various kinds that consumers want, although the types and prices are almost the same, customers will choose the desired product. In MSME businesses with many types of products, usually consisting of one type of superior product being sold, one superior product accompanied by good quality, the product will survive. There needs to be a quality product in order to compete with the same product. With one type of product but the product is different, interesting from the packaging with others, many consumers will look for that product. So this business must be more creative and innovative so that the products sold can survive. The featured products at the STAMP AI MSME are bolen, fudgy brownie, steamed brownies, pudding and frozen food.

b. Price

According to Kotler and Armstrong in (Daryanto & Hasiholan, 2019) Price is the simplest factor of a marketing program to change, but product characteristics, channels, and even communication take longer. Price is the payment that people make to get the product. The price should be adjusted by the type of product, a good product will get a good price too, in contrast to a product with poor quality, the price will decrease, so the price is closely related to a product. In micro businesses, prices can be reached by the general public, prices that can be reached by people in general will have many consumers. The prices given by STAMP AI SMEs are affordable and in accordance with the quality of the products sold to consumers.

c. Place

Place is an interconnected business activity that occurs during the process of preparing a product or service for use or consumption, including marketing channels, market coverage, location grouping, transportation supplies. The location of business activities, location is very influential on business activities, many of these micro-enterprises can be found in various places with different types of business they offer but there is still healthy competition in it. The STAMPAI MSME business place is still at home, because it doesn't have an outlet yet.

d. Promotion

According to (Musa, 2017) promotion is an effort to persuade people to accept products, concepts and ideas. Activities to convey products and persuade customers to buy them, many businesses by conveying their products using banners that are installed where they sell because by installing banners they can market the products they sell. Usually, SMEs pay great attention to customers because customers are also a good promotion for this business. For micro businesses, they may not be able to give discounts or anything else, but with a friendly attitude, customers will also feel comfortable with customers coming. STAMPAI MSME promotion activities have been through social media such as Instagram, WhatsApp and also direct word of mouth promotion.

3.2 STAMPAI MSME Marketing Strategy Analysis Results

STAMPAI MSMEs are one of the MSMEs that were established in 2019 to date. The flagship products of STAMPAI SMEs are bolen, fudgy brownies, steamed brownies, various puddings, wedding cakes, birthday cakes and various kinds of frozen food. Meanwhile, the products produced by STAMPAI SMEs every day are: Bolen, fudgy brownies, steamed brownies, pudding and frozen food. As for the wedding cake and birthday cake, it depends on the customer's order.

Table 1. Type of Product

No	Type	Price
1.	Bolen (isi 12)	Rp. 35.000 / box
2.	Fudgy Brownies (10x30 cm)	Rp. 45.000/ box
3.	Steamed Brownies (25x25x5 cm)	Rp. 50.000/ box
4.	Small pudding	Rp. 10.000/ box
5.	Big pudding	Rp. 50.000/ box k
6.	Wedding cake	Rp. 150.000-200.000/ cake
7.	Birthday cake	Rp. 50.000-150.000 / cake
8.	Frozen Food	Rp. 10.000/ box

In table 1. There are types of products produced by STAMPAI SMEs from 2019. The products produced are bolen, fudgy brownies, steamed brownies, small puddings, large puddings, wedding cakes, birthday cakes and frozen food.

Table 2. Income Data for 2019-2021

No	Years	Income
1.	2019	Rp 117.000.000
2.	2020	Rp 93.000.000
3.	2021	Rp 99.300.000

Table 2 provides the data. STAMPAI MSMEs are able to create an average monthly income of Rp. 5,600,000. Meanwhile, on certain days the income can be doubled or tripled, such as on Eid days, weddings, birthday parties, and others. In 2019 overall revenue was recorded at IDR 117,000,000, in 2020 it decreased due to the COVID-19 pandemic. overall income is Rp. 93,000,000, while in 2021 the income has started to gradually increase again, it is recorded at Rp. 99,300,000, and in 2022 the income from STAMPAI MSMEs has started to stabilize again. From the data above, we can see that STAMPAI SMEs have increased in 2020-2021 after the Covid-19 pandemic. The increase in 2020-2021 is IDR 6,300,000. So it can be concluded that STAMPAI SMEs by using their marketing mix are right on target or in accordance with their goals. Even though it has been running effectively, STAMPAI MSMEs continue to develop their business to date by carrying out various product and marketing innovations that are useful for the progress of STAMPAI MSMEs.

According to study conducted by (Utama, 2019) marketing tactics for the culinary, fashion, and tour & travel industries are often separated into two groups., is to use a strategy with an emphasis on providing added value, innovation and differentiation in products and services. which is divided for their customers compared to their competitors, in terms of price, they also provide competitive prices and compete with other competitors. Meanwhile, according to (Suryanti et al., 2021) Marketing is a commercial activity in which business actors present their products to customers in order for them to receive the product with all of their ideas and suggestions in order for the product to be of interest to them. We can use a SWOT analysis to determine the business's flaws and strengths, as well as the opportunities and dangers that will arise.

4. Conclusion

After analyzing the activities of STAMPAI SMEs, it can be concluded that there are two factors that influence the marketing strategy. The first factor is an internal factor which includes strengths and weaknesses. The second factor is an external factor which is a factor from outside which includes opportunities and threats. The first internal factor is strength, namely internal capabilities or human resources, in this case how businesses can develop and sell well in the market and products from STAMPAI SMEs do not use preservatives in the manufacture of their products. As for the second internal factor, the weakness is that currently MSMEs do not have many workers. Meanwhile, the first internal factor is opportunity, the opportunity from this MSME business can be consumed by all people at an affordable price and can also be consumed by everyone. The threat to these business actors is the large number of similar businesses that have been established, resulting in a lot of competition. Competition in the business world must exist, but if the products offered are different and have more value, consumers will look for them. The Marketing Mix is a marketing strategy that has been used to MSMEs and comprises of everything that business actors do to impact product demand through the 4Ps (product price, location, and promotion).

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