# **CHAPTER I**

#### INTRODUCTION

# 1.1 Background of the Project

The development of economic activity continues to grow and experience ups and downs. This condition causes everyone to try to develop themselves with their competencies to develop ideas and achieve measurable opportunities and certain achievements. Rivals in an effort to make business owners must be able to survive and develop so that their business does not stop, then there must be product innovation, especially in food products, because it is not only concerned with taste and health but also many businesses go bankrupt or lose money because they do not pay attention to their marketing strategy. The marketing concept occupies a strategic position to achieve success in a business. Even though a product has good quality, it will not be able to generate profits if it is not accompanied by a good marketing strategy.

According to Fandy Tjiptono and Anastasia Diana (2020: 2) Marketing can also be defined as "the process of creating, distributing, promoting, and pricing goods, services and ideas to facilitate satisfying exchange relationships with customers and to build and maintain positive relationships with stakeholders in a dynamic environment". Marketing is a process of how to identify consumer needs and then produce these goods or services, so that transactions or exchanges occur between producers and consumers according to Sumarwan (2015: 17). Marketing is a managerial process that manifests in a carefully formulated program to obtain the desired response Sunyoto (2012: 217).

In Indonesia today there are many fast food or fast food, this is due to the increasing density of people's activities, especially in big cities, which makes them want food that is practical and can be served quickly. Fast food is included in unhealthy foods. One of the popular fast food products in Indonesia is nuggets. Nugget is a delicious and delicious fast food product made from ground beef and mixed with flour mixture, supporting spices and covered with bread flour. Nugget is a processed product in frozen form that is ready to be cooked.

Latif et al (20016) in Arbie et al (2019), Nugget is a food product made from meat. Nuggets have a specific savory taste which is a combination of various flavors, namely salty taste from salt, spicy taste from pepper, and sweetness from sugar. According to Dewi Sinta et al (2019), Nugget is a reconstruction of processed meat flakes that are shaped in such a way with the addition of certain ingredients to form a new product that is accepted by the community. Nugget is a food that is mostly consumed by the public because it is widely available in minimarkets or supermarkets and is a favorite for children and teenagers, generally using raw materials in the form of broiler chicken with the addition of powdered milk. According to Afrisanti (2010) in Dewi Sinta et al (2019), Nugget is a form of ready-to-eat frozen food product, namely a product that has been heated until half-cooked (precooked), then frozen. Saleh at all (2002) in Dewi Sinta et al (2019), Nugget is a form of processed meat product made from ground beef which is molded in rectangular pieces and coated with seasoned flour after which the nuggets are frozen. This frozen ready-to-eat product in the form of nuggets only requires frying time for 1 minute at a temperature of 150° C. Nuggets are consumed after the deep fat frying process.

Indonesia is a country that is rich in marine and coastal resources, so it is called a maritime country. Indonesia's marine resources account for 37% of the world's fish species. Indonesian marine waters have several types of fish with important economic value including; tuna, skipjack, shrimp, tuna, mackerel, snapper, squid, reef fish, ornamental fish, shellfish and seaweed.

According to Ghufran and Kordik (2009) Indonesia's high marine and coastal resources led Indonesia's fishery production in 2004 to reach 65 million tons per year. This figure is categorized as high, so it is indicated by the government that it is able to increase the income of fishermen. Among the many protein sources available, fish is one of the easy-to-obtain sources of protein, especially Indonesian fishery production which is categorized as high (Adriani & Wirjatma, 2012). The distribution of fish is easy to obtain and many are traded by traders in the market, making it easier for us to consume them in everyday life.

According to Shouchun et al., (2010) Consuming fish can add nutrients to the human body so that the body becomes healthier. Fish has high nutrition because it contains protein containing amino acids. Amino acids in the body are used to help the metabolic processes of microorganisms. In the opinion of Idris et al., (2010), that fish meat contains protein, vitamins and other elements that are beneficial to the human body. Added by Hafiluddin et al (2014) the chemical composition of consumption fish includes water (66.0-84.0%), protein (15.0-24.0%), fat (0.1-22.0%) and minerals (0.1-2.0%).

One of the factors that affect the nutritional status of children is eating habits. Children tend to choose foods they like and set aside those they don't like, such as vegetables and fish. One of the important nutrients for the growth and development of school children is protein. Fish as a source of protein is a cheap food, high nutritional value with protein quality that is easily digested and can be processed with various kinds of preparations. According to Riyandini et al (2014: 2-3) the need for animal protein can be replaced by the protein contained in fish meat. Fish also contains very important fats, namely essential fatty acids. Essential fatty acids can improve the memory of children or adults, so it is advisable to be diligent in consuming fish meat every day.

According to Handayani et al. (2020) By far the main reason why children or adults do not like fish for consumption is the fishy taste and aroma. But the tendency of children to consume fish is very low. This is due to the unattractive taste and aroma, unlike the case with chicken and its preparations. In addition, according to Junita and Dari (2019), this can also be influenced by the economic condition of the community, which on average is middle to lower, which is one factor in the low fish consumption of elementary school students, even though the availability of fish in the surrounding environment is sufficient. The reason for this is the low number of fish consumption, especially in school. Although the availability of fish is very high and easy to get in addition to the reasons above, according to Putri et al. (2015) and Khomsan (2010) the knowledge factor has its own portion in influencing the number of fish consumption. Increased knowledge

about the importance of fish consumption is needed in order to have a good impact on children and adults.

The results of the National Riskesdas report show that 40.6% of the population consumes food below the minimum requirement, which is less than 70% of the recommended nutritional adequacy rate (RDA). This situation is often found in school-age children, namely 41.2% of school children consuming food below the minimum requirement. Based on research, it was found that stunted growth in children is caused by a lack of protein obtained by the body. Lack of the body in getting protein intake causes many negative effects on the body.

Nugget, when we hear the word, it may cross our mind that it comes from chicken meat. Therefore, these nuggets are not like the nuggets we often know. This is because these nuggets come from fish raw materials.

Bengkalis is a coastal area of transition between sea and land. So from here began to develop the idea of managing fish so that this fish is consumed not only as fresh vegetables but in other forms of food. So the idea arose to develop fish nugget products in this village. It is known that fish itself has many benefits in it. One of the most abundant benefits contained in this fish is that it contains abundant protein which is very beneficial in the body. Based on the above background, this final project was made with the title "Marketing Aspects of Nagetto Fish Product".

# 1.2 Identification of the Project

Based on the above background, the business will go bankrupt or lose money because it does not pay attention to the quality and marketing, therefore the identification of this project is how to market the Nagetto Fish product.

# 1.3 Purpose of the Project

The purpose of this final project divided of two goals namely general objectives of the project and project specific objectives. The objectives of this Nagetto Fish project are as follows:

# 1.3.1 General objectives of the project

The purpose of this final project is to determine the marketing aspects of the Nagetto Fish business.

# 1.3.2 Project specific objectives

The specific objectives in the final project of Nagetto Fish are as follows:

- 1. To find out the STP (Segmenting, Targeting, and Positioning) marketing strategy used in the Nagetto Fish.
- 2. To find out certain elements in the 4P marketing mix (Product, Price, Promotion, and Place) for Nagetto Fish.
- 3. To find out what obstacles and solutions are encountered when marketing Nagetto Fish.

# 1.4 Significance of the Project

This final project is expected to provide benefits for interested parties, namely as follows:

#### 1. For business owners

This project is expected to provide input or advice for business owners in relation to marketing preparation using the marketing mix and marketing strategies which are expected to help increase knowledge and minimize the occurrence of failures in the marketing process for products that are useful in running a business.

#### 2. For writers

In this project, the author is expected to learn more about the activities carried out to add insight into entrepreneurship and how to manage capital in running a business

# 3. For the community or other parties

This paper can be an additional knowledge and insight for the community regarding nuggets as an alternative to processed food for children or groups of people who do not like vegetables, the potential for fisheries in Bengkalis which can be used as processed fish products such as fish nuggets with good

protein for children's growth. This paper also provides information to the public about new innovations in food processing, especially fish nuggets.

# 1.5 Time and Place of Project Implementation

This project will be implemented for 3 months from August to October 2022, at home, precisely on Haji Gani Street, Bantan Timur Village Bengkalis.

# 1.6 Writing System of the Project

Systematics of report writing is very necessary so that project report writing is systematic and neatly arranged. The following is a systematic writing of this final project.