

CHAPTER I

INTRODUCTION

1.1 Background

Indonesia is a developing country, one of which is the sector that is experiencing development is the economic sector, the economic sector is a field which aims to improve the standard of living and prosper the Indonesian people, so that many problems arise, such as problems in the business and industrial sectors. Many industrial problems encourage the government to focus on improving the quality of existing Micro, Small and Medium Enterprises (MSMEs), because MSMEs are an important aspect of supporting the economy in improving people's lives. The existence of MSMEs cannot be doubted because they have proven to be able to survive and become the driving force of the economy, especially after the economic crisis. On the other hand, MSMEs also face many problems, namely limited working capital, low human resources, and lack of mastery of science and technology (Sudaryanto & Hanim, 2002) in Belly (2018).

Small and Micro Enterprises (SMEs) are part of the Micro, Small and Medium Enterprises (MSMEs) which are scattered in every region. Each of these regions has diverse businesses ranging from crafts, food, agriculture, livestock and others. This micro small business is also a characteristic of an area and is usually used as souvenirs. Apart from that, it also supports the economy and can prevent unemployment and poverty.

One of the industrial development of food is a form of business that is quite prospective in Indonesia, this is because food is one of the basic needs that must be met. The existence of small businesses and their marketing activities are able to create communities that have independent sources of income and do not depend on other parties to meet their needs. Micro and small businesses also play a big role in helping the government in creating jobs, especially for people with low education.

Marketing is one of the important factors to achieve success for a company. Companies with lots of sales are sure to have great, planned marketing. Marketing

is also an important factor in meeting the needs of existing and potential buyers, for this reason marketing activities must provide satisfaction to consumers. Companies in meeting consumer wants and needs must formulate appropriate product, price, promotion and distribution policies according to their target consumers.

Marketing is one of the important functions in a company, marketing includes several important activities known as the marketing mix popularized by MC Carthy, which is quoted in Kotler as "product planning, pricing (price), fixing the place (place), and promotion programs (promotion)" Kotler (2009: 92) in Nuraeni (2017).

According to Kotler & Armstrong (2014) in Kurnia (2020) Marketing Mix is an activity that combines various marketing activities in order to achieve the maximum combination and the most satisfying results. In the formulation of a marketing mix strategy, it is necessary to first study the environment of a business.

According to Kasmir (2004) in Juniar (2019) Marketing Mix is a marketing activity carried out in an integrated manner. This means that these activities are carried out simultaneously among the elements in the marketing mix itself. Each element cannot run independently without support from other elements. This marketing mix consists of product, price, promotion, and place which are often referred to as 4p.

According to Purnama Lingga (2002) in Nuraeni (2017) Marketing mix strategy, what needs to be considered first is the product. This is important because without a product, other marketing mix strategies cannot be implemented. Products are everything that can be offered to a market to fulfill wants or needs. The products marketed include physical goods, services, people, places, organizations and ideas

One of the regions in Indonesia that is in progress for economic progress is the Bengkalis Island area. Bengkalis Island MSMEs contribute to lifting unemployed people in the surrounding area. MSMEs Lempuk Durian Citra Rasa in the Selatbaru area is one of the MSMEs that is increasingly competitive in competing.

With the existence of competitors from various brands created by MSMEs, with various marketing strategies, MSMEs must carry out improvements in various ways, one of which is a form of marketing strategy that can support in promoting products to generate consumer satisfaction by innovating product design, and adding choices taste fare.

The emergence of various competitors due to the ease in the production process makes people tempted by the Lempuk Durian business opportunity. With many lempuk durian industries, competitors have started to emerge, both from small-scale businesses to large-scale businesses. In this case every lempuk durian industry is required to know the right strategy in introducing the resulting product.

Based on the above problems, the authors are interested in conducting research with the title “**Descriptive Study of the Marketing Mix Strategy of MSMEs Lempuk Durian Citra Rasa Selatbaru**”. This research was conducted in order to better know the marketing mix strategy of these MSMEs.

1.2 Formulation of the Problem

Based on the description of the background presented above, the problems identified are:

1. How is the product Strategy Implemented by MSMEs Lempuk Durian Citra Rasa?
2. How is the price Strategy Implemented by MSMEs Lempuk Durian Citra Rasa?
3. How is the promotion Strategy Implemented by MSMEs Lempuk Durian Citra Rasa?
4. How is the place Strategy Implemented by MSMEs Lempuk Durian Citra Rasa?

1.3 Purpose of the Study

Based of the formulation of the problem, the research ojectives of this study are:

1. To find out the product strategy applied by MSMEs Lempuk Durian Citra Rasa?
2. To find out the price strategy applied by MSMEs Lempuk Durian Citra Rasa?
3. To find out the promotion strategy applied by MSMEs Lempuk Durian Citra Rasa?
4. To find out the place strategy applied by MSMEs Lempuk Durian Citra Rasa?

1.4 Significance of the Study

The benefits obtained from the research carried out to determine the marketing mix strategy of the MSMEs Lempuk Durian Citra Rasa Selatbaru are as follows:

1. Theoretically
The results of this research are expected to become a study in enriching economics, sharpening knowledge about winning the competition in business.
2. Practically
For entrepreneurs, this research is expected to be a media material for self-development and can expand knowledge both theoretically and practically in economic science education with the disciplines that have been carried out by researchers in this study regarding the marketing mix strategy used by the owners of MSMEs Lempuk Durian Citra Rasa in facing business competition in Selatbaru Village.

1.5 Scope and Limitation of the Problem

Based on the background that has been described previously, the authors define the problem so that the scope of this research has clear boundaries. The limitation of the problem in this study is the Marketing Mix Strategy of MSMEs Lempuk Durian Citra Rasa. With the aim of this research is more specific and in accordance with the formulation of the problem above.

1.6 Writing Systematic

The writing of these results can be described in each chapter, namely as follow:

CHAPTER I: INTRODUCTION

Chapter 1 explains the background that contains the reasons for the researcher choosing the title of the thesis, Problem Formulation, which is the core of the implementation of the research, Research Objectives which convey the impact of this research, the benefits of the research, the scope and limitations of the problem and the systematics of writing.

CHAPTER II: LITERATURE REVIEW

In Chapter 2 describes previous research, literature review and the framework that is used as a guide in the thesis.

CHAPTER III: METHODS AND ACCOMPLISHMENT PROCESS

Chapter 3 describes the location and object of research, types and resources, population and samples, sampling techniques, data collection techniques, data processing techniques, scale measurement, validity and reliability testing, data analysis methods, research hypotheses, research models, types research, concept definition and operational variables, research schedule and budget.

CHAPTER IV: RESULTS AND DISCUSSION

Chapter 4 describes the results of the research that has been carried out based on the data obtained.

CHAPTER V: CONCLUSIONS AND SUGGESTIONS

In Chapter 5 the writer will describe the conclusions obtained from the discussion of suggestions that the author will convey.

REFERENCES

APPENDICES

WRITER BIOGRAPHY