# CHAPTER I INTRODUTION

#### 1.1 Background

Indonesia is known as a country that is fertile and rich in natural resources, both on land and at sea. This abundant natural wealth can be used as capital to support daily needs, especially since Indonesia has a vast marine environment so that its wealth can be used for food and health as well as a source of income.

Indonesia is the largest archipelagic country in the world with a manageable marine area of 5.8 million km2 which has a very large diversity of marine and fishery resources. As a country with a sea area of more than 70%, one of the natural resources that we can use is animal sources. The Indonesian government in this case the Ministry of Maritime Affairs and Fisheries through the establishment of a vision to make Indonesia the largest producer of marine and fishery products in the world by 2015.

The Profile of Business Potential and Investment Opportunities for Marine and Fisheries of Riau Province in 2018 revealed that the number of UPI (Fish Management Units) came from district/city offices totaling 347 UPI/UMKM throughout Riau Province as follows:

Table 1.1 Business Potential and Investment Opportunities for Marine andFisheries Riau Province

NO	DISTRICT/CITY	NUMBER OF BUSINESS UNITS
1	Pekanbaru	74
2	Kampar	33
3	Pelalawan	58
4	Siak	10
5	Dumai	9
6	Bengkalis	31

12	TOTAL	347
12	Meranti Islands	20
11	Kuantan Singingi	10
10	Indragiri Hulu	10
9	Indragiri Hilir	66
8	Rokan Hulu	13
7	Rokan Downstream	13

Source: Ministry of Marine Affairs and Fisheries 2018 data

Natural Resources, especially Fisheries, is one of the sub-sectors in the economic system that plays an important role in the economic growth of a region. Even at this time it has been able to contribute to the expansion of employment opportunities, increasing people's income and foreign exchange for the State.

The catch of coastal fishermen consists of various types of fish ranging from mackerel, red fish, machete fish, gerot fish and lomek fish. Lomek fish is the most common fish caught by fishermen in Bengkalis District. Lomek fish itself is not worth selling because the body's resistance is only three hours after that the fish will not be fresh so it cannot be processed. different from other fish in general. But in season, lomek fish will be more abundant than usual.

Badan Usaha Milik Desa (BUMDES) Kuala Alam Bengkalis or Village-Owned Enterprise in Kuala Alam Bengkalis, sees the Potential for DevelopingProcessed lomek fish products. BUMDES Kuala Alam together with Efforts to Increase Family Income through Usaha Peningkatan Pedapatan Keluarga Sejahtera (UPPKS). UPPKS is a group of woman in Kuala Alam that are currently producing processed product made made from lomek fish such as lomek fish balls, lomek nuggets, lomek crackers, lomek sticks, lomek sausage and dried lomek fish. Dried lomek fish is a product similar to the dried fish commonly found in the market. However, in the process of processing dried Lomek fish, it still uses manual or traditional methods.

There are several factors that influence consumer decisions in buying products, including dried lomek fish products produced by BUMDES Kuala Alam. One of

the factors that influence consumers to buy products is product standards which include how to produce processed food products.

However, dried lomek fish products do not meet product standards, but have passed laboratory testing to check nutritional quality. From the results of laboratory testing on May 18, 2021, BUMDES received a Recognization Certificate stating that dried lomek fish has nutritional quality. Quality Certificate (Certificate of Quality) According to Setiawan (2011), a quality certificate is issued by the Pusat Pengujian Mutu Barang (PPMB) or the Balai Pengujian dan Sertifikasi Mutu Barang (BPSMB) under its auspices. This certificate contains information on the results of the analysis of goods on the basis of laboratory examinations.

Based on the background stated, the researchers are interested in knowing Standardization of dried lomek fish product and marketing channel of dried lomek fishat BUMDES Kuala Alam Bengkalis. So that the researchers conducted a research plan with the research title "Standarization and Distribution Channel of Dried Lomek Fish at Bumdes Kuala Alam".

#### **1.2** Formulation of the problem

Based on the problems that occur, the main problems in this research are:

- 1. How is Standardization product in Bumdes Kuala Alam
- How is existing and potential distribution channel of dried lomek fish product Bumdes Kuala Alam

## **1.3** Purpose of the Study

Based on the background and problem formulation, the objectives of this study are:

- 1. To find product standardization at Bumdes Kuala Alam
- To find out existing and potential distribution channels for dried lomek fish products from Bumdes Kuala Alam

## **1.4** Significance of the Study

Based on the problems that have been solved this research has the following benefits:

- The results of the research can be used as input and consideration for Bumdes Kuala Alam Bengkalis to develop its business and open job vacancies for the community.
- For researchers, this research is an opportunity to develop knowledge in the business field of Dried Lomek Fish
- For the general public, this research can be used as a reference for knowledge related to Dried Lomek Fish products and a source of information for future research.

## 1.5 Scope and Limitation of the Problem

Based on the background that has been described previously, the authors make the boundaries of the problem so that the scope of this research is clear. The limitation of the problem made is to see the Standardization and Distribution Channel Of Dried Lomek Fish at Bumdes Kuala Alam.

### 1.6 Writing System

In this study, it is divided into five chapters, and each chapter of the researcher provides an explanation in sequence. The chapters will be presented as a systematic arrangement as follows:

#### **CHAPTER I: PRELIMINARY**

This chapter describes the background of the research, the formulation of the problem, the objectives and benefits of the research, the scope and limitations of the problem and the systematics of writing in the final report.

## CHAPTER II: LITERATURE REVIEW

This chapter describes the theoretical basis that will be used in completing research, both general and specific in nature,

consisting of previous research, theoretical foundations, and frameworks of thought.

## **CHAPTER III: RESEARCH METHODOLOGY**

This chapter describes the research implementation method, which consists of location, time and object of research, types and sources of data, population and samples, sampling techniques, data collection techniques, data processing techniques, scaling, validity and reliability testing, data analysis methods, research hypothesis, research model, type of research, definition of concept and operational variables as well as research schedule and budget.

#### CHAPTER IV: RESULTS AND DISCUSSION

This chapter contains research results, discussion, and research limitations.

# CHAPTER V : CONCLUSIONS AND SUGGESTIONS

This chapter contains conclusions and suggestions as a final description of the research.