

CHAPTER I

INTRODUCTION

1.1 Background

Business in Indonesia experiencing positive developments along with the times. The world has now entered the era of globalization where in this era the industrial sector is needed to support the Indonesian economy. Based on data from the Central Statistics Agency (BPS), Indonesia's economic growth in the second quarter of 2021 has increased to 7.07 percent on an annual basis. This shows the progress of the Indonesian economy, one of which is in the trade sector.

The growth of various businesses everywhere, the number of diverse products makes market competition more rapid. A person's desire for entrepreneurship has increased as evidenced by the number of entrepreneurs who appear from time to time. In carrying out entrepreneurial activities, must start from your own desires. Because entrepreneurship is not as easy as imagined. It takes a strong intention and determination as well as the appropriate ability and expertise for the line of business that will be carried out here that the business can continue to run here that it can achieve business goals. By being creative in promoting products as attractive as possible here that they can attract the attention of consumers, especially for culinary or food lovers. This business competes here tightly with other products on the market, because it is the obligation of the business owner to carry out promotional strategies that can achieve their goals. Meanwhile, must be careful to see all forms of threats and opportunities that exist in the market. In a promotional activity, it must also be done as well as possible, namely with a predetermined plan. With the efforts to do this promotion, it can increase the sales of the products that market.

Besed on Hasan (2014) Promotion is a marketing function that focuses on communicating marketing programs persuasively to target customers or potential customers to encourage the creation of transactions - exchanges between companies and customers. strategy is a convincing planning activity, the aim is to persuade and

stimulate consumers to buy the company's products, here that the goal of increasing sales is achieved.

Oil palm is a palm oil producing plant and one of the plantation commodities that is important in improving the country's economy because it is one of the plantation crops that provides a large foreign exchange contribution. Indonesia has good natural potential for the development of the agricultural sector. One of the agricultural sub-sectors that is able to increase economic growth and generate foreign exchange is palm oil. Oil palm plantations are also old oil-producing plant cultivated and non-oil export commodities which plays an important role in the economy.

In Indonesia, one of the advantages of palm oil is that it lasts longer, is resistant to pressure and relatively high temperatures. Palm oil is also much more efficient and productive than other vegetable oils. One of them is the palm oil business, which is a business engaged in the SME sector (Small and Medium Enterprises), namely the manufacture and sale of palm sponge cakes. This UKM has been running since 2018 until now. Governments around the world are focusing on SMEs to encourage their growth and economy because it is recognized that micro, small and medium enterprises have a positive impact in increasing product innovation and reducing unemployment across the country because it creates jobs.



Figure 1.1 Photo of Palm Cake Business in Jangkang Bengkalis village.

Source: Processed Palm Cake Business 2022

The promotion and marketing system of this palm cake business still uses a fairly traditional method, even this business does not even have a special social

media used for marketing its products. Business actors market their products when there are events in the area that their marketing is still not widespread, besides that the marketing of this palm cake is assisted by the PKK Chair in the village of Jangkang here that this oil palm cake can be known by people outside the island of Bengkalis.

Based on the background described above, this research will be studied further with the title "**Promotion Strategy to Increase Sales in the Palm Cake Business in Jangkang Bengkalis Village**". The results of this study are expected to find out how promotion strategies are carried out on consumers to increase sales.

1.2 Formulation of the Problem

Based on the explanation of the background above, the problems that arise are: How is the Promotions Strategy being carried out to increase sales in the palm cake business in Jangkang Bengkalis Village.

1.3 Purpose of the Study

Research objectives based on the formulation of the problem, the purpose of this study with the title Promotional Strategies to Increase Sales at the Palm Cake Business in Jangkang Bengkalis Village.

1.4 Significance of the Study

Some of the benefits that can be obtained from this final research are as follows:

1. Benefits for Entrepreneurs

This research is expected to be used as research material and consideration for entrepreneurs in making decisions about ways that can be done to improve promotional strategies in a palm cake business here that they can compete with other competitors.

2. Benefits for Readers or Society.

This research is expected to provide insight in the form of a final project to add insight into knowledge in learning how to carry out promotional strategies in marketing products.

3. **Benefits for Researchers**

This research can be used as additional experience, knowledge and as a guide for completing the final project which is one of the requirements to complete Diploma IV in the International Business Administration study program, majoring in Commerce Administration. This research is expected to increase the creativity and innovation of writers.

4. **For Other Parties**

This research is expected to be used as additional information, knowledge and reference in the preparation of further research.

1.5 Scope and Limitation of the Problem

Based on the background of the problem that has been described, the researcher can identify the scope of this research, namely the Implementation of Promotional Strategies to Increase Sales in the Palm cake Business, which will be carried out in the village of Jangkang, Bantan District, Bengkalis Regency. Here that in this study the authors limit the scope that will be examined. This research only focuses on the implementation of promotional strategies to increase sales.

1.6 Writing System

The systematics writing of the Based on for the comparison study between the performance of civil servants lecturers, temporary lecturers, and adjunct lecturers are as follows:

CHAPTER 1 : INTRODUCTION

In CHAPTER 1 explains the background of the problem, the formulation of the problem, the study objectives, the benefits of the study, the scope of the study and the limitations of the problem as well as the systematic writing of reports.

CHAPTER 2 : LITERATURE REVIEW

In CHAPTER 2 describes the literature review and the basis of the previous theory that will be used in the completion of the study.

CHAPTER 3 : STUDY METHOD AND PROCESS

IN CHAPTER 3 will explain the implementation plan, starting from the location, time and object of study, types and sources of data, data analysis methods, types of study, study schedule and budget.

CHAPTER 4 : RESULTS AND DISCUSSION

In this chapter 4 will explain the results and discussion of study.

CHAPTER 5 : CONCLUSIONS AND SUGGESTIONS

In this chapter 5 will explain the conclusions and suggestions of the study carried out.