

MARKETING STRATEGY OF NATURAL SOAP (HAND MADE INDUSTRY) IN SMALL AND MEDIUM MICRO BUSINESSES (MSMEs) TAMBORA EXOTIC DOMPU REGENCY

Volume: 2
Number: 3
Page: 307 - 311

¹Mahmud, MAHMUD, ²Sudarmiatin, SUDARMIATIN
^{1,2}Faculty of Economics and Business, Malang State University, Indonesia
Corresponding author: ¹Mahmud, MAHMUD
Email: mahmud.2104139@students.um.ac.id

Article History:

Received: 2021-09-22
Revised: 2021-11-14
Accepted: 2021-11-15

Abstract:

Marketing is an activity where business actors offer their products to consumers either directly or indirectly to be able to receive these products with all their ideas and ideas so that these products can be of interest to customers. The study was conducted to determine the Marketing Strategy of Natural Soap (Hand Made Industry) in Small and Medium Enterprises (UMKM) Tambora, Dompu Exotic Regency. The research method is carried out with a qualitative approach, namely a case study approach using a semi-structured interview technique for MSME owners and participants in the object with a research duration of 4 months from July to November 2021. The results of the study state that marketing is an important element that must be considered in order to match expectations, namely getting expected customer loyalty. Various types of MSMEs with various kinds of products produced and offered are almost the same because MSME products are easy to make with materials that are not so expensive so that a marketing strategy is needed to be able to increase the competitiveness of the products produced by MSMEs. In an effort to develop a marketing strategy, it is very necessary to have complete information related to the market.

Keywords: Soap Marketing Strategy, MSMEs, Income.

Cite this as: Mahmud, Sudarmiatin, (2021). "Marketing Strategy of Natural Soap (Hand Made Industry) In Small and Medium Micro Businesses (MSMEs) Tambora Exotic Dompu Regency." International Journal of Environmental, Sustainability, and Social Sciences, 2 (3), 307-311.



INTRODUCTION

Indonesia is one of the countries where the level of soil fertility is much better than other countries as well as with an abundance of qualified marine products. Many plants grow that can be consumed or sold as well as an abundance of marine and natural products. From the results of these plant products, many are processed to become a food or beverage product and other necessities such as being mixed in making soap and the like that can be sold so that many SMEs appear in areas that are obsessed with using them more as an added value to the economy because of the purpose of development. national economy is the creation of a just and prosperous society. The purpose of national economic development is to be able to move the pace of the economy, one of which is through MSMEs.

Small, Micro and Medium Enterprises (MSMEs) are productive businesses owned by individuals and business entities that have met the criteria as micro businesses. As is the case (Presidential Decree (KEPPRES) No. 99 of 1998, 1985) the notion of Small Business is a small-scale people's economic activity with the majority of business sectors being small business activities. And it needs to be protected to prevent unfair business competition. Thus, Small, Micro and Medium Enterprises (MSMEs) are businesses that play an important role in the national economy. At this time, MSMEs are intensively carried out in various regions in Indonesia. One of the areas that run these small businesses is Dompu-NTB, where there are many MSMEs established and running certain businesses, one of which is in the field of making natural soap (hand-made industry) by MSME Exotic Tambora Dompu. In running its business, it is necessary to have a very hard effort to sustain its business in order to survive in market competition. Therefore, Exotic

Tambora Dompu must be able to survive and develop the business they run effectively in terms of product manufacturing and marketing strategies as a shield in market competition.

Marketing strategy is all forms of steps and efforts in marketing products through introducing and offering to generate sales. Marketing strategy has a very important role for every MSME. The important role of an effective marketing strategy will be to increase the competitiveness of the products produced by MSMEs. In an effort to develop a marketing strategy, you really need detailed information related to the market situation, customer behavior or the type of product to be offered which of course becomes the customer's own needs. Natural soap product business (hand made industry) is a business that requires expertise in the compounding process. Natural soap produced by MSME Eksotik Tambora Dompu whose main raw material sources consist of natural ingredients such as olive oil, coconut oil, horse milk, seaweed, honey, carrots, and others. This business often has difficulty if the stock of raw materials runs out and has to wait for some time, however, it does not have much influence on consumer interest and satisfaction. There are several variants or types of soap produced by MSME exotic Tambora Dompu including horse milk soap, goat milk soap, honey carrot soap, coffee soap, and seaweed soap. In the marketing efforts carried out by the Tambora Dompu Exotic MSME, apart from using reseller services, the business owner also promotes product promotions through social media that is developing as it is today by using Facebook, Instagram, WhatsApp and various other social media. Another effort made in promoting these products is to become a partnership between the government and youth organizations by holding stalls and product exhibitions. Apart from that, the Tambora Dompu Exotic MSME sells on the online shop media, namely Shopee. It is important for Tambora Exotic MSMEs to expand the target market to a national and international scale, therefore it is necessary to think about and consider what strategies need to be implemented?

METHODS

This study was conducted using a qualitative method. The qualitative method with a case study approach is using semi-structured interview techniques. Researchers conducted direct interviews with MSME owners and participants in the object. The things that were asked of the participants were things that were directly related to what strategies were carried out in the marketing process. The data analysis used in this study uses the descriptive approach of Sekaran and Bougie (2016) with the aim of describing the characteristics of a particular object, phenomenon, or event. There are two types of data collected, namely primary data and secondary data in this study. Primary data by conducting interviews with participants on the object of research, while secondary data researchers collect through online media, government agencies, textbooks, and relevant journals. Sekaran and Bougie (2016). The data collection process is for 4 months, starting in July to November 2021 with repeated data until you get valid data

RESULT AND DISCUSSION

Seeing the developments that have occurred in several businesses like today, it can be seen that there is an increase in the business income of making Natural Soap, more specifically, it can be seen in the Tambora Exotic MSME. With the increasingly active cosmetic trend today, it shows that Natural Soap is in great demand in various circles.

Seeing the increasing number of Natural Soap consumers and the growing trend of Soap cosmetics, this can prove that running this business can provide benefits for MSMEs that run it, especially for Tambora Exotic MSMEs.

Based on the results of the study and findings that have been carried out, it shows that the business of making Natural Soap at the Tambora Exotic MSME experienced an increase in income. This is shown by the results of calculations in data analysis using the income formula, namely $TR = P \cdot Q$ (price multiplied by the number of products) the average price of soap is Rp. 40,000 which is multiplied by the number of products sold as many as 72 bars of soap per month, resulting in a

total revenue of Rp. 2,880,000 per month, and multiplied by 12 months (1 year) then the total revenue per year is Rp. 34.56 million. Based on the details of fixed costs consisting of employee salaries of Rp. 500,000, electricity and water Rp. 250,000, and advertising costs of Rp. 150,000. Then TFC (Total fixed cost) of Rp. 900,000, and variable costs consisting of raw materials of Rp. 980,000, and packaging costs of Rp. 108,000. Then the TVC (Total variable cost) of Rp. 1,088,000. and with the Cost of Goods Sold (HPP) of 27,611. which shows a profit of Rp 55,000,000 in the last year 2018. Revenue is the inflow of assets (assets) arising from the delivery of goods or services by a business unit during a certain period. (Baridwan, 2001:30).

Meanwhile, according to Antonio (2001: 204) income is a gross increase in assets or a decrease in liabilities or a combination of both during the period selected by the income statement resulting from lawful investments, profits, such as limited investment account management.

Table 1. Journal Review

No	Title, Name, Year	Research Objectives	Research Methods	Research Results
1	Networking as marketing strategi: a case studi of small community business (Miller et al., 2010) . Nancy J. Miller, Terry L. Besser, and Sandra Sattler Weber. USA 2010.	The purpose of this study is to examine the development of new business networks by women's clothing retailers operating in small US Midwest communities to better understand the network development process and contribution to small business marketing strategy.	The method used draws on the theoretical and empirical tradition of network studies using previous research to consider today's small business owners. This case study approach involves documenting the evolution of relationships between retailers over a five year period through the collection of primary data from various sources	This research shows that networking is a viable market strategy for small community retailers and that economic and social benefits are derived from interacting with network members.
2	Marketing Strategy: Pricing strategies and its influence on consumer purchasing decision.2021. (Ali & Anwar, 2021) Bayad Jamal Ali ¹ , Govand Anwar ²	This study aims to examine the pricing strategy as a determining factor in influencing consumer behavior.	This study uses quantitative research methods by adapting questionnaires from academic sources. The sample size for this study was 162 which was collected through random sampling method.	The results showed that Penetration Pricing had a significant positive effect on consumer behavior at the 5% level. Price Skimming has a significant positive effect on consumer behavior at the 5% level. marketing sharing sites have a significant positive effect on consumer behavior at level 5 blogs have a significant positive effect on consumer behavior at the 5% level. Competitive Pricing has a significant positive effect on consumer behavior at the 5% level.
3	<i>(Effect of Social Media Marketing Strategies on</i>			This study found that social media marketing strategy is positively and significantly

Competitive Advantage Among the SMEs in China Yan Shiu Chen & Huang Ha Lin Effect of Social Media Marketing Strategies on Competitive Advantage Among the SMEs in China, n.d.)

related to competitive advantage. The study concludes that implementing social media marketing strategies in today's world is important for building relationships between sellers and customers. The use of social media such as Facebook, Twitter and Instagram facilitates interaction between sellers and consumers.

CONCLUSION

Based on the results of the discussion above, it can be concluded that by running the business of making Natural Soap, the Tambora Exotic MSME has an increase in income or profit. This statement can be proven by the results of data analysis using the income formula stated in the technical data analysis. In the discussion above, the income is Rp. 55,000,000. So it can be concluded that the business of making Natural Soap is experiencing an increase in income or profit.

The increase in revenue from making Natural Soap is certainly supported by various components such as product quality, packaging, and the marketing system implemented. Therefore, to be able to continue to maximize the various components that are still lacking, various aspects must be met in producing Natural Soap.

Tambora Exotic SMEs need to carry out the right marketing strategy. By creating the right marketing strategy, it will certainly have a significant impact on the expected increase in sales. With an increase in sales, of course, it will also have an impact on business development and sustainable business growth.

REFERENCES

- Ali, B. J., & Anwar, G. (2021). Marketing Strategy: Pricing strategies and its influence on consumer purchasing decision. *International Journal of Rural Development, Environment and Health Research*, 5(2), 26–39. <https://doi.org/10.22161/ijreh.5.2.4>
- Dewi Jayanti Mandasari, Joko Widodo, dkk (2019) Strategi Pemasaran Usaha, Mikro, dan Menengah (UMKM) Batik Magenda Tamanan Kabupaten Bondowoso/DOI: 10.19184/jpe:v13i1.10432
- Effect of Social Media Marketing Strategies on Competitive Advantage Among the SMEs in China Yan Shiu Chen & Huang Ha Lin Effect of Social Media Marketing Strategies on Competitive Advantage Among the SMEs in China. (n.d.).*
- Ery Suryani, Hendra Lesmana, dkk (2021) Analisis Strategi Pemasaran untuk Meningkatkan Pendapatan UMKM (Studi Kasus pada UMKM Mita) <http://permana.upstegal.ac.id/index.php/permana>.
- Iston Dwija Utama (2019) Analisis Strategi Pemasaran pada Usaha Mikro Kecil dan Menengah (UMKM) pada Era Digital di Kota Bandung.
- Keputusan Presiden (KEPPRES) No. 99 Tahun 1998. (1985). Keputusan Presiden (KEPPRES) No. 99 Tahun 1998. *Peraturan Pemerintah Republik Indonesia Nomor 26 Tahun 1985 Tentang Jalan*, 1, 1–5. undang%2FDocuments%2FPages%2Fundang-undang-nomo
- Miller, N. J., Besser, T. L., & Weber, S. S. (2010). Networking as marketing strategy: A case study of small community businesses. *Qualitative Market Research*, 13(3), 253–270. <https://doi.org/10.1108/13522751011053626>.

- Prameswari, N. S., Suharto, M., & Afatara, N. (2017). Developing E-Commerce for Micro Small Medium Enterprise (MSME) to Cope with Cultural Transformation of Online Shopping. *Jurnal Dinamika Manajemen*, 8(2), 188-198. <https://doi.org/10.15294/jdm.v8i2.12759>
- Rahmat, D., Yang, T., & Esa, M. (2008). *Undang-Undang Republik Indonesia Nomor 20 Tahun 2008*. 1.
- Rini Kuswati, Suepatini dkk. (2021) Pemberdayaan UMKM Sabun Susu pada KUBBB Segar Arum di Boyolali/ISSN online (2549-6441).
- Sotarduga Sihombing (2021) Penyuluhan Pemasaran Sabun Cair Hasil Industri Masyarakat Desa Maligas Tengah Tanag Jawa Kabupaten Simalungun.
- Sulistiyani, S., Pratama, A., & Setiyanto, S. (2020). Analisis Strategi Pemasaran Dalam Upaya Peningkatan Daya Saing Umkm. *Jurnal Pemasaran Kompetitif*, 3(2), 31. <https://doi.org/10.32493/jpkpk.v3i2.4029>.
- Tohar.pdf*. (n.d.). 1999:2 definisi usaha kecil dari berbagai segi.
- Yohan Bakhtiar, Abidatul Izzah. dkk. (2021) Penegmbangan usaha "Kirana Handmade Soap" Melalui Pemanfaatan Teknologi Informasi sebagai Upaya Peningkatan Profitabilitas./DOI: <https://doi.org/10.29407/ja.v5i2.15045>