

INTEGRATED SMALL AND MEDIUM INDUSTRY DEVELOPMENT STRATEGY OF MILKFISH BRAIN IN GRESIK DISTRICT

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Keywords

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Abstract. Small and Medium Enterprises (SMEs) are important as one of the economic drivers of Gresik Regency because they help absorb labor and work towards poverty alleviation. On the other hand, UKM milkfish brain in Gresik has many obstacles including marketing, product production does not last long and the production process is still manual. The purpose of this community service is to identify the characteristics of UKM milkfish brain in Gresik district, to understand the real situation faced by UKM entrepreneurs. After obtaining an overview or actual situation, the internal and external environmental conditions of milkfish brain UKM were analyzed, and several alternative development strategies were selected as internal factors for the development of UKM milkfish brain, the Regent. Marketing of UMKM milkfish brain Gresik is growing and stable and requires a marketing strategy that needs to be strengthened internally with a competitive advantage for business development. Another priority strategy is to maintain product prices and improve quality to gain consumer loyalty. This requires segmentation and market segmentation as well as more publicity through online media.

1. INTRODUCTION

Gresik Regency is located on the north coast of Java Island with a coast length of ± 140 km and has a wealth of strength in the fisheries sector including milkfish. Milkfish is an aquaculture product that can support food security and nutrition in Indonesia (Tama, et al., 2017). Milkfish is one of the aquatic products that is highly favored by the general public because of its delicious taste, mouthfeel, high protein content, low cholesterol content and relatively cheap price. Another added value of processed milkfish products is otak otak, one of processed milkfish products. Its main product is milkfish, one of the best quality processed products in Gresik Regency fisheries.

According to Venugopal et al. (1995) revealed that the development of value-added products from seed waste can be successful depending on the marketing strategy used. Able to increase sales by creating innovative products that are competitive in the market and reduce waste and environmental waste. Small and medium enterprises (SMEs) play an important role as one of the economic drivers of Gresik Regency. On the other hand, milkfish-like SMEs in Gresik Regency face many obstacles such as capital, marketing, unsustainable products, manual manufacturing processes and government policies. According to Abor and Quartey (2010), the development of SMEs in Ghana and South Africa is very limited by several factors, including: Lack of access to appropriate technology. Limited access to international markets and existing laws, rules and regulations hinder the development of this sector. Poor institutional capacity, lack of managerial skills and training, and especially finances.

The strategic development of SMEs could be enhanced if more attention was paid to the review and evaluation of intervention results (Hallberg, 2000). SME partnership strategies can create mutually beneficial benefits (Moore and Manring, 2009). The strategy for fostering and developing SMEs is the strategy for maintaining quality products, ensuring market expansion, as well as SME competitiveness and products (Hasibuan, 2015). With the entry of the global market, competition between SME managers is getting tighter. Therefore, a milkfish UKM development strategy that combines regional strengths or potentials must increase added value and competitiveness.

Table 1 Production Matrix

Internal factors	Code	Weight	Score	Weight score
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Strength Factor				
The raw material for milkfish is abundant	S1	0.171	4	0.684
Without using chemicals in the production process	S2	0.171	4	0.684
Products are well known to the public	S3	0.158	4	0.632
Consumption of fish is increasing	S4	0.143	3	0.429
Weakness factor				
Products are not durable	W1	0.086	2	0.172
Human resources are still at a low level of education	W2	0.071	2	0.142
Small business capital	W3	0.071	2	0.142
The production process is still manual	W4	0.058	1	0.058
Limited market access	W5	0.071	1	0.071

Total **1.000** **3,014**

Source: Processed Data

This strategy was chosen to increase the competitive advantage that allows small businesses to strengthen in the current uncertain situation. Competitive quality is achieved by developing internal and external situations to implement appropriate competitive strategies (Hartanto & Kholil, 2018). Strategic decisions must be based on an analysis of the company's internal and external environment, through an analysis of the company's strengths and weaknesses, and an analysis of opportunities or threats to the company's environment.

Industry in Indonesia is developing very rapidly and there are many small and medium enterprises or commonly known as SMEs. The role of small industries or SMEs in driving economic growth has encouraged the government to provide serious strategies and support for its development. The Gresik Regency Government also pays special attention to artisans in industrial centers to further develop and innovate in order to produce quality products in their respective regions. Gresik Regency's industrial sector plays an important role in economic development from year to year. The contribution of the food industry to GRDP shows a positive trend of dominating other industries over the past four years, namely the last industrial sector in Gresik Regency which has made a very strong contribution to economic revival and has a strong market capacity. to connect with other competitor areas.

The need for productivity to meet needs is characterized as an effort to obtain the maximum results by utilizing the fewest data sources. Also, Paul. A. Samuelson (2006 16:28) characterizes effectiveness as not wasting merchandise or involving monetary assets as efficiently as possible to address the problems and desires of the general public. The results generated in the build cycle depend heavily on the data source used, both in terms of quality and quantity. Apart from that in the manufacture of metal goods, the business visionaries try to increase the results. One of them is through specialization in product creation so that it can be delivered proficiently, and this specialization will accelerate financial turnover. Specialization is important for financial improvement because it adds: expands the effective utilization of creative elements, expands creative capabilities, and promotes turn

events (Görener et al., 2012). Specialization occurs when everyone focuses on their subject matter. It supports all people and businesses to use their inevitable talents to increase the use of assets. It is a reality of financial life that everyone is in the ideal situation of focusing their attention and energy in a limited area, rather than several areas simultaneously. as stated. The general public will be more active and effective if there is a division of labor, partitioning the entire presentation process into endless specialized units. So, based on the description and explanation of the background above, the researcher is interested in further identifying the internal and external factors that influence the development strategy for UKM milkfish brain in Gresik Regency.

2. METHOD

While we generally use the meeting technique, it is a strategy of gathering information and asking questions that are resolved methodically and keeping in mind local area administrative reasons. This assistance conducted interviews about market size and transportation costs. The interview is an attempt to collect data by adding questions that are structured to demonstrate the work being done. This help uses questions and answers, which relate to the business problem itself, as a toolkit that contains these questions, the consequences of which are then used to provide answers for the business. Documentation as a collection of information from important information (information obtained directly from training) and optional information (information from related associations). The purpose of this research is to motivate and encourage SMEs to continue to operate and increase their creativity and innovation capabilities and it is hoped that this event can be beneficial for the continuity and development of SMEs, increase creativity, production, develop digital (online) marketing under the new normal to improve sale.

3. RESULTS AND DISCUSSION

The use of production factors is called cost-effective production, achieving technical and price efficiency. This is important to understand because the economic efficiency of the food processing industry is very important in determining policy (ie, factor regulation of production). Returns the factor input allocation or cost allocation if the production process is not economical. In this production process, the concept of production function will be used. Since the production function provides information about the amount of output that may be expected, efforts are made to facilitate analytical models and minimize constraints or simplify constraints included in the production process to account for constraints on production activities. In many cases, productivity gaps arise due to factors that are difficult for humans to overcome, such as the presence of fixed technology and environmental differences, such as climate (Hardiyansyah et al., 2015).

Thus, the production function draws conclusions about what the firm knows about the mix of inputs to produce output. The use of factors of production in the Long-term production process leads to three possibilities: increasing, constant, and decreasing the efficiency of production scale. When the growth rate increases, the efficiency of the production scale increases (increased return to scale). or reduced is called the scale of production efficiency.

The inability to understand the importance of product development, difficulties in expanding markets, and difficulties in finding locations to sell are some of the challenges faced by marketers. acquire goods and look for suppliers or suppliers close to where they do business. The price of processed food products for Milkfish is related to the level of supply, so in an effort to increase prices by producers to obtain maximum profits, they should pay attention to consumers by setting prices according to the minimum and maximum selling price limits so as not to harm producers and consumers. In other words, can control the selling price. Providing motivation and enthusiasm so that we can continue to develop innovation and creativity for Puduk processed food products. Understanding of production and marketing efficiency, as well as usage.

The condition of UMKM milkfish brain in Gresik is growth and stability, a marketing strategy that needs to be strengthened internally through competitive advantage for business development. The alternative strategy chosen is to maintain product prices and improve quality to win consumer loyalty. For this reason, market segmentation and segmentation are needed, as well as increased advertising

through online media. Increased marketing must also be supported by innovation and product development to meet consumer needs and desires. This research can be continued by helping implement the two selected strategies so that they can have a real impact on UKM milkfish brain in Gresik District.

4. CONCLUSION

Based on the results of the research that has been described previously, in the last section, the author would like to draw some conclusions about the factors that influence the production of processed milkfish brains for UMKM, Gresik City District. There are several conclusions that the author would like to convey, among others, Marketing of UKM milkfish brain Gresik is growth and stability, a marketing strategy that needs to be strengthened internally through competitive advantage for business development. Processed food production of Milkfish brain can be predicted by factors of specialization, capital production, land, labor, and technology. The specialty of processed food for milkfish brains is that it draws attention to its area of expertise in production and marketing. It supports everyone and can use its increasingly proven knowledge to optimize the use of its resources. The alternative strategy chosen is to maintain product prices and improve quality to gain consumer loyalty, which requires market segmentation and segmentation, as well as increased publicity through online media.

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