

Shrimp Slice Marketing Strategy in Lhokbanie Village to Improve the Economic Level of the Community

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Abstract

This study aims to determine the shrimp paste marketing strategy as an effort to improve the economic level of the community in Lhok Banie village by examining the internal and external factors of shrimp paste marketing. The research method used is qualitative with descriptive data collection techniques and SWOT analysis. Descriptive analysis is an analysis that describes and summarizes various conditions, situations, or various variables of a problem. SWOT analysis can also be interpreted as the systematic discovery of various factors to formulate a formula that maximizes strengths (Strengths) and opportunities (Opportunities), but simultaneously can minimize weaknesses (Weaknesses) and also threats (Threats).

Keywords: Marketing, Terasi, SWOT Analysis.

1. INTRODUCTION

The Indonesian economy, particularly in Aceh Province, is currently on the verge of decline, as evidenced by Aceh's ranking as the poorest province in Sumatra (bps.go.id/id). This is certainly a wake-up call for entrepreneurs to continue developing their businesses to survive and grow efficiently and effectively in this era of rapidly evolving technology. Entrepreneurs must also recognize that each business they establish has its own strengths and weaknesses (Sofjan Assauri, 2012).

Every entrepreneur fundamentally wants their business to thrive, and therefore strives to minimize any errors or weaknesses that arise in their endeavor. The process of minimizing errors or weaknesses by capitalizing on the strengths of their business is called strategy. Thus, strategy is the steps taken by entrepreneurs to achieve their goals. Sometimes these steps are complex and challenging, but they are also often straightforward. Therefore, these steps must be executed carefully (Kasmir, 2013).

Marketing strategy is a series of decisions taken by business actors to determine targets, aims and objectives for decision making in achieving their business goals (Alma, 2014). Entrepreneurs implementing marketing strategies must be astute in identifying and monitoring market competitors to maintain healthy competition. Business owners should be aware of their competitors' strengths and weaknesses, whether through research or other means.

Lhokbanie Village is located in Langsa City, Aceh Province. It is renowned for its excellent fisheries sector, located near the coast. Fisheries in Lhokbanie Village, such as pond fisheries, marine fisheries, and seafood processing, are widely practiced by its residents. One of the most popular seafood products in Lhokbanie Village is shrimp paste. Shrimp paste is a product produced by fermenting rebon shrimp or sea fish with a mixture of salt (Gaffar Umami & Supardan, 2019). Shrimp paste also consists of two types based on the raw materials: shrimp paste and fish paste. The difference between shrimp and fish paste is evident in their color. Shrimp paste is usually reddish brown, while fish paste is blackish. Economically, shrimp paste is more popular than fish paste. Likewise, shrimp paste is more expensive than fish paste (Fatahillah, 2018).

However, observations of shrimp paste artisans in Lhok Banie village revealed problems, including difficulties in obtaining raw materials, marketing strategies, and the lack of effective strategies, such as packaging and brand labeling. This is despite shrimp paste marketing reaching other areas such as Medan, Banda Aceh, and Pekanbaru.

2. RESEARCH METHOD

This research was conducted in a qualitative manner. Qualitative research is the process of gathering data to examine social problems that emerge from research in a comprehensive and scientific manner. The research took place in Lhok Banie village, West Langsa District, Langsa City.

Data collection methods include descriptive analysis and SWOT analysis. Descriptive analysis provides an overview and summary of various circumstances, situations, or variables that arise in a problem. SWOT analysis can also be interpreted as the systematic discovery of various factors to formulate a formula that maximizes strengths and opportunities, while simultaneously minimizing weaknesses and threats.

3. RESULT AND DISCUSSION

3.1 Internal Factors

3.1.1 Strength

Here are some of the strength factors that emerge

- a) Strategic Business Location. Maulana said that a strategic business location is determined by the ease of obtaining raw materials (Maulana, 2018). The location of the shrimp paste production processing is still in the fishing residential area so it is easy for business actors to obtain raw materials from fishermen who go to sea.
- b) Good Product Quality. The local community is renowned for its high-quality shrimp paste produced in Lhok Banie village. This is due to the careful care taken by the shrimp paste processors, from processing to drying. The shrimp paste is still processed traditionally without the use of preservatives or colorings. The resulting shrimp paste is composed purely of shrimp and salt. The color of the product also comes from the shrimp, obtained after mixing it with salt. This shrimp paste can last up to one year without preservatives.
- c) Good Business Experience. Shrimp paste production in Lhok Banie village has been operating for approximately 20 years, passed down through generations. This demonstrates the entrepreneurs' extensive experience in the shrimp paste-making process, a strength they can leverage in product development efforts.
- d) Business Capital. The capital used by shrimp paste entrepreneurs is their own, not borrowed from a specific financial institution. Interviews with business owners revealed that capital is always available for production and product development.

3.1.2 Weakness

- a) Lack of Waste Management. The drying process of shrimp paste produces waste that falls into residential areas without any drainage channels or ditches for wastewater disposal. This waste also comes from the shrimp paste fermentation process. In this case, shrimp paste producers in Lhok Banie village simply let the wastewater decompose in the surrounding area without any special treatment. While this waste product is not harmful, it is very disturbing to local residents due to its unpleasant odor.
- b) Traditional Drying Equipment. After the fermentation process is complete, the shrimp paste is dried in the sun to remove excess water. The shrimp paste produced in Lhok Banie village lacks sophisticated drying equipment and uses traditional methods, using a wooden netting mat and drying it under the hot sun.
- c) Lack of Promotion. Shrimp paste sales in Lhokbanie still use the old method of selling from home or giving it to visiting agents. Shrimp paste businesses in Lhokbanie haven't fully utilized digital promotional resources or online sales. Consequently, promotion is still based solely on word of mouth.

3.2 External Factors

3.2.1 Opportunities

- a) The raw materials used are natural. The raw materials used to make shrimp paste are still natural because they are made from shrimp or fish mixed with salt and water.
- b) Business development through technology such as marketing through social media is very open. For marketing and promotion of this shrimp paste, it is very open through digital applications such as Facebook, Instagram or others.
- c) Branding of shrimp paste is very possible. Branding is very important because it will make it easier for buyers when they want to buy shrimp paste.
- d) Creating an opportunity to create open market share shrimp paste. Shrimp paste is one of the typical souvenirs from Langsa City which will make the shrimp paste business opportunity even bigger.

3.2.2 Threats

- a) Increase in prices for raw materials. This is common when a business is growing rapidly and raw materials become difficult to obtain.
- b) Competition with shrimp paste that already has a brand. This brand competition often occurs when a shrimp paste business actor does not have his own brand.
- c) Weather conditions during high tide (big waves). This makes it increasingly difficult to obtain raw materials when there are big waves because when big waves occur fishermen do not go to sea.
- d) Lack of innovation in marketing and distribution products that are not given enough attention. The lack of innovations in shrimp paste production has resulted in sales of shrimp paste products remaining as usual.

3.3 SWOT Matrix

In the analysis of approaches to marketing strategies, various alternative strategy developments are carried out which will be formulated in the SWOT matrix analysis technique, namely the S-O, W-O, S-T and W-T strategies. The use of the SWOT matrix makes it easier to identify and evaluate external and internal factors from the four aspects above. The strategies used can be seen in the following table:

Table 1 SWOT Matrix

IFAS	Strengths	Weaknesses
	<ol style="list-style-type: none"> 1. Strategic business location 2. Sufficient workforce availability 3. Large production potential 4. Good product quality 5. Good business experience 6. Available business capital 	<ol style="list-style-type: none"> 1. Lack of waste management 2. Traditional drying equipment
EFAS		
Opportunities	S-O Strategy	W-O Strategy
<ol style="list-style-type: none"> 1. Superior shrimp paste products in Lhok Banie village 2. Stable demand for shrimp paste products 3. Collaboration with business partners 	<ol style="list-style-type: none"> 1. Maintaining product quality to maintain collaborative relationships with business partners (S4, O3). 2. Utilizing business location, workforce availability, and available capital to maximize production to meet product demand (S1, S2, S3, S6, S7, O2). 3. Expanding collaboration by leveraging strong business experience and supporting the superior shrimp paste production in Lhok Banie village (S5, O1, O3). 	<ol style="list-style-type: none"> 1. The superior shrimp paste production opportunities in Lhok Banie village should be supported by proper waste management to maintain product quality and hygiene, thereby enhancing collaborative relationships (W1, O1, O3). 2. Maximizing production volume by improving drying technology, such as ovens or greenhouses, to meet demand (W2, O2).
Threats	S-T Strategy	W-T Strategy
<ol style="list-style-type: none"> 3. Instability of production input quantities 4. Unpredictable weather factors 5. Availability of shrimp paste products from other companies 6. Fluctuating prices of supporting materials 	<ol style="list-style-type: none"> 1. With good business experience and available business capital, they can maintain product quality and compete with other shrimp paste products (S4, S5, S7, T3). 2. Maximize production to ensure stock availability by utilizing a good and strategic business location. 3. Utilize business capital to reduce production risks during rainy weather and to address fluctuating raw material prices (S7, T2, T4). 	<ol style="list-style-type: none"> 1. Improve waste management to maintain production hygiene and achieve greater value compared to other companies' or competitors' products (W1, T3). 2. Improve drying technology, such as ovens or greenhouses, to reduce the risk of rainy weather and maximize production when inputs are abundant, thereby increasing income and mitigating fluctuating raw material prices (W2, T1, T2, T4).

The SWOT matrix can illustrate how opportunities and threats from a company's external environment are anticipated using its strengths and weaknesses. The SWOT matrix will facilitate the formulation of various strategies. Essentially, the alternative strategies adopted should be directed at utilizing strengths and improving weaknesses, exploiting business opportunities, and addressing threats. Therefore, the SWOT matrix will yield four groups of alternative strategies: SO strategies, ST strategies, WO strategies, and WT strategies. Each of these alternative strategies is as follows:

- a) Strength Opportunity. This strategy is based on the company's way of thinking, namely by utilizing all the strengths it has to seize and take advantage of opportunities as much as possible.
- b) Strength Threat. This strategy is created based on the strengths that the company has to anticipate existing threats.
- c) Weakness Opportunity. This strategy is implemented based on utilizing existing opportunities by minimizing existing weaknesses.
- d) Weakness Threat. This strategy is based on defensive activities, trying to minimize the company's weaknesses while simultaneously avoiding threats.

4. CONCLUSION

Internal factors that influence shrimp paste production strategies are analyzed based on their strengths and weaknesses. Strengths include strategic business locations, sufficient labor availability, large production potential, good product quality, good business experience, and available business capital. Weaknesses include the lack of waste management and simple drying equipment. External factors in this study include stable demand for shrimp paste products, collaboration with business partners, unstable production inputs, unpredictable weather, the presence of shrimp paste products from other companies, and fluctuating prices for supporting materials. The shrimp paste marketing strategy in Lhok Banie village to improve the economic standard of the community is the S-O (Strengths-Opportunities) strategy, including: maintaining product quality in order to maintain cooperative relationships with business partners; utilizing business locations, labor availability, business development through social media, branding, expanding cooperation by utilizing good

business experience and supported by the superiority of shrimp paste products processed by entrepreneurs in Lhok Banie village.

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