

Marketing Strategy for Processed Chili Products "Sambal Simbok" Tuna Sambal Variant in Ambulu, Jember

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Abstract

Red chili (*Capsicum annum*) is a leading horticultural commodity that is perishable and seasonal, so it must be sold immediately after being harvested. To extend its lifespan and durability, processing is required which of course requires additional costs. Marketing processed products in the era of globalization of trade includes various challenges which should be interpreted as opportunities to be able to compete in international markets. KWT "LARASATI" took the initiative to process large red chilies in order to increase the added value of the harvest and also extend its shelf life. From this process, KWT "LARASATI" then produces high-value product diversification in the form of processed chili sauce under the Sambal Simbok brand. One variant of the chili sauce produced is tuna chili sauce. So far, KWT "LARASATI" has carried out marketing techniques in the form of utilizing existing social media, namely WhatsApp, Facebook and Instagram. However, KWT Larasati still faces a number of obstacles in marketing its Sambal Simbok tuna chili variant to the public. Based on this background, it is necessary to have a strategy in marketing the Sambal Simbok product, a tuna chili variant so that it can produce alternative strategies that suit the processed chili products in KW "LARASATI" business diversification, as well as using QSPM analysis to determine strategic priorities that are in accordance with internal and external aspects. KWT. The results of this analysis are eight alternative strategies which are then ranked to determine the prioritized strategy.

Keywords— marketing strategies, SWOT analysis, QSPM analysis

Introduction

Horticultural commodities are one of the agricultural commodities that have the potential to be developed so that they become superior products that can improve the welfare of farmers in Indonesia. Horticultural commodities are also included in the agricultural sector which has an important influence on economic growth in Indonesia. In particular, the chili commodity is one of the leading horticultural commodities whose needs are very important after fruit horticultural commodities. Chili is used as a spice and cooking seasoning, the demand for which is always increasing. Supported by the current trend, namely dishes with spicy flavors that continue to increase.

Red chili (*Capsicum annum*) is a leading horticultural commodity that is perishable and seasonal, so it must be sold immediately after being harvested. To extend its lifespan and durability, processing is required which of course requires additional costs. The processing (preservation) process is also to anticipate an abundance of red chilies in the main harvest season (sales prices drop) and scarcity in other seasons (prices soar).

Accelerating the development of processed products is an agroindustry effort to: increase capacity to increase the volume of agricultural production; improve and develop agricultural products into processed products that are more value-added and diverse, as well as multi-utility. To change the paradigm and mindset that the agricultural system is not only a farming business that produces consumption materials ((Kasryno, 2013); (Elizabeth & Anugrah, 2020)).

Marketing of processed products in the era of globalization of trade includes various challenges which should be interpreted as opportunities to be able to compete in international markets, including: (i) strong domestic product markets, so that they are not only flooded with imported products; (ii) providing products that are safe, hygienic, of high quality, guaranteed and at competitive prices; (iii) continuity of product supply and adequate support for environmental conditions and facilities (Elizabeth, 2019).

Farmers are the main actors in agricultural development, it can also be said that farmers are the main actors in the economy in Indonesia. However, the government's aim to increase farmers' income and welfare has not been felt by the farmers themselves. The women's farmer group is a vehicle for developing human resources for farmers, thus its existence has gained a place in the community as a forum for empowering farmers and the surrounding community to increase creativity, skills and be environmentally conscious. The growth and development of women farmer groups must be balanced with the activities of the work implementation units within them, so that the benefits of women farmer groups can be felt more by group members and the surrounding community.

The average area of chili plants in Andongsari Village reaches 60 Ha per year, with an average planting area of 0.5 Ha/KK, and an average productivity of 12 tons/Ha so that chili production reaches 720 tons/Ha. From this data, chili farmers in Andongsari village often experience problems in marketing fresh products, both in terms of low selling prices during the main harvest and a decrease in the quality of the harvest due to damage during storage.

Based on this problem, the Women Farmers Group "LARASATI" Andongsari Village took the initiative to process large red chilies in order to increase the added value of the harvest and also extend its shelf life. And the most important goal is to increase the income of members of the Women's Farmers Group (KWT) "LARASATI" Andongsari Village, Ambulu District, Jember Regency.

From this process, KWT "LARASATI" produces high-value product diversification in the form of processed chili sauce under the Sambal Simbok brand. One variant of the chili sauce produced is tuna chili sauce.

So far, KWT "LARASATI" has carried out marketing techniques in the form of utilizing existing social media, namely WhatsApp, Facebook and Instagram. Apart from this, KWT Larasati provides information regarding activities aimed at introducing chili products, namely by participating in bazaars at various events. However, KWT Larasati still faces a number of obstacles in marketing its Sambal Simbok tuna chili variant to the public.

Based on this background, it is necessary to have a strategy in marketing the Sambal Simbok product, a tuna chili variant so that it can produce alternative strategies that suit the processed chili products in the KW "LARASATI" business diversification, as well as using QSPM analysis to determine strategic priorities that are in accordance with internal and external aspects.

Literature Review

Marketing

Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. Marketing is a social process in which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others (Kotler & Keller, 2012).

Marketing is activities and processes for creating, communicating, providing and exchanging offers that have value for customers, clients, partners and society in general. Marketing is a process that focuses on providing value and benefits to customers, not just selling goods, services, and/or ideas by using communications, distribution, and pricing strategies to provide customers, other stakeholders with goods, services, ideas, value, and the benefits they want when and where they want them. This step involves building long-term, mutually beneficial relationships when this benefits all parties concerned. Marketing also requires an understanding that organizations have many connected stakeholder partners including employees, suppliers, shareholders, distributors, and society at large (Lamb et al., 2021).

The American Marketing Association (AMA) defines marketing as a set of activities, institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

Marketing Strategy

Marketing strategy is a step that involves the activities of selecting and describing one or more target markets and developing and maintaining a marketing mix that will produce mutually satisfying exchanges with the target markets. Strategic planning is the managerial process of creating and maintaining a match between an organization's goals and resources and emerging market opportunities. The goal of strategic planning is long-term profitability and growth. Thus, strategic decisions require long-term resource commitment (Lamb et al., 2021).

Marketing strategy is a step to determine the mission, marketing objectives and financial objectives, and the needs offered by the market that can be satisfied, as well as its competitive position. All of this requires input from other areas, such as purchasing, manufacturing, sales, finance, and human resources. Marketing strategies are used to provide awareness to potential customers regarding the products and services to be offered, then develop the customer base. The marketing manager must develop a marketing plan, which is the main instrument for directing and coordinating marketing efforts, to communicate value to customers. This step operates at two levels, namely strategic and tactical. A strategic marketing plan outlines the company's target market and value proposition, based on an analysis of the best market opportunities. A tactical marketing plan determines marketing tactics, including product features, promotions, packaging, pricing, sales channels, and services (Kotler & Keller, 2012).

Marketing strategy is the design, implementation, and control of plans to influence exchanges to achieve organizational goals. Marketing strategy involves developing and presenting marketing motivation directly to selected targets to influence what they think, how they feel, and what they do (Peter & Olson, 2010).

Research Method

This research was conducted on the Sambal Simbok product, with variant of tuna chili. Sambal Simbok tuna chili variant is produced by KWT "LARASATI" and is located in Andongsari Village, Ambulu District, Jember Regency. The method used in this research is a descriptive method with a case study approach. The data sources used in this research are primary

and secondary data sources. The primary data source in this research was obtained through distributing questionnaires directly in the field, while the secondary data source in this research was obtained from books, scientific journals and the internet.

Research data was collected by interviews and questionnaires. Literature study, namely research by studying various reference books, journals, reports and other sources. The sampling technique used in this research is a purposive sampling technique, namely a data source sampling technique with certain considerations and objectives. The researcher conducted interviews with people who were deemed to know the most about the Sambal Simbok business situation and were experts in the field of marketing.

The questionnaire results were then analyzed using SWOT analysis. Lamb et al. (2021) explains SWOT analysis as a tool for identifying internal strengths and weaknesses and also examining external opportunities and threats. When examining external opportunities and threats, marketing managers must analyze aspects of the marketing environment. This analysis is based on logic that can maximize strengths and opportunities, but simultaneously minimize weaknesses and threats.

Alternative strategies that emerge are then evaluated using QSPM analysis. Quantitative Strategic Planning Matrix or QSPM is used to evaluate and select the best strategy that best suits the internal and external environment of a company. The alternative strategy that has the largest total value in the QSPM matrix is the best strategy that can be applied to the company. QSPM analysis is the final stage analysis used in determining marketing strategy priorities (David, 2011).

Results and Discussion

IFE Matrix

Based on the internal environmental analysis, factors were found that were the strengths and weaknesses of Sambal Simbok tuna chili variant. The results of this analysis are shown as follows:

NO	INTERNAL FACTORS	WEIGHT	RATING	SCORE
STRENGTHS				
1	Guaranteed product quality	0,078	4	0,314
2	The product does not use preservatives	0,078	4	0,314
3	Attractive product packaging	0,078	4	0,314
4	Affordable prices	0,078	4	0,314
5	Optimal promotion using social media	0,059	3	0,176
6	Brand is well known	0,059	3	0,176
7	Human resources are skilled in product manufacturing	0,078	4	0,314
8	Wide marketing area	0,098	5	0,490
9	Complete production facilities	0,078	4	0,314
10	Information about the products provided is complete	0,078	4	0,314
WEAKNESSES				
1	The product is not durable	0,039	2	0,078
2	Human resources are not yet skilled in promotion and marketing	0,078	4	0,314
3	Limited production space	0,059	3	0,176
4	The production system is not routine or by order	0,059	3	0,176
TOTAL		1,000		3,784

EFE Matrix

Based on the analysis of the external environment, factors that are opportunities and threats for Sambal Simbok tuna chili variant, are obtained. The results of this analysis are shown as follows:

NO	EXTERNAL FACTORS	WEIGHT	RATING	SCORE
OPPORTUNITIES				
1	Availability of raw materials is easy to obtain	0,109	5	0,543
2	There are many raw material suppliers	0,087	4	0,348
3	High consumer demand and interest	0,087	4	0,348
4	Consumers are loyal to products	0,065	3	0,196
5	Dynamic market trends	0,087	4	0,348
6	Development of production technology	0,087	4	0,348
7	Social media as a promotional media is diverse	0,087	4	0,348
8	Changes in people's lifestyles	0,065	3	0,196
THREATS				
1	There are competitors with similar products	0,065	3	0,196
2	Raw material prices fluctuate	0,087	4	0,348
3	Influence of climate and agrosystem	0,109	5	0,543
4	Consumer tastes change	0,065	3	0,196
TOTAL		1,000		3,957

IE Matrix

Based on the IFE and EFE matrix analysis, the position of the Sambal Simbok tuna chili variant product is obtained as follows:

		IFE TOTAL SCORE		
		Strong	Medium	Weak
		3.0-4.0	2.0-2.99	1.0-1.99
EFE TOTAL SCORE	High	I	II	III
	3.0-4.0			
	Medium	IV	V	VI
	2.0-2.99			
Low	VII	VIII	IX	
1.0-1.99				

The weighted sum of the IFE matrix is 3.784 and the EFE matrix is 3.957. Then these results were mapped in the IE matrix, and the conclusion was obtained that the current position of the Sambal Simbok tuna chili variant product, is in quadrant I. Quadrant I position means that it is a profitable position for the company because the company has the strength to take advantage of existing opportunities to increase sales and develop the company. The strategy that can be applied to companies is to support aggressive growth policies in companies (growth-oriented strategy).

SWOT Matrix

Based on the SWOT analysis, the following alternative strategies are obtained:

	Strengths 1. Guaranteed product quality 2. The product does not use preservatives 3. Attractive product packaging 4. Affordable prices 5. Optimal promotion using social media 6. Brand is well known 7. Human resources are skilled in product manufacturing 8. Wide marketing area 9. Complete production facilities 10. Information about the products provided is complete	Weaknesses 1. The product is not durable 2. Human resources are not yet skilled in promotion and marketing 3. Limited production space 4. The production system is not routine or by order
Opportunities 1. Availability of raw materials is easy to obtain 2. There are many raw material suppliers 3. High consumer demand and interest 4. Consumers are loyal to products 5. Dynamic market trends 6. Development of production technology 7. Social media as a promotional media is diverse 8. Changes in people's lifestyles	SO STRATEGY 1. Maintain affordable prices and service to consumers to maintain consumer loyalty and interest in the product 2. Expand the marketing area and increase the company's positive image by utilizing various social media platforms	WO STRATEGY 1. Maintain the quality of preservative-free products by adding alternative raw material suppliers 2. Involve human resources in online marketing training to optimize marketing, especially through social media
Threats 1. There are competitors with similar products 2. Raw material prices fluctuate 3. Influence of climate and agrosystem 4. Consumer tastes change	ST STRATEGY 1. Increase cooperation with raw material suppliers so as to maintain the quality of raw materials so that they remain superior to competitors 2. Optimizing product branding to face competition	WT STRATEGY 1. Collect information from consumers regarding the desired flavor variants to meet market tastes 2. Optimize market research to anticipate price and quantity fluctuations in raw materials

QSPM Matrix

The QSPM matrix is the final stage of strategy formulation analysis in the form of selecting the best alternative. From the QSPM matrix, it can be seen that the highest Total Attractiveness Score (TAS) value is the most suitable alternative strategy to be implemented by KWT "LARASATI" as the producer of Sambal Simbok tuna chili variant. Alternative marketing strategy priorities are presented as follows:

RANKING	ALTERNATIVE STRATEGIES	TAS
1	Involve human resources in online marketing training to optimize marketing, especially through social media	7,28
2	Expand the marketing area and increase the company's positive image by utilizing various social media platforms	7,22

3	Optimizing product branding to face competition	6,86
4	Optimize market research to anticipate price and quantity fluctuations in raw materials	6,77
5	Maintain the quality of preservative-free products by adding alternative raw material suppliers	6,47
6	Maintain affordable prices and service to consumers to maintain consumer loyalty and interest in the product	6,32
7	Increase cooperation with raw material suppliers so as to maintain the quality of raw materials so that they remain superior to competitors	6,11
8	Collect information from consumers regarding the desired flavor variants to meet market tastes	6,01

Based on the calculation results of the QSPM analysis, eight strategies were obtained. The strategy in first place is involving KWT "LARASATI" human resources in online marketing training to optimize marketing, especially through social media. This strategy was chosen by the expert to be applied in the marketing of Sambal Simbok because to face competition in the chili processing business, there needs to be resources who are technologically literate and understand the use of social media as a marketing media for Sambal Simbok tuna chili variant product.

The trend of using social media provides opportunities for SMEs or entrepreneurs to carry out digital marketing, especially social media. However, marketing via social media must be done in the right way so that marketing goals can be achieved. Because there are so many social media platforms, choosing a platform that suits your business is one of the keys to the success of this marketing strategy.

To optimize the use of social media, HR at KWT "LARASATI" needs to understand the ins and outs of using social media as a marketing medium. Marketers must understand the target market and study the characteristics of the target market, then determine the platform that they feel is appropriate to the desired target market. Through this training, it is hoped that marketers will also be able to use various social media such as Facebook, X (Twitter), Instagram, WhatsApp and other social media optimally. In addition, because the characteristics of social media differ from each other, marketers must also create content that is appropriate to the social media used. The hope is that social media users will not be confused by the Sambal Simbok product information explained on social media. Through social media, marketers can communicate personally more effectively, because marketers and target markets can interact without area barriers.

This strategy was then supported by the implementation of the strategy in second place, namely expanding the marketing area and increasing the positive image of processed chili products with the Sambal Simbok brand, a tuna chili variant, by utilizing various social media platforms. So far, Sambal Simbok's market share has reached foreign countries, but only when brought by Indonesian migrant workers (PMI). Therefore, with the existence of social media, it is hoped that the branding of the Sambal Simbok product, the tuna chili variant, can be more optimal in reaching a wider market. This is because the use of social media is not only in Indonesia but also abroad.

Conclusion

From the results of internal analysis, it is known that the biggest strength of the processed chili product from the Sambal Simbok tuna chili variant, is its wide marketing area overseas, but it also has the biggest weakness, namely human resources who are not yet skilled in product promotion and marketing. From the results of external analysis, it is known that the biggest opportunity faced by Sambal Simbok is the availability of easily available raw materials, but it

also has to face the biggest threat, namely the influence of climate and agrosystems.

Based on the SWOT analysis, eight alternative strategies were obtained by considering all aspects of strengths, weaknesses, opportunities and threats. All alternative strategies were analyzed using QSPM and the following ranking order was obtained: (1) Involving human resources in online marketing training to optimize marketing, especially through social media; (2) Expanding marketing areas and increasing the company's positive image by utilizing various social media platforms; (3) Optimizing product branding to face competition; (4) Optimizing market research to anticipate fluctuations in prices and quantities of raw materials; (5) Maintaining the quality of preservative-free products by adding alternative raw material suppliers; (6) Maintaining affordable prices and service to consumers to maintain consumer loyalty and interest in products; (7) Increasing cooperation with raw material suppliers so as to maintain the quality of raw materials so that it remains superior to competitors; and (8) Collecting information from consumers regarding the desired flavor variants to meet market tastes.

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