

MARKETING STRATEGY FOR IMPROVING COMPETITIVENESS IN MSME DOMAY FOOD

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Abstract. Marketing strategy is an effort to win the market competition on an ongoing basis for companies that produce goods or services by showing the superiority of a product. In the face of tight competition between similar competitors, every MSMEs also needs a marketing strategy. The purpose of this study is to determine marketing strategies for increasing competitiveness in Domay Food MSMEs. The method used by researchers is the qualitative descriptive method. To obtain the expected results, researchers use primary and secondary data, where primary data is obtained from the interview process with MSMEs owners and with references to articles and books as secondary data. The results obtained in the study showed that the marketing strategy in the form of a four-element marketing mix was able to increase competitiveness quite highly in Domay Food MSMEs.

Keywords: *Marketing Strategy; Competitiveness; MSMEs*

INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) in Indonesia are currently facing difficult conditions due to problems in the increasingly complex business world. In addition, competition is getting tighter in line with the magnitude of the free trade wave so that it directly impacts the emergence of competition coming from all directions both from domestic, regional and global (Wibowo et al., 2015).

In the economy of a region or country, including Indonesia, the MSME sector plays a big role. Micro, Small and Medium Enterprises (MSMEs) contribute to efforts to increase economic growth and reduce the poverty rates in a country. One indicator of development progress, especially in low per capita income countries, is often interpreted as the growth and development of the Micro, Small and Medium Enterprises (MSMEs) sector (Ulfah, 2021).

The big role owned by MSMEs explains that MSMEs need to be improved. If MSMEs can apply good management, MSMEs can survive and be competitive. Management usually covers marketing, finance, and HR to production. The application of specific models and concepts at the strategy level is a success factor. Analysis of products, consumers, and markets is needed because it is important in today's complex environment. Most companies or business units, including MSMEs, are only concerned with making their products. They must also pay attention to strategies in their business to continue to grow and be able to compete (Sustainable, 2019).

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Micro, Small and Medium Enterprises (MSMEs) need seriousness to pay attention to marketing. Moreover, in order for the marketing strategy that has been formulated to penetrate the market, the formulation must be very mature. In addition, like the current situation, namely in conditions with tight competition, the ability to seize the market will

affect the sustainability of the business itself (Septiani et al., 2021). This condition is no exception to Domay Food. As an effort to develop the market to face competitors, the main priority is the need to formulate the right marketing strategy for the management involved in it.

Based on the explanation above, the formulation of the problem contained in this study includes the following:

1. How is the competitiveness of Domay Food MSMEs?
2. What is the marketing strategy in increasing competitiveness in Domay food MSMEs?

The objectives of this study include:

1. Knowing the competitiveness of Domay Food MSMEs
2. Knowing marketing strategies in increasing competitiveness in Domay Food MSMEs

METHOD

In this study, the method used by researchers is qualitative descriptive research method. This research is described in descriptive form with the title "Marketing Strategy to Increase Competitiveness in Domay Food MSMEs". Researchers used primary and secondary data types to conduct this study, where primary data was obtained from the process of direct interviews with MSME owners, as well as with references to artifacts and books as secondary data. Researchers use qualitative methods with a case study approach in this study, where the case study method can be used to gain a detailed and in-depth understanding of the circumstances or problems in Domay Food MSMEs (Maiyuniarti & Oktafia, 2022). Researchers conducted research on MSMEs, namely Domay Food MSMEs located in Mojo Krajan Village RT 03 RW 01, Cluwak District, Pati Regency.

In this study, the data collection techniques used include:

1. Observation
The object of research observed by researchers is place and activity. In this observation, researchers use descriptive observations and at this stage researchers have not included the problem to be studied.
2. Interview
In addition to observation, researchers also conducted interviews to collect data. Where this technique is carried out through oral submission of questions to Domay Food MSME owners. When researchers ask questions, researchers can talk to informants directly.
3. Documentation
Documentation in this research process is based on the results of interview recordings and photos obtained while conducting research

RESULTS AND DISCUSSION

The Competitiveness of Domay Food MSMEs

Along with the times, the shift in people's appetite for food has become a very influential factor in *Food and Beverage MSMEs*. Thus, Domay Food is required to continue to innovate and must be able to adjust to market changes in order to survive in the digital era. In Mojo Village, Domay Food has an established competitor, Prima Bakery. However, Prima Bakery has made little progress. This is experienced by Prima Bakery because it is unable to

meet the changing tastes of the community. Prima roti only offers birthday tarts and delivery bread. Unlike Prima Bakery, Domay Food is very open to customer requests. Almost all products from Domay Food are *by request* from consumers. So, there are no limitations for consumers in making purchases.

To maximize competitiveness, Domay Food encountered several obstacles including conflicts in the family business and lack of government support. Domay Food is a family business so that the occurrence of internal conflicts in the family can affect the development of Domay Food and then have an impact on disrupting communication in managerial. Domay Food also lacks *support* from the government so that it can have an impact on the development of MSMEs themselves, such as not getting MSME support programs. Domay Food tries to separate family problems from business problems and continues to update on government support programs for MSMEs as an effort to deal with the obstacles experienced.

Marketing Strategy to Increase Competitiveness in Domay Food MSMEs

In marketing products, Domay Food uses marketing strategies by developing a 4P *marketing mix* including product, place, *price* and *promotion*. The following is a description of the marketing strategy carefully set by Domay Food MSMEs as follows:

1. *Product*

Food products produced by Domay Food are almost entirely *by request* from consumers and only a few snacks such as donuts, *muffins* and brownies are available in the store. Domay Food can also display product photos, so that products can later be adjusted in advance to the wishes of customers. To maintain the quality of taste and texture, the food products produced by Domay Food are *home made* and without preservatives so that food products will be made if there is a request which can then be taken when finished.

2. *Price*

The price set for products sold at Domay Food MSMEs ranges from Rp. 2,000 – Rp. 300,000. The price of the products sold can also adjust the wishes of customers so that customers feel comfortable so that whatever the price requested by the customer, Domay Food can still be served. This price is very affordable according to Domay Food's target market, namely for families, groups and organizations.

3. *Place*

Most Domay Food products are sold *pre-order* and can also be delivered *for orders* above Rp. 1,000,000. This is because the owner / owner of Domay MSMEs wants to make consumers feel comfortable and in accordance with their wishes. Domay Food itself already has a store located on Jl. Raya Tayu-Jepara, *Mojo, Cluwak District, Pati Regency* and customers can also take orders directly to the production house in Mojo Krajan Village RT 03 RW 01, Cluwak District, Pati Regency which is not located on the main road and the absence of directional signs makes customers find it difficult to reach the production site

4. *Promotion*

This promotion is an active activity of Domay Food to inform, promote and influence *customers* about the products offered. Domay Food promotion begins with product introductions related to excellence and taste, as well as new innovations in its products. Domay Food also promotes its products through *digital marketing*

(through social media, especially *WhatsApp* and *Facebook*). In addition, customers also have an important role, namely through the effect of testimonials and *Word of Mouth Marketing* (word of mouth).

Marketing mix strategy or can also be called *marketing mix* 4P, namely *product*, price, promotion and place is an important key decision in every marketing plan. Products from Domay Food which are mostly by *request* from consumers, quality ingredients, without preservatives and *home made* that are still fresh when taken by consumers are a strength of Domay Food products so as not to be left behind in tight competition. Affordable price aspects according to the target market for families, groups and organizations. Thus, Domay Food can be chosen as the main option in meeting consumer demand. The strategic location of the store is on the Tayu-Jepara highway so it is easily accessible to consumers. In addition, the continuous promotion on *Facebook* and *Whatsapp Story* by the owner since it was first established until now makes Domay Food no stranger to the ears of the people of Cluwak District. Therefore, the implementation of the *4P marketing mix* strategy needs to be improved in order to have strong competitiveness so that Domay Food consumers can increase and reach a wider market. Although currently Domay Food's competitiveness is quite high, if without improvement and evaluation, its competitive ability may decline and be threatened.

CONCLUSION

From the description of the results of the discussion above, conclusions can be drawn including the following:

1. In general, Domay Food's competitiveness is quite high with innovations that continue to developed and have the ability to adjust to market changes. To maximize competitiveness, Domay Food encountered several obstacles including conflicts in the family business and lack of government support. However, Domay Food strives to separate family problems from business problems and continues to update on government support programs for MSMEs as an effort to deal with the obstacles experienced.
2. In marketing products, Domay Food uses a marketing strategy by developing a marketing mix (marketing mix) four elements need to be improved in order to have strong competitiveness so that Domay Food consumers can increase and can reach a wider market. Although currently Domay Food's competitiveness is quite high, if without improvement and evaluation, its competitive ability may decline and be threatened.

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