

The Analysis of Shoes Marketing Mix in Style Successful Benefits SMEs of Shoes Product in Bogor

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Abstract—Problems in SMEs in the shoe industry are so complex, marketing is one of them. The general objectives of this study are: 1) To find out how the marketing mix of SME shoe products in Bogor. 2) To find out the shoe development model can be improved so that SMEs have a competitive advantage, and 3) To find out how the SME development strategy has a competitive advantage. The method used in this research is survey method through observation and interview then processed using SWOT Analysis. The results of the study show that 1) the SME marketing mix is: Product quality, the selling price per product is regulated by type; Home SME production; There are no promotions. 2) In terms of the development model, training is needed for production processes, production facilities, design, comfort (ergonomics) and market share development. 3) SMEs have the opportunity and strength to develop by exploiting opportunities. SMEs must be more aggressive to introduce to consumers. Cost-effective strategy by applying financial management to superior products and efficiency in inventory. In addition, the development strategy needs to be improved through an independent brand, increasing customer (customer) loyalty. In terms of financing, a payment system is needed.

Keywords—marketing mix; shoe products; competitive advantage; UKM shoes

I. INTRODUCTION

A. Background

In the midst of the global economic slowdown, SMEs sector always appears as a savior. The important role of the existence of SMESs is able to mobilize the local people's economy and to revive other local support businesses. Data from the Ministry of Culture and Tourism revealed that about 58 million business activities are self-employed, and about 1.65 percent of the population has become entrepreneurs who were originally from start-up businesses and able to expand their business. The strategic role of SMESs in the structure of the Indonesian economy is more pronounced where about 99.9% of business units in Indonesia are SMEs and absorb almost 97% of Indonesian workforce [1]. The government has sought to support the development of SMEs through several legal support, the interest rate of the People's Business Credit (KUR) has also been drastically reduced, from 22 percent in 2014 to 9 percent in 2016 [1]. The government also joined the International Council for Small Business (ISCB).

Basically, one of the main capitals of SMESs to succeed in a competitive market is to manage marketing well. So far there are still many new SMEs active in the local market with a range of sales in certain areas, although the qualities of their products are not less than foreign products.

One of SMEs which has big potential to be developed is SMEs for shoes product. Bogor as the one of the areas in Indonesia which has a huge potential SMEs, making SMEs as one of the spearhead of the economy. One of SMEs which is very potential is SMES shoes. Bogor Regency, has about 360 units of SMEs engaged in the manufacture of shoes and sandals in Bogor District [2].

B. Identification and Formulation of Research Problems

- How is the marketing mix on SMEs shoes in Bogor?
- How can a development model be developed for SMEs to have competitive advantage?
- How does SMEs development strategy to have competitive advantage?

C. Research Purposes

- To know the marketing mix on SMEs shoes in Bogor?
- To know the development model that can be developed for the perpetrators of SMEs shoes product in order to have competitive advantage?
- To know the development strategy of SMEs in order to have competitive advantage?

II. LITERATURE REVIEW

A. Understanding Marketing

According to Kotler and Keller, "Marketing is about identifying and meeting human and social needs. One of the shortest good definitions of marketing is meeting needs profitably" [3].

B. Understanding Marketing Management

According to Kotler and Keller translated by Benjamin Molan, "Marketing management is the art and science of choosing target markets and acquiring, maintaining and

growing customers by creating, delivering and communicating superior customer value" [4].

C. Understanding Marketing Mix

According to Kotler and Armstrong, "Marketing mix is the set of tactical marketing tools that the firm blends to produce the response it wants in the target market" [3].

D. Marketing Mix Elements

The concept of marketing mix according to Mc. Carthy in Kotler and Keller transformed by Benjamin Molan [4], marketing mix consisting of: product, price, place, and promotion.

E. Understanding Competitive Advantages

According to Porter competitive advantage is the heart of corporate performance in a competitive market, but after decades of enormous expansion and prosperity many companies have lost sight of the competitive advantage in the struggle for more expansion in pursuit of diversification [5].

F. Understanding SMEs

Micro Enterprises Based on Law Number 20 Year 2008 regarding SMEs is a productive enterprise owned by natural persons and / or individual business entities that meet the criteria of Micro Enterprises as regulated in this Law [6].

G. SWOT Analysis

According to Sarsby SWOT is an analysis that has been known for a long time. SWOT has 4 boxes which each quadrant consists of Strength, Weakness, Opportunity and threat. SWOT analysis is a development tool whose results will be considered in decision-making strategies or strategies for development [7].

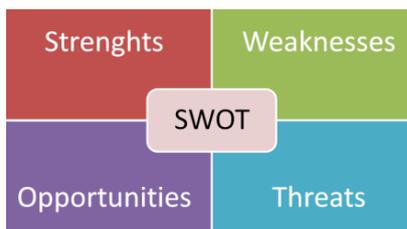


Fig. 1. SWOT Analysis with four diagrams.

III. RESEARCH METHODS

A. Research Methods

The method used in this research is survey method, by taking the case on SMEs of shoe craftsmen located in Ciomas, Bogor regency.

Bogor, it is known there are 360 units of SMEs, formal and non formal sector, which is engaged in the Making of Shoes and Sandals in Bogor Regency. Using the slovin formula, then the data will be obtained from 30 SMEs as sample.

The method of analysis used in this research is SWOT analysis.

B. Method of Collecting Data

- Observation
- Interview

IV. RESULTS AND DISCUSSION

A. SME Marketing Mix of Shoes in Bogor

Overview regarding SMEs marketing mix of shoes in Bogor with reference to the condition of some SMEs of shoes is as follows

1) Overview of marketing mix on SMEs Mr. Itang

a) *Product*: The resulting product in the form of women's shoes. The resulting product example as seen in figure 2 is as follows:



Fig. 2. Product example produced.

b) *Price*: For terms of price, of course, SMEs do not sell in retail, SMEs usually sell their products in the form of code (20 pairs). The results are sold in the form of kodian with fix price of Rp.420.000, - up to Rp.450.000 / 1 kodi depend on how the motifs and models of sandals produced, judging from the difficulty level of process.

c) *Place (Business Place)*: Produced in a private home belonging to Mr. Itang, which addressed in Babakan Parakan Ciomas Bogor.

d) *Promotion*: Mr. Itang only rely on the domestic market segment of Pasar Anyar Bogor to promote and sell the products that have been produced in perkodi that submitted every day with the amount of production of 15 kodi / day.

2) Review of marketing mix on SMEs Shoes Mr. Aceng:

a) *Product*: The products by SMESs Mr. Aceng as shown in figure 3 and figure 4.



Fig. 3. High heels.



Fig. 4. Wedges.

b) *Price:* The price of high heels and wedges of SMEs products is Aceng, is Rp. 610.000/kodi for Wedges and Rp. 700.000/kodi for High heels.

c) *Place (business place):* For SMESs, Aceng owns a fairly strategic location. Located in Vila Ciomas Indah.

d) *Promotion:* Promotion made by SMEs Mr Aceng is not vigorous and not done every day to the consumer. This SMEs promotes only to distributors who market their products by showing new products to distributors, if it feels good and will sell in the market then the distributor will ask to be produced.

3) *Review of Marketing Mix on SMEs Brand Shoes Sabina:*

a) *Product:* Products from this SMES is a sandal slipper with Sabina brand. This product is targeted for women with leg sizes ranging from 31-35 and 37-40.



Fig. 5. Final look.

b) *Price:* The price set is for the size 31-35, 340.000/kodi. While for the size of 37-40, the price of 42,000 percolations.

c) *Place of business:* For SMEs itself has a fairly strategic location. Located in District Ciomas Bogor Regency.

d) *Promotion:* This SMEs promotes only to distributors who market their products by showing new products to distributors, if it feels good and will sell in the market then the distributor will ask to be produced.

4) *Model Development of SMEs shoes in Bogor*

Basically the development and development of trade industry sector in Bogor refers to two things, as follows:

- Improve the performance of the apparatus to realize excellent service with efficient management.
- Strengthen regional economic growth by optimizing the potential of SMEs..

- Improving the role of community, Keme, and SMEs as a driver of competitiveness to lead the independence and welfare of the community.
- Use of local products, improve distribution smoothness, consumer protection and trade safeguards..
- Increasing synergy and active role of society and business world in order to improve productivity, competitiveness and independence of cooperatives and SMESs systematically, sustainably and integrated.

5) *Development Strategy of SMES shoes in Bogor*

Based on the results; research is known strengths and weaknesses owned by SMEs shoes in Bogor as seen in table 1 and Opportunities and threats owned by SMES shoes in Bogor as seen in table 2.

TABLE I. ANALYSIS OF INTERNAL FACTOR STRATEGY (IFAS) SMES OF SHOES

Internal Strategy Factor	Weighting assessment	Rating	Score
I. STRENGTHS			
<i>0,5</i>			
a. The resulting product is qualified	0,15	4	0,60
b. The resulting prise is qualified	0,20	4	0,8
c. The unique sandal and/or shoes produced	0,15	3	0,45
d. The unique sandal shoes produced	0,10	3	0,30
II. WEAKNESS			
<i>0,5</i>			
a. Supervision over production processes and less quality, as well as simple technology	0,15	2	0,3
b. Financial governance is not orderly yet	0,10	2	0,2
c. Inventory management of irregular raw materials	0,05	1	0,05
d. Place work uncomfortable	0,20	1	0,20
TOTAL	1,0		2,9

TABLE II. ANALYSIS OF EXTERNAL STRATEGY (IFAS) SMES FOR SHOES PRODUCT

External Strategy Factor	weighting assessment	Rating	Score
I. OPPORTUNITIES			
<i>0,5</i>			
a. Products already known to the public	0,15	4	0,6
b. Worker	0,10	4	0,4
c. Location near with supplier	0,15	4	0,6
d. Centralized marketing	0,05	3	0,15
e. Strategic store	0,05	3	0,15
II. THREATS			
<i>0,5</i>			
a. competitors who have loyal customers	0,35	2	0,7
b. Bargaining power wholesale	0,35	2	0,7
c. Models are fast changing	0,30	1	0,30
TOTAL	1,0		3,6

Table 3 describes the results of identification in the SWOT analysis and strategies that can be taken in SMES shoes in Bogor.

TABLE III. SWOT ANALYSIS OF SMES SHOES IN BOGOR

STRATEGY SO: An aggressive strategy to increase market share. Open new market. Improve operational efficiency.	STRATEGY WO: Operational Efficiency. Cooperation of investment in production machinery with other parties Improved quality of service to consumers
STRATEGY ST: Increasing the quality and quantity of marketing. Implement Active marketing strategy to new markets.	STRATEGY WT: Development of new service network. Development of shoes in production / operational systems.

Based on all the above analysis, it is a very favorable situation. SMEs have the opportunity and power so that they can take advantage of opportunities. SMEs in the future will face a level of competition is quite heavy, especially the entry of foreign competitors in the free market shoes. To anticipate the increasingly fierce competition, SMEs should be more aggressive to seize consumers who are still largely in the level of switchers. Appropriate strategies include all cost efficient strategies by applying cost leadership to superior products and inventory control efficiencies. It can also be improved product development strategy and production process / technology, and through house brand, increasing customer loyalty (customer), ease of payment system and so on.

V. CONCLUSIONS AND SUGGESTIONS

A. Conclusions

1) *Based on the results of marketing mix analysis, it can be concluded:*

- The resulting product quality, but because it is made / produced with a very simple production process, then there are some aspects that are not getting attention, especially the comfort and durability of the product.
- The selling price per kodi is set according to type. The price set by the SME is very affordable depending on the difficulty level and the model of the product.
- SMES produce place / house respectively, and marketed through ordering. The results of SMEs shoes and sandals of Bogor Regency is easy to get, one of the biggest is wholesale market located in Pasar Anyar. The shoes and sandals are then traded in retail or wholesales by resellers to large wholesale markets such as Mangga Dua Pagi Market, Jatinegara Market, Senen Market.

- There is not much promotion done by the SMEs, because the SMEs make the majority of products based on orders from the customer in terms of development model, shoes that are a superior product of SMEs in Bogor need better coaching in terms of production process and production facilities in the form of equipment and training assistance to produce higher quality products. In addition, there needs to be coaching in terms of design and comfort (ergonomic) in order to compete with other products when exported. Equally important is assistance in terms of developing market share both domestically and abroad. As well as coaching assistance in the development of promotion for the product more widely known.

2) *To anticipate the increasingly fierce competition:* SMEs should be more aggressive to grab consumers who are still mostly in the level of switcher. Appropriate strategies include all cost efficient strategies by applying cost leadership to superior products and inventory control efficiencies. It also can be improved product development strategy and production process / technology, and through house brand, increasing customer loyalty (customer), ease of payment system and so on.

B. Suggestion

- SME in the future will face a fairly heavy level of competition, especially the entry of foreign competitors in the free market shoes. To anticipate the increasingly fierce competition, SMEs should be more aggressive to seize consumers who are still largely in the level of switchers.
- A feasible strategy includes all is strategies that can be cost-effective by applying cost leadership to superior products and inventory control efficiency.
- It can also be improved product development strategy through house brand, increasing customer loyalty (customer), ease of payment system and so on.

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