

Distribution Strategy for Fish Crushing Business: Case Study of Women and Housewives Who Do Not Work in Lhokseumawe City

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Abstract. The development of the fish processing and drying industry in the city of Lhokseumawe, because the Lhokseumawe region is almost a large part of the area is a coastal area with the livelihoods of residents on the coast are fishermen. Women and housewives have a strategic role in developing the family economy, can raise the potential of the region and increase the creativity and innovation of women (housewives) who are not working, have a positive impact on regional progress. This study aims to look at distribution strategies that are appropriate to the effort to add fish in Lhokseumawe City. The results of the analysis show the distribution strategy used by the fish release business in Lhokseumawe City are (1) Producers sell goods directly to end consumers without using the so-called direct distribution strategy, (2) Producers sell to retailers, end consumers buy goods from retailers. (3) Producers only serve sales in large quantities to traders, not selling to retailers, purchases by retailers are bought by large traders and purchases by consumers are made by retailers only. The results of this study can expand the distribution network of fish drying businesses and provide information on distribution strategies that are suitable for fish drying businesses in Lhokseumawe City.

Keyword: Distribution strategy · Fish drying

1 Introduction

Lhokseumawe City is a city in the Province of Aceh, this city is located right in the middle of the eastern route of Sumatra. Located between Banda Aceh and Medan, so this city is a vital channel of distribution and trade in Aceh. The development of the fish processing and drying industry in Lhokseumawe City, because the Lhokseumawe City area is mostly coastal area with the residents' livelihoods are fishermen. The catches of fishermen in the waters of the city of Lhokseumawe are high so that in addition to being sold as export quality fresh fish they are also dried to avoid falling fish prices, especially in the season of anchovy the catch can become booming. According to fish drying businesses, there are approximately 20 units of fish drying or salting business in Lhokseumawe. Which is spread in several coastal locations in the Lhokseumawe City area. As in Pusong, which is currently the center of fish drying production and also in Ujong Blang, Ulee Jalan, Hagu Barat and several other areas. The presence of a fish drying business can create jobs for women / housewives who do

not work on the beach. Because each fish drying business requires workers of 10 to 15 people, especially when the catch of fishermen is very much. They are given wages starting from Rp. 80,000 to Rp. 100,000 / day (, which helps in creating new jobs, especially for women and housewives.

The yield of fish drying from the city of Lhokseumawe continues to increase in various traditional markets, marketing outside Aceh Province which reaches 5 tons / day, to increase the business results of drying fish requires an appropriate distribution strategy to distribute fish drying products to consumers. In the process of distributing goods from producers to consumers, it is carried out by the method / strategy of distribution of consumer goods. According to Kismono (2001) Distribution channels are channels or overall marketing intermediaries through which goods and services are passed from producers to industrial users and consumers, including transportation and warehousing. according to Stanton (2012) types of consumer goods distribution channels are (1) Producers to Consumers (2) Producers to Retailers to Consumers (3) Producers to Wholesalers to Retailers to Consumers (4) Producers to Agents to Retailers to Consumers and (5) Producers to Agents to Wholesalers to Retailers to Consumers, according to the research of Jamaluddin et al (2019).

While Wibowo et al (2018) and Sally et al (2015) the distribution strategy used was to analyze with the SWOT analysis method. Problems faced by fish drying businesses in the city of Lhokseumawe are Lack of Networks / partners, product delivery is not on time, unable to predict consumer needs, lack of business capital. So it requires attention from the Regional government and related parties namely the Lhokseumawe City Maritime and Fisheries Office, businessmen and academics.

2 Literature Review

According to Daryanto (2011) defined that the distribution is an organizational tool that is interdependent in providing a product to be used or consumed by consumers / users. While the consumer distribution strategy of consumption goods are: (1) Producer to Consumer, namely the shortest and simplest form of distribution channel because without using an intermediary. Producers can sell the goods they produce by mail or go directly to consumers' houses (from house to house) (Stanton, 2012).

Therefore this channel is called a direct distribution channel. (2) Producers to Retailers to Consumers ie Manufacturers only serve large sales to large traders, not selling to retailers. Purchases by retailers are served by large traders, and purchases by consumers are only served by retailers. (3) Producers to Wholesalers to Retailers to Consumers, namely: These distribution channels are widely used by producers, and are called traditional distribution channels. Here, producers only serve large sales to wholesalers, not selling to retailers. Purchases by retailers are served by large traders, and purchases by consumers are only served by retailers. (4) Producers to Agents to Retailers to Consumers here, producers select agents as their distributors. He runs large trading activities in existing distribution channels. The sales target is primarily aimed at large retailers. And (5) Producers to Agents to Wholesalers to Retailers to Consumers, namely distribution channels, producers often use agents as intermediaries to distribute their goods to large traders who then sell them to small shops. The agents seen in this distribution channel are mainly sales agents.

According to Sigit in Sunyoto (2013) the procedure of determining distribution channels is: (1) analyzing the products to be marketed to determine the properties and uses (2) determining the characteristics of the products and the extent of the market (3) conducting a market survey to find out opinions -the opinions of buyers and intermediaries regarding the distribution channels used by competitors. Drying is one of the oldest ways of food preservation. According to Hasibuan (2005) the language of drying is hydrated, which means removing water from an ingredient. Drying is done by utilizing solar energy (natural or traditional drying) can also be done with special equipment that is using technology. Drying is a heat transfer process that requires energy to evaporate water from dried material (Muchtadi & Ayustaningwarno, 2010).

Expenditures of water vapor in the material caused by the difference in surface pressure of the material with the pressure in the air around the material (Supranto, 2015). Munurut Murniyati and Sunarman (2000), basically, ways of drying or reducing water content can be divided into two groups as follows:

- a. Natural or traditional drying (natural drying)
- b. Artificial or modern drying (artificial drying) or mechanical drying (mechanical drying).

3 Methodology

This research was conducted in Lhokseumawe City with the object of women/women/housewives who did not work, using a descriptive qualitative approach. According to Moleong (2017), qualitative research methods are research that intends to understand the phenomena experienced by research subjects. For example behavior, perception, motivation, action, etc., holistically, and by way of description in the form of words and language, in a special natural context and by utilizing various natural methods. The research data were obtained through observation and interviews with fish drying businesses. And make deliberate observations about the location and activities carried out.

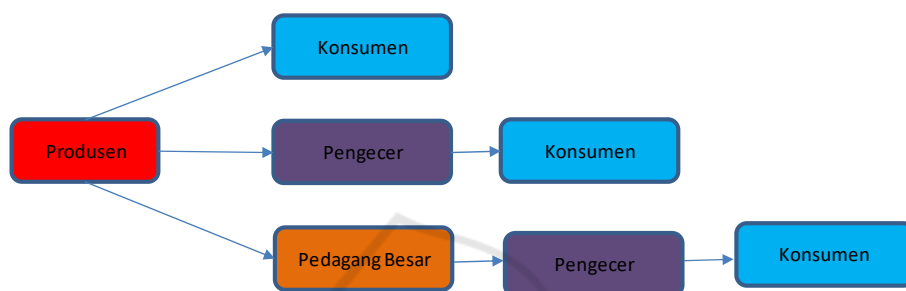
4 Results and Discussion

The distribution strategy of fish drying business in Lhokseumawe City uses a three tier strategy pattern: (1). 1-level distribution channel: producers sell goods directly to end consumers without using intermediaries called direct distribution strategies, (2) Using 2-level distribution channels: Manufacturers sell to retailers, end consumers buy goods from retailers. (3) 3-level strategy, namely distribution channels that are widely used by producers, and this is a traditional distribution channel, where producers only serve large sales to traders, not sell to retailers, purchases by retailers are served by large traders and purchases by consumers are served by retailers only.

The distribution strategy used by the fish drying business in Lhokseumawe City uses a distribution of 1 level to 2 levels. In distributing the results of the fish drying business directly to the local market both traditional markets and also to restaurants in the City of Lhokseumawe, and also distributes the results of his business to large traders, to be distributed outside the City of Lhokseumawe. Large traders distribute to

retailers and distribute to end consumers outside Aceh Province. The distribution range of fish drying business results in Lhokseumawe City has reached North Sumatra, Riau and West Sumatra Provinces, Java Island and some even reach overseas, namely Malaysia, especially for dried anchovy.

According to one of Marta's fish drying business actors in Lhokseumawe, said, every day, there is always a load of dried fish that is marketed out of the region. Especially when there are many catches of fishermen, the amount of production also increases. While processed dried fish from the city of Lhokseumawe, there are several types that are favored by markets outside Aceh, such as anchovies, mackerel fish and also wooden fish and various other fish species. The distribution strategy adopted by the fish drying business in Lhokseumawe City is shown in the following figure:



Gambar : Strategi Distribusi (Hasil Analisis 2019)

Fig. 1.

From the results of research on the strategy of distributing fish drying business in Lhokseumawe City using 3 levels of distribution strategies, so the results are less than optimal. It is best to use the entire distribution strategy according to Stanton (2012), which is the form of distribution strategy used for consumer goods as follows:



Gambar : Strategi Distribusi (Stanto 2012)

Fig. 2.

The business of drying fish in distributing the results of its business is currently done through the port of Belawan in Medan. from Lhokseumawe (Aceh) to Medan is done by land transportation, so that the fish drying business requires quite high costs. A good distribution strategy if product distribution and marketing reach is wider, the better the distribution strategy is used, the more consumers will be taken, it will increase the income of the fish drying business in Lhokseumawe City.

Barriers faced:

1. Limited venture capital

To buy raw materials (including fresh fish, equipment in the form of shingles, cauldrons, scales, fried spoons, fish washers, fried filters, baskets, salt, and wood) as ingredients for processing fresh fish into dried fish, so that the business can be bigger and can meet the demands of local and outside Aceh markets. to increase their business capacity

2. Less Network / work partners

Fish drying businesses in Lhokseumawe City lack network / working partners, especially for distribution outside Aceh which causes fish drying businesses to not be able to meet all consumer demands outside Aceh, so that the income of business actors is not yet optimal.

3. Product delivery is not on time

As a result of shipping the product is not right, so there is a vacancy of the goods on the distributor, so that the fulfillment of consumer demand is broken.

4. Not able to predict consumer needs

Fish drying businesses are not able to predict market demand, in some areas outside Aceh.

5. Monitoring

Fish drying businesses in Lhokseumawe City still carry out traditional distribution, making it difficult to monitor the distribution of existing goods due to limited human and technological resources.

In marketing the results of the fish drying business in Lhokseumawe City, it requires techniques and also the right strategy so that the sale of the results of the fish drying business can increase income. Fish drying businesses need to expand distribution access to local markets, national markets to international markets. With a wide marketing reach, the fish drying business also drives regional economic activities (specifically the city of Lhokseumawe). The distribution strategy activity that must be carried out is to increase network or cooperation with outside parties, namely large traders, agents and even the government. So that the delivery of the product arrives on time, is able to predict consumer needs and conduct ongoing supervision, this is a homework for the local government in this case the Maritime and Fisheries Office of Lhokseumawe City and entrepreneurs and academics to be to jointly develop the economy of the community especially Lhokseumawe city. This finding contributes a novel rationale for retailer bundling to the bundling literature. Whenever the bundling option causes this concession-extraction effect, the retailer always benefits from the lower wholesale

price. The manufacturer, nevertheless, does not necessarily suffer because bundling can lead to a higher consumer demand. According to Qing Ning' et.al research (2014)

5 Conclusion

The strategy of distributing fish drying business in Lhokseumawe City is carried out: 1-level distribution channel: producers sell goods directly to end consumers without using intermediaries called direct distribution strategies. Using 2-level distribution channels: Manufacturers sell to retailers, end consumers buy goods from retailers. 3-level strategy, namely distribution channels that are widely used by producers, and this is a traditional distribution channel, where producers only serve large sales to traders, not sell to retailers, purchases by retailers are served by large traders and purchases by consumers are served by retailers only. Obstacles faced by fish drying businesses in Lhokseumawe City are: Lack of Network/partners, product delivery is not timely, unable to predict consumer needs and monitoring of the target market. There are two suggestion of this study. First, fish frying business actors should use a 4-level and 5-level distribution strategy to make it easier to market the product so that the income of the participants can increase. Second, fish drying business actors must increase the number of networks / business partners, deliver products on time and evaluate the stock of products available at the marketing place and increase business capital.

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