

THE PUBLIC PERCEPTION OF THE SMES FOOD PRODUCTS:
AN EMPIRICAL STUDY IN THE REGION OF SURAKARTA,
CENTRAL JAVA, INDONESIA

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Abstract:

Small business sector and medium still face various basic problem, and that problem the product quality, marketing and sustainable effort. Research aims to know perception of people for a product produced by SMEs especially food sector is give advice to fix the quality product development resulting and giving information about the perception of community to products produced by SMEs is that related by packing and brand and repair done to improve the consumer interests especially to products SMEs.

Keywords: *Public perception products, small and medium enterprises*

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INTRODUCTION

Many types of processed food products in Indonesia, one of which is the food products produced by small and medium enterprises that favored community. Each area is primarily in the region of Surakarta, Central Java, has been encountered and sold freely as the main menu. SME entrepreneurs in the field of food especially competing in terms of variations in the type of product, flavor, presentation to the service offered. Conditions of business competition such as this exposes the consumer to do perception on more product options. Competition in the increasingly competitive marketing of food products of a modern company, multinational as well as imported products from outside the country.

The achieve the goal of food SMEs have necessarily require consumers loyal. In achieving these goals, the business person willing to spend big to attract consumers like doing consumer research and promotion in order to devise appropriate marketing strategies. Effort with the help of technology as a marketing medium and requires consumer perception of the SMEs food products results in the region of Surakarta, Central Java, Indonesia.

In general, the variation of SMEs in the region of Surakarta based on business sectors are sectors processing industry amounted to 43%; that was followed by trade sector amounted to 32%; the service sector amounted to 13%; the agricultural sector amounted to 6%; and transportation sector by 5%. While based on the scope of marketing there are about 31% of SMEs oriented to local regional, 25%, 30% and 12% of national export-oriented. If viewed from a business aspect, there are about 87% of SMEs which have limitations in the development effort. The dominant factors which restrict the development efforts of SMEs among others: competition (competition cluster, competition for domestic and foreign competition), smuggling, economics, pricing policy, the mastery of technology, capital and managerial (www.umkm-solo.com).

The development of technology that has been a lot of change in the various sides of human life, including the patterns of behavior of the market, the economy, business activities, structures and strategies which run on the company (Drucker, 1997). Technology has a considerable role in influencing the structure of the market and have a competitive advantage in an industry (Porter, 1985).

Consumer behavior expressed by researchers more product-oriented goods. Companies with different consumer segments, then a different marketing strategy being used. Kotler (1997) that the consumer behavior segmentation dividing based on knowledge, attitude and response to a

product. Based on this background, the problem of the research is about public perception of the products produced by SMEs in particular the sector of food in the region of Surakarta, Central Java, Indonesia.

REVIEW OF LITERATURE

Perception is a process with different stimuli are selected, organized, and diinterpretasi into a meaningful information (Ferrinadewi, 2008). Schiffmann and Kanuk (2000) that the perception is the way people perceive the world. general definition of it can be seen that the perception of a person different from another. Solomon (1999) perception as a process by which feelings are accepted by someone who sorted and selected, then set and diinterprestasikan. Perception is the process of interpretation on the consumer to understand his environment.

The perception is the way how consumers give meaning to the series of stimuli and this is a process of cognition. The process of perception is different for products with low involvement. Consumers store information in memory without going through the stages of attention and conversation (Boyd, Walker, and Larreche, 2000) the perception of quality is the customer's perception of the overall quality of a product is related to what is expected by the customer. Customer perception involves what is important to customers because each customer has different interests against product.

IMPORTANCE OF STUDY

1. This research contribute to the management of small and medium enterprises especially relating to consumer perceptions of food products.
2. This research contributed to the thinking and strategies for managerial practices in small and medium enterprises.
3. This research provide information as to the development discourse and marketing management resources on small and medium enterprises in order to implement the production process and the implementation of research-based marketing.

PROBLEM STATEMENT

How the public perception of the products produced by small and medium enterprises sector of food in particular?

OBJECTIVE OF STUDY

To know the public perception of the products produced by small and medium enterprises sector of particular food.

CONTRIBUTION OF STUDY

1. Knowing the public perception of the products produced by small and medium enterprises sector of particular food for decision making in marketing management.
2. To provide input to the small and medium enterprises sector of particular food to improve the quality of the resulting product development.
3. Provide information about the public perception of the products produced by small and medium enterprises sector of particular food.

RESEARCH METHODOLOGY

Population and Samples

The survey population is the general public, while sampel are students and employees in Adi Unggul Bhirawa Technology College, Surakarta, Central Java, Indonesia.

Technique of Sampling

Singarimbun and Effendi (1995) analyzed data should use samples sufficient because values obtained their distribution must follow the normal distribution namely using sample which is amount ≥ 30 . Susanto (2006) if in a research in population relatively small < 30 people and used as entire population data sources. In this sample survey used is 30 samples.

Technique of Data Collecting

Data collection research using the distribution of the questionnaire has been prepared, to be answered and filled in accordance with the available questions as in attachment research. Primary data is data that is taken directly from the first source that specifically collected through interviews, observation questionnaire filling results that relate to the problems explored (Umar, 2000).

Method of Analysis

The purpose of data analysis methods is to interpret and draw conclusions from the data collected. Qualitative data analysis is a form of analysis based on the data expressed in the form of descriptions. Qualitative data is data that can only be measured directly (Sutrisno Hadi, 2001). The analyzed data in a survey this includes several stages:

1. The process of editing: the early stages of analysis of data is performing edit of data that has been collected from results of the survey in the field. In principle the process of editing data aimed to make data later analyzed accurate and complete.

2. The process of coding: process of transformation of data qualitative answer to the number by classifying according to an important categories (granting code).
3. The process of scoring: process of determining the score over the answer of respondents conducted by making their classification and category suitable depends on presumption or opinion of respondents.
4. The tabulation of presenting: the data obtained by in tabular it is expected that the reader can see the results of research clearly.

RESULTS AND DISCUSSION

Results

As a result, the spread of quisionner a number of 30 has done a gathering of equal to 100 % and worthy of processed data next. The result of a description of research is as follows:

Table 1: Demographic Respondent

No.	Demographic	Indicator	Total	Percentage (%)
1.	Age	15 – 20 year	9	30
		21 – 25 year	3	10
		26 – 30 year	2	6
		>31 year	16	54
2.	Sex	Man	25	84
		Woman	5	16
3.	Status	Married	13	44
		Unmarried	17	56
4.	Location	Housing Complex	2	6
		Not Housing Complex	28	94
5.	Job	Student	14	46
		Employee	16	54
6.	Income	Have payment	16	54
		Have not payment	14	46
7.	Education	Elementary School	0	0
		Junior High School	0	0
		Senior High School	16	54
		Diploma	1	3
		Graduate	13	43
8.	Number of Family	Have not child	14	46
		Have child	16	54

(Source: Field survey, 2013)

Based from table 1 above give a description of respondents survey respondents are more dominant market with over 30 years of age (54%), men (84%), were already married (54%), the location of which is not occupied by a residential complex (94%), already

working (54%), income (54%), had an average level of education high school (54%) and already have children (54%).

Table 2: Respondent Experiences toward SMEs Products

No.	Indicator	Responsif	Percentage (%)	Remark
1.	The willing to purchase products SMEs food	Willing = 30	100	Dominant
		Never = 0	0	
2.	Ever buy and consume products SMEs food	Ever = 25	84	Dominant
		Never = 5	16	
3.	The fondness to products resulting product SMEs food	Yes = 30	100	Dominant
		Not = 0	0	
4.	The confidence against products SMEs food	Yes = 30	100	Dominant
		Never = 0	0	
5.	Design of SMEs products food	Very not interesting = 0	0	Dominant
		Not interesting = 7	23	
		unattractive = 10	33	
		Passable = 23	74	
		Very intersting = 0	0	
6.	Packaging product design improvement side SMEs food	Variation = 10	30	Perhatian
		Coloured = 4	14	
		Model = 10	30	
		Size = 3	13	
		Others = 3	13	
7.	A brand of SMEs products currently	Very not interesting = 3	13	Dominant
		Not interesting = 7	23	
		Passable = 10	30	
		Interesting = 7	23	
		Very interesting = 3	13	
8.	A Brand food	Very not interesting = 2	6	Dominant
		Very difficult to remember / spoken = 3	13	
		Difficult remembered = 6	20	
		Pretty difficult = 5	16	
		easy to remember = 14	46	
		very easy to remember = 5	16	
9.	The packaging improvement from the side of a brand SMEs food	Name = 10	33	Dominant
		Composition of colour = 7	23	
		Dimension = 8	26	
		Others = 5	16	
10.	The packaging SMEs products currently	Very not interesting = 0	0	Dominant
		Not interesting = 6	20	
		Passable = 14	46	
		Interesting = 9	30	
		Very interesting = 2	6	
		Very not interesting = 3	6	
11.	The packaging SMEs products	Very difficult brought = 5	16	Dominant
		Difficult brought = 10	30	
		Passable = 5	16	
		Easy to carry = 5	16	
		Very easy to carry = 2	6	
12.	Produced packs food packaging material	Very not suitable = 2	6	Dominant
		Not suitable and not strong = 5	16	
		Passable = 9	30	
		Suitable and strong = 6	20	
		Very suitable and very strong = 3	13	
13.	Improvement in the side of SMEs	Material = 7	23	Perhatian
		Colour = 5	16	
		The model = 13	43	
		Others = 5	16	
14.	Design, food packaging brands and packaging SMEs food right now ready to contend	Possible = 20	66	Dominant
		Impossible = 10	34	

15.	The major problems of SMEs food	Quality is not good = 5	16	Perhatian
		Price is not standart = 3	10	
		No quality of healthy = 8	26	Dominant
		Not safety = 0	0	
		Packaging is not good = 2	6	
		Product design is not good = 7	23	Perhatian
		Others = 0	0	

(Source : Field survey, 2013)

Based from table 2 above, the respondent's response gives an overview of the dominant public perception is related to the prepared SMEs food product purchase the product is 100%, of the respondents never buy and consume SMEs food product generated products was 84%, a fondness towards SMEs food product generated product is 100%, public confidence towards the SMEs food product is 100%.

The public perception of the design of the SMEs food products was 74%, the proposal of improvement of the SMEs food products packaging design is a variation of the model and product packaging (30%), improvement of the SMEs food product brands from product currently is passable (30%), catchy packaging brands (45%), improvement of the SMEs food product brand is currently the name of (33%) and brand (26 percent) of SMEs, SMEs food product packaging of food produced is fair (30%), SMEs food product is still difficult, the packaging is brought and strong (30%) and lun packaging materials has been fair (30%). For improvement of the SMEs food product packaging is a model (43%) and packaging materials (23%), for the improvement of the existing SMEs food product packaging is packaging materials and model (30%).

For the ability of competitiveness against product non SMEs respondents declared ready by 66% while the remaining 34% declared not ready. The reason has not been prepared for this competition because there are a few main problems SMEs food product namely product quality of SMEs food product has not been good, there are no guarantees of health and kehalalannya and SMEs food product design that impressed monotonous and not creative.

Discussion

The public perception is related to the SMEs food products, consumption, preferences and beliefs of the society towards the SMEs food product is 100%. This shows that the potential of SMEs food products could be accepted by the community widely and has a good prospect for always developed by entrepreneurs or would-be entrepreneurs SMEs engaged in small industries.

The public perception of the design of the SMEs food products was 74%, so still needs to be improved because the design must be attractive and could become a brand marketing to be known by the public at large. A proposal of improvement of the SMEs food products packaging design is a variation of the model and product packaging (30%), it indicates that almost all respondents still assess that the level variations and models of lunches are still not able to become the attraction of the buyer, because it is still random, and need a touch more interesting technology.

Improvement of the SMEs food brands from product currently is passable (30%), catchy packaging brands (45%), improvement of the SMEs food brand is currently the name of (33%) and brand (26 percent) of SMEs, SMEs food product packaging of food produced is fair (30%), packaging of SMEs is still difficult and brought strong (30%) and packaging materials have been fair (30%). Improvement of the brand remains to be evaluated and enhanced product brand planning especially to SMEs because of the brand name search is still not interesting, not marketable, practical and still impressed yet seen from the side of marketing and the quality of its food.

The improvement of the SMEs product packaging is a model (43%) and packaging materials (23%), for the improvement of the existing SMEs packaging is packaging materials and model (30%). Improvement of packaging materials and models to note because almost all products of SMEs have not noticed the packaging model that easy and concise, interesting, besides the packaging material is still too thin, plastic random and not paying attention to aesthetics and touch that attracts buyers. The ability of competitiveness toward product non SMEs all respondents declared ready by 66% while the remaining 34% declared not ready. This competition readiness problems showed that the existence of SMES is still potentially able to advance the marketing, product quality in order to compete the present a higher market segment. The reason has not been prepared for this competition because there are a few main problems SMEs food: (1) the product quality of SMEs has not been good, (2) there is no guarantee of health and halal certificated occur almost all food products from SMEs, in addition not include the content of each food and nutritional adequacy (3) SMEs product design that impressed the monotony and uncreative, making buyers uninterested and boring.

CONCLUSION

Based from the results of this survey, it can be concluded that the small and medium enterprises (SMEs) have an important role in the local economy of the region, in particular regional economic activities in moving and the provision of employment.

FINDINGS

Some to be aware of the public perception is:

1. The perceptions and beliefs of the society against the results of the SMEs food product is quite high.
2. Product development and marketing strategy of SMEs necessary repairs of brands and packaging: (1) improvement of product quality of SMEs stated have not been good and not acceptable to the community, (2) the SMEs food products there are no guarantees of health and halal food products on almost all of the SMEs, in addition to not include the content of each nutritional adequacy of food products and (3) the need for improvement and the beauty in the product design of SMEs.
3. The ability of SMEs products and potentially to be ready to compete with products from non SMEs, local and national as well as international.
4. The need to improve the quality of products through improved management of marketing, managerial strategies, resource and support community capacity as well as the regional government and the government of Indonesia.

RECOMMENDATION

1. Industry small and medium businesses continue to face a range of issues fundamental and that problem the quality of the product constraint marketing - management small and medium enterprises as well as sustainable effort. This was necessary various policies which is a breakthrough to cut the chain of the problem faced by SMEs, especially to address a couple of things being a hindrance in product development and marketing.
2. Regulation of the government and regional government which are needed to provide opportunities development of SMEs covering repair facilities and infrastructure, access to banking and climate improvement improved economy to support and improve their competitiveness and to expand its market.

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