

CHAPTER 4

IDENTIFY THE MARKETING CONDITION

In this chapter, the marketing condition at small medium enterprise of the victims of Mount Merapi eruption will be explained. The aim of this chapter is to know the condition of the SME due to get the right marketing strategy.

This research study was held in Kuwang and Randu Sari permanent residence, Argomulyo Village, Cangkringan Sub-district, Sleman district. The interview was done in 2 groups, Kuwang and Randu Sari. In The Kuwang group represented by Mrs. Juminten and Mrs. Misriah, while Randu Sari represented by Mrs. Chalimah. Both are produces innovative product. During the interview, the language that used by the researcher was *Bahasa Indonesia* or sometimes *Bahasa Jawa*. The business process of both SME can be seen in figure 4.1. The interview transcript is in Appendix 1 and the voice recorder is in Appendix 2.

To know more about the marketing condition of its marketing position, author did interview based on the 7Ps criteria and sub criteria in table 2.1.

a. Randu Sari permanent residence marketing condition

The artisan who interviewed was Mrs. Chalimah. She produced knitted bag and wallet (figure 4.2 and 4.3). The price range was from Rp 75.000 – Rp 90.000 for the wallet and Rp 250.000 – Rp 300.000 for the bag. There was no discount for any condition. According to her, the price was still affordable because still many costumer came to her. She said that her product was cheaper compared with the competitors. The system of her SME was make to order, therefore she only make the product if there was an order. The type or product motif was only based on the customer demand. She only made some variation from the yarn scraps of order. According to her, the quality of her products was already good, she never get complaint from her customers. Her product basically for adult women, but because of there was a demand for kids she also fulfill some product demand for kids.

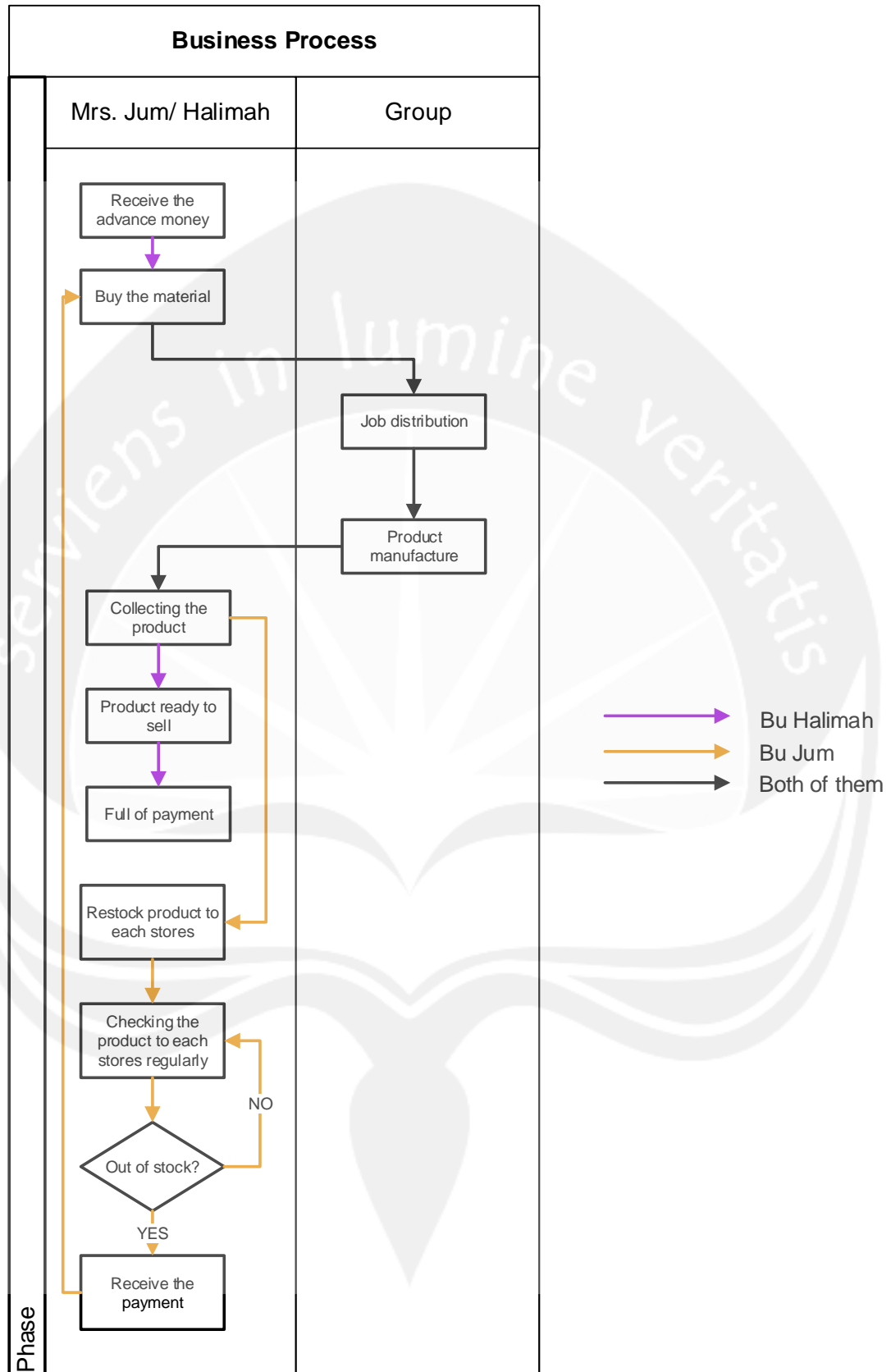


Figure 4. 1. Business Process

Until this time, she does not have a brand for her product. She also does not have a store therefore that there was no sampling products. The sampling product was changed by some picture of bag or wallet models from her mobile phone. The order mostly come from her daughter's friends who worked at a factory. All this time, she collaborated with the wife of hamlet whose showroom and brand. Through her, Mrs. Chalimah was interviewed by Jogja TV and local magazine. She never did significant promotion. Sometimes she promotes her product by saying some jokes in her regular social gathering. The payment process of this SME was pay some advance first then after the product is done, the customer may pay the rest of the price. Mrs. Chalimah also able to deliver the product to customer if the product already finish.



Figure 4. 2. Randu Sari Product



Figure 4. 3. Knitted Bag of Randu Sari

b. Kuwang permanent residence marketing condition

The representative of Kuwang permanent residence were Mrs. Juminten and Mrs. Misriah. Both of them run the same SME but Mrs. Juminten is an artisan of pillow, wallet, and pencil box. While Mrs. Misriah is an artisan of necklace, earring, and brooch made of beads. The price range for the pillow (figure 4.4) was around Rp 35.000 – Rp 40.000, while for the accessories (necklace, earring, and brooch) was around Rp 5.000 – Rp 35.000 (figure 4.5). They said that their price was cheaper than their competitor Villa Rosa which located in the same area. According to them, the quality of their product was already good, but for the product innovation, they admitted that they didn't have any idea for the innovation. Same with Randu Sari, Kuwang also never did significant promotion. They was learned about facebook as the promotion media from one of the university but because of they did not really familiar with those things, until this time they still cannot operate it.

Kuwang has a showroom which is located in from of the permanent residence (Figure 4.6). This showroom located in strategies area, which is near in famous golf area and near the Merapi jeep basecamp. All of the purchasing transaction did in showroom. In there, they already have display product and facilities (rest room and parking area). They also provided some product samples there. Different with Randu Sari, Kuwang always make to stock their product, they also already has a brand, "Merapi Craft". The payment process did cash to the cashier.



Figure 4. 4. Pillow of Kuwang Product



Figure 4. 5. Accessories of Kuwang Product



Figure 4. 6. Showroom of Kuwang