



# VALUE-ADDED AND MARKETING ANALYSIS OF SHRIMP DIMSUM: A CASE STUDY IN DIMSUM 220 FACTORY, CICENDO, BANDUNG, WEST JAVA

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## KeyWords

Cost advantage, market segmentation, observation, promotion, pricing.

## ABSTRACT

This research aims to analyze the added value of shrimp processed into dimsum and the marketing carried out by "DIMSUM 220". The research was conducted in October 2022 at the Dimsum 220 Factory Small and Medium Enterprise (SME) in Bandung, Cicendo District, Bandung City, West Java, which is located on Jalan H. Mesri No. 28b, Pasir Kaliki. The research method used is a case study method (case study). The type of data used is primary data. Respondents who were interviewed in this study were the owner of the Dimsum Factory and Producer, Mr. Kiki Hendra. Data collection methods used in this study include interviews, recording and observation. The data analysis method used is quantitative descriptive analysis. Value added analysis using the Hayami method (Yuichi Hayami et al. 1987). Marketing analysis is carried out on market segmentation, competitor identification, pricing and promotion. Data obtained from observations to the marketing location of shrimp dimsum "Dimsum 220". Based on the results of the research, it shows that the added value of shrimp is processed into dimsum by "Dimsum 220" amounting to Rp. 24,575.4/kg. The added value ratio is 24.59%. Products made from raw shrimp that are processed into dimsum experienced a price increase of 0.833 times compared to the price of fresh shrimp sold in the market. In addition, from these calculations, the results of direct labor income are 1.15%, the contribution of other inputs is 17.97%, and the profit of business owners is 80.88%. Dimsum market segmentation "Dimsum 220" are adults - young consumers with an age range of 20-30 years. The identified competitors are rival competitors with a competitive basis of "cost advantage. The pricing used is cost plus pricing and promotions through the Tokopedia marketplace, Instagram, and also Go-Food services.

## INTRODUCTION

Fishery products are a source of animal protein with a high level of consumption after meat. If managed thoroughly, the fisheries sector can make a bigger ante to national economic development and alleviate poverty in Indonesian society, mainly the fishers and fish cultivators (Mulyadi 2005).

Shrimp is one of the significant commodities in the Indonesian fishery sector. Shrimp has a high retail price and contributes significantly to the country's economy. The fishery contribution includes, among others, a source of foreign exchange, income for fishermen/farmers, employment opportunities, and a source of nutritious protein.

The nutritional content for 100 grams of shrimp contains 75 grams of water, 91 kcal calories, 21 grams of protein, 0.2 grams of fat, 0.1 grams of carbohydrates, 136 mg of calcium, 170 mg of phosphorus, 8 mg of iron, 222.4 mg of potassium, 18 micrograms of vitamin A, and 3.7 milligrams of vitamin B3. Shrimp can be treated into various products such as dried salted shrimp (dried salted shrimp), belacan (dried shrimp paste), fresh dried shrimp, and even other concoctions such as shrimp dim sum, shrimp bakwan, shrimp tofu, and others. The demand for processed shrimp is very high, particularly dim sum in the Cicendo sub-district, Bandung City. One of the shrimp dim sum producers in Bandung, West Java, Indonesia is "DIMSUM 220". This research aims to analyze the added value of shrimp processed into dim sum and the marketing carried out by "DIMSUM 220".

## RESEARCH METHODS

The research was carried out in October 2022 at the Dimsum 220 Dimsum Factory in Bandung, Cicendo District, Bandung City, West Java, which is located on Jalan H. Mesri no 28b, Pasir Kaliki. The research method used is a case study method (case study). The type of data used is primary data. An interviewee in this study was the owner of the Dimsum Factory and the Producer, Mr. Kiki Hendra. Data collection methods used in this study include interviews, recordings, and observation.

The data analysis method used is quantitative descriptive analysis. Value-added analysis using the Hayami method (Yuichi Hayami et al. 1987). Marketing analysis was on market segmentation, competitor identification, pricing, and promotion. The data was obtained from the inquiry of the marketing location dim sum shrimp "Dimsum 220".

## RESULTS AND DISCUSSION

### Vannamei Shrimp



**Figure 1.** Vannamei Shrimp

Vannamei shrimp (*Litopenaeus vannamei*) is a type of shrimp that used to be called white shrimp. According to Wyban and Sweeney (1991), the classification of vannamei shrimp is as follows:

Phylum: Arthropoda  
Class: Crustaceans  
Subclass: Malacostraca  
Superorder: Eucarida  
Order: Decapoda  
Suborder: Dendrobranchiata  
Superfamily: Penaeioidea  
Family: Penaeidae  
Genus: Penaeus  
Sub-genus: Litopenaeus  
Species: *Litopenaeus vannamei*

Vannamei shrimp also have ten pairs of legs where five pairs of legs are walking legs and the rest are swimming legs. On the head, there are antennae, antennae, flage antennae, and two pairs of maxillae. In addition, the body of this shrimp is equipped with three pairs of maxipiled which are modified and function as organs for feeding. On the belly of the shrimp, there is a pair of fan-shaped uropods.

Vannamei shrimp live in temperatures of 22°C and above and shrimp have euryhaline properties, where shrimp can survive with low salinity. Vannamei shrimp can also easily breed with a life cycle in the high seas and migrate to coastal/estuary/shallow waters with nutrient-rich water body types.

Vannamei shrimp prices in the market are sold according to size and quality and vary according to conditions. The price range of vannaimei shrimp in 2022 is varied, for shrimp size 40 tails/kg sold at Rp. 80,000 - Rp. 90.000/kg, shrimp size 50 tails/kg are sold at Rp. 70.000 - Rp. 80.000/kg, shrimp size 60 tails/kg sold at Rp. 75,000 - Rp. 80.000/kg, shrimp size 70 tails/kg are sold at Rp. 65,000 - Rp. 75,000/kg. Therefore, for SMEs, the Dimsum 220 Factory buys raw materials for shrimp at a price range of Rp. 65,000 - Rp. 85,000/kg.

#### Profile of Small and Medium Enterprise (SME) "Dimsum 220"

SME's "Dimsum 220" is one of the SMEs processed fishery products located in Pasir Kaliki, Cicendo, Bandung City. "Dimsum 220" is a SME in the city of Bandung that already has a halal certificate from MUI. The production site owned by "Dimsum 220" is in a residential area near KAI Station Bandung City. "Dimsum 220" has several processed products such as, variants of dim sum, steamed buns, Hong Kong chicken, even dumpling skins and dumplings are sold here. "Dimsum 220" has quite a lot of resellers, because it is known that the price of the products offered is relatively competitive, good quality, and liked by almost all consumers.

"Dimsum 220" operates in a building like the one that resembles a warehouse where the main part is in the middle of the building, the area has a number of machines used in processing the dimsum produced. The front of the building is used as a place to serve various products that are sold and stored in frozen food freezers. In addition, the front of the Dimsum 220 Factory is where transactions take place with various consumers.

#### Value Added Analysis

Shrimp dimsum products are sold to consumers who regularly buy dimsum stock from processing houses at a price of Rp. 30.000/pack, contains 12 pcs of dimsum with a weight of 250 grams. Shrimp that are processed into dimsum can provide added value for each processor. The added value of shrimp dimsum can be calculated based on production results. Value added analysis can be used as a description of the production process based on the contribution of each factor of production. One production process requires 21 workers who work for approximately 6 hours of work with a HOK value of 3.49. The basis for calculating raw materials is 780kg/month of shrimp, with one production that will produce 650 kg/month of shrimp dimsum. The following is an analysis of the added value of shrimp dimsum processing in Table 1.

**Table 1.** Value added analysis of shrimp dimsum "Dimsum 220"

No	Variable	Calculation
<b>I. Output, Input and Price</b>		
1.	Output (kg/month)	650
2.	Input (kg/month)	780
3.	Labor (HOK)	3.49
4.	Conversion Factor (kg)	0.833
5.	Labor Coefficient	0.00447
6.	Output Price (Rp/kg.)	120,000
7.	Direct Labor Wages (Rp/HOK)	76,923
<b>II. Revenue and Profit</b>		

8. Price of raw materials (Rp/kg)	70,000
9. Other Input Donations (Rp.)	5,384.61
10. Output Value (Rp/kg)	99,960
11. a. Value added (Rp.)	24,575.4
b. Value added ratio (%)	24.59%
12. a. Direct Labor Income (Rp/kg)	343.846
b. Employment Share (%)	1.40%
13. a. Profit (Rp/kg)	24,231.55
b. Profit Rate (%)	24.24%

### III. Retribution for the Owners of Factors of Production

14. Margin (Rp/kg)	29,960
a. Direct Labor Income (%)	1.15%
b. Other Input Donations (%)	17.97%
c. Company Owner Profit (%)	80.88%

**Table 2.** Analysis of the Value of Working Days (HOK)

Job Form	The number of workers	Work time	HOK value
Stripping	5 people	60 minutes	0.83
Milling	3 people	60 minutes	0.5
Mixing	3 people	60 minutes	0.5
Steaming	3 people	60 minutes	0.5
Packaging	5 people	60 minutes	0.83
Freight	2 persons	60 minutes	0.33
<b>Total HOK</b>			<b>3.49</b>

The results of the value-added analysis of the Hayami method in Table 1 explain that the conversion value of shrimp dimsum products is 0.833. This value indicates that every one kilogram of raw materials processed will produce 0.833 kg of shrimp dimsum product. The added value obtained from the Shrimp Dimsum is Rp. 24,575.4 per kilogram is obtained from the output value minus the price of raw materials and other industrial inputs with the percentage added value, namely the value added divided by the output value multiplied by 100%, so that a value added ratio of 24.59% will be obtained. Based on Table 1, that the Shrimp Dimsum provides a positive value and provides added value greater than zero, namely there is an added value of 24,575.4 (added value > 0) which is a feasible business to run.

According to Rum (2011), a business activity will earn a margin, other input contributions, and entrepreneur profits. This is included in the calculation by business actors as remuneration for the owners of production factors. Shrimp Dimsum products get a margin of Rp. 29,960/kg, the margin is the difference between the output value and the raw materials or the contribution of the owner's production factors other than the raw materials used in the production process. The margin earned can affect the percentage of direct labor income, input contributions, and other business owners' profits. The results obtained are 1.15% of direct labor income, the contribution of other inputs is 17.97% and the entrepreneur's profit is 80.88%. The advantage of processing shrimp into dimsum in

one production with raw materials 780 kg/month and producing an output of 650 kg/month shrimp dimsum obtained Rp. 24,231.55 with a profit percentage of 24.24%. Labor is obtained as much as Rp. 343.846/kg with a percentage value of 1.4% of employee benefits. The considerable added value of the "Dimsum 220" MSME is influenced by several factors such as low labor wages, cheap raw materials, and other costs.

### Market Segmentation

Market segmentation is a process of dividing a heterogeneous market into groups of buyers or consumers who have homogeneous characteristics / traits that can be meaningful to the company. Market segmentation is dividing the market into different groups of buyers based on their needs, characteristics, or behaviors that may require a separate marketing methods. (Kotler 2009)

The market segmentation of shrimp dimsum "Dimsum 220" was based on demographic segmentation, which is a segmentation that divides the market into a number of groups based on variables such as age, gender, family size, family life cycle, income, occupation, education, religion, race and nationality.

"Dimsum 220" has its main target market are young adults with an age range of 20-30 years old, the reason is that young individuals in that age range prefers practicality in choosing their delicious snacks. Because the shrimp dimsum "Dimsum 220" only needs to be steamed for about 5-10 minutes by consumers before eating, and has a fairly affordable price for young adults. In addition to young adults, another target consumer of shrimp dimsum "Dimsum 220" is housewives. Generally, the sales rates from this group of housewives increases during the Ramadhan and Eid al-Fitr.

### Business Competitor Analysis

Competition is a business reality in the form of the nature, form, intensity of competition that occurs, and the way taken by strategic decision makers to deal with dominant levels that affect the level of company profits.

In competition, there is also the term "competitor", which is a company that produces or sells goods or services that are the same or similar to the products offered. A company's competitors can be categorized into strong competitors and weak competitors or there are close competitors who have the same product or similar products.

Shrimp dimsum "Dimsum 220" as one of the frozen dimsum producers in Bandung also has several competitors who sell the same product in the form of shrimp dimsum, although currently "Dimsum 220" already has a large market share. The details of Dimsum 220 competitors are below:

No.	Competitors	Price/12 pcs
1.	Yumm Dimsum Bandung	Rp.22.000
2.	Supplier Dimsum Lengkong Tengah Bandung	Rp.36.000
3.	Ngidam Dimsum Bandung	Rp.36.000
4.	Dimsum MasGaz	Rp.27.000
5.	Pabrik Dimsum 88 DU	Rp.27.000
6.	Dimsum Dapurabi	Rp.27.000
7.	Dimsum Jl.Antariksa Bandung	Rp.36.000

In handling product competition with other manufacturers, "Dimsum 220" offers competitive prices with superior product quality. In addition, "Dimsum 220" also attracts more consumers with its product variants that tend to be more numerous than its competitors, this makes "Dimsum 220" consumers prefer to buy their products. "Dimsum 220" has a competition base in the product cost advantage category, although if the product is calculated in unit price it will have a higher value.

### Pricing and Promotion

"Dimsum 220" has a pricing strategy that tends to fall into the cost-plus pricing category. The goal is to get a profit, cost plus pricing is a pricing based on the cost of goods produced combine with the desired profit.

In competing in the market, apart from relying on the value and variants of products offered, Dimsum 220 Bandung also carries out promotions that focus on the advertising category, its a promotions which presented in a persuasive form through certain channels, in this case, Dimsum 220 promotes it through the Tokopedia marketplace, Instagram, and also Go-Food services with the aim of attracting as many customers as possible and providing convenience and secure in accessing transactions to consumers.

### Conclusion

Based on the results of the research, it shows that the added value of shrimp is processed into dimsum by "Dimsum 220" amounting to Rp. 24,575.4/kg. The added value ratio is 24.59%. Products made from raw shrimp that are processed into dimsum experienced a price increase of 0.833 times compared to the price of fresh shrimp sold in the market. In addition, from these calculations, the results of direct labor income are 1.15%, the contribution of other inputs is 17.97%, and the profit of business owners is 80.88%. Dimsum market segmentation "Dimsum 220" are adults - young consumers with an age range of 20-30 years. The identified competitors are rival competitors with a competitive basis of "cost advantage. The pricing used is cost plus pricing and promotions through the Tokopedia marketplace, Instagram, and also Go-Food services.

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