



COMPARISON OF SHRIMP CRACKERS MARKETING TROUGH ONLINE AND OFFLINE IN INDRAMAYU REGENCY

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KeyWords

Comparison, Marketing, Online Market, Offline Market, Shrimp Crackers

ABSTRACT

This research aims to analyze the comparison of marketing mix, financial, and efficiency level of marketing channel comparison of shrimp cracker traders through online and offline marketing in Indramayu Regency. The research was conducted from February to August 2019. This research was only conducted at the marketing level. The method used is descriptive qualitative and quantitative, using primary and secondary data with the snowball sampling method. The analysis used in the form of financial analysis, marketing mix analysis and marketing channel analysis. The result of comparative marketing mix research from online and offline shrimp cracker traders, shows that online is superior in terms of place, promotion and personnel, while offline is superior in terms of product and price. The average sales are 130 units online and 2100 units offline per month, while the price is online traders Rp 13.000/250gr or Rp 52.000/kg and offline traders Rp 12.000/250gr or Rp 48.000/kg. Financial comparisons can be seen that, offline is superior to all aspects of online. The comparative efficiency level of marketing channels can be seen that, this shrimp cracker marketing agency has 3 marketing channels, offline channels I, offline II, and online with each channel has been efficient because the farmer's share is still greater than the marketing margin. The best level of efficiency of marketing channels is in the offline channel II with 100% farmer's share.

INTRODUCTION

Crackers are crispy food in the form of thin sheets made from a mixture of several herbs and starch / tapioca ingredients as the main ingredients. Crackers have varied flavors, shapes, and colors so that they are liked by the public, thus crackers have a fairly broad market share and have the potential to be developed (Suryani et al 2005). The types of crackers on the market are very diverse, both in taste and raw materials. Shrimp or fish crackers are dried food products derived from raw materials of shrimp and fish mixed with tapioca flour or flour (Pane 2008). Making shrimp crackers in addition to increasing the shelf life of shrimp is also one way to add variety to cracker products. Shrimp are also animals that contain very high protein so that they are very much needed by humans. Shrimp crackers can be an alternative choice for people who do not like the consumption of direct shrimp.

Shrimp crackers have several qualities depending on the composition of the number of shrimps contained in the crackers. The more shrimp contained in crackers the better the quality. Crackers are made with basic ingredients of tapioca flour or wheat flour, even cassava can be used to make shrimp crackers. The basic ingredients are added a number of fresh shrimp or dried shrimp and seasonings such as garlic, onion, salt, sugar, water and canister. The making of shrimp crackers uses the main ingredient of tapioca flour, while other additional ingredients are shrimp, eggs / milk, salt, sugar, water, and seasonings (garlic, onion, coriander, etc.) which are varied. The making of shrimp crackers is commonly found in Indramayu Regency.

Indramayu Regency is a district in the province of West Java, Indonesia. Indramayu is bordered by the Java Sea in the north, Cirebon Regency, Majalengka Regency, Sumedang Regency, and Subang Regency. Indramayu is located on the north coast of West Java, which is famous for producing sea fish. Indramayu is also well-known as a place for fish and shrimp crackers producers in the Center for the Snack Food Industry in Kenanga Village, Sindang District. In the area there are around 35 cracker factories and there are also more than 20 fish and shrimp cracker home industries. There are also many retailers there, they sell crackers from the production of factories and home industries.

Shrimp cracker marketing from retail traders in Indramayu is still mostly done through offline marketing. This is very unfortunate because of the increasingly rapid progress in the field of information and communication technology, has more or less changed the pattern of marketing strategies adopted by some retail traders via the internet. Before the advent of the internet, retailers implemented marketing strategies manually or met directly with consumers and were also very limited. Marketing style with conventional models like that, when applied at this time is usually referred to as offline marketing, but with the emergence of internet networks, the pattern of marketing strategies adopted by the company becomes massive and very large. The marketing model is called online marketing. Some retailers use only one marketing strategy that is offline marketing or online marketing in order to market their products. Some other retailers use both marketing strategies simultaneously.

Based on the description above it can be concluded that some retail traders at this time have done a lot of marketing of shrimp cracker products through online. Although there are still some retailers who market shrimp cracker products offline. Therefore research is needed regarding the comparison of marketing efficiency levels of online and offline stores in the marketing of shrimp cracker products. This research will use measurement tools in the form of marketing mix analysis (place, price, people, promotion, and product), financial analysis, and analysis of marketing channels as a comparison tool to determine the level of marketing efficiency of shrimp cracker retailers doing marketing through online media and offline.

MATERIAL AND METHODS

Place and Time

This research was conducted in Indramayu Regency, West Java Province from February to August 2019. This research consisted of several stages, namely the preparation of proposals, data collection, data processing, and report preparation. This research is only conducted at the marketing level of shrimp crackers.

Research Method

The method used in this research is the survey method. The survey will be conducted to shrimp cracker retailers in the city of Indramayu, West Java Province by collecting primary and secondary data. Survey method is a form of research technique that collects information from a number of samples in the form of people, through questions. This research might use a comparative approach. Comparative research is a comparative study. The subject of this research is comparing the marketing efficiency of shrimp cracker traders who do marketing through online media channels and offline channels. The specific phases of this research range from marketing mix analysis, financial analysis to marketing channel analysis.

Data Types and Sources

The type of data used in this research is sourced from primary data and secondary data. Primary data is data obtained directly from the first source, namely individuals or individuals who need further management such as the results of interviews or the results of questionnaires (Wandansari 2013). Primary data in this research were obtained directly from observations and direct records in the field (observation). The data is obtained from interviews with respondents and uses the media, namely a list of questions (questionnaire). Respondents consisted of a group of shrimp cracker retailers doing offline marketing and a group of shrimp cracker retailers doing marketing through online media. Whereas secondary data is primary data that has been further processed and presented properly by primary data collectors or other parties (Wandansari 2013). Secondary data were obtained from government or private institutions, the results of previous studies, libraries, and related literature.

Data Analysis Method

a. Marketing Strategy Analysis

Kotler and Armstrong (2001) define the marketing mix as a set of tactical and controlled marketing tools that are integrated by companies to produce the responses desired by the target market. Used to measure products, prices, promotions, locations, employees / hrsp about shrimp cracker traders who market them offline and online. The marketing mix elements are product, price, people, place, and promotion.

b. Financial Analysis

- Revenue

The amount of revenue obtained from each marketing channel can be determined through analysis using business revenue analysis. According to Soekartawi (2006), operating income is the difference between revenue and all costs. This can be stated in the following formula:

$$\pi = TR - TC$$

Information:

π = Revenue (Rp)
TR = Total Revenue (Rp)
TC = Total Cost (Rp)

With the following business criteria:

If $TR > TC$, then the business is said to be profitable
If $TR = TC$, the operating costs are said to be profit and no loss
If $TR < TC$, then the business is said to be a loss

- Revenue Cost Ratio (R/C Ratio)

R / C Ratio analysis is a comparison between total income and total cost or total production costs, if formulated as follows (Khairuman 2007):

$$R/C \text{ Ratio} = TR/TC$$

Information:

R / C Ratio = Feasibility Ratio
TR = Total Revenue (Rp)
TC = Total Cost (Rp)

If the R / C Ratio value is greater than one it means that the business has experienced profits and if it is smaller than one it means that it has not yet gained profit so it still needs improvement (Sudrajat 2008). R / C Ratio = 1 means (cash inflow) cash inflows equal to (cash outflow) cash outflows.

- Payback Priode

The payback period method is a method that calculates how quickly an investment can be made back. The faster the return on investment costs of a business, the better the business is because the smoother the capital turnover. PP is calculated from the ratio between total investment and the profits obtained. PP is formulated as follows:

$$\text{Pay back Period} = \frac{\text{Total Investment}}{\text{profit}} \times 1 \text{ year}$$

Information:

Faster return period = feasible

Longer return period = inappropriate

If the investment project proposal is more than one, then a faster return period is chosen.

- Break Event Point (BEP)

Break even point is a break even point where total revenue = total cost. The longer a company becomes an im-fitting point, the greater the loss balance because the profits received still cover the costs incurred. The Break Even Point (BEP) value can be interpreted as the amount that must be produced so that the business reaches a point of not profit and no loss (Khairuman 2007). Calculation of Break Even Point (BEP) can be stated with the following formula:

$$BEP \text{ production volume} = \frac{\text{Total Operational Cost}}{\text{Price of Profit Per Unit}}$$

c. Marketing Channel Analysis

- Marketing Channel

Marketing chain or marketing channel is a distributor or distributor who has activities to distribute or deliver shrimp crackers from producers to end consumers. Marketing channels have the task of channeling goods from producers to consumers that address three important levels of time, space and thought (Kotler 2005).

- Marketing Margin

Marketing margin is the difference in the price of shrimp crackers at the consumer level with prices at the producer level. The difference in price or marketing margin is due to the profits taken by marketing institutions and the costs incurred in marketing shrimp crackers. Margin can be expressed as a payment given to them for their services. The marketing margin is systematically formulated as follows:

$$Mp = Pr - Pf$$

Information:

Mp = Margin of shrimp cracker marketing (Rp / unit)

Pr = Price of shrimp crackers at the consumer level (Rp / unit)

Pf = Price of shrimp crackers at producer level (Rp / unit)

- Farmer's Share

The higher the percentage of farmer's share received by producers, the more efficient marketing activities are carried out and conversely the lower the percentage of farmer's share received by farmers, the lower the efficiency level of a marketing (Rosmawati 2011). Farmer's share can be calculated using the following formula:

$$FS = Hp/Hk \times 100\%$$

Information:

FS = Farmer's share

HP = Price at producer level (Rp / unit)

HK = Price at the consumer level (Rp / unit)

- Market Share

Market share (Market Share) can be interpreted as part of the market controlled by a company, or the percentage of a company's sales to the total sales of its biggest competitors at a certain time and place. Market share can be calculated using the following formula:

$$\frac{\text{Marketing Selling Price}}{\text{Total Marketing Selling Price}} \times 100\%$$

RESULT AND DISUSSION

Marketing Strategy

- a. Product
Online

- Products sold vary
- Average sales of 130 units per month
- Not too many enthusiasts yet.
- Buy at least 1 bal
- Average Experience is fairly new
- Most consumers come from out of town

Offline

- Products sold vary
- Average sales of 2,100 units per month
- There have been many enthusiasts
- There is no minimum purchase
- The average experience is fairly long
- most consumer come from Indramayu district

b. Price

Online

- Affordable prices
- More expensive than offline
- Price of IDR 13,000 per unit
- Average income of Rp 520,000 a month
- Payment methods via transfer
- Average income cannot meet daily expenses or side income

Offline

- Affordable prices
- Cheaper than online
- the price of Rp 12,000 per unit
- The average income of Rp 5,280,000
- Payment methods via cash
- Average income can meet daily expenses or main income

c. Place

Online

- Does not require a large place to store goods
- No need to rent or buy a place of sale
- Consumers can only see products from the pictures
- Shop search is fairly easy

Offline

- Requires a large place to store goods
- Need to rent or buy a place of sale
- Consumers can immediately see and feel the product
- Shop search is fairly easy

d. Promotion

Online

- Promotion of using advertising services on the internet
- Discount on holidays
- Price promotion
- Faster, easier and cheaper

Offline

- Word of mouth promotion
- Discount on holidays
- Price promotion
- Longer, more difficult, and more expensive

e. People

Online

- Average does not use employees
- Has a good level of hospitality and fast response

Offline

- Some people use employees and some don't
- Has a good level of friendliness but is not always responsive because it serves many other consumers

Financial Analysis

a. Income

Table 1. Average Earnings of Shrimp Cracker Traders per Month

No.	Description	Offline (Rp)	Online (Rp)
1.	Total Revenue	5.280.000	520.000
2.	Total Operational Cost	1.651.650	91.300
3.	Total Income	3.638.350	428.700

The average income value of shrimp cracker traders can be concluded that the average income obtained from marketing of shrimp crackers offline and online for one month is 3,638,350 and Rp 428,700. This income was obtained from the difference in the total cost of receiving shrimp cracker traders offline and online for one month amounting to Rp 5,280,000 and Rp 520,000, less total operational costs for one month amounting to Rp 1,651,650 and Rp 91,300.

b. R/C Ratio

Table 2. R / C Ratio Value of Shrimp Crackers Retailers Offline and Online in Indramayu Regency

Marketing	Revenue (Rp/year)	Cost (Rp/year)	R/C Ratio (Rp)
Online	520.000	91.000	5.7
Offline	5.280.000	1.651.650	4.0

Based on the above calculation, it can be stated that shrimp cracker traders who do online marketing in Indramayu Regency in one year have an R / C Ratio of 5.7. This value implies that each cost incurred Rp. 1, - will receive revenue of Rp. 5.7. If the value of R / C Ratio is more than one, it means that shrimp cracker traders who do online marketing experience profits and are feasible to run. While offline marketing has an R / C Ratio of 4.0. This value implies that each cost incurred Rp. 1, - will receive Rp. 4.0. If the value of R / C Ratio is more than one, it means that shrimp cracker traders who do online marketing experience profits and are feasible to run.

c. Payback Periode (PP)

Table 3. Payback Period Period of Shrimp Crackers Retailers Offline and Online in Indramayu Regency.

Marketing	Investasi (Rp)	Profit (Rp/year)	PP/Year	PP/Month
Online	3,563,600	5,144,400	0,74	8,9
Offline	11,785,000	43,540,200	0,27	3,3

The period payback value of shrimp cracker traders who do online marketing is 0.74, which means that capital from this business can return within 0.74 years or 8.9 months. The PP value of the shrimp cracker trader doing offline marketing is 0.27, which means that the capital from this business can be returned within 0.27 years or 3.3 months.

d. Break Event Point (BEP)

Table 4. Average BEP Value of Shrimp Crackers Trader Volume

Marketing	BEP Volume
Online	23 pcs/month
Offline	531 pcs/month

Value of BEP Marketing volume of online shrimp cracker traders in Table 4. shows the average value of BEP production volume for one month is 23 units. This states that the online marketing of shrimp cracker traders does not experience profits or losses and is at the break even point if it is successful in selling as many as 23 pieces of shrimp crackers for one month. Whereas the offline marketing shows the average value of BEP production volume for one month is 531 units. This states that the marketing of offline shrimp cracker traders does not experience profit or loss and is at the break even point if it succeeds in selling as many as 531 shrimp crackers for one month.

Marketing Channel Analysis

a. Marketing Channel Shrimp Cracker

The shrimp cracker marketing channel involves several marketing agencies. There are 2 channels for offline shrimp cracker retailers and 1 channel for online shrimp cracker retailers, namely:

- Saluran 1 (*Offline*)



- Saluran 2 (*Offline*)



- Saluran (*Online*)

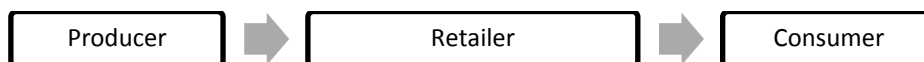


Fig 1. Shrimp Crackers Marketing Channel Pattern

Following are the roles of marketing channels and the functions of shrimp cracker marketing channels involved in the sales percentage:

- Producer

Producers carry out the exchange function, that is, sales only and physical functions in the form of transportation when sending goods to retail traders. The role of producers in marketing in addition to selling their goods directly to end consumers without intermediaries, producers are also tasked with channeling to marketing institutions such as retail traders to get to end consumers.

- Retail Merchants (*Offline*)

Retailers perform marketing functions in the form of exchanges, namely buying and selling. Physical functions such as transportation are borne by producers because retail traders are still in Indramayu district and producers will come every month to retail traders.

- Retailers (*Online*)

Retailers perform marketing functions in the form of exchanges, namely buying and selling. Physical functions such as transportation (transportation) in the form of shipping costs are borne by consumers because retailers are only tasked to buy from producers and resell them through online marketing. Consumers residing outside of Indramayu regency, therefore the need for shipping services to get to their respective cities.

b. Margin Marketing

Table 5. Marketing Margin and Farmer share Shrimp Cracker

Marketing Agency	Offline Channel I (Rp/250 gram)	Offline Channel II (Rp/250 gram)	Online Channel (Rp/250 gram)
Producer	-	-	-
Selling Price	9,000	12,000	9,000

Margin	-	-	-
Retailer	-	-	-
Purchase Price	9,000	-	9,000
Selling Price	12,000	-	13,000
Margin	3,000	-	4,000
Consumer	-	-	-
Purchase Price	12000	12,000	13,000
Total Margin	3,000	0	4,000
Farmer Share	75%	100%	69%
Margin Share	25%	0%	31%

Marketing margins as the value of the services of carrying out marketing activities from the producer level to the end consumer level (Limbong and Canggabean 1985). Based on Table 15. the biggest marketing margin is in online channel , with a total margin of Rp 4,000 per pcs with a 25% share margin. The second position is in the offline channel I with a total margin of Rp 3,000 per pcs with a 25% share margin. The third position is in the offline channel II with a total margin of IDR 0 per pcs with a margin share of 0%.

Farmer's share or Fisherman share is another indicator used to compare prices received by producers compared with prices paid by end consumers expressed in percentages. Based on Table 15. it is known that overall marketing of shrimp crackers is marketed through 3 marketing channels which are said to be efficient. This can be seen from the third percentage of marketing channels in the offline channel I by 75%, offline channel II 100% and in the online channel by 69%. The offline channel II 100% looks the most efficient because this channel is a direct channel from producers to consumers without going through intermediaries so that producers get a profit of 100%.

c. Market Share

Table 6. Market Share Shrimp Cracker

Market Players	Component	Offline channel I	Offline channel II	Online channel
Producer	Selling Price (Rp/Kg)	9000	12000	9000
	MS (%)	43%	100%	41%
Retailer	Selling Price (Rp/Kg)	12000		13000
	MS (%)	57%	0%	59%
Consumer	Selling Price (Rp/Kg)	-	-	-
	MS (%)	-	-	-

Market share of shrimp cracker marketing channel obtained based on the calculation in Table 16. of each marketing channel has a different market share value. The largest market share value of 100% is in the offline channel II with marketing actors, namely producers. The smallest market share value is on the online channel I, namely producers with a 41% market share value.

d. Efficiency of Marketing Channel

Table 7. Comparison of Farmer's Share and Shrimp Cracker Marketing Margin

No.	Marketing Channel	Farmer's Share (%)	Marketing Margin (%)	Information
1.	(Offline) I	75%	25%	FS>MP
2.	(Offline) II	100%	0	FS
3.	(Online)	69%	31%	FS>MP

Can be seen, the three marketing channels have been efficient because the farmer share is greater than the marketing margin. Especially on channel (Offline) II because it is a direct marketing channel that does not involve an intermediary, we get 100% results. The advantage of direct sales without intermediaries is that producers can contact directly with end consumers, producers can interact directly with consumers, producers can find out what consumers want to be able to be an evaluation for

their products. The disadvantage of direct sales without intermediaries is that the costs are greater and the promotion area is narrower so that the reachability of meeting new customers is less.

The efficiency of marketing channels can also be influenced by the marketing chain. Long marketing chains can be inefficient. This causes too much marketing profit taken by marketing actors (Prasetyo 2003). Because more and more marketing institutions are involved, marketing costs will be greater and prices will increase, of course marketing margins will also be greater than Farmer's share.

CONCLUSION

Based on the results of a comparative study of marketing of shrimp crackers through online and offline in Indramayu take some conclusions as follows:

1. Comparison of the marketing mix of online and offline shrimp cracker traders using marketing mix analysis shows that online is superior in terms of place, promotion, and personnel. Whereas offline is superior in terms of product and price aspects. The average sales are 130 units online and 2100 units offline per month, while the price is online traders Rp 13.000/250gr or Rp 52.000/kg and offline traders Rp 12.000/250gr or Rp 48.000/kg. Furthermore, financial comparisons using financial analysis note that offline is superior to all aspects than online.
2. The efficiency level of marketing channel comparison by using marketing channel analysis is that the shrimp cracker marketing agency has 3 marketing channels, offline channels I, offline II, and online with each channel being efficient because the farmer's share is still greater than marketing margin. The best level of efficiency of marketing channels is in the offline channel II with 100% farmer's share.

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