

# Marketing Potential of Basic Household Products to Customers in the MSME Ecosystem PT. PNM

Sutanto

Student of Magister Management, Perbanas Institute  
Jakarta, Indonesia

**Abstract:-** The purpose of this study is to obtain information and analyze how supply chain practices for PNM Mekaar customers in the provision of goods and services are carried out and the real impact on improving business performance and competitive advantage in the business of PNM Mekaar customers in Serang Region. This approach is quite strategic in winning the competition, by focusing on procuring logistics efficiently between suppliers, production sites, and storage so that products are produced and distributed in the right quantity, to the right location and at the right time. This study uses a qualitative method with the object of research is the customer of PT. PNM UMKM Mekaar. The results of this study are customers can feel the benefits of supply chain management activities, namely increasing profits, customers are satisfied and can reduce operational costs.

**Keywords:-** Supply Chain Management, Income Increases, Loyal Customer.

## I. INTRODUCTION

Micro-enterprises in Indonesia make a major contribution to the people's economy. Micro-enterprises are small businesses that exist in Indonesia and have a variety of fields. Although small in scale, they play a large role in Indonesia's financial cycle. In addition to micro businesses, there are also super micro or ultra micro businesses, namely super micro businesses which are at the lowest level that cannot be facilitated by banks and are very numerous in Indonesia. Banks cannot facilitate this because of access constraints and bank assessments that are not in accordance with the conditions of super micro businesses so that these business actors have difficulty getting access to capital, training and access to marketing both at home and abroad.

PT Permodalan Nasional Madani (Persero) is a State-owned enterprise (BUMN) whose shares are 100% owned by the Government and is engaged in empowering Micro, Small and Medium Enterprises (MSMEs) and has the task of providing empowerment solutions to Micro, Small, Medium Enterprises and Cooperatives. (UMKMK) with capabilities based on business feasibility and basic economic principles. The empowerment is by providing financing capital, intellectual capital and social capital to its customers, so that there is a cooperative relationship with customers that makes it different from banking in general. PT. PNM (Persero) was established on June 1, 1999 with a working capital distribution

program for MSMEs through BPR and Cooperatives. The business transformation was carried out by PT. The first PNM (Persero) was carried out in 2008 by channeling financing to MSMEs directly to customers with the ULaMM (Micro Capital Service Unit) product with financing starting from 50 million rupiah. ULaMM customers are MSME actors who already have businesses and have difficulty getting capital from banks. In the process of becoming a ULaMM customer for MSME actors, the identification process of potential customers, business profile, business feasibility, ability to pay and assessment of financing guarantees is carried out. ULaMM customers are in various business sectors and also business classes ranging from micro to medium enterprises. Position in May 2021 the number of ULaMM customers is 100,000 customers. The second business transformation in 2015 PT. PNM (Persero) disburses financing to the lowest-income community, namely the pre-prosperous with the productive pre-prosperous female segment of the community using the group financing method. In accordance with its aim to improve the welfare of the community at the lower level, the products provided are Fostering a Prosperous Family Economy (Mekaar). Mekaar's customer growth in the past 6 years has been going well, especially Mekaar's PT. PNM has managed 9,450,935 ultra micro customers in May 2021.

TABLE 1. MEKAAR CUSTOMER GROWTH

Year	Customer Loan Account	Distribution (in Million IDR)
2015	863	1.726
2016	44.112	884.566
2017	2.046.654	4.226.148
2018	4.476.210	10.592.340
2019	6.973.781	20.214.108
2020	7.968.960	24.346.354

Mekaar's product is a product of empowering underprivileged communities with micro capital financing starting from Rp. 2,000,000 up to Rp. 5,000,000 for underprivileged women with a group scheme. The customer acquisition process is carried out in several stages. The first stage is socialization to customers, the second stage is the Feasibility Test which is carried out to determine the condition of the prospective customer, business, economic capacity and place of residence, the first stage and the second stage are carried out by the Account Officer. The third stage is the Verification of the Feasibility Test results, this verification is carried out by the supervisor of the Account Officer. The fourth stage of Financing Preparation, at this stage AO provides briefing to prospective customers by forming groups, approval of group members, understanding of the products

offered and the rights and obligations of customers. The fifth stage is the disbursement of financing carried out by the Mekaar Branch Manager.

Based on the above background, the focus of this research is to analyze what challenges and opportunities are obtained from the supply chain in the area of Mekaar's customers, the need for Mekaar customers to need a supply chain in their business and customer expectations regarding the use of the supply chain for their business.

## II. LITERATURE REVIEW

### A. Operational Activities and Consumer Behavior

Operational activities are activities that create goods or services and then the company offers these goods or services to consumers. In these operations, many companies involve the largest share of employees and company assets, Herjanto (2007). Operations Management is an activity related to the creation of goods and services through the transformation process from input to output. Operations management according to Heizer, Render (2015) is Efficiency is an increase in efficiency in the company, productivity or increasing effectiveness is an increase in effectiveness in the company and Economy or reducing costs is a cost reduction in company activities. According to H. Mulyadi Nasusastro (Bandung: Alfabeta, 2012), the consumer comes from a foreign language, consumer or consumer, which literally means a buyer. Another definition of consumer is very broad, diverse and very closely related to the purpose of someone buying a product as a user, which is translated from the word user from the English word. Bilson Simamura (2004) states that the understanding of consumers is users, viewers, and many more. According to Simamura, consumer behavior is actions that are directly involved in obtaining, consuming, and disposing of products and services, including the decision processes that precede and follow these actions. According to Schiffman and Kanuk (2007), consumer behavior is the behavior displayed by consumers in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. Kumar, (2008) consumer behavior can be interpreted as individual behavior in terms of obtaining, using, and disposing of products, services, ideas or experiences. Consumer behavior focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption-related goods.

### B. Marketing

Marketing is an overall system of business activities aimed at planning, pricing, promoting, and distributing goods and services that can satisfy the needs of both existing and potential buyers, as quoted by William J. Stanton cited by Swastha and Handoko. (2000: 4). While the notion of marketing according to Kotler (2000: 19): "is a social and managerial process by which individuals and groups obtain their needs and desires by creating, offering, and exchanging products of value to each other". Based on the above definition, it can be concluded that marketing has a broader meaning than sales, marketing includes a company's business which is characterized by identifying consumer needs that need to be satisfied, determining appropriate product prices,

determining how to promote and sell these products. So, marketing is also an interconnected activity as a system to generate profits.

### C. Distributors and Distribution

In distribution activities there are parties called distributors. Distributors are people or institutions that carry out distribution activities or also called traders who buy/obtain merchandise products from first hand (producers) directly. In carrying out marketing and sales activities, distributors purchase merchandise from producers. With the sale and purchase, ownership of the goods is transferred to the distributor. Then the goods that have become his property are sold back to consumers. Distributors can be traders or brokers. Trader is a person or institution who buys and resells goods without changing the form and responsibility of his own with the aim of making a profit. These traders can be divided into two, namely wholesalers and retail traders. The trader has the right to determine the desired price or profit. However, traders are not allowed to do wrong things that can lead to buyers. While a broker or intermediary is a form of guide or intermediary between the seller and the buyer, and many facilitate the release of goods and bring benefits between the two parties. The broker can get cash wages in the form of money or as a percentage of any profit that has been mutually agreed upon, this means that the broker is not allowed to determine the price himself.

### D. Product

Product according to Kotler and Armstrong (1996: 274) is anything that is offered to the market to get attention, be purchased, used and that can satisfy the wants and needs of consumers. According to Stanton, (1996) is a collection of tangible and intangible attributes, including packaging, color, price, quality and brand plus services and sales reputation. According to Tjiptono (1999) conceptually the product is a subjective understanding of the producer on something that can be offered as an effort to achieve organizational goals through fulfilling the needs and desires of consumers, in accordance with the competence and capacity of the organization as well as purchasing power.

### E. Supply Chain

The definition of a supply chain is a supply chain that has a dynamic nature but involves three constant flows, namely the flow of information, products and money, Chopra and Meindl (2013). In addition, Chopra and Meindl also explained that the main goal of any supply chain is to meet consumer needs and generate profits. According to I Nyoman Pujawan (2010) supply chain is a network of companies that work together to create and deliver a product into the hands of end users. These companies usually include suppliers, manufacturers, distributors, shops or retailers, as well as supporting companies such as logistics service companies.

### F. Product

The development of the manufacturing sector with digital platforms is important in line with the latest technological advances and the passage of the industrial era 4.0. Moreover, the government targets Indonesia to become the country with the largest digital economy in ASEAN by

2020. Indonesia is also known to be one of the largest markets and a country with potential for the growth and development of electronic commerce or e-commerce. A study on digital platforms that present various types of information technology-based marketing media for products specifically produced by SMEs has actually been designed and developed, Falgenti (2011). Susanti et al., (2015) put forward the design of digital platforms for website and social media-based marketing of SME products. In addition, there are also studies that design digital platforms for SMEs. From all of this, there is still no digital platform that promotes products specifically for SMEs and can be used by all SMEs in Indonesia, and is based on mobile applications. While the marketplace is a buying and selling platform that brings together traders and buyers online. Examples of marketplace platforms are Shopee, Lazada, Bukalapak and Tokopedia.

**G. Theoretical Framework**

Based on these theory above, it could be described a theoretical framework for these titles as follows:

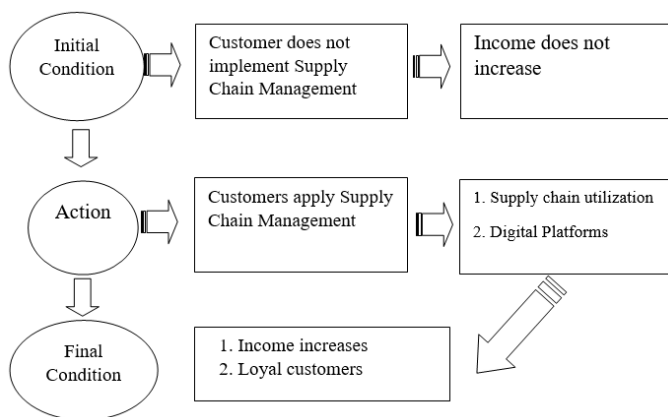


Fig 1: -Theoretical Framework

**III. METHODOLOGY**

This type of research is qualitative research. This research aims to prepare by summarizing various scientific articles from different fields in order to provide a comprehensive overview of what is happening. The data analysis method used in this study is qualitative data analysis. The result is not a study obtained through statistical methods or other forms of calculation. Try to understand and explain the meaning of human behavior interaction events in some cases from the researcher's own perspective. Completed under reasonable circumstances (natural environment). The qualitative method is more based on the nature of the logical phenomenon of priority appreciation.

**IV. RESULTS AND DISCUSSIONS**

The FGD activity was carried out with 6 (six) customers of PNM Mekaar Region Serang as the party who got the opportunity to increase income through supply chain procurement from PNM. PNM offers the provision of supply services to Mekaar's customers. The development of a dynamic industrial environment in the current global era is a trigger for many corporate organizations to explore their

potential, as well as identify key success factors to excel in the competition. The efforts made are directed to provide the best products for consumers. The products offered by the company to consumers in terms of production and operations management are a combination of goods and services.

*Officers provide information regarding supply chain provision*

In a real product chain, raw materials are obtained and produced in a processing facility, then shipped to a finished goods warehouse and then shipped to a customer or retailer. As a consequence, to reduce prices and improve service quality, an effective supply chain strategy must take into account the interactions at various levels in the supply chain that occur. The supply chain, also known as a logistics network, consists of suppliers, manufacturing or manufacturing centers, warehouses, distribution centers, and retail stores, as well as raw materials, work in process inventory, and finished products.

*Customers facilitated in providing supply services?*

Supply Chain is a network of companies that work together to create and deliver a product to the end user. These companies include suppliers, manufacturers, distributors, stores or retailers, as well as supporting companies such as logistics services. There are 3 kinds of things that must be managed in the supply chain, namely: The flow of goods from upstream to downstream, for example raw materials sent from suppliers to factories, after production is completed, they are sent to distributors, retailers, then to end users. The flow of money and the like that flows from downstream to upstream. The flow of information that can occur from upstream to downstream or vice versa. A supply chain is a group of components (suppliers, distribution points, transportation providers) needed to bring a product from raw materials to end users.

*The goods offered in the supply service facility are daily household needs*

The approach emphasized in Supply Chain Management is integrated with the spirit of collaboration. Supply Chain Management emphasizes an integrated pattern regarding the product flow process from suppliers, manufacturers, retailers to the final consumer. In the concept of Supply Chain Management, we want to show that the series of activities between suppliers and end consumers are in one unit.

*Customers Feel the Benefits of Providing Supply Services*

By implementing Supply Chain Management, a company can satisfy its customers. The company can guarantee customer satisfaction by producing goods/services in accordance with the demands of customers as business partners. Customers are indeed the main target for a company in production activities because they are the party who buys or uses the goods/services produced by the company. Customers must continue to maintain their level of satisfaction so that they can become loyal customers in the long term. Supply chain management plays an important role in helping companies to ensure customer satisfaction.

Through this mechanism, companies can find out what goods they want and when is the right time to deliver the goods.

#### *Validity and Reliability Test*

Employees

## V. CONCLUSSION AND SUGGESTIONS

### *Conclusion*

Based on the results of the analysis, the conclusion that can be obtained is that when the company carries out supply chain management activities, the company will feel a positive impact, namely increasing profits. One of the reasons why profits can increase is because the production process goes according to plan. Products can be sold out with proper management. So, don't let your company's production of goods just pile up without being sold out. Customers are Satisfied because supply chain management can give satisfaction to the product or company. Proper management will ensure that the product received by the consumer is in good condition. Thus customers will become loyal consumers and can use your product for a long time. and the final conclusion is to reduce costs. With the integration and cooperation between divisions, costs are also much more efficient. The team will ensure that the production costs from start to finish are in accordance with the design. Many companies actually have difficulty managing the costs incurred so that profits are minimal.

### *Suggestions*

For further research, it can be carried out on a wider object and by conducting more Focus Group Discussions and representing various elements in order to get better results.

## REFERENCES

- [1]. Armstrong dan Kotler. 1996. Dasar-Dasar Pemasaran. Jakarta : Intermedia.
- [2]. Bilson, Simamora. 2004. Panduan Riset Perilaku Konsumen. Jakarta: PT Gramedia Pustaka Utama
- [3]. Basu Swastha dan T. Hani Handoko, 2000, Manajemen Pemasaran (Analisa Perilaku Konsumen), Yogyakarta : BPFE UGM.
- [4]. Banister, P. Dkk. (1994). *Qualitativ Methods In psychology, a Research Guide*. Buckingham: Open University Press.
- [5]. Chopra, S dan Meindl, P. 2011, *Supply Chain Management: Strategy, Planning, and Operations* edisi 3. New Jersey: Pearson Education. Chopra, S dan Meindl, P. 2011, *Supply Chain Management: Strategy, Planning, and Operations* edisi 3. New Jersey: Pearson Education.
- [6]. Fandy Tjiptono. (1999). *Strategi Pemasaran*. Yogyakarta: Cetakan ketiga, Andi
- [7]. Falgenti, Kursehi., Pahlevi, Said Mirza. 2013. "Evaluasi Kesuksesan Sistem Informasi ERP pada Usaha Kecil Menengah, Studi Kasus: Implementasi SAP B1 di PT. CP. *Jurnal Manajemen Teknologi* 12. No 2 (Juli): 161-183. Diunduh pada 19 September 2018. <https://www.researchgate.net/publication/264231944>
- [8]. Heizer, Jay and Render Barry, (2015), *Manajemen Operasi : Manajemen Keberlangsungan dan Rantai Pasokan*, edisi 11, Salemba Empat, Jakarta
- [9]. Barry Render. 2010. *Manajemen Operasi*. Edisi Ketujuh Buku 1. Jakarta: Salemba Empat
- [10]. Pujawan, I., N., dan Mahendrawathi. (2010). *Supply Chain Management*, Edisi Kedua, Guna Widya, Surabaya.
- [11]. Kumar, Vinay, Cotran, et al. 2007. *Buku Ajar Patologi Anatomi* Edisi 7 Vol. 2. Jakarta : EGC pp 367-378
- [12]. Kotler, Philip. 2003. *Manajemen Pemasaran*. Edisi kesebelas, Jakarta: Indeks kelompok Gramedia.
- [13]. Kotler, Philip (2000). *Prinsip – Prinsip Pemasaran Manajemen*, Jakarta : Prenhalindo.
- [14]. Moleong, Lexy J. 2009. *Metode Penelitian Kualitatif*. Bandung: Remaja Rosda karya
- [15]. Herjanto, Eddy. 2007. *Manajemen Operasi*. Jakarta. Grasindo.
- [16]. Mentzer, John T., DeWitt, W., Keebler, James S., (2001), "Defining Supply Chain Management", *Journal of Business Logistics*, Vol.22 No. 2 pp. 1-25
- [17]. Miles, Mathew B., dan A. Michael Huberman. 1994. *An Expanded Sourcebook: Qualitative Data Analysis*. London: Sage Publications.
- [18]. Nitisusastro, Mulyadi , *Perilaku Konsumen dalam Perspektif Kewirausahaan*, Bandung : Alfabeta, 2012
- [19]. Pujawan, I Nyoman. 2010. *Supply chain management* Edisi Kedua. Surabaya : Guna Widya.
- [20]. Purwadi, 2005, *Upacara Tradisional Jawa Menggali Untaian Kearifan Lokal*, Yogyakarta: Pustaka Pelajar.
- [21]. Purwadi, 2005, *Upacara Tradisional Jawa, Menggali Untaian Kearifan Lokal*, Yogyakarta: Pustaka Pelajar
- [22]. Russell & Taylor. *Operations Management*. International Student Version. 2011 Turban , E. Et al. . 2010. *Electronic Commerce: A managerial Perspective*. New Jersey: Pearson prentice Hall, inc.
- [23]. Stanton, William. J dan Y. Lamarto. 1996. *Prinsip Pemasaran*. Edisi 7. Erlangga. Jakarta. Sekaran, Uma. 2011. *Research Methods For Business (Metode Penelitian Untuk Bisnis)*. Jakarta: Salemba Empat.
- [24]. Simchi-Levi, D., Kaminsky, P., and Simchi-Levi, E., 2008, "Designing and Managing the Supply Chain: Concepts, Strategies and Case Studies", 3rd Edition, New York: McGraw-Hill.
- [25]. Umi Narimawati. (2008). *Metodologi Penelitian Kualitatif dan Kuantitatif, Teori dan Aplikasi*. Bandung: Agung Medi.