

## Chapter V

### Conclusions and Suggestions

#### 3.1. Conclusion

Based on the results of interviews conducted with the resource persons, it can be concluded that:

a. Internal environmental analysis in this rendang housing industry business can be said to be good. This can be seen from the various kinds of permits that have been taken care of so as to create product standardization in accordance with Indonesian national standards. This is also supported by the government in facilitating the issuance of the permit. In addition to the permits that have been made, cooperation between suppliers of raw goods and entrepreneurs is also well established, and there is a reciprocal relationship between the two parties. In addition to the suppliers, there are also distributors who have a role in selling products so that they can have a wide market for rendang entrepreneurs.

In terms of business management capabilities, it is still classified as traditional because there are still many who do not understand the position and function of each position so that it feels not optimal in running their business and needs to be addressed. Amount products become additional income for

entrepreneurs and also become an option for consumers so that they can be an option when they want to buy more than 1 product. In terms of product packaging, it is quite attractive to consumers, using aluminum as the main packaging can make it look better and look ergonomic and have a high selling value for those who do not use aluminum foil itself.

Determination of prices in accordance with market prices is something that is naturally done after considering the cost of capital and other costs. Apart from normal prices, there are also those who set prices above the market price so that this becomes a boomerang for themselves and also this high price has its own market according to the price offered. This capital capability can be said to be relatively conventional because some use personal funds as capital in establishing a business, and some have done or received assistance from banks or large companies such as Semen Padang, this creates significant funding stability for the rendang entrepreneurs themselves.

b. External environmental analysis also found positive things in supporting the housing rendang industry, starting from the global image of rendang as a challenge for entrepreneurs, government assistance to the technology used. In practice, rendang producers try to make the most delicious rendang with their taste and version, this is helped by the standardization and preferences of consumers who want to buy their products. The government, in

this case, the SME and Cooperatives Service, BPOM RI, LPPOM RI, the Manpower and Industry Service, also contributed to facilitating licensing so that the production process and product distribution that had already occurred went well and in accordance with applicable Indonesian national standards.

In addition to the government, the community also determines the economic cycle of this home-based rendang business, where all of these rendang entrepreneurs have employees from the surrounding community and create job vacancies for those in need and this is in accordance with the wishes of higher-ups to create jobs. In addition to employees who come from around, the purchasing power of the surrounding community also affects the amount of rendang production, if purchasing power is low and the production process continues, it will disrupt the economic cycle of rendang entrepreneurs. This can cause an accumulation of products that are only marketed because other rendang entrepreneurs also produce the same product. And with fellow entrepreneurs also participate in healthy competition in terms of innovation and ways to attract consumers. This healthy competition will form a good and beneficial ecosystem for the rendang entrepreneur.

In addition to licensing, the government also supports entrepreneurs with facilities and infrastructure that they can do, such as the construction of a rendang center in the city of Payakumbuh, conducting trainings that can

increase the knowledge and skills of employees. so that they can exchange ideas and share important information about the rendang. Technology also plays a role in the development of this home-based rendang business, where the role of social media is very fatal in promoting and selling online since most people who prefer to order something online have become a stepping stone for all of them. In terms of bookkeeping, it has also used computerization so that it makes it easier for employees to do their work. For production, it is still manual, but for the packaging process some have used a vacuum machine to suck up the oxygen in the packaging before the packaging is sealed.

c. The competition strategy used is quite varied, not only focusing on one strategy but also increasing the options of the strategy used. Such as a pricing strategy combined with a differentiation strategy, or also using the uniqueness of the material used as rendang. However, this has its own drawbacks, where pricing that is too expensive will make consumers run away from the market, too much differentiation will confuse consumers to choose which products to buy, and also the stigma of the surrounding community which will have an impact on the uniqueness of the rendang sold.

### **3.2. Suggestions**

The suggestion that the writer wants to convey is

a. for the internal environment in the business management section to be maximized, hold trainings for employees who want to develop their abilities, and tell what are the duties and functions of each employee's position. For licensing and standardization, it continues to be improved to exceed the current standard. Re-design of packaging that does not attract people's interest and desire to buy, as well as logos from businesses that should also be attractive.

b. for the external environment by making loans to banks to procure tools that can support the production process so that it can run regularly and faster. Make the best use of the facilities and infrastructure provided by the government. And always monitor social media because people's tastes can change quickly following the current trend.

c. a good competitive strategy will make the business even better, explore every information on the market as a foundation to take the next step in marketing the product.

### **5.3. Limitation and Future Research**

#### **a. Limitation**

In this study, the authors have limitations in digging deeper information by the circumstances where when researchers take to the field is hindered by the situation of the Covid-19 pandemic. And also the data that the author obtained at the beginning of the study has not been summarized as a whole by the authorities in collecting data on the number of SMEs in Payakumbuh.

## b. Future Research

For future research, the author hopes to further explore deep information about the shortcomings of this rendang SME, because there is still much that can be lifted and used as a sales strategy given the rapidly evolving technology today.

