

CHAPTER V

CONCLUSION

This chapter provides conclusion from finding and discussion presented on the previous chapter, followed by assessment of the potential limitation is study, implication and possible future directions for the research.

5.1 Research Conclusion

This research is a qualitative research to get information about the identification of understanding about marketing, marketing strategy formulation, marketing strategy implementation, and competitive advantage. The data has been conducted to MSME owners of *rendang* enterprise in Padang that know about marketing. The data used in this research are primary data. Primary data is gathered by information that interview to MSME owners of *rendang* enterprise in Padang. The conclusions that could be taken from the research are:

5.1.1 Understanding of Marketing

From the result of the interview, it can be concluded that the owner of MSMEs have moderate understanding about what constitute as marketing in general. Half of the owners associate the term marketing with the act of promoting the products in order to increase sales of products.

In regards of what marketing activities that can be done by MSMEs, most of the answers are pointed to social media utilization. The main reason is the social media utilization is considerably easy to be executed with minimal efforts and require minimum resources. But in researcher observation to their social media, only several enterprises that utilize social media in regular basis.

In the corresponding whether MSMEs owners consider marketing to be the most

important aspect of business in comparisons to production, financial, and human resources, it can be concluded that it is not the case. Only two out of ten informants considered marketing to be the upmost important business aspect. While the rest valued all of aspect have correlation with each other.

For those who considered marketing to be the most important aspect, there were two major reasons. The first being the beliefs that the activities of marketing lead to product recognition by the masses especially for MSMEs and new enterprise. And the second because it increased the sales of product.

5.1.2 Marketing Strategies Formulation

Most of the MSMEs owners does not create specific marketing strategy in their business practice as most did not understand process nor what it is. Even though when they were asked about the target market of the products, most owners answered the tourist that visit Padang or West Sumatera. Though it should be noted that there was almost no existence of efforts to specifically pander this target market. Furthermore, it is most likely become the reason of the target market, because tourist happened to be the group of people that visit the area of handicraft in Padang the most.

5.1.3 Marketing Strategies Implementation

In the question of marketing activities that MSMEs of rendang conducted, the most common answer is the utilization social media in methods of promotion, though the extend of such activities did not reflect the outcome as desired. The next most common activities would be the use reseller to gain their sales number. In terms of product attributes, MSMEs package their rendang mostly in aluminum foil standing pouch because of its safety and practicality. The product label comes in sticker format, where they put detailed information containing expired date, ingredients, product

knowledge, and their logo.

Most of MSMEs stated that they decided the pricing strategies in form of raw material cost. To overcome unstable price from raw material cost, the owners already set the standard price that can be the solution in raw material cost problem. The most common method of selling that was conducted by MSMEs of rendang was used both direct selling and indirect sales method to customers in their outlet store. And indirect sales method they put their product in e-commerce that utilized online sales to help increase sales of their products.

5.1.4 Competitive advantage

Regarding what MSMEs of rendang considered to be their competitive advantage, majority of the case pointed to the quality, specifically taste of their products. However, it should be noted that it hardly can be considered as competitive advantage since they sell the same products. The taste argument is subjective and cannot be measured to a certain standard.

5.2 Research Implications

There are a few limitations being discovered during the process of conducting research. Some of the limitations are as follows:

1. Marketing strategy that used by rendang enterprises are very variative with each other. Based on the finding above, the sales number is really affected by each of rendang enterprises' marketing activities. For example, Enterprise B, Enterprise C, and Enterprise I have the biggest sales.
2. The length of operating year also affecting the sales number because of their experience and credibility or image from the society. Enterprise I is the exception because it has clear and detailed marketing strategy, making it successfully reached annual sales of 720 million rupiahs in just 2 years.



5.3 Research Limitation

This study has limitations on the object of research which is only represented by ten MSME owners in the *rendang* business. Thus, the results of this study are very specific and unable to represent the entire MSME owner in the *rendang* business. Then the perspective used in this study is also limited, that only a handful of people from MSMEs are used as objects to study.

5.4 Research Recommendation

The result of this research is expected to improve and become references to conduct further research in the future, some suggested topics to be developed in further research:

1. For the next, researcher who is interested in conducting similar research, it can be suggested to use more samples, so that researchers can explore more MSMEs to study in the context of this research.
2. In the future research, it will not only the MSMEs in *rendang* enterprise will be studied, but also other enterprise that contributes to regional and state economies, to receive the right support to increase their overall potential.
3. Next, researcher can conduct research in other part of West Sumatra and Indonesia or in another sector of industries. This can help in enriching the understanding of the MSMEs in West Sumatra and Indonesia concerning the marketing topics discussed in this research.

