

INFORMATION TECHNOLOGY TO DEVELOP AND IMPROVING SALES PRODUCT ON MIDDLE LOW BUSINESS AT SERUNI SIDOARJO

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ABSTRACT

Information technology is an important part in social life. Society can feel benefits of information directly to acknowledge world development, including in shoes business. Location of Shoe Village at Seruni Sidoarjo is a home industry of shoe. As shoe industry village, this area has potential to develop into centre of shoe industry which someday becoming the icon of Sidoarjo. When tourist goes to Sidoarjo they will visit the village to buy features shoe of Sidoarjo. Production and sales conducting recently are still individually and traditional. This research wants to develop marketing strategy with Seruni Small Business Society (UKM) for shoes using analysis SWOT method by utilizing information technology. The purpose is to improving sales of UKM using information technology so that hopefully UKM will grow and more develop.

Keyword : website, Marketing, UKM,.

INTRODUCTION

Micro Business referred to Finance Ministerial Decision No.40/KMK.06/2003 dated January 29 2003, is productive business owned by family or Indonesian Citizen Individual and have sales revenue maximal Rp 100.000.000,00 (one hundred millions rupiah) each year. According to UU No. 20/2008, Small Business is a productive economical effort which is independent, conducted by individual person or business entity which is not a subsidiary nor corporate branch which is owned, controlled or be part directly or indirectly by medium or big company. Medium business is an independent productive economic effort, conducted by individual person or business entity which is not either a subsidiary nor corporate branch which is owned, controlled, become part directly or indirectly by Small Business or Big Company with its total net assets or total annual sales.

Reasearch location UKM GAGO at Seruni Sidoarjo shoes village which is a shoe production home industry. As shoe production village, this area has potential to develop to become center of shoe production which will be the icon of Sidoarjo. So tourist can come to Sidoarjo and visit this village to buy signature shoes from Sidoarjo.

Table 1. Comparison of Sales data on Shoes UKM at Seruni Sidoarjo village in the last 5 years.

UKM NAME	Year				
	2012	2013	2014	2015	2016
UD GAGO	72.000.000	60.000.000	65.000.000	62.000.000	79.000.000
UD LAZER	70.300.000	82.000.000	68.000.000	68.000.000	75.000.000
UD R3	55.000.000	37.000.000	36.000.000	42.000.000	50.000.000
UD MARLON	55.000.000	65.000.000	47.000.000	45.000.000	55.000.000
CV PETRIK	123.000.000	125.000.000	135.000.000	120.000.000	120.000.000

Sumber : UKM 2016

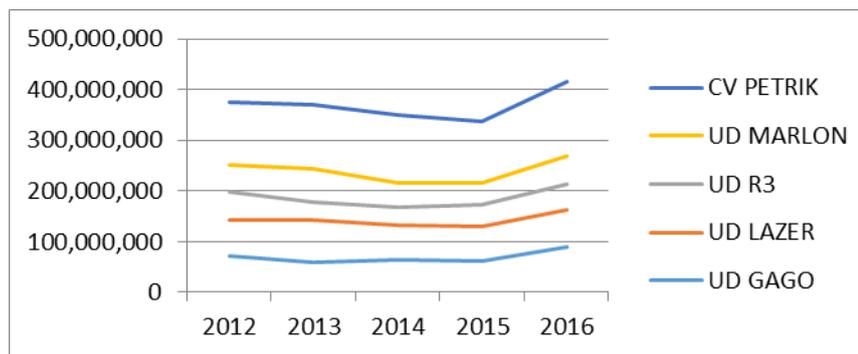


Figure 1. Shoe UKM Sales at Seruni Sidoarjo village from year 2012-2016

LITERATURE REVIEW

Information Technology is an important part in society. People can feel direct benefit from direct information to acknowledge world development, including business development. Information technology can create communication and solving indirect work without the need to deal it face to face, so that industrial production can be more efficient and effective. If a company do not own and apply information technology in its industry, it can be left behind by its competitor. Getting information, a company needs to issue a significant amount of capital. Nevertheless, a company still needs to do it because using information technology is one of parameter excellence of a company. Those paid price have a comparable opportunity cost. Using information technology upon business development is important, beside management should also be improved.

Recently technology development has important role and can not be separable from company business. Development of information technology can give many ease in running business activities. On the other side, information technology can also be abused for bad and less important. So its application must be done wisely without harming another.

Company can use technology to create e-Commerce which within it can do promotion, through e-Commerce with tremendous scope. By information technology which is connected with global internet network, give opportunity in marketing product and service. Internet network and interesting web feature are one of good promotion media and cheaper especially ini service business. In principle, technology role in marketing is a media to ease the process, beside that human resource and marketing strategic holds main key element.

Information Technology Role in Marketing.

Technology in marketing has an important role to increase existency of a company or business entity. Currently, marketing without back up of advance information technology development,

can not perform maximal. Technology role on marketing can support interconnected activities, for planning, determine the price, also related by promotion, and goods distribution or service to customer. So in marketing product it can perform maximal.

In marketing field this information technology is needed for marketing activity. Marketing activity use information technology such as product promotion via internet, online goods sales, and provide online customer service.

Muhammad Tajuddin, Abdul Manan, Ahmat Adil 2011 : UMKM is one of core competition that is flexible on international market that can be *prima dona* in gain community purpose based on science. In order for that it is necessary to create sustainable concept to get those purpose. The implementation of e-commerce application is a media that can be use to ease access for UMKM management to get consultant help and advocacy from various related parties (such as researcher, banker, industry experts, trade experts, cooperation experts, and UMKM work partners). Considering most of UMKM management operate internet as a new gig and never doing this at all, then get them to be familiar with using internet network to help improving their business performance, need a lot of training. Based on descriptive analysis motive factor can be concluded that factor foundation which compelled UMKM to use e-commerce consists of six factors which are being highest hope for companies while applying e-commerce: Access global market, product promotion, brand building, make customer closer, help faster communication with customer and satisfy them.

Information System and Promotion.

Information system according to Hendry C Lucas (Astuti, 2011), is a serial of activities consists of organized procedures and executed to provide useful information for its user in making decision and take control on organization. The purpose of this information system is to present information for supporting decision making on planning, initiating, organizing, controlling operation activity on sub system of a company, and presenting organization synergy at the process (Fatta, 2007). Promotion itself according to Salahudin at (Rangkuti, 2009) is one of unsure of marketing blend which is used to acknowledge, persuade, and remind about a company product. The purpose of promotion itself is to strengthen image brand of a product and marketing product (Halim, 2010).

Marketing Performance.

Fulford, H., & Rizzo, A. (2009). Marketing performance is an output of all efforts and strategy and also marketing performance which have been conducted by the company. Market-based performance approach is marketing performance assessment based on external condition and market where the company operates. Fulford and Rizzo (2009) put organizational performance in conceptual model that is strategic oriented on small business with a reason that performance is output indicator of strategic management. Assessment of organizational performance is at two areas which are financial performance and strategic performance. Financial performance is more measurable so that it is used as performance indicator which is included sales growth, profit growth, asset growth, and other indicator.

E-Marketing Strategy

The increasing of internet user at all the time is not ignored by businessmen. Recently many businessmen create website, blogs, and facebook or twitter accounts to marketing their products. Many companies that use those social media can interact and create relationship with their customer. These progresses felt very useful to become one of business marketing strategy (Paul, 2006). Business marketing by internet is one of means to expand market range. By internet marketing, company product information can reach available customer any where any time without the need to involve directly to certain area to promote their products.

Internet marketing also known as digital marketing, web marketing, online marketing, e-marketing, are product or service marketing by internet (Kandasaami dkk, 2000). New improvement on new marketing technique which are created by e-tailers and supported by

internet runs very fast in creating new dimension which is known as e-Marketing (Peattie, 2007). According to Kaiyanam dkk, e-Marketing is still controversial enough as subject to talk about, because no one is succeeding in unify many theories around, but there is no doubt that e-Marketing first appear in form of many technique which deploy by company to sell their product by internet in 1990-ish era. According to Poon dkk (2007) stated that e-Marketing strategy usually based on and build at principles that arrange traditional offline marketing which have been very familiar and famously applied in business world that is known as Marketing Mix (4P), which are Product, Price, Promotion and Distribution, that create classic marketing mix. For service marketing there are extra points of 3P, which are People, Process and Phisical Proof. Then Edy Herman, Rahmawati 2016, stated that internet support communication and global cooperation within employees, costumer, trader, and other business partners. Internet enable people from different organization and location to work together as a virtual team to develop, produce, market, and maintain product or service. Because of internet, marketing of company, product and service become an interactive process nowadays. Company website is not just a tool to present product catalog and promotion media, but also for dialog, discuss, and consult with customer by online, bulletin boards, electronic questioner, mailing lists, and electronic mail delivery (Ernst dkk,2011). So that customer can be involved directly in planning, developing, marketing, and selling product which later will improve this UKM performance. Until now, business marketing by internet is very helpful for businessmen to improve their sales products. Ratna Yuvita, Anik Andriani 2016 stated that to increase information delivery and fast promotion and enlarge its scope, they can conduct applying internet use. Internet itself is part of dramatic technology which has recreated market and business (Eva, 2007). One way to use internet as media to delivery information and promotion is by using website. Website use for product information and promotion can increase demand of public to see product sold by the seller (Indah & Yulainto, 2011). Theferore website can be applied to deliver product information and promotion well.

Eva, A. (2007). Perception of Internet Use Application for Marketing Small Business Product

RESEARCH METHODS

The place of this research is in SME product of shoes in Seruni village, Gedangan Sub-district, Sidoarjo Regency. This research is descriptive and quantitative. Descriptive analysis will be done by giving questions in the form of questionnaires. The questions are related to the four factors in the company that is about; Strengths, weaknesses, opportunities and threats. Questionnaires will be given to the owners of SMEs to assess how the strengths, weaknesses, opportunities and threats of SMEs held so far. Of course also by comparing with competitor SMEs. Quantitative analysis is to find relationships between variables: the sex of consumers, shelter, age, education, occupation, and income of respondents / consumers.

Realization of Problem Solving in an effort to realize the activities of Increasing penjualan UKM, then the initial evaluation of the condition of SMEs in Seruni Sidoarjo obtained the additional promotion of one of them made a website with the name pemasaranukm.com

RESULT AND DISCUSSION

Main Description of UD GAGO

UD GAGO is founded at year 2004. Its founder name is Juli Agus Suprianto who has experiences in shoes business since 1987. UD GAGO is located at Seruni Kecamatan Gedangan Kabupaten Sidoarjo on area of about 100 meter sq. This location is functioned as workshop. The initial capital establishment of UD GAGO is Rp 500.000,- which came from private fund of the founder. By this initial capital, UD GAGO can give employment opportunities for 9 workers. In the beginning they were hired by other parties then they can establish on their own. Based on

number of workers qualification UD GAGO is classified as small business units. There are Internal and External Strategic Factors Identification of UD GAGO such as:

STRENGTH	WEAKNESS
<ol style="list-style-type: none"> 1. The ease of getting raw material. Having a social mind, responsible, smart, high spirit and entrepreneur leader. 2. Having an economical and highly competitive products. 3. Having supportive tools with modern technology 4. Have work atmosphere that is familial and mutual cooperation between workers and managerial team 5. Product price is affordable by many level of customer 6. Image is well known. 7. Job coordination is more efficient because manage directly by the owner 	<ol style="list-style-type: none"> 1. UKM still conduct activity independently by simple tools 2. Lack of educated human resources 3. Facility and infrastructure is still limited 4. Financial system is still simple 5. Limited work capital 6. Production based on order, so there is no stock 7. Dependence on capital by mass buyer 8. Selling price is dominated by wholesale price.
OPPORTUNITY	THREAT
<ol style="list-style-type: none"> 1. Increasing state economy by UKM program 2. There is government support at improving non oil sector by program of Ministry of Industrial and Trade 3. Availability of always developing shoe market 4. Intertwining of good cooperation with government in effort to develop economic sector 5. Availability of descent raw material and Technology Improvement. 6. Good relation with distributor and major store as partners. 7. Change of people life style 	<ol style="list-style-type: none"> 1. Public buy power level is still low. 2. There are many common products from competitor 3. Customer taste is always changing 4. Supplier capacity. 5. New competitor

Website Marketing.

System design level is meant to apply entity and data that is needed by system, system modelling with process description and occurring data flow. This design phase is meant for developing in order to fulfil need that has been identified on analysis level by giving technical details and applying boundary on the system.

Below this is explanation of web pages which has been implemented that consists of static and dynamic pages (html and php).

1. Index, is front page of system.
2. About, is page that contain with informations about business incubator
3. Info & News are pages that presents news and information about marketing system
4. Product data are pages that presents list of UKM products.

5. Login is file that handle user authentication on system. If username/password match database of industry user database then the scripts will choose small industry session. If it matches center industry database then it will be directed to administrator page.
6. Industries are industries session which contains menus for industry users.
7. Product Contents are company profile products pages of industries. This file will present product content which has been uploading.
8. Product are consists of content details of each products. On this page it will present list of products, prices, product varian list, audio, video, virtual products, and on each displayed products
9. Change of content and prices are pages to see prices that have been given by industries.
10. Input topics are pages to input content (upload file) of products in form of html files, into directories at server. And after uploading products data into database, then we can input prices, promotion and supporting files. These files can be accessed by industries as the content given by producer.

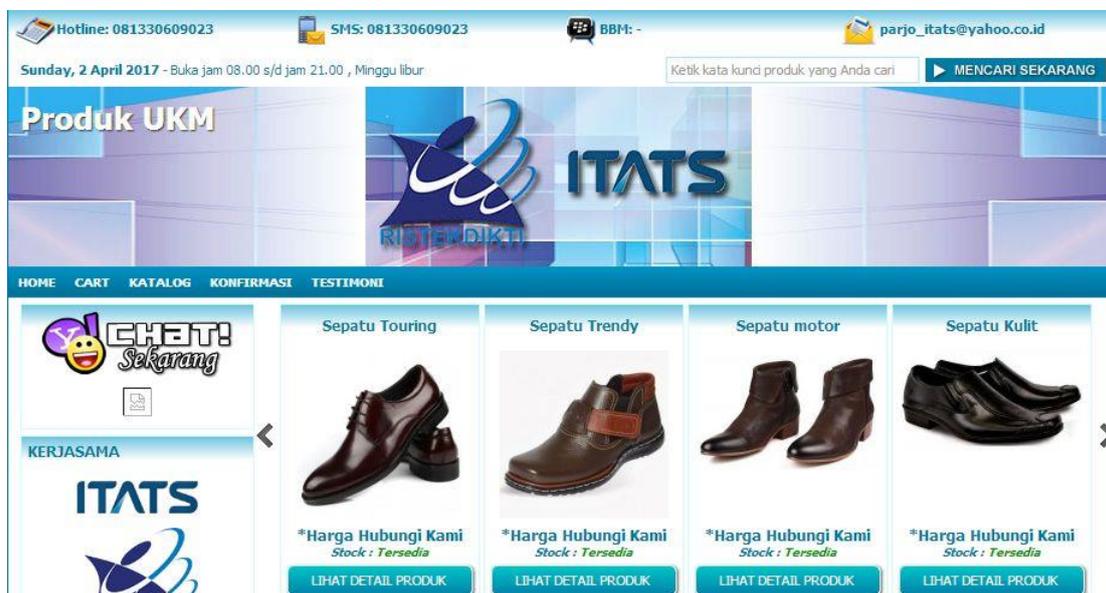


Figure 2. Web design address : pemasaranukm.com

1. Make Logical User Flow

Right, a website must have an appealing look, but also make it easy to browse by user is more important. You have to make how user flow from your website. Easy user flow, will be good for user experience and SEO (Search Engine Optimization), because google assume content and structure of website as an important matter to determine your website ranking. Make wireframing website and show your friends, is it easy to understand? If your friends understand, whether other people will understand and google bot will create ranking based on that.

2. Important information for your business

Biggest mistake of someone is when creating a website according to what they want, not based on what they need. For example a restaurant website, everybody wants to have music and big pages of about us, but they forget about basic things such as menu, contact information and location direction.

Keep maintain text as minimum as possible on mission statement pages of your website, so that people can understand the point easily. One tip to deliver information and your purpose is by

comparing your business with other things. Do not hesitate on something that is concise, solid and clear because 1-2 sentences will be very effective.



Figure 3. Low of pemasaranukm.com.

Whatever your business is, it is necessary to have information on what is your purpose, but it does not mean we abandon supportive stuff such as “music” at the restaurants beside “menu” that we need. If you are a retailer, of course beside product info it is necessary to have its pictures. If you are a service provider, do not forget your customer testimonial. For example a wedding planner must have writings about their experience in handling a wedding. A web designer must provide screen shot on creation they have been made. A hair stylist must have a testimonial of their skill and final result of their model. Give information on what user might want to know.

3. Contact Information.

Your contact information is the most important thing in a business. Maybe you have experience on how difficult it is to call contact information from a website that you have visited, annoying isn't it? Therefore avoid similar condition happens to your website visitor. Make access and display that is visible for your information contact form such as telephone number, email, address. There is no more awful than difficulty in contact a required business or service.

Put your information either email address or telephone number as text, do not put it on a picture because it will trouble your visitor to copy your information. Email address must be easy to copy or click by visitor to ease them when they emailing to you.

If you do not want to be disturbed by telephone, just give them your email contact. But make sure that you will answer it immediately. And use your website domain as private email so it looks more professional. If you like gmail interface, you can use google apps to set up custom email (this is free until 10 email addresses).

4. Integrated with social media

Make sure your website is integrated by available social platform, such as twitter, facebook, tumblr, youtube, linkedIn, etc as a media to promote because social media have such an important role in marketing world nowadays.

Integrated with several social platform also function to increase your SEO, gaining some new customers. But also remember that this can only work if it is supported by new update contents regularly. So make sure that you always update your website contents.

5. Supporting Mobile Application

Smartphone and tablet are very influencing on increasing web traffic nowadays, and several website improve becoming mobile application. Andy Chu, director of Bing for Mobile said that “70% of works can be done in one hour and done by mobile sites.” This means that people browse website intensely because the support of devices recently. So, create your website that can be read in handheld devices.

Until 2 years ago, design a web means design to be read by a computer, but now means designing for all devices that connected to internet. Such as laptop, tablets, smartphone and all have different sizes. How to do that? Make a responsive design. A responsive website will ease your website to adjust size of screen where the website be opened.

6. FAQ

Many people ask question about anything on your website, then to ease you so that you do not have to answer all visitor questions come into your email, make a summary of their question, and make a list and its answer altogether. Question usually is about raw material that has been used, how to deliver order, company history, sizes, delays, or return of damaged goods (depend on website that you created).

7. Good Hosting

Do not underestimate hosting problems. Your website needs good hosting, available on mainstream provider, and can handle any damage at anytime 24/7, because if it is not, you can have your website on low speed when it is browsed, difficult to be accessed, and make your website on low rank at SEO.

8. Do not use to many features

Website must be simple! Exempt form less usefull features on your website, such as : Musik

1. Flash
2. Anything that is autoplay
3. Unnecessary information and media will make your website slow.

CONCLUSION

Based on description above then it can be concluded that: to market via online using website address, proposed product must be explained in detail so the buyer will trust and interest in purchase them. Development strategy must be done by craftsmen is: utilize website as promotion and marketing media and also to increase sales. Increasing income will develop the small medium business.

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