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# Squid (Loligo sp) Export Marketing Strategy in Tegal City

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#### **Abstract**

Squid is one of the leading fishery commodities in Tegal City with quite large export potential which has an important role in contributing to the Indonesian economy. This study aims to analyze the development of squid exports in Tegal City and analyze the marketing strategies carried out by squid export companies in Tegal City. This study was conducted in May-December 2023 at the squid export company in Tegal City. Respondents in this study were 10 people using purposive sampling. Data collection methods using interviews, observations and questionnaires. Data analysis using SWOT analysis and QSPM analysis. SWOT analysis to formulate marketing strategies and QSPM analysis to produce priority strategies in squid export marketing. The results of this study show that the volume of squid exports in Tegal City from 2018 to 2022 tends to fluctuate. This fluctuation is influenced by the squid fishing season, market needs and government policies regarding the prohibition of cantrang fishing gear in Tegal City. The SWOT Analysis Cartesian diagram shows that the position of the diagram is in the second quadrant or diversification strategy (positive-positive) meaning that the strategy used is the Strengths-Opportunities (S-O) strategy also known as an aggressive strategy, where this position is a profitable situation.

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## Introduction

Tegal City is geographically located on the island of Java and is one of the coastal areas in Central Java which has potential fisheries resources that can be utilized for the welfare of the community. The existence of Tegal City in the coastal area makes it possible to carry out several activities that lead to the development of fisheries resources such as capture fisheries activities, aquaculture fisheries, and processing of fishery products.

Tegal City's fisheries resource potential is dominated by fishing activities operating in coastal and offshore waters. The fishing gear used by Tegal City fishermen includes Purse Seine, Gillnet, Trammel net, cantrang, dogol, and trap. Fish catches landed in Tegal City are dominated by fish that live in coastal waters, including tuna, kuniran, kurisi, trevally, mackerel, trevally, snapper, stingray, grouper, squid and other fish.

Squid (Loligo sp) is a fairly large catch fishery product. The squid caught in Tegal City is used to meet domestic consumption needs and for export needs to destination countries such as Korea and Japan. According to BKIPM Semarang, in Tegal City, there are 2 squid exporting companies, namely PT. Hae Jin Seafood and PT. Bluesea Seafood Industry. The existence of the two squid exporting companies employs around 300 people.

The large volume and value of exports in the fisheries sector shows that the fisheries sector has quite large economic value in international trade. Squid is one of the fishing industry commodities which is expected to increase the country's foreign exchange. Demand for squid export markets tends to increase and the city of Tegal has sufficient resources to offer potential development opportunities.

The development of squid exports at such a high level and with an increasing trend reflects the wide open opportunities and increasingly large export potential in the international market. This can be seen from the large volume of cuttlefish and squid exported to destination countries. If squid exports can be exploited and can be increased, it is possible that this commodity could become the main export commodity for fisheries.

According to BKIPM Semarang, Tegal City's squid export volume tends to fluctuate. These fluctuations are influenced by the squid fishing season and market needs. Demand is influenced by several factors, including people's purchasing power, consumption levels and population (Primyastanto, 2014) [4]. Barriers for exporters are differences in standards and regulations imposed by importing countries versus exporting countries to ensure that the product meets food safety requirements. Different standards and inspection systems can also create new non-tariff trade barriers (Directorate of Market Access and Promotion). Exporters also find it difficult to fulfill the requirements for exporting to several destination countries and are dependent on importing countries regarding regulations and demand quantities.

# Materials and Methods Research methods

This research uses a quantitative method that emphasizes descriptive analysis to determine marketing strategies for squid exports, as well as the role of relevant stakeholders in fishery product export activities. Descriptive research is a method that functions to describe or provide an overview of the object being studied through data or samples that have been collected.

#### Data source

Primary data is data obtained directly from informants. Primary data was obtained through interviews with informants. Determining informants using purposive sampling or purposive sampling. The data collected in this research is the result of activities directly related to the implementation of the research, namely squid export marketing.

#### **Data collection technique**

Interviews in this research were conducted by means of direct questions and answers to respondents such as staff employees of squid exporting companies in the city of Tegal, the Maritime Affairs and Fisheries Service of the city of Tegal, the Department of Industry and Trade of the City of Tegal, BKIPM Semarang. Researchers will ask questions that are appropriate to the main problem in this research. Through interviews, it is hoped that researchers will know in-depth things about squid marketing and export procedures.

Observations in qualitative research are carried out by going directly into the field to observe the behavior and activities that you want to research. Researchers can become direct participants in data collection or become non-participants who only observe. The observation that will be applied in this research is passive participation where the researcher only makes observations without getting involved in the resource person's activities.

A questionnaire or questionnaire is a data collection technique by giving respondents a number of written questions to answer. A questionnaire is an efficient data collection technique if the researcher knows for sure the variables to be measured and knows what to expect from the respondent (Iskandar, 2008) [2].

In this research, documentation will be made, namely by taking pictures or photos of the researcher and the resource person using a digital camera as evidence of having conducted interviews aimed at supporting the research.

Literature Study according to Muslihudin et al. (2018) [3], is a method of collecting data through books, magazines, modules, ebooks, journals and other literature that is still related to the discussion and supports the completion of the research report being carried out. The literature study method in this research is by collecting journals and literature related to the research carried out.

### **Research Respondents**

The method for selecting respondents in this research is purposive in accordance with the aims and objectives of the research. The purposive method is a qualitative research method to find respondents who have characteristics or goals that match the criteria required for research. The function of selecting respondents is to gather as much information as possible that can be useful for research analysis. Selecting respondents from parties involved in shrimp export activities with the consideration that the people we choose as respondents are considered competent, know the problem in depth and can be trusted.

The selection of respondents from this research was 10 people consisting of 5 main respondents and 5 supporting respondents. The four main respondents were from squid exporting companies, where the respondents taken were people who had positions in squid export marketing activities.

# **SWOT Analysis**

The analysis used to formulate a squid export marketing strategy is a SWOT analysis. SWOT analysis is a systematic identification of various factors to formulate a marketing strategy based on logic that can maximize strengths and opportunities, but simultaneously minimize weaknesses and threats. In determining the SWOT matrix, it is necessary to know the internal strategic factors (Internal Strategic Factor Analysis Summary/IFAS) and external strategic factors (External Strategic Factor Analysis Summary/EFAS). Determination of various factors, the weight of each factor and the level of importance is obtained from interviews with people who are competent in their fields and adjusted to field conditions.

After determining the IFAS and EFAS assessment matrices, marketing strategy formulation is then carried out using a SWOT matrix which combines internal and external factors. The SWOT matrix generally produces four alternative strategies that can be used as consideration in determining squid export marketing strategies.

## **QSPM** Analysis

QSPM (Quantitative Strategic Planning Matrix) analysis is a technique for identifying strategic alternatives that are appropriate or best for the company's conditions. There are six stages that must be carried out in creating a QSPM, namely:

 Make a list of the company's strengths and weaknesses (internal factors) and threats and opportunities (external factors) taken directly from the IFAS and EFAS matrices.

- b. Give weight to each internal factor and external factor. These weights must be identical to the weights given in the IFAS and EFAS matrices.
- c. Write down the resulting strategic alternatives in the SWOT matrix.
- d. If the factor in question has an influence on the alternative strategy being considered, give an AS (Attractiveness Score) value ranging from 1 to 4:
- Value 1 = not interesting
- Score 2 = somewhat interesting
- Score 3 = logically interesting
- Score 4 = very interesting
- e. Calculate the Total Attractiveness Score (TAS) by multiplying the weight by the Attractiveness Score (AS). The Total Attractiveness Score shows the Relative Attractiveness of each alternative.

Total Attractiveness Score (TAS) formula:

 $TAS = \overline{B} \times AS$ 

TAS = Total Attractiveness Score

 $\overline{B}$  = Average Weight of each Factor

AS = Attractiveness Score

# Results and Discussion Condition Fishery Capture Tegal City

Potency resource Tegal City fisheries dominated by activities fishery fishing that operates in territorial waters beach and off beach. Supported by 3 facilities marketing form Place Fish auctions (TPI Harbor, TPI Tegalsari and TPI Muarareja) make fisheries in Tegal City develop with good. Table under This Showing potency source Power fishery capture Tegal City.

**Table 1:** Production Fishery Capture Tegal City 2018–2022

Year	Production	Production Value (Rp)
2018	21,196,637	408,952,180,000
2019	16,421,547	358,502,218,250
2020	29,503,969	724,657,039,000
2021	61,119,258	1,447,241,502,500
2022	44,326,075	1,094,418,058,000

There is three place fish auction in Tegal City which is place anchored type boat sopek, cantrang and *purseseine* do it demolish fish auction, pushing development activity business fish trade included industry fish processing. Tegal City processed fish products consists from dried fish (salted and fresh), pindang, smoked fish, fillets produced by entrepreneurs fish processing for fulfil regional and national needs. Activity business industry Fish processing is organized by entrepreneurs industry large amount of fish processing around 247 business units spread across subdistricts Tegalsari, Kraton and Muarareja in the District West Tegal, while in District East Tegal is in the sub-district Stage and Mintaragen.

#### **Squid Export Development Tegal City**

Commodity Squid is one of results fishery sea and also constitute commodity export fisheries. Tegal City is one of center production and export squid in Indonesia. Squid (Loligo sp) is one results fishery catch enough big. Catch squid in Tegal City for fulfil need consumption domestically or for need export to the destination country such as Korea, Japan, Thailand, China, Vietnam and the United States. According to BKIPM Semarang in Tegal City there are 2 companies exporter squid namely PT. Hae Jin Seafood and PT. Bluesea Seafood Industry. Existence second company exporter squid absorb power work about 300 people in the city area Tegal.

Export volume Tegal City squid from 2018 to 2022 is likely experience fluctuation. Fluctuation the influenced by season arrest squid and market needs. Request influenced by several factor like Power buy society, level consumption, and quantity resident. Product fresh squid generally exported in form whole (whole). Development export such a squid high and with increasing trend reflect exists enough opportunities open width and potential increasing exports big in the international market. That matter seen from the large volume of squid exported to destination countries. If export commodity squid capable utilized and can be improved, no close possibility commodity this capable become commodity export main fisheries.

Table 2: Exports Tegal City Squid by Destination Country, 2018–2022 (Kg)

Objective	2018	2019	2020	2021	2022
South Korea	69,569	1	54,830	70,832	113,096
United States of America	1	18,144	-	15,991	-
Thailand	92,077	1	-	48,828	-
Vietnamese	149,857	-	-	-	3,872
China	-	-	-	79,670	-
Japan	-	-	115,393	238,989	87,420
Total	311,503	18,144	170.223	454,310	204,388

Table 2 explains development of export volume squid to several destination countries from 2018 to 2022 experienced fluctuating. In 2021 exports Tegal City squid experience quite an increase tall amounting to 454,310 Kg and in 2019 it experienced decline export squid amounting to 18,144 kg. Japan is a country that exists position First in matter export squid from City of 2018 to 2022 is Japan amounting to 441,809 Kg and the position Lowest is the United States amounting to 34,135 Kg. Rise and fall in export volume Tegal City squid influenced season arrest squid as well as policy government about prohibition tool tool catch cantrang.

## **Marketing Mix**

Mix marketing (marketing mix) is elements mutual marketing related, mixed, organized and used with right, so company can reach objective marketing with effective. Mix marketing consists from all thing that can be done company For influence the product. Various possibility this can grouped become four group variables called "4P":

#### Products

Squid export is product processed and packaged squid that has quality fulfil standard export destination country. Product

squid exported frozen company Tegal City exporter packed based on weighing 60, 80, 100 grams. In one packaging usually contains 10 pcs which body with head separated in packaging separately.

#### **Price**

Price of squid export varies depends on size, quality and destination of export country. International prices seen as point balanced between demand and supply on exports. The price of exported squid to Japan is usually higher than to other countries. Based on interviews with squid exporting companies in Tegal City, squid export prices are as follows:

- a. Small frozen squid (<60g/head): USD 10 -11
- b. Medium sized frozen squid (60-80g/fish): USD 12-13
- c. Large frozen squid (90-100g/fish): USD 14-15

#### Place

Company location PT. Hae Jin Seafood and PT. Bluesea Seafood Industry is located in a strategic location Still in the Tegalsari Beach Fishing Harbor area, Tegal City, will makes it easier For get supply quality squid and will makes it easier in delivery squid to export markets. Tegalsari Beach Fishing Port Infrastructure Already Enough adequate for support activity business fisheries.

#### **Promotion**

Promotion is one of from decider success a marketing program. In matter this promotion is announcement information, influence, persuade consumers, and remind target the market for the product mentioned accepted olch public. Promotions carried out company exporter squid in Tegal City use direct selling that is with meet buyers face to face direct is one of the promotional strategies effective export for build relationships and improve opportunity to close sales. Company exporter squid in Tegal City is a Foreign Capital Company from South Korea. Promotions carried out with offer squid come company meet buyers face to face direct offer product.

# **SWOT Analysis**

Stage furthermore in marketing strategy formulation based on SWOT matrix based on data from respondents, results interviews, observation, and documentation. Marketing strategy analysis based on The SWOT matrix has 4 alternative strategies that can be used implemented by the company exporter in Tegal obtained from analysis internal and external factors.

**Table 3:** SWOT analysis of the company exporter in Tegal City

	Strength		Weakness
1)	Have a Processing Eligibility Certificate	1)	The export market is still limited
2)	Product quality meets ISO 22000 standards	2)	Exporting in the form of raw materials
3)	HACCP processing standards	3)	Some human resources are less qualified
4)	Have regular customers	4)	Production capacity is not yet continuous
5)	Strategic location in the Tegalsari port area	5)	Supplier limitations squid
	Opportunity		Threats
1)	Resource Squid is abundant in Tegal City	1)	Weather conditions affect raw materials
2)	Global demand for squid is high	2)	Competition with squid producers from other countries
3)	Government policy to increase squid exports	3)	Quality standards for squid products in destination countries vary
4)	Technological developments are increasingly developing	4)	Changes in regulations or policies of countries where squid is exported
5)	Economic conditions of squid export destination countries	5)	Disruption in the delivery process

## **Internal Factor Analysis Summary (IFAS)**

Table 4: Internal Factor Analysis Summary (IFAS)

No	Internal factors	Weight	Ratings	Score	
Strength					
1	Have a processing eligibility certificate	0.13	2,2	0.29	
2	Product quality meets ISO standards 22000	0.11	2,2	0.24	
3	HACCP processing standards	0.11	2.5	0.28	
4	Have regular customers	0.09	1.7	0.16	
5	Strategic location in the Tegalsari port area	0.11	2.1	0.24	
	Sub. Total	0.56	10.7	1.21	
	Weakness				
6	The export market is still limited	0.08	1.6	0.12	
7	Exporting in the form of raw materials	0.11	2,2	0.25	
8	Some human resources are less qualified	0.06	1,2	0.07	
9	Production capacity is not yet continuous	0.09	1.7	0.16	
10	Supplier limitations squid	0.10	2.1	0.20	
	Sub. Total	0.44	8.8	0.81	
	Total	1.00	19.5	2.01	

From the results analysis on the IFAS table is obtained factor strengths and weaknesses worth below 2.5 ie a total value of

2.01 which indicates internal strategic position is low and weak.

#### **External Factor Analysis Summary (EFAS)**

**Table 5:** External Factor Analysis Summary (EFAS)

No	External Factors	Weight	Ratings	Score		
	Opportunity					
1	Resource Squid is abundant in Tegal City	0.13	2.6	0.34		
2	Global demand for squid is high	0.12	2,3	0.28		
3	Government policy to encourage increased exports	0.12	2.1	0.24		
4	Good relationship with customer	0.10	1.7	0.16		
5	Economic conditions of squid export destination countries	0.07	1.7	0.12		
	Sub. Total	0.53	10.4	1.14		
	Threat					
6	Weather conditions affect raw materials	0.13	2.5	0.33		
7	Competition with squid producers from other countries	0.11	2.1	0.22		
8	Quality standards for squid products in destination countries vary	0.08	1.7	0.14		
9	Changes in regulations or policies of countries where squid is exported	0.10	1.7	0.16		
10	Disruption in the delivery process	0.06	1,2	0.07		
	Sub. Total		9.2	0.91		
	Total	1.00	19.6	2.06		

From the results analysis on the EFAS table is obtained factor opportunities and threats worth a total of 2.06 because worth closer to 2.0 then mark This indicated that strategy is implemented organization moment This own lacking abilities Good in respond various aspects of the environment external. Furthermore total score value of each factor can detailed strength 1.21, weakness 0.81, opportunity 1.14, threat 0.91. So obtained mark difference of the total score factor Strength (strength) and weakness (weakness) is (+) 0.23, whereas total

score difference factor opportunities and threats *are* (-) 0.40. With SWOT analysis makes it possible company for identify influencing factors Good positive nor negative from in and from outside company. Key role of SWOT is for help develop awareness full from all possible factors influence strategic planning and decision making decisions, goals that can be applied to almost all aspect industry. Results on the company SWOT Matrix export squid in the area Tegal:

**Table 6:** SWOT Matrix.

Order	Strategy Alternatives		
1	Utilizing product quality and Processing Eligibility Certificates owned by the Company in order to expand the market		
2	Utilizing existing marketing networks and regional economic developments to enter new markets	3.86	
3	Developing finished processed squid products for export to increase product demand	3.84	
4	Utilizing the role of regional economics and government policies in providing Company HR Management training	3.92	
5	Increasing competitiveness by maintaining product quality	3.74	
6	Utilizing networking to collaborate with competing countries to increase demand in the market	3.74	
7	Improving the company's management system to face company threats	3.90	
8	Utilize technology to minimize disruption in the delivery process	3.51	

Analysis Quantitative Strategic Planning Matrix (QSPM) The Quantitative Strategic Planning Matrix (QSPM) is stage end from analysis strategy formulation in the form of election alternative best. From the QSPM matrix you can get seen the

highest TAS (Total Attractiveness Score) value, which is the most suitable strategic alternative for implemented by the company exports in the region Tegal.

Table 7: QSPM analysis

Order	Strategy Alternatives	Tilapia BAG
1	Utilizing product quality and Processing Eligibility Certificates owned by the Company in order to expand the market	
2	Utilizing existing marketing networks and regional economic developments to enter new markets	3.86
3	Developing finished processed squid products for export to increase product demand	3.84
4	Utilizing the role of regional economics and government policies in providing Company HR Management training	3.92
5	Increasing competitiveness by maintaining product quality	3.74
6	Utilizing networking to collaborate with competing countries to increase demand in the market	3.74
7	Improving the company's management system to face company threats	3.90
8	Utilize technology to minimize disruption in the delivery process	3.51

Formulation based on calculations carried out with AS and TAS values. US values show Power pull each strategy against factor the key you have. From the results on can see that, the most attractive strategic alternative for implemented namely "Use quality products and Certificates appropriateness Processing owned by the Company so that it can expand the market" (SO-1). This strategy own the highest TAS value

between other alternative strategies that is of 4.09.

#### Conclusions

Based on the research that has been conducted, it can be concluded that the volume of Tegal City squid exports from 2018 to 2022 tends to fluctuate. These fluctuations are influenced by the squid fishing season and market needs.

Demand is influenced by several factors such as people's purchasing power, consumption levels, and population. Fresh squid products are generally exported in whole form. The development of squid exports at such a high level and with an increasing trend reflects the wide open opportunities and increasingly large export potential in the international market. This can be seen from the large volume of squid exported to destination countries.

The development of squid export volumes to several destination countries from 2018 to 2022 will fluctuate. In 2021, squid exports from Tegal City experienced a fairly high increase of 454,310 kg and in 2019 squid exports experienced a decrease of 18,144 kg. Japan is the country in first place in terms of squid exports from the city from 2018 to 2022, namely Japan at 441,809 Kg and the lowest position is the United States at 34,135 Kg. The rise and fall of Tegal City's squid export volume is influenced by the squid fishing season and government policy regarding the ban on cantrang fishing gear.

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