ABSTRACT

Marketing Analysis of Processed Meats (Sausages and Meatballs) at The Jabotabek Traditional Market (A Case Study at PT. Purefoods Suba Indah, Depok)

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The objectives of this research were to: 1. analyze the industrial competition of processed meats; 2. identify consumer’s attitude and preference upon the sausage and meatballs product; 3. analyze present marketing strategy; and 4. formulate a marketing strategy to increase selling volume of sausages and meatballs in the traditional markets. Data were analyzed by using a Porters's 5 Forces Model, Fishbein Multiattributes Model, Generalised Linear Method for price analysis and biplot.

Analyses of the industrial competitiveness showed that the threat of new entrants and substitute products were the two strong strategic factors. Factors that were categorized as medium were the industry competition, bargaining power of the buyers, and bargaining power of suppliers. Total percentages of goods marketed by PT. Purefoods Suba Indah (PFSI) at the traditional market were 46.4% (of the total 808.2 ton) and 0.9% (of the total 1948.7 ton) for sausages and meatballs, respectively.

The popularity of the two brands, Farmhouse and Vida, marketed by PT. PFSI was less than those of the competitors. Factors that were considered by respondents in selecting a product were meat quality, previous experience with the product and product availability. Purchasing frequency was twice a month at the most. There was positive correlation between the income and purchasing capability of the consumers. The main source of information about the brand was gained while respondents visited traditional market or supermarket where the products were displayed. Respondents have not got information on meatball products from TV commercials or any other printed media.

Fishbein multiattribute analysis showed that four most important attributes for the sausages were the taste of ingredients, their availability, meat taste and product freshness. Three main attributes for meatball products were their availability, freshness and the presence of fibers. Vida had negative confidence values for fiber and price variables, whereas Farmhouse had negative values for price and availability. Biplot analysis showed that Vida sausages were characterized by their color attribute, whereas Farmhouse sausages were characterized by the degree of which their coloration persists. The main attribute that characterized Vida meatballs was the taste of the ingredient, whereas the completeness of its packaging label was the main attribute for Farmhouse meatballs. Sensitivity test indicated that both brands were sensitive to price fluctuations.

PT. PFSI has a great opportunity to increase its selling volume in the traditional market by increasing the marketing activities of meatballs while maintaining the market for its sausages. However, PT. PFSI needs to reevaluate the positioning of Vida and Farmhouse brands and to improve the quality of its products by considering factors such as organoleptic, package size and product perseverance. The positioning of Farmhouse price as the “premium price” should be accompanied by other added values that benefit the consumers. The distribution system needs improvement, for example, by establishing exclusive retailers to support the market expansion and to guarantee product availability in the market. Advertisement should be continuously and diversely executed to increase brand popularity and selling volume.