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THE APPLICATION OF MODEL INFANT IMMUNIZATION MONITORING POST BIRTH-BASED WEB AND SMS GATEWAY

Conference Paper · December 2018

Kamisutara Made
Universitas Narotama

Tubagus Purworusmiardi
Universitas Narotama

I Putu - Artaya
Universitas Narotama

FOREWORD

Welcome to the 5th International Conference on Entrepreneurship (ICOEN) 2018, INDONESIA

I want to raise my Gratitude for the God's grace so that the 5th International conference on Entrepreneurship (ICOEN) 2018 event can be held again in Surabaya City, and this year STIE Mahardika Surabaya is the host.
ICOEN is annually event to share knowledge and experience in entrepreneurship. It is hoped that new findings through research in the field of entrepreneurship can appear in this event to further develop the role of entrepreneurship not only in Indonesia but also in the world.
On this occasion specifically I would like to express my deepest gratitude to our main Speakers, **Prof. Louie Divinagracia, M.Sc., DBA** (Phillipines), **Dr. Mark Loo** (Canada), **Mr. Xiaohua Xu, Ph.D** (China) and **Mrs. Metika Amnatcharernporn B.N.S., M.A.** (Thailand). I believe through these speakers we all have many things that are very valuable and useful for the advancement of entrepreneurship.
I would like to thanks to all the leaders of STIE Mahardhika who are willing to become the host for 5th ICOEN this year. Thank you for your willingness and extraordinary efforts so that this event can be held as planned.
Many thanks are also addressed to the Co hosts who work together (Univ. WR. Supratman, Univ. Trunojoyo Madura, IBMT Surabaya, Univ. Negeri Surabaya, Univ. Abdurachman Saleh Situbondo, Ikatan Doktor Ekonomi Indonesia (IDEI) Surabaya, Indonesia Marketing Association (IMA) Surabaya, International European University (IEU) Surabaya, Univ. PGRI Adi Buana Surabaya and STIESIA Surabaya) this year. Without the help and contribution of the co hosts, we will not be able to get as many papers as more than 100 titles. I hope our cooperation will continue in the future.
I would also like to thank the lecturers and researchers who will present their paper at this event. Your paper is a paper that has escaped the blind review so I believe your paper is a high-quality paper.
Special thanks go to the organizers who have worked so hard that ICOEN 2018 can be held. Finally, I apologize as much as possible if at this event there are still shortcomings. We will continue to improve the ICOEN program for the future.
Finally, I wish you to have great discussion and give the best for entrepreneurship in Indonesia. God bless us.

Dr. Wirawan E.D.R., C.M.A., Ak., CA.
Head of Research & Community Development
Universitas Ciputra, **INDONESIA**

FOREWORD

Welcome to the 5th International Conference on Entrepreneurship (ICOEN) 2018, INDONESIA)

My utmost thanks to Allah SWT because 5th ICOEN 2018 can be held again in Surabaya and especially in this year, STIE Mahardhika Surabaya is trusted to be the host for this event.

ICOEN as it is held annually is hoped to be a medium for sharing knowledge and research in entrepreneurship. As there are new findings through the research, I hope that it will be very useful for the development of entrepreneurship's roles in Indonesia and the world.

On this occasion specifically I would like to express my deepest gratitude to our main Speakers, **Prof. Louie Divinagracia, M.Sc., DBA** (Phillipines), **Dr. Mark Loo** (Canada), **Mr. Xiaohua Xu, Ph.D** (China) and **Mrs. Metika Amnatcharernporn B.N.S., M.A.** (Thailand) from whom, I believe, we can get many things that are very valuable and useful for entrepreneurship development.

Many thanks are also addressed to the Co hosts who work together (Univ. WR. Supratman, Univ. Trunojoyo Madura, IBMT Surabaya, Univ. Negeri Surabaya, Univ. Abdurachman Saleh Situbondo, Ikatan Doktor Ekonomi Indonesia (IDEI) Surabaya, Indonesia Marketing Association (IMA) Surabaya, International European University (IEU) Surabaya, Univ. PGRI Adi Buana Surabaya and STIESIA Surabaya) this year because of their helps and contributions, this event can be held and I hope this cooperation will continue in the future.

Thank you for all the authors who contribute their research articles to this event and after some tight process of review, the selected articles are published in the proceeding and presented on pararel session.

I also wants to say thanks for all committee members who have been working so hard to prepare this event and without their valuable works ICOEN 5 2018 will not be presented.

Finally, I would like to ask for apologizes if there are some limitations in the organizing process of the event and we ensure ourselves to make the better efforts in the future.

Thank you and have a great discussion

Dr. Ir. H. Sundjoto, M.M.
Dean of STIE Mahardhika Surabaya, **INDONESIA**

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THE FACTORS BEHIND THE PURCHASING DECISIONS OF PIRAMID CLOTHING CUSTOMERS

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ABSTRACT

The purpose of the study is to analyze cultural, social and personal influences on purchasing decisions. The research is a quantitative research. Quantitative research is an objective research approach, encompassing quantitative data collection and analysis, and using statistics. This research uses Confirmatory Factor Analysis (CFA) second order model using Partial Least Square (PLS) because the sample used is less than 100 respondents. There are latent variables and indicator variables in the confirmatory factor analysis. The latent variable is a variable that can not be measured directly, whereas the indicator variable is a directly measurable variable. Cultural factors, social factors and personal factors form buying decisions on consumers Clothing Pyramid, so the research hypothesis states that the factors associated with purchase decisions on consumers Clothing Pyramid received and the formulation of the problem in this study can be answered

Key words: Cultural, social, personal, purchase decision

INTRODUCTION

The development of technology and industry has an impact on human life especially in the business world today. In addition, the number of businesses emerging both small and large companies impact on intense competition between products, especially competition derived from similar products. This causes a company that implements the concept of marketing needs to look at consumer behavior and the factors that influence buying decisions in a product marketing efforts. In the concept of marketing, one way to achieve company goals is to know what the needs and desires of consumers or target market and provide satisfaction expected more effectively and efficiently than competitors.

The type of data used to support the research process is primary data and secondary data. Primary data is data obtained through the resource by conducting a question and answer dialogue directly and guided through questions in accordance with the research focus that has been prepared. Primary data in question is the key informants and informants who use the author to obtain data. Secondary data is data obtained through several sources of information, including through books, files downloaded via the Internet and some documentation.

Based on the results of online consumer behavior research that emerged of them is from the planned purchase behavior and unplanned purchases. Consumer behavior is also influenced by motivation in making purchases based on Convenience Shoppers created by the appearance, ease of access and transaction, besides consumer behavior is also influenced by Variety Seeker is where consumers make purchases with the encouragement by motivation desire to seek comparison.

Business to Business

Business to Business is a transaction process, where in the transaction both the seller and the buyer are business organizations (Herman and Jacob, 2010: 97). B2B which is an e-commerce contains about process of sales and purchases between companies, such as suppliers with manufacturers or manufacturers with distributors or distributors with retailers (Dumitrache, 2010: 71). B2B also has some characteristics that involve the media to get a trading partner. B2B is a media partner with transaction is a business organization, so B2B can help to get a business partner.

Organizational buyer behavior is generally done on the basis of rational considerations such as cost, product quality and service (Kotler and Keller, 2012: 204). Consumer behavior are the things that underlie consumers to make purchasing decisions. For low-involvement, the decision-making process is easy, while for high-involvement the decision-making process is done with careful consideration. Consumer purchasing behavior is influenced by cultural, social and personal factors.

Confirmatory factor analysis is one of multivariate analysis methods that aims to confirm a number of indicator variables that make up common factors. While Confirmatory Factor Analysis (CFA) second order is a model of measurement where the main factor is measured by a number of factors each measured based on several indicators

RESEARCH METHODS

The research is a quantitative research. Quantitative research is an objective research approach, encompassing quantitative data collection and analysis, and using statistics (Silalahi, 2012: 76).

Sample

The sample is part of the population to be studied (Prasetyo and Jannah, 2011: 119). The number of samples used in this study were 37 samples. This is done because the number of respondents is very limited calculation then use the sampling of the total selection of respondents.

Data Collection Methods and Procedures

The data sources of this study are the main data such as the type of work status and age of the individual / company representatives, then divided into four categories namely, 15-20 years, 21-25 years, 26-30 years, and above 31 years.

Source of data is done by questionnaire method with some alternative answer circuit in the form of differential semantic scale. The differential semantic scale is a scale of attitudes that aims to measure a stimulant concept on a bipolar scale with seven steps of unity from one end to the other.

Data collection techniques in this study using questionnaires distributed to respondents. The questionnaire contains a list of statements about the variables that make up the purchase decisions of t-shirts to consumers of Clothing Pyramid. Questionnaire is prepared by taking into account the principles of questionnaire writing such as the content and purpose of the question, the language used, the type and form of the question, the length of the question, the sequence of questions, appearance and so on.

Data Analysis

This research uses *Confirmatory Factor Analysis* (CFA) second order model using *Partial Least Square* (PLS) because the sample used is less than 100 respondents. There are latent variables and indicator variables in the confirmatory factor analysis. The latent variable is a variable that can not be measured directly, whereas the indicator variable is a directly measurable variable.

The model of measurement or order model is evaluated by using convergent and discriminant validity of each indicator and composite reliability for all indicators. The purpose of model conformity testing is to assess how feasible / appropriate the model is built on the data owned / reality.
The model of measurement or outer model with reflective indicators is evaluated using convergent and discriminant validity of each indicator and composite reliability for all indicators. As for outer models with formative indicators, no validity and reliability tests are required.
Test Validity is directed to test the accuracy of the instrument in measuring the latent variables to be known. A valid research instrument has high validity, otherwise a less valid instrument means it has a low validity value. The reliability test will be used to test the reliability of the research instrument. The reliability in question is the consistency of the measuring instrument, whether the measuring instrument used is reliable and remains consistent if the measurement is repeated.

Results of Data Analysis

This study used 37 questionnaires as samples that have been distributed to respondents. This research is two kind of analysis which consist of statistical analysis and management analysis. Characteristics of respondents selected in data collection through questionnaires distribution based on Gender of Men by 34 respondents and Women of 3 respondents, Age 21 - 25 years dominant with 17 respondents, Employment as private employee of 16 respondents as the highest, and Average Purchase Amount 2 to 3 times being common to consumers.

Data Processing Using PLS

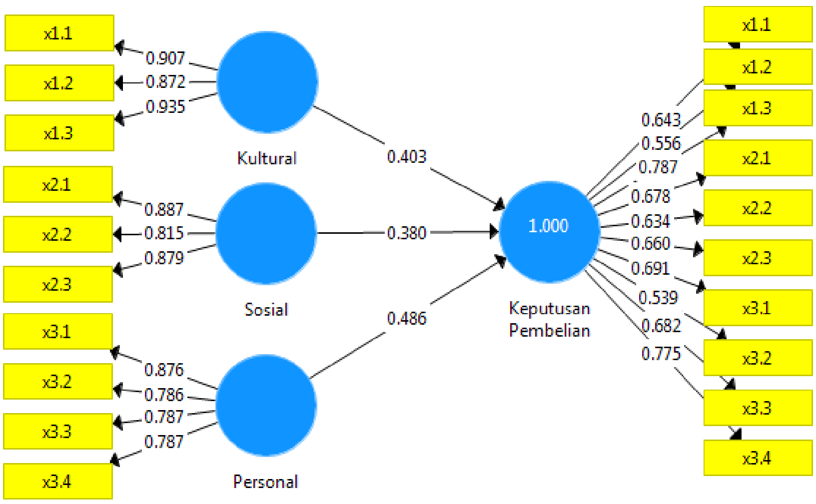

Figure 1. Evaluation of Measurement Models

Confirmation factor analysis for second order construct will be done through two levels, that is the analysis on the latent-dimensional construct to the indicators and the analysis is done from the latent construct to the dimension construct. The measurement model in this research uses first order reflective indicator and latent formative latent construct.
Analysis of the first order measurement model of reflective indicator is done by using test:

1. **Convergent Validity** (factor loading, AVE and communality),
   a. *Loading Factor* is the process of test results that show the loading value on each indicator must have a value> 0.7 then it can be declared has been eligible.

Table 1

Validity of Outer Model	Results		Critical Model	Model Evaluation
	Indicator	Loading Factor		
Cultural	X1.1	0.907	> 0.7	Accepted
	X1.2	0.872		Accepted
	X1.3	0.935		Accepted
Social	X2.1	0.887	> 0.7	Accepted
	X2.2	0.815		Accepted
	X2.3	0.879		Accepted
Personal	X3.1	0.876	> 0.7	Accepted
	X3.2	0.768		Accepted
	X3.3	0.787		Accepted
	X3.4	0.788		Accepted

b. *Average Variance Extracted* (AVE) from data analysis that aims to measure the number of variants that can be captured by the construct.

Table 2

Variable	*AVE*	Critical Values	Conclusion
Cultural Factors (X1)	0.819	> 0.5	Accepted
Social Factors (X2)	0.741		Accepted
Personal Factors (X3)	0.656		Accepted
Purchase Decision (Y)	0.547		Accepted

c. *Communality* of the results of data analysis that has been done has been qualified with a value > 0.5. It states that the data used is valid.

Table 3

Variable	*AVE*	Critical Values	Conclusion
Cultural Factors (X1)	0.819	> 0.5	Accepted
Social Factors (X2)	0.741		Accepted
Personal Factors (X3)	0.656		Accepted
Purchase decision (Y)	0.547		Accepted

2. **Discriminant validity** includes the value of cross loading on each indicator has been on the variable eligible with a value > 0.7. It is seen that the cross loading value of the indicator on the corresponding latent variable has a greater value than the cross loading indicator value in the other variables.

Table 4

Indicator	Cultural (X1)	Social (X2)	Personal (X3)
X1.1	0.907	0.358	0.291
X1.2	0.872	0.146	0.306
X1.3	0.935	0.424	0.512
X2.1	0.263	0.887	0.483
X2.2	0.412	0.815	0.326
X2.3	0.254	0.879	0.459
X3.1	0.324	0.335	0.876
X3.2	0.112	0.294	0.786

X3.3	0.178	0.599	0.787
X3.4	0.658	0.335	0.787

3. **Reliability** is the value observed in the reliability test which includes the value of croncbach alpha and composite reliability

Table 5

Variables	*Cronbach Alpha*	*Composite Reliability*	Critical Value	Conclusion
Cultural Factors (X1)	0.890	0.931	> 0.7	Accepted
Social Factors (X2)	0.824	0.896		Accepted
Personal Factors (X3)	0.825	0.884		Accepted
Purchase Decision (Y)	0.860	0.889		Accepted

The higher the value of Cronbach's alpha and composite reliability, the higher the consistency of each indicator in measuring the construct.

4. **Hypothesis Test Indicator Reflective** by using outer loading after bootstrapping used in research.

Table 6

Indicator	*Original Sampling (O)*	*Sample Mean (M)*	*Standard Deviation (STDEV)*	*T-Statistics (|O/STERR|)*
X1.1 ← (X1)	0.907	0.894	0.121	7.495
X1.2 ← (X1)	0.872	0.856	0.133	6.561
X1.3 ← (X1)	0.935	0.930	0.113	8.271
X2.1 ← (X2)	0.887	0.878	0.117	7.593
X2.2 ← (X2)	0.815	0.813	0.098	8.270
X2.3 ← (X2)	0.879	0.871	0.121	7.244
X3.1 ← (X3)	0.876	0.860	0.114	7.697
X3.2 ← (X3)	0.786	0.737	0.191	4.119
X3.3 ← (X3)	0.787	0.770	0.147	5.343
X3.4 ← (X3)	0.787	0.780	0.093	9.035

t-statistics has a value greater than t-table (t-table = 1.96 with alpha value = 0.05) so that the construct model is valid and acceptable

Second Order Measurement Model

Analysis of second order measurement model of formative indicator is done on the latent construct by using t-statistics test through resampling method (*bootstrapping*). The hypothesis is acceptable if the t-statistic has a value greater than the t-table.

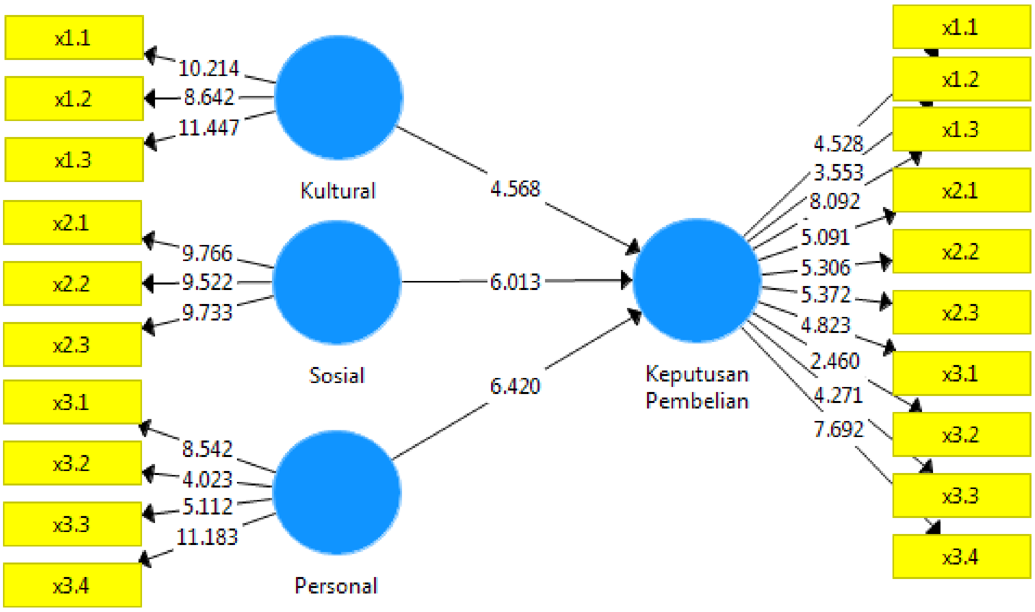

Figure 2

As for the results of hypothesis testing are seen and analyzed in the table path coefficient.

Table 7

Indicator	*Original Sampling (O)*	*Sample Mean (M)*	*Standard Deviation (STDEV)*	*T Statistics (|O/STERR|)*
X1 → Y	0.403	0.402	0.088	4.593
X2 → Y	0.380	0.380	0.056	6.783
X3 → Y	0.486	0.467	0.070	6.977

The test results show that all the first order construct declared significant effect on second order construct decision construction with t-statistic> 1.96. This means that all first order constructs are the constructs of purchasing decision dimensions (second order).

CONCLUSION

Cultural factors, social factors and personal factors form buying decisions on consumers Clothing Pyramid, so the research hypothesis states that the factors associated with purchase decisions on consumers Clothing Pyramid received and the formulation of the problem in this study can be answered.

SUGGESTION

1. Do a lot of research in terms of needs or wishes of potential customers so that the concept of product ideas can be tailored to the trend of needs or market desires.
2. Provide innovation on the product, for example the product is made by using the grading system in terms of budget and product design so as to better answer the needs or wishes of potential consumers and consumers.
3. Create a testimonial column on social media so that consumers can comment their sense of satisfaction and it can also be information for others.

Suggestions To Further Research

Here are suggestions that can be used for further research:

1. This study uses a research instrument in the form of questionnaires. Research instruments in the form of interviews or observations will provide more and more specific information in subsequent research.
2. The variables used in this study are the variables of cultural factors, social factors and personal factors. Therefore, certain variables can be added in subsequent research to find out other variables such as psychological factors, situational factors, promotion factors, price factors, product quality factors and some variables that are still associated with some previous research and theoretical base that is often used can be applied in subsequent research.

Figure 3

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THE EFFECTS OF SERVICE QUALITY ON CUSTOMERS' SATISFACTION AND TRUST (TRUST) USING 900 VA ELECTRICAL VOLTAGES IN SURABAYA

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ABSTRACT

This study aims to determine the effects of service quality on the customers' satisfaction and trust, the effects of satisfaction on customers' trust using 900 VA in Surabaya, where PLN has made service improvements since 2010. As an explanatory research, this study took place in West Surabaya areas as a part of PLN's working areas. The population of this research included the customers using 900 VA using postpaid measurement. They were people living in Karangpilang district, Wiyung, Lakar santri, vase. One hundred ten people selected purposively became the respondents of the study. Questionnaires were used to gather the primary data. For data analysis, this study used descriptive analysis, and path analysis of SEM PLS. This study found that the service quality had significant influence on customers' satisfaction variable where the original sample value was 0.774633 (showing positive value) and and t statistics value was 8.254319. Thus, the the alternative hypothesis was accepted. This finding was in accordance with previous research results of Suman Mazumder, ABD Rashedul Hasan, (2014), J. Joshua Selvakumar (2015), Rifka Solang, Silvya L Mandey, Olivia S. Nelwan, (2014). They mentioned that the service quality was able to influence customers' satisfaction service directly. The second hypothesis was that service quality had significant effect on trust variable. The original sample value was 0.531776 indicating positive relation. Meanwhile, t statistic value was 3.365069 so that this hypothesis was accepted. This finding was in accordance with previous research result by Molden Elrado H, Srikandi Kumadji, Edy Yulianto (2014). They found that the service quality was able to influence customers' trust. The third hypothesis was that the service quality variable significantly influenced customers' trust mediated by satisfaction variable. The original sample value was 0.208240, this value indicated a positive relationship and the value of t Statistics obtained value was 1.225406 (smaller than t table 1.96). This finding showed insignificant correlation. This hypothesis was rejected and not in accordance with the results of previous research by Molden Elrado H, Srikandi Kumadji, Edy Yulianto (2014): satisfaction affected customers' trust. This is because the value of satisfaction perceived by the customer was less than the maximum value so that the influence on trust was not significant.

Keywords: Quality of Service, Satisfaction, Trust

INTRODUCTION

In 2009, the government appointed Dahlan Iskan as President Director of PLN (Perusahaan Listrik Negara). This appointment was a momentum that significantly changed the quality of PLN services, ranging from tangible, assurance, responsiveness, empathy, and reliability. The government's courage through Dahlan Iskan to change the quality of PLN service was one of the government's commitments to improve public services. Since then PLN continues to improve the quality of its services.

During the initial conditions around 2009, PLN made various improvements but also encountered a lot of obstacles. The visible portrait at that time was, among others, difficult and long-lasting electric power connection, various grafting costs imposed by the brokers, blackouts in many areas due to engine generator problems, high network disruption rate, and slow service response. These conditions gave negative impacts on the company's reputation in the eyes of customers at the time.

A lot of service improvements have been made since then. In fact, that people favored PLN’s performance is also due to their customers’ satisfaction, many of whom are using 900 VA power. The latter is big in numbers; yet, they have not been properly handled. Another issue is also related to industrial customers or large power businesses that PLN service providers (Executive acount) serve an easy access for information and services. If PLN is able to satisfy the needs of 900 VA customers, their sales are likely to increase.

Previous studies gave no information about how PLN has dealt with their customers’ satisfaction, especially those 900 VA subcribers, and how their trust affected PLN’s service. Based on these rationales, the research problem is formulated as follows:

1. Does service quality significantly influence the service satisfaction?
2. Does service quality significantly influence the trust (trust)?
3. Does satisfaction significantly influence the trust (trust)?

LITERATURE REVIEW

Quality of service

In an increasingly competitive global competitive situation, the product quality issue is of concern to every company. The ability of the company to provide quality products will be the capital to win the competition. Providing quality products makes customers’ satisfaction achievable. Quality of service (Service Quality) as said by According Parasuraman, A., Valarie A Zeithmal, & Leonard L Berry, as written by Hardiyansyah (2011) can be defined as "How far it is the difference between reality and consumers’ expectations for the service they receive/earn." Meanwhile, according to Rangkuti (2004) in his book "quality of service is defined as the delivery of services that exceed the level of consumers’ interest ". These definitions emphasize the advantages of the level of consumers’ interest as the core of service quality. One of the service quality models that many refer to in marketing research is the ServQual (Service Quality) model developed by Parasuraman, Zeithaml, and Berry as quoted by Lopiyoadi (2001).

SERVQUAL is an empirically derived method that can be used by service organizations to improve service quality. This method quotes the development of the perceived needs of the customer. This is measured from the perception of service quality for the organization concerned, and then compared to an excellent organization. The resulting gap analysis can then be used as a guide to improve service quality.

The concept of service quality is a valuation factor reflecting consumers’ perceptions of the five specific dimensions of service performance. According to Parasuraman, A., Valarie A Zeithmal, & Leonard L Berry, (2011) in Hardiyansyah that there are five dimensions ServQual (Service Quality) used to measure the quality of service:

1. Tangibles, or physical evidence
It refers to the ability of the company to provide physical facilities such as buildings, equipment, equipment or supporting facilities and appearance of its employees.
2. Reliability, or reliability
It refers to the ability of the company to accurately and consistently provide services in accordance with their promises. In this dimension, service providers are required to provide reliable products/services. In other words, the product/service is always good. In addition, the service provider must keep promises to the customer.
3 Responsiveness or responsiveness
It refers to willingness to provide prompt and responsive service to the customers. This can be done through delivering clear information about the products and services and other information required by the customer.
4. Assurance,
Guarantees and certainty are related to knowledge and ability of employees in a company to cultivate the trust of customers towards the company. Employees are required to appear more competent, meaning they have knowledge and expertise in their respective fields. They have to be able to provide a sense of security and assurance to the customers. Providing professional service and high competence makes customers feel safe.
5. Emphaty,
It refers to giving a sincere and personalized attention to customers. This can be done through trying to understand the wants and needs of consumers.

Service Satisfaction

Customers' satisfaction has become a central concept in business and management discourse. Customers become the main focus in the discussion of the satisfaction and quality of services. Therefore, the customer plays an important role in measuring the satisfaction of the products and services provided by the company. Philip Kotler (2017) in Marketing Management twelfth edition defines customer satisfaction: feelings of pleasure or disappointment of someone who emerges after comparing the performance of a thought product to the desired performance (or outcome).
Such a definition can be deduced that customers' satisfaction is reviewed and the customer side is about what customers have perceived the services compared with what they want. Rangkuti (2004) mentioned, "That is what is meant by consumer satisfaction is the difference between the level of importance and performance or perceived results".
According to Parasuraman, Zeithaml and Berry (2001), consumer relationships with firms are strengthened when consumers get adequate results on service quality. Yet, they become weak when consumers get negative results about service quality. Quality of service will lead to an increasing tendency to make purchases. Service quality is positively related to the tendency to repeat purchase, the tendency to recommend products or services, loyalty and profitability. In conclusion, the quality of service can increase the possibilities of repeated purchases.
According Fandy Tjiptono (2012) in Service Manajement realize Prima service, service satisfaction consist of the following indicators:
1) Conformity expectations (psychological perspective)
It is a level of conformity between product performance expected by the customer and perceived by the customer, including:
• Products obtained are appropriate, exceed or less than expected.
• Services by employees earned in accordance with or exceeding or less than expected.
• Supporting facilities gained as or above or less than expected.
2) Conformity received with what has been paid by the customer (economic perspective)
3) Customers are satisfied

Trust (Trust)
In a business, one of the important elements that affect success is related to customers' trust (Trust) towards products or services. Understanding Trust (Trust) According Sumarwan (2013) in Etta Mamang Sangadji, Sopiah, and trust denotes that a product has certain attributes. Trust is often called the attribution of the objects (object attribute linkage): consumers' confidence about the possibility of a relationship between an object with relevant attributes. Mowen and Minor (2013) in Etta Mamang Sangadji, Sopiah, define consumer trust as science possessed by consumers and all conclusions made by consumers about the object, its attributes and its benefits. Objects can be products, people, companies, and everything to which people have trust and attitude. The attributes deal with the characteristics or features that objects have. Attributes are two kinds of intrinsic attributes are all things related to the actual nature of the product. Meanwhile, the extrinsic attribute is everything obtained from all aspects of external products such as brand names, packaging, and labels. The benefits are positive results given attributes to consumers.
Trust is strength of the knowledge possessed by the consumer and all conclusions made by the consumer that the product has objects, attributes, and benefits. Someone formed three types of trust objects, among others:
i. Trust Object attribute (object attribute belief)
Knowledge that an object has a special attribute called a trust object attribute.
ii. Trust attribute benefits
This belief is the consumer's perception about the extent to which certain attributes produce or provide certain benefits. Someone searches for products and services that will solve problems and will meet their needs. In other words, they are related to the beneficial attribute people are able to recognize.
iii. Trust Object benefits
The trust of beneficial objects is the consumer's perception of how far a certain product, person, or service will provide certain benefits.
According to Moorman (2010) in Panca Winahyuningsih the trust indicators are as follows.
a. Trust in service officers
b. Trust in the company's service facility
c. Trust in the company

THE ANALYSIS MODEL
In this study there are 5 independent variables: Reliable (X1.1), Responsiveness (X1.2), Assurance (X1.3), Empathy (X1.4), Tangible (X1.5) and Customer Satisfaction (Y1) mediator, and Trust (Y2). Some hypothesis will be futher tested. The analysis model is as follows.

Figure 1. Hypothesis Framework
Source: edited author 2017

Hypothesis
From Figure 3.2 it appears that research, can be formulated hypothesis as follows:
H1: Quality of Service has a significant effect on Satisfaction
H2: Quality of Service has a significant effect on Trust
H3: Satisfaction has a significant effect on Trust

RESEARCH METHODS

The research approach used is quantitative research approach using questionnaire. It aims to examine the relationship between five free variables (5) SERQUAL dimension such as reliability, responsiveness, assurance, empathy, and tangibility. The dependent variable consists of trust, with satisfaction as a mediating variable.
This study took place in Karangpilang district, kec Lakar santri, Wiyung sub district, Pagesangan. This study focused on the customer using 900 VA. The research siteas were selected due to the following considerations:
1. Service level Agreement or service standard established for all regions is relatively the same from one to another area.
2. They are selected due to ease search for data collection. In fact, the writer is serving in PLN areas.
The study lasted for 3 months, starting from July to September 2017. This study started from the preparation of the proposal, testing the proposal, data collection, data fireplace, and data analysis.
The research samples were 900 VA power customers who lived in three sub-districts such as Karangpilang, Kec Lakar santri, and Wiyung district.
Sample method used was purposive sampling technique. This technique was selected because the population was very big. The samples were drawn due to the following criteria:
• They have become customers since 2010 or earlier
• 900 VA power subscribers have used postpaid meters
According to Roscoe in Sugiyono (2013) a good sample size in the study was between 30 and 500. By considering numbers of indicators and variables, this study employed the following sampling technique: the minimum number of samples of 11 multiplied by 5 (50 samples of customers) and a maximum of 11 multiplied by 10 (110 customer samples).

For data processing device, this syudy used SEM PLS. SEM was a combination of two separate statistical methods ie factor analysis and simultaneous equations model. In SEM analysis, variables were differentiated into:

1) Latent variable, is a variable that cannot be measured directly unless measured by one or more manifest variables. The latent variable is also called the term unobserved variable, construct or latent construct. The latent variable is given a circle or ellipse symbol. Latent variables can be classified into two as follows.

a) Exogenous latent variable, is an independent variable (independent) that affects the dependent variable (bound). In this study the exogenous latent variable is the Quality of Service variable (X1)

b) Endogenous latent variable, is a dependent variable that is influenced by independent variables. In this study the endogenous latent variable is satisfaction (Y1) and trust (Y2).

2) Manifest variablesVariable manifests are variables used to describe or measure latent variables. Manifest variables can also be referred to as the observed variable, measured variable or indicator, as it is criticized on the indicator of Service Quality that is Reliability, Responsiveness, Assurance, Empathy, Tangible, and Satisfaction and Trust as discussed earlier.

RESEARCH ANALYSIS OF RESEARCH

In this study the object of research is the Customer Power PLN 900 VA Pasaca paid in karangpilang, wiyung, Lakar santri. The number of Respondents in the sampling numbered 110 customers.

Results of PLS Analysis

In Smart PLS there are two models in PLS analysis tool: outer model and inner model. The evaluation of each model is further elaborated in accordance with the results of existing calculations.

Measurement Model (Outer Model)

a. Convergen Validity

According to Chin (1998) in Ghozali (2014), individual reflective sizes are said to be high if they correlate more than 0.70 with the constructs to measure. Nevertheless, for the initial stage of development, the loading values of 0.5 to 0.6 is considered sufficient.

Based on the outer loading for Quality of Service variables, it is known that all Quality Service indicators have outer loading greater than 0.5.With regard to Service Satisfaction variables, all Satisfaction indicator Services have outer loading greater than 0.5. Outer trust loading also is above 0.5 or 0.9. Thus, it is concluded that these indicators meet the convergent validity.

Discriminant Validity

a. Cross Loading

Testing is done by comparing the loading factor of the indicator on the latent variable with the same indicator loading factor with other latent variables. The test uses crossload value of SMART PLS application calculation results. The correlation between the indicators to the construct must be greater than the correlation value between the indicator and the other construct.

b. Comparing the square root of average variance extracted (AVE) value of each construct with the correlation between the construct and the other constructs in the model.

Fornell and Larcker (1981) in Ghozali (2014) recommend the use of AVE for a criterion in assessing convergent validity, a minimum AVE value of 0.5 indicates a good convergent validity measure.

The AVE root in the trust construct is 0.887298, with the latent variable correlation value of 0.693086, and the AVE value greater than 0.5. As a result, the trust construct satisfies the discriminant validity.

Composite Reliability, and Cronbach Alpha
This value reflects the reliability of all indicators in the model. The minimum value of 0.7 is ideally 0.8 or 0.9. In addition to Cronbach's Alpha used also the value of (composite reliability) which represents the same as the value of Croanbach Alpha. Thus, the model in this study has fulfilled composite reliability because the value is above 0.7.

Inner Model
The inner model is based on data processing with PLS, the coefficient of determination (R-square). R-square for Service Satisfaction variable R-square value is of 0.600057. This means Service Satisfaction is affected by Service Quality of 60.0057% or with category (moderate high). The rest is influenced by other variables. The Customer Confidence R-square value is 0.497711 with the category (moderate high). This means the trust in the company is affected by the quality of service and service satisfaction of 49.7711%.
Goodness of fit in PLS is known from the value of Q2. The value of Q2 has the same meaning as the coefficient of determination (R-square / R2) in the regression analysis. Such R2 value indicates that the model fits with the data.
Ghozali (2014) revealed that values above zero provide evidence that the model has predictive relevance (below zero indicates the model lacks predictive relevance.)
The Q value indicates that (1-SSE / SSO) the Q value for all variables is greater than zero. This means that there is a predictive relevance for each variable.

Hypothesis testing
Hypothesis 1
The first hypothesis states that Quality of service significantly influences Satisfaction. The results of Structural Model in PLS show that there is a positive relationship and significant effect between two variables. The original sample value is 0.774633 where this value indicates a positive relationship. T statistics value is of 8.254319, and this indicates that the quality of service has a significant effect on Customer Satisfaction. It is because the t statistics is greater than the value t Table (1.96). This indicates that the customer acknowledges that PLN has made service improvements and impacts on customers' satisfaction. The better (the more positive) the service improvements are likely to give high value of satisfaction.

Hypothesis 2
Structural Model Results in PLS states that there is a positive relationship and significant effect between two variables. The original sample value is 0.531776 where this value indicates a positive relationship. This shows that the customers have seen a lot of improvements made by PLN in providing good professional services. The more efforts they provide the more likely the customer trust in PLN service. The value of t statistics is of 3.365069. This indicates that the quality of service significantly givess effect on Customer Trust. It is because the value of t statistics is greater than the value t Table (1.96).

Hypothesis 3
Structural Model Results in PLS states that there is a positive relationship but no significant effect between the two variables. The original sample value is 0.208240, where this value indicates a positive relationship which means that the higher satisfaction is perceived by the customer the higher the trust owned by the customer to PLN. At the value of t statistics

obtained value of 1.225406, it shows that Satisfaction is not have a significant effect on the Customer's Trust because the t value of Statistics is smaller than the value of T Table (1.96).

Hypothesis Testing on Measurement Model (Outer model)
If the value is greater than t table (1.96, for □ = 5%) then it is concluded that the indicator is a measure of latent variables. Conversely if to smaller to t table (1.96) then the indicator is not a measure of latent variables. From the result of the data, that t statistic for outer model all indicator on all variables is bigger than t □ (1.96). In short, all indicators are said to be measuring each variable.

Path T Statistik Diagram

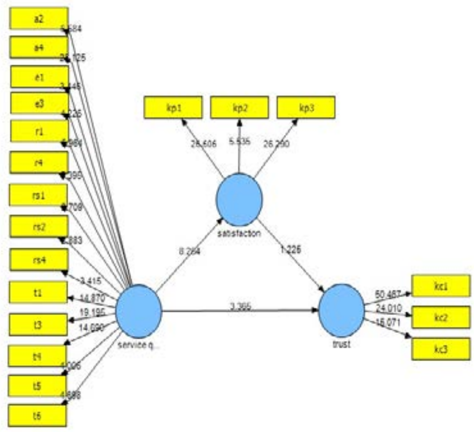

Figure 2. Path T Statistics Diagram
Source: Appendix

The Influence of Mediating Variables
The quality of service has a direct influence on the trust variable of 0.693086. The indirect influence of service quality variable on trust through mediating variable equals to 0,161309. While the indirect influence is smaller than direct influence, indirect influence is not significant.

Service Quality Influence on Service Satisfaction
The first hypothesis in this research is accepted. The results of this study are in accordance with previous research by Suman Mazumder, and ABM Rashedul Hasan, (2014), J. Joshua Selvakumar (2015), Rifka Solang, Silvya L Mandey, Olivia S. Nelwan, (2014), customer satisfaction regarding the services provided by PLN. While t value is more than 1.96 that is 8.254319, it indicates that PLN's service quality for its consumer is able to create customers'satisfaction. The high quality of services PLN has provided have impacts on customers' satisfaction.
Service Quality Influence on Customer Trust
Based on the results of data analysis, it is known that the second hypothesis in this research is accepted. The results of this study are in accordance with the results of previous research belonging to Molden Elrado H, Srika ndi Kumadji, Edy Yulianto (2014), that Quality of Service is able to influence Customer Confidence. When viewed from the original value of samples marked positive that is 0.531776 and the value of t statistics greater than 1.96 ie 3.365069.
This valuation by customer is based on the comparison of services provided by PLN in the past (before 2009) with the current condition.

According to Mowen and Minor in Etta Mamang Sangadji, Sopiah (2013) consumer trust is related to customers' knowledge and conclusions about the object, its attributes and its benefits. Someone formed three types of trust objects, among others:

a. Trust Object attribute (object attribute belief)

Knowledge that an object has a special attribute is called a trust object attribute. The object of electricity service provided by PLN West Surabaya has good attribute object so as to form trust for the customer.

b. Trust attribute benefits

This belief is the consumer's perception of the extent to which certain attributes produce or provide certain benefits. Electrical services provided with reliability or high reliability provide benefits for customers to meet their needs.

c Trust Object benefits

The trust of beneficial objects is the consumer's perception about how far a certain product, person, or service provides certain benefits.

Discussion on Service Satisfaction against Customer Trust

Based on the results of data analysis, it is known that the third hypothesis in this study is rejected. On other words, satisfaction Service does not directly affect customer trust. The results of this study contradict the results of previous research belonging to Molden Elrado H, Srikandi Kumadji, Edy Yulianto (2014). They say that Service Satisfaction is able to influence the Customer Trust directly. There are several things that are expected to influence the results of the third hypothesis so that this hypothesis is rejected:

1. The study examined the effect of Service Satisfaction on Customer Confidence by focusing on the specific segmentation of PLN that is the 900 VA power customer using postpaid meter. Low voltage customers who become respondents in this study would also want to get good service also from PLN with what has been paid customers so that customers are satisfied with the service of PLN. In addition, customers believe with PLN Company which is currently the only state-owned electricity service provider.
2. In the object of this study factors that may affect the Service Satisfaction is not able to influence the Customer Trust is due to monopolistic competition system undertaken by PLN so that customers do not have a comparison of performance appraisal services. So the customer does not have spectrum assessment (level of assessment) based on experience ever felt to be compared to the service of PLN. This is seen in the analysis of R-square determination that the variable of Service Satisfaction of R-square value of 0.600057, which means Service Satisfaction is affected by Service Quality of 60.0057% and the rest is influenced by other variables that have not been studied in this research.
3. Hypothesis 3 shows positive relationship between satisfactions with trust. This means that the increase in value of satisfaction affects the increase in the value of customer confidence in PLN. The high satisfaction value will increase the value (significance) belief.

CONCLUSIONS AND SUGGESTIONS

Conclusions

1. The first hypothesis of this study is the Quality of Service influence on service satisfaction. This hypothesis is accepted and in accordance with previous research results of Suman Mazumder, and ABM Rashedul Hasan, (2014), J. Joshua Selvakumar (2015), Rifka Solang, Silvya L Mandey, Olivia S. Nelwan, (2014), that service quality is capable directly affect service satisfaction.

2. The second hypothesis of this study is the quality of service influence on customer trust. This hypothesis is accepted that the quality of service is able to influence customer trust.

3. The third hypothesis of this study is the satisfaction effect on customer trust. This hypothesis is rejected that satisfaction can affect customer trust. This is because the value of satisfaction perceived by the customer is not optimal so that the influence on trust is not significant.

Suggestion

Based on the conclusions of the research, the suggested suggestions are as follows:
Suggestions for Further Research. Based on the limitations contained in this study, there are several suggestions that can be applied in future research that is as follows:

1. This research is limited to the observer of a variable that influences the customer trust variable and customer satisfaction is the service quality variable, for future research should observe other variables that can influence the customer trust and customer satisfaction.

2. This research is also limited to PT PLN (Persero) power of 900 VA using postpaid meter only, for future research should observe various other segments so that generalization of research result can be obtained well.

3. This study is also limited to geographic sample selection located in West Surabaya service area only, subsequent research to research in a wider area.

Implications for Managerial

Based on the findings that the quality of service is a factor peting in forming customer satisfaction and creation of trust then PT PLN (Persero) need to pay attention to the quality of services that can be given. The quality of the service includes the reliability of the power delivered in the service, the speed in responding to customer requests, the provision of warranties to consumers, special attention to customers and the ease and convenience of a service. These factors can help guide PT. PLN (Persero) in an effort to provide excellent service to customers, especially low voltage customers at home.

The second finding that the quality of service performance is responsive (time response to complaint) is still lacking, and payment system through online bank is not safe. This needs improvement to improve the value of customer satisfaction.

Implications for Academics

The satisfaction of a given company is not able to affect consumers' confidence about the company. Thus, it is necessary to dig deeper relationship related customer satisfaction so as to influence customer trust.

Limitations of Research

Based on the results of research there are some limitations of the research encountered are:
1. This study is limited to observations of variables that affect customers' satisfaction variables and customers' trust that is the quality of service variables

2. This research is also limited to the characteristics of respondents who focused only on small voltage customers with 900 VA power, while PLN has a customer base spread across various segments.

3. This research is also limited to the selection of geographical samples located in Surabaya City, especially in the area of western Surabaya only, while PLN has service areas throughout Indonesia.

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STUDY OF FEASIBILITY OF GOLD STORE BUSINESS *"GOLDIE EMERALD"*

Albertus Anggono[1]

ABSTRACT

The gold store has a pretty bright prospect and promises big profits. This is considering the development of gold prices that increase over time. In fact, according to a survey, the average annual increase in gold prices in Indonesia is 20%, and in 2010 alone, the increase is more than 20%. From these data, it would not be surprised if the gold shop became one of the shopping business that is now rife in demand by the public. The advantage, in addition to rising gold prices are skyrocketing, gold shops can also be used as a very profitable long-term investment. Investing in the gold shop business has a twofold profit, that is, in addition to the profits of the store business, investors also benefit because the price of gold is always creeping up.

The purpose of this study is to analyze the feasibility of GOLDIE EMERALD's shop business in terms of marketing, legal aspects, management aspects, technological aspects, and financial aspects.

Based on the result of data analysis and discussion in research about business plan of GOLDIE EMERALD's shop business, it can be concluded as follows: Judging from legal aspect, marketing aspect, human resources and technology are said to be due to detail of legality, STP details, labor and recruitment, technology and location. Based on the calculation table of investment value NPV from Gold Store "GOLDIE EMERALD" is positive and in accordance with the rules of NPV rules then this investment project can be said worthy to be implemented. Profitability Index (PI) value is above 1 for the three conditions then it is said to be feasible to be established. Internal Rate of Return (IRR) internal rate of return above the interest rate for 3 conditions, this investment project can be said to be profitable and feasible in terms of financial aspects. Considering the length of this payback period in the medium-term investment-making store industry, resulting in a period of <5 years and still belonging to either category.

Keywords: feasibility, gold store, business

INTRODUCTION

The development of the current era raises a lot of fierce competition that encourages entrepreneurs or manufacturers to compete to seek and develop more effective and efficient strategies in selling services. Manufacturers strive to offer services with a variety of advantages and facilities owned to attract the attention of consumers.

Opportunities in innovating is still very wide open among entrepreneurs or manufacturers. This requires the producer's cleverness in looking at the opportunities and circumstances surrounding which followed the timeliness of innovative decision making. From the eyes of consumers, entrepreneurs are able to see the saturation and lack of the services will be on offer. Consumers always expect a better service products than ever, therefore entrepreneurs should be able to make an innovation through services made and different from other services that can bring a lot of competition.

The gold store has a pretty bright prospect and promises big profits. This is considering the development of gold prices that increase over time. In fact, according to a survey, the average annual increase in gold prices in Indonesia is 20%, and in 2010 alone, the increase is more than 20%. From these data, it would not be surprised if the gold shop became one of the shopping business that is now rife in demand by the public. The advantage, in addition to rising gold prices are skyrocketing, gold shops can also be used as a very profitable long-term investment. Investing in the gold shop business has a twofold profit, that is, in addition to the profits of the store business, investors also benefit because the price of gold is always creeping up.
Goldie Emrald Gold Store will open in Holy City. The selection of Kudus city because in the holy area of market segmentation middle low and income data in the city Kudus still a little. So many people will invest in gold for the future.

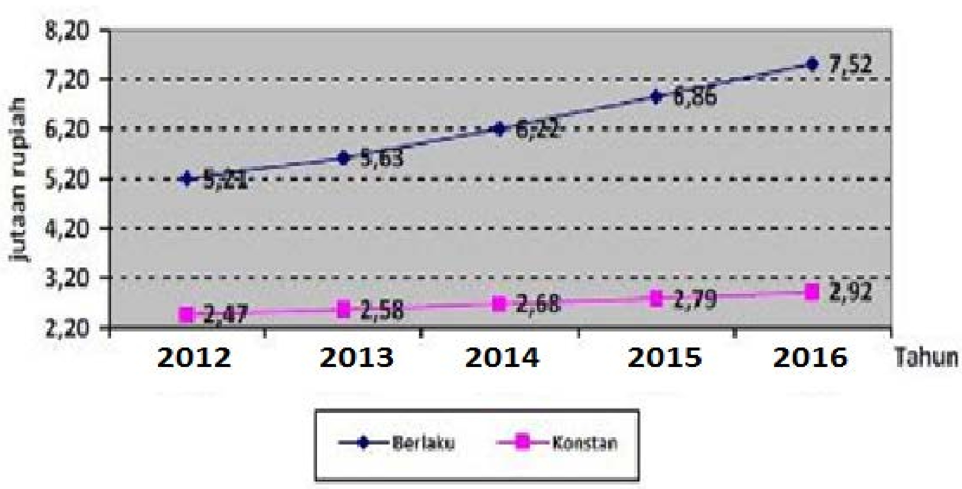

Figure 1. Graph of the Economy Kudus City
Source: www.tribunjateng.com

Based on the above table it is known that the economy of Kudus city from 2012-2016 is increasing. The reason for choosing a mas shop for contributing significant economic contribution Kudus (Source: http://jateng.tribunnews.com). In this study, researchers want to discuss aspects that will be discussed in business planning covering aspects of marketing, legal aspects, management aspects, technological aspects, and financial aspects of the Goldie Emerald gold store.
The purpose of this study is to analyze the feasibility of GOLDIE EMERALD's shop business in terms of marketing, legal aspects, management aspects, technological aspects, and financial aspects.

LITERATURE REVIEW

Segmentation

Segmentation means an activity of identifying consumer groups that respond differently from other groups in terms of products offered (Aaker, 2008). Segmentation begins with the idea that humans are different (heterogeneous), but can be grouped into several parts / segments that have similar properties (homogeneous). Each segment has its own dimension that is different from other segments. Companies developing strategies tailored to specific buyers or buyer types are more successful than firms that have only a single strategy in the market (Cooper 1994).

Targeting

Targeting or setting a target market is done after segmenting. The product of targeting is the target market, i.e. one or several market segments that will be the focus of marketing activities (Kasali, 2009).

Positioning

In a highly competitive industry, the most effective way for a company to compete is to differentiate its products or services. Differentiation is the act of designing a set of meaningful differences to differentiate a company's offer from a competitor's offer. A company should try to identify specific ways that can differentiate its products to achieve competitive advantage (Kotler, 2012).

Marketing Mix

In this business planning, the marketing mix applied is the service marketing mix or commonly called 7P, namely (Lupiyoadi & Hamdani, 2008):

1. Product
   Product is the whole concept of the object or process that gives some value to the consumer. Consumers typed in buying a product not only bought the physical product, but also bought the benefits and value of the product. Thus, what is meant by product in service business is total product. The total product consists of core product, expected product, augmented product and potential product.
2. Price
   Price strategy is very significant in giving value to consumers and influencing product image, as well as consumer decision to buy. Pricing is also related to revenue and also influences the marketing offer or channel. But the most important thing is the decision in pricing should be consistent with the overall marketing strategy.
3. Promotion
   According to Lupiyoadi & Hamdani (2008), the promotion mix consists of advertising (advertising), personal selling (sales selling), public relations (public relations), word of mouth, and direct mail.
4. Place
   Place in service is a combination of location and decision on the distribution channel, in this case relates to how the delivery of services to consumers and dimala strategic location. Location means linkage with which the company should be headquartered and conduct operations or activities
5. People
   In relation to service marketing, "people" who serve as service providers greatly affect the quality of services provided. This "person" decision means dealing with selection, training, motivation and human resource management.

Legal Aspects

According to Kasmir and Jakfar (2012, p24), to start a feasibility study of a business generally starts from the legal aspect, although many others do other aspects. The purpose of the legal aspect is to examine the validity, perfection and authenticity of the documents it possesses. Document validity research can be conducted in accordance with the procedures of the institution issuing and validating the documents concerned. This aspect is important because before the business is run, all procedures relating to permits or requirements have been met.

Aspects of Management

Human Resource Aspects (HR) related to the workforce that can support and affect the company's operational activities (Noe, et al., 2007). Therefore, HR is one determinant in a company to achieve its goals. As good as any or the availability of other resources will still be useless if humans in it are not managed properly. Human resource management is an integrated unity of policies, practices, and systems that all affect the behavior, attitudes and performance of employees within the company (Noe, et al., 2007).

Aspects of Technology
Aspects of Engineering and Technology, which examine what needs are required and how technically, the production process will be implemented. Operational management is a function or management activity that includes planning, organization, staffing, coordination, direction and supervision of company operations (Umar, 2003). The operating function of a business includes all activities that convert input into goods or services. In other words, the function of operation is a function that drives the resources and capabilities that exist to perform the production process.

Financial aspect
The financial aspects of business planning include capital requirements, funding sources, revenue and cost estimates from business planning over a period of time. Thus, financial functions include designing and establishing decisions in terms of investment, financing and dividend payout (David, 2003). The purpose of the function is to support the business by maintaining the conditions associated with financial factors for the activities of the company can run well.

RESEARCH METHODS

Benchmarking Company

Name	: Goldie Emerald
Business Activity	: Gold Store
Address	: Kudus

Method of collecting data
This research uses data collection method in the form of Observation, Interview (Interview), and Questionnaire distributed to know the general description of respondents as the market share of gold shop. Questionnaires were distributed to 30 respondents.

Determination of Informants
The research informant is a person who is used to provide information about the situation and condition of the research background (Moleong 2000: 97). Informants are people who really know the problems to be studied. The criteria of informants in the study were as follows:

1. 25-50 years old
2. Income> Rp. 2.500.000,00
3. Frequent visit to the gold shop and make purchases at least 3 times in the last 6 months.

Data analysis
Data analysis method in this research is qualitative descriptive analysis. In addition, descriptive statistics are also used for the purpose of supporting analytical techniques to provide a more comprehensive description of the results of qualitative analysis. It also used quantitative or calculation analysis. Qualitative analysis is used to analyze aspects of marketing, legal aspects and aspects of management.

DATA ANALYSIS AND DISCUSSION

Business Concepts

Business Name	: Goldie Emerald Gold
Store	: Kudus, Central Java - Indonesia
Business activities	: Gold Store
The results of its production	: provide various types of gold
When the company was founded	: January 2018
Status of its legal entity	: Shop
Who is the leader	: Albertus Anggono

Legal Aspects

Company's licenses or legality include:

1. SIUP
   SIUP is a Business License issued by a Government Agency through the Department of Industry and Trade of City / Region according to the company's domicile. SIUP is used to run. SIUP is a permit issued by a minister or an official appointed to an employer to carry out business in the field of trade and services. SIUP is given to individual entrepreneurs, Firma, CV, PT, Cooperative, BUMN, and so on.
2. NPWP
   The Taxpayer Registration Number is usually abbreviated as NPWP is the number given to the taxpayer (WP) as a means of tax administration that is used as a self-identification or taxpayer's identity in exercising the rights and obligations of taxation. Whereas the NPPKP (the number of taxable entrepreneurs) is a number that every entrepreneur must possess which under the VAT Act is subject to tax, is obliged to report its business to the Directorate General of Taxes office to be confirmed as PKP (Taxable Person for VAT purposes).
3. Company Certificate
   In a legal entity in the form of a firm, a partnership / CV or a limited liability company (PT) you need to make the agreement set forth in the deed of establishment of a company made in front of a notary. This referred to "make deed" here is present in front of the subject of the agreement, read and sign the deed. The making of the deed of establishment is conducted by a notary authorized throughout the territory of the Republic of Indonesia for subsequent approval of the Minister of Law. Corporate Acts / Business Establishment Deed: contains company profiles created by the founder of the business with a notary and accompanied by witnesses registered to the local District Court.

Marketing Aspects

Segmenting

Demographic segmenting

1. Divide the market in the age category that is 25-50 years. The Goldie Emerald Gold Store serves women for its market segment because gold is sold quite attractively among women, and also in this age category has considerable potential interest from pre-survey results on consumer competitors.
2. Divide the market into different social class groups. Gold Shop "Goldie Emerald" serves middle social class and social class up. Where the upper middle class that is buying gold with the price of tens of millions of dollars, because most of them really like or indeed collecting jewelry with a very expensive price, such as pendants. But not a few of those in the high social class are just collecting or loving, but they make their gold into an investment value for the future.

Geographical Segmenting

Goldie Emerald's gold store serves the geographic segment of the Kudus City, seeing golden business opportunity with original quality that is still a bit of a competitor and also customers who need a place to shop directly to meet their needs. Goldie Emerald "Goldie Emerald" chooses a place on Suryo Kusumo Street, Kudus where the area is an elite area and also easy to position the shop is very visible on the side of the road.

Psychographic Segmenting

Split purchases into different groups based on lifestyle. Gold Shop "Goldie Emerald" serves consumers who love white gold, golden and pendants. But consumers with an average age of 30 years and above usually likes to choose yellow gold with a variety of forms such as hearts and flowers.

Targeting

The targets chosen by the Goldie Emerald Gold Store are residents of the Kudus City with female sex as their target market in the age range of 25-50 years which is among teenagers, young people, and mothers with different social class . and usually mothers with a certain social class is meant for some groups or individuals to assume that the bag with the original quality is able to support the appearance, and there is also a consumers that buying gold with the original quality can be a certain investment value in the future.

Positioning

Gold Shop "Goldie Emerald" has a distinctive character in online business with the concept of membership that makes the difference for other gold shop business. Goldie Emerald's gold store embodies the image of gold products of various models and types, and maximizes the marketing mix in the process of the gold shop business, this can be demonstrated by the Goldie Emerald Gold Store by offering some gold products at relatively reasonable prices cheap compared to other original gold stores in the city of Kudus. The advantages or uniqueness of this gold shop compared to other gold shop is to provide online messaging service as well as delivery and service excellence for consumer satisfaction, so that with its position as market follower Goldie Emerald gold store in the future is expected to continue to grow.

Marketing Mix

Product

The products offered by "Goldie Emerald" gold shop are white gold, golden yellow and the pendant has some interesting types of gold with the growing trend.

Price

This 30% profit margin is sufficient and competitive compared to competitors because with these advantages as a distributor, Goldie Emerald Gold Store has been able to operate properly and have a good profit and increase from year to year (see projection financial profit and loss).

Promotion

Goldie Emerald's gold store provides services to consumers where consumers can freely shop at "Goldie Emerald" Gold Store without having to worry about the authenticity of the gold to be purchased. And the sales strategy of the Goldie Emerald Gold Store can be done with individuals through short messages by sending real images, and convincing potential buyers who can not come to the store to buy directly. Then the purchase procedure can take place if the prospective customers want to buy, make a payment by ATM transfer then the goods will be processed immediately sent using a personal courier service in gold shop "Goldie Emerald".

Aspects of Management

Recruitment

The selection process is to find store employees who can simultaneously manage online store and courier for pickup and delivery of goods. Shop employees will be selected first by prioritizing the ability to interact with a good buyer and of course the required employees have the friendliness and honesty in doing and treating everything related to his work, while the courier is selected by looking from the honesty and pay attention when shipping in keeping goods intact just as when the flap reaches the destination.

Aspects of Technology

Transaction Process

Starting from the consumer to order the message then the store will serve and then the consumer pays in the cashier and then packing and take it home. Technology in the gold store is like the use of computers for the cash register, then mobile phone for social media promotion advertising.

Location

Gold Shop "Goldie Emerald" is located at Suryo kusumo Street Kudus, Central Java.

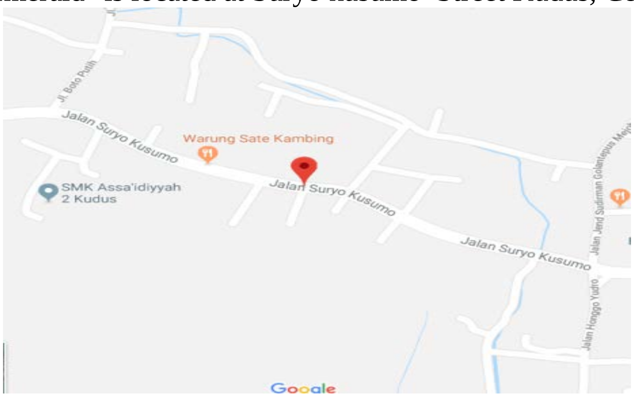

Figure 2. Location of Goldie Emerald Gold Store

Figure 3.Layout Goldie Emerald Gold Store

Financial aspect
Income statement

Table 1. Income

Kas Masuk	2017 (Th.0)	2018(Th. 1)	2019(Th. 2)	2020(Th.3)	2021(Th. 4)	2022(Th. 5)
Pendapatan	-	349.808.333	384.789.167	423.268.083	465.594.892	512.154.381
Modal sendiri	199.250.000	-	-	-	-	-
Total Kas Masuk	**199.250.000**	**349.808.333**	**384.789.167**	**423.268.083**	**465.594.892**	**512.154.381**
Kas Keluar						
Investasi	62.500.000	-	-	-	-	-
Bi. Pemasaran	-	13.000.000	14.300.000	15.730.000	17.303.000	19.033.300
BAU (Biaya adm umum,gaji, sewa)		150.000.000	165.000.000	181.500.000	199.650.000	219.615.000
HPP	-	123.750.000	136.125.000	149.737.500	164.711.250	181.182.375
Pajak	-	5.265.833	5.896.417	6.590.058	7.353.064	8.192.371
Total Kas Keluar	**62.500.000**	**292.015.833**	**321.321.417**	**353.557.558**	**389.017.314**	**428.023.046**
Selisih	136.750.000	57.792.500	63.467.750	69.710.525	76.577.578	84.131.335
Saldo Kas Awal	0	136.750.000	194.542.500	258.010.250	327.720.775	404.298.353
Saldo Kas Akhir	**136.750.000**	**194.542.500**	**258.010.250**	**327.720.775**	**404.298.353**	**488.429.688**

Statement

Information:
Own capital = HPP + Marketing costs + Investment
199.250.000 = 123.750.000 + 13,000,000 + 62,500,000
Written in year 0 only as an assumption for the calculation of start-up capital

FEASIBILITY ANALYSIS

Table 2. Feasibility Analysis

Initial Investment 195.537.500

Tahun	EAT	Depresiasi	Cash inflow	NSFB 7%	Present Value
1	60.178.575	10.400.000	70.578.575	0,935	65.961.285
2	67.132.433	10.400.000	77.532.433	0,873	67.719.829
3	74.781.676	10.400.000	85.181.676	0,816	69.533.621
4	83.195.843	10.400.000	93.595.843	0,763	71.403.821
5	92.451.428	10.400.000	102.851.428	0,713	73.331.646
	Total PV				347.950.203
	ET PRESENT VALUE				152.412.703

Because NPV is ngetitive it can start this project

Conclusion

Based on the results of data analysis and discussion in research about the business plan of Gold Shop "GOLDIE EMERALD", it can be concluded as follows:

1. Judging from legal aspect, marketing aspect, human resources and technology are said to be kayaking because of the details of legality, the existence of STP details, labor and recruitment, technology and location.
2. Based on the calculation table of investment value NPV from Gold Store "GOLDIE EMERALD" is positive and in accordance with the rules of NPV rules so this investment project can be said worthy to be implemented.

3. Value Profitability Index (PI) is above 1 for the three conditions then it is said to be feasible to be established.
4. Internal Rate of Return (IRR) internal rate of return above the interest rate for 3 conditions, this investment project can be said to be profitable and feasible in terms of financial aspects.
5. Looking at the length of this payback period in the medium-term investment industry, making the period for <5year and still in the good category.

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THE EFFECTS OF THE BRAND IMAGE, QUALITY OF SERVICE AND BUSINESS LOCATION ON CUSTOMERS' PURCHASING DECISIONS OF MAYSTER SERVICE MAINTENANCE SHOES

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ABSTRACT

In this fast-paced era, the society is beginning to take advantage of all the existing opportunities to form a business. Mayster sees the premium shoe care business as an opportunity in 2014 due to market demand and the absence of competitors in the shoe care business in Surabaya. Mayster can be regarded as a pioneer of premium shoe care services in Surabaya. Customer's purchasing decisions become very important points in a business. Maintaining the existence of a customer is a must to keep the business running. This condition encourages Mayster to investigate the effects of brand image, service quality and business location on consumer purchasing decisions. The purpose of this study is to determine the significant effects of brand image, service quality and location on customers' purchasing decisions. Quantitative approach was used by using questionnaire as data collection method. Sampling using purposive sampling involved 93 respondents who became the Mayster consumers. Data analysis was employed using SPSS program with multiple linear regression. This study found that brand image, service quality and location had a significant effect on customers' purchasing decisions. The brand image, service quality and location also had a significant partial effect on customers' purchasing decision.

Keywords: *Brand Image, Service Quality, Location, Purchasing Decision*

INTRODUCTION

Understanding customer needs, expectations and demands provides important inputs for companies to design marketing programs that meet customers' needs and subsequently results in customers' purchasing decisions (Kotler, 2012: 145). Mayster viewed premium shoe care as business opportunities in 2014 due to market demands and the absence of other competitors in the shoe care business in Surabaya. Mayster is the pioneer of premium shoe care services in Surabaya. In 2015, shoe care services multiplied in Surabaya because of high market demands in Surabaya. Tight competition was inevitable; consequently, Mayster was demanded to have particular comparative advantages and unique characteristics for its business brand. Mayster strived to create a "premium" image in the services provided. The change of brand image tuned out to affect customers' purchasing decisions. Such changes caused the customers to make use of other services. Furthermore, this situation had impacts on Mayster's sales turnover.

Trend fluctuates and significantly affected Mayster's monthly sales turnover. During that period, many customers complained and even advised Mayster to do some improvement. Mayster had 6 branches in Surabaya all of which were intended to provide the customers with different choices for shopping places. According Setiadi (2012), purchasing behavior means the activities of individuals who exchange money with goods and services directly by involving the decision-making process. Mongdong Research (2015) mentions that the marketing mix, brand image and service quality significantly influence the purchase decision. Based on this rationale, this study entitled "The Influence of Brand image, Quality of Service and Business Location to Customer Purchase Decision of Mayster Shoe Care Services" is carried out. From the background described earlier, the formulation of the problem is set as follows:

1) Does the brand image have a significant influence on customer purchasing decisions for Mayster shoe maintenance services?
2) Does the quality of service have a significant influence on customer purchasing decisions for Mayster shoe maintenance services?
3) Does the business location have a significant influence on customer purchasing decisions for Mayster shoe maintenance services?

LITERATURE REVIEW

According to Satria and Oetomo (2016: 3), purchasing decisions are the final process of a series of identification, evaluation and selection of alternatives of goods or services available. According to Kotler & Keller (2012: 188), the actual decision-making process begins before the purchase process and continues until the purchase decision. Consumer linkage to a brand will be stronger if there is a lot of experience or product visualization that communicates a message that results in a brand image. A good brand image drives an increase in sales volume and corporate image. Ali (2013: 210) says that Brand image or brand image is a series of tangible and intangible traits, such as ideas, beliefs, values, interests, and features. All of these elements make the product image as something unique.

Quality is a dynamic condition associated with products, services, people, processes and environments that aim to meet or exceed expectations (Tjiptono, 2012: 130). Quality of service means an effort made someone to meet the needs and desires of consumers are done properly in order to compensate for consumer expectations (Tjiptono, 2012: 135). Location is one of the situational factors affecting customer purchasing decisions. In marketing concept there are terms such as marketing mix or marketing mix consisting of product, Brand image, promotion and place or business location. In this marketing mix the business location can also be called the company's distribution channel because the location is directly related to the buyer or the consumer. In other words, location is the place where the producer distributes its products to the consumer.

PREVIOUS STUDIES

Mohan (2014) conducted a study entitled "Influence of Product and Place Factors on Consumer Purchasing Behavior in Formal Footwear Sector". This study aims to identify the influence of product factors and place on the purchasing decision behavior in the formal footwear sector. The variables of this study include formal footwear, product factors, place factors, and consumer purchasing. Data were obtained from 256 respondents in Bangalore through an administrative questionnaire survey. The results of this study proved that product and location factors had significant influence on the frequency of purchasing decisions. The relevance of the journal in the study was that the location variables gave effects to purchasing decisions.

Farli *et al.*, (2015) had a study entitled "The Influence of Brand Image, Service Quality and Location against Consumer Decision Using Headquarters Salado Service Manado Town Square". The study aims to determine the effect of brand image, service quality, and location both simultaneously and partially to consumer decisions. Variables of this research are brand image, service quality, location, consumer decision. Using the type of associative research, Farli involved 97 people as the research samples. Data were collected through questionnaires distributed to respondents. Meanwhile, multiple linear regression was used to analyze the data.

The results showed the brand image, service quality, and location had a significant positive effect on consumer decisions.

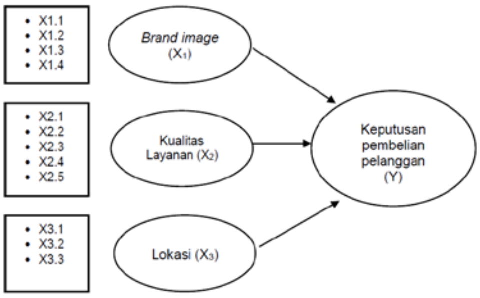

Figure 1. The Analysis Model
Source: The Primary Data, 2017.

RESEARCH METHODS

RESEARCH DESIGN

The research entitled "The Influence of Brand image, Service Client and Location to Customer's Decision of Shoe Care Services Mayster" is a quantitative descriptive research.

RESEARCH SITES AND TIME

This research was conducted in April 2017 in Surabaya City. The respondents of this research were Mayster shoe care customer service and data gathering was done from October 2016 until February 2017.

POPULATION AND SAMPLES

The population in this study involved 1,357 customers of Mayster care services from October 2016 to February 2017. The samples taken in the population were the customers who had treated at least 2 times or more or had repeat orders in the same month. In the period of October 2016 - February 2017 the customers who repeated orders were as many as 84 customers. They became the research samples.

METHOD OF COLLECTING DATA

The data source of this research used both primary data and secondary data. Primary data were the data obtained directly from respondents, i.e. customer purchasing decisions, Brand image, service quality and location. Meanwhile, secondary data were indirectly obtained, including previous Mayster's research, literature, and internal data.

DEFINITION AND MEASUREMENT OF CHANGES

Table 1. Definition and Measurement of Changes

No	Variable	Definition	Indicators
1	Purchasing decision	Purchasing decisions are activities whose purpose is to meet the customers' needs by evaluating and continuing with the purchasing process. (Grewal, 2012: 151).	1. Introduction of needs 2. Search information 3. Alternative evaluation 4. Purchasing decision 5. Post-purchasing behavior
2	Brand image	Brand image is a set of tangible and intangible traits, such as ideas, beliefs, values, interests, and features that make something unique (Ali Hasan, 2013: 210).	1. Quality 2. Trustworthy 3. Benefits 4. Service 5. Price 6. Image
3	Quality of Service	The quality of service is understood as an effort to meet the needs and desires of the through the accuracy of product delivery in accordance with the consumers' expectations (Tjiptono, 2012).	1. *Reliability* 2. *Responsiveness* 3. *Assurance* 4. *Emphaty* 5. *Tangible*
4	Location	Location is a place where consumers can reach the services and products placed in the place. (Zhafira et al., 2013) b	1. Easy to find 2. Strategic 3. Near the residence

Source: Primary Data, 2017.

VALIDITY

Validity test is used to measure whether or not a valid questionnaire (Sugiyono, 2014). Pearson Correlation can be used to find out the validity of the questionnaire item by checking whether the question in the questionnaire qualifies by showing the sig <0.05 then the item in the questionnaire is said to be valid.

RELIABILITY

Sujarweni (2014) said the level of reliability of a variable can be done jointly to the whole grain of money. Judging from the statistical test results, Cronbach Alpha> 0.6. Thus the research variables are considered reliable.

DATA ANALYSIS

Multiple Linear Regression Analysis

This study used multiple linear regression analysis to analyze the data analysis model. The regression equation in this research is as follows:

$$\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon}$$

Description:

Y = Purchase Decision

β0 = Constants

β1, β2, β3 = Regression Coefficient X1, X2, X3

β1X1 = Brand image

β1X2 = Quality of Service

β1X3 = Location

ε = Residual

Test F
F test is used to find out whether the free variable together significantly influence the dependent variable. Criteria for decision making are:
a) If significant value of F <0.05 then independent variable have significant effect together to dependent variable.
b) If the significant value F> 0.05 then the independent variable does not have a significant effect together with the dependent variable.
Test t
The t test is used to find out whether the variable is free individually or partially significantly affects the dependent variable. Criteria for decision making are:
a) If significant t> 0.05, then the independent variable does not have a significant effect individually on the dependent variable.
b) If significant t ≤ 0.05, then the independent variables have a significant influence individually on the dependent variable.

CLASSIC ASSUMPTIONS
Heteroscedasticity Test
The heteroscedasticity test is used to determine whether there is deviation of the classical assumption of heteroscedasticity or variant inequality of residuals for all observations in the regression model. This study uses Glejser Test which is done by regressing the independent variable with its residual absolute value. If the significance value of the independent variable with absolute residual is greater than 0.05, then there is no problem with heteroscedasticity.

Multicollinearity Test
To detect multicollinearity in regression, this study performs several procedures: (1) Value tolerance or (2) Variance inflation factor (VIF). If the VIF value is <10, then no multicollinearity occurs (Sujarweni, 2014: 185).

Normality test
Normality test is done through Kolmogorov-Smirnov Test. Basis of decision making: 1) If the significance value ≥ 0.05 then residual is considered normal distribution. 2) If the significance value <0.05 then the residual is not normally distributed.

Autocorrelation Test
Autocorrelation emerges through sequential observations over time and is related to each other. Autocorrelation test is done by using Durbin Watson (DW) value, if the value of du <Durbin Watson value <4-du then there is no autocorrelation (Sujarweni, 2014: 186).

Linearity Test
Linearity test aims to determine whether two variables have a linear relationship. This test is done by using Deviation from Linearity with at a 0.05 significance level. Two variables are said to have a linear relationship when the significance value (Deviation from Linearity) is more than 0.05.

FINDINGS AND DISCUSSION

Table 2. Validity Test of Independent Variables

Items	Correlation	Significance	Description
Brand image (X1)			
Brand Mayster has a good quality	0.468	0.000	Valid
Mayster can be trusted in doing shoe care	0.442	0.000	Valid
Mayster provides benefits in its services such as education information about shoes to be washed	0.392	0.000	Valid
Mayster provides services that can enhance the brand image	0.450	0.000	Valid
Mayster minimizes customer risk	0.633	0.000	Valid
The price offered by Mayster is quite affordable	0.629	0.000	Valid
Mayster has a positive and good brand image	0.422	0.000	Valid
Quality of Service (X2)			
Mayster gives the appropriate results.	0.378	0.000	Valid
Mayster provides satisfying service.	0.271	0.000	Valid
Mayster responded quickly.	0.505	0.000	Valid
Mayster gives confidence to consumers.	0.395	0.000	Valid
Mayster understands the needs of consumers.	0.491	0.000	Valid
Locations (X3)			
Mayster location is easy to find	0.702	0.000	Valid
Mayster location has a strategic location	0.619	0.000	Valid
Mayster has branches around the consumer's residence	0.495	0.000	Valid

Source: Primary data, 2017.

Table 2 shows that the service quality and location have a correlation value with significant level less than 5% (0.05) so it can be concluded that they are valid.

Table 3. Validity Test Result of dependent variable

Items	Correlation	Significance	Description
I consider the need before purchasing Mayster products.	0.809	0.000	*Valid*
I know Mayster product information before making a purchase.	0.705	0.000	*Valid*
I bought Mayster products after comparing with other brands.	0.584	0.000	*Valid*
Mayster products have fulfilled my needs.	0.571	0.000	*Valid*
I am satisfied to buy Mayster products.	0.350	0.000	*Valid*

Source: Primary Data, 2017.

Table 3 shows that all questions on the purchase decision variable are valid since they have a significant correlation value of less than 5% (0.05). The results of the reliability test are as follows.

Table 4. Reliability Test

Variables and Indicators	Cronbach Alpha	Description
Brand image (X1)	0.768	Reliable
Quality of service (X2)	0.652	Reliable
Locations (X3)	0.768	Reliable
Purchasing decision (Y)	0.805	Reliable

Source: Primary data, 2017.

Table 4 shows the overall variables of this study having Cronbach Alpha values greater than 0.6. It is concluded that the research questionnaire is reliable.

Table 5. Multiple Linear Regression

Constant	0.394
Brand image (X_1)	0.741
KService quality (X_2)	0.068
Location (X_3)	0.117

Source: Primary data, 2017.

Table 5 shows the regression equation: Y = 0.394 + 0.741X1 + 0.068X2 + 0.117X3
The linear regression equation above can be explained as follows:

1. The coefficient of regression brand image (X1) has a positive value of 0.741 indicates if the quality of service has increased then the purchase decision will increase also with the provision of quality of service (X2) and location (X3) fixed value.
2. The service quality regression coefficient (X2) has a positive value of 0.068 indicating if the quality of service has increased then purchase decision will increase also with the provision of brand image (X1) and location (X3) fixed value.
3. The location regression coefficient (X3) has a positive value of 0.117 indicating if the location of the store is correct then the purchase decision will increase also with the provisions of brand image (X1) and service quality (X2) is fixed value.

Hypothesis testing

Hypothesis test in this research use F test and t-test. Hypothesis test results in this study as follows:

Table 6. The results of F Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.859	3	4.286	46.653	.000[b]
	Residual	8.177	89	.092		
	Total	21.036	92			

a. Dependent Variable: Purchasing decisions
b. Predictors: (Constant), locations, service quality, *Brand image*
Source: Primary Data, 2017.

Table 6 shows that the F-count of 46.653 with a significant level of 0.000 is less than .05. The significance value of 0.000 <0.05 corresponds to linear regression analysis based on decision making in Test F. It is concluded that brand image (X1), service quality (X2) and location (X3) simultaneously influence Tender Decision Y).

Table 2. The Result of t test

Independent Variabel	T_{count}	Significance	Description
Brand image (X_1)	5.956	0.000	H_1 accepted
Service quality(X_2)	0.599	0.001	H_2 accepted
Location (X_3)	1.657	0.001	H_3 accepted

Source: Primary Data, 2017.

Table 7 describes the results of hypothesis testing using t test:
1. Brand image (X1) has a t-count of 5.956 with a significant level of 0.000 less than 5% (0.05). These results show the brand image has a significant effect on purchasing decision of Mayster shoe care services partially. H1 hypothesis is accepted.
2. Quality of service (X2) has a value of t count of 0.599 with a significant level of 0.001 less than 5% (0.05) so it can be declared service quality significantly influence the purchase decision of Mayster shoe care services partially. H2 hypothesis accepted.
3. Location (X3) has a t-count of 1,657 with a significant level of 0.000 which is smaller than 5% (0.05). These results indicate that the location has significant effect on purchasing decision of Mayster shoe care service partially. H3 hypothesis accepted.

The correlation coefficient shows how big the relationship between variables. The coefficient of determination (R2) denotes the proportion of diversity in the dependent variable capable of being explained by the independent variable. Based on the results of data processing obtained values for the correlation coefficient and the coefficient of determination as follows:

Table 8. Correlation Coefficient (R) and Coefficient of Determination (R2)

Model	Correlation Coefficient (R)	Coefficient of Determination (R^2)
1	0.782	0.598

Source: Primary Data, 2017

Table 8 shows the correlation coefficient is 0.782. This indicates there is a strong relationship between independent variables consisting of service quality (X1) and location (X2) with purchasing decision (Y). The result of determination coefficient of 0,598 shows that model ability to explain purchasing decision (Y) is 59.8%; meanwhile, 40.2% (based on calculation 100% - 59,8%) is influenced by other factors.

CLASSIC ASSUMPTION TEST

This study uses several classical assumption tests consisting of normality test, heteroscedasticity test, autocorrelation test, multicollinearity test, and linearity test. The results of several classical assumption tests are as follows:

Normality Test

Table 3. Normality Test

		Unstandardized Residual
N		93
Normal Parameters[a,b]	Mean	0E-7
	Std. Deviation	.29812747
Most Extreme Differences	Absolute	.134
	Positive	.067
	Negative	-.134
Kolmogorov-Smirnov Z		1.294
Asymp. Sig. (2-tailed)		.070

a. Test distribution is Normal.
b. Calculated from data.

Source: Primary Data, 2017

The result of normality test showed Kolmogorov-Smirnov statistic value is 1.294. Asymp Value. Sig. (2-tailed) of 0.070 which is greater than 0.05. These results indicate that the residual distribution satisfies the assumption of normality.

Heteroskedastistas Test
If the value is significantly greater than α (5%) then there is no heteroscedasticity

Table 10. Heteroscedasticity Test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.602	.271		2.219	.029		
	Brand image	-.167	.080	-.344	-2.095	.039	.386	2.590
	Kualitas Layanan	.081	.073	.149	1.116	.267	.586	1.706
	Lokasi	.001	.045	.005	.033	.974	.515	1.942

a. Dependent Variable: RES2
Source: Primary Data, 2017

Table 10 shows that service quality and location have significant values greater than 0.05; Meanwhile, brand image variables have a significant value greater than 0.01. It was concluded that there was no deviation of heteroscedasticity on the independent variables at a significant level of 1%.

Autocorrelation Test
This research performs autocorrelation test by looking at Durbin-Watson (DW). This result shows that there is no autocorrelation if the Durbin-Watson value is between dU and (4-dU) in Watbin Durbin table with n = 60, k = 2. The result of data processing for autocorrelation test is as follows:

Table 11. Autocorrelation Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.782[a]	.611	.598	.3031	1.991

a. Predictors: (Constant), Lokasi, Kualitas Layanan, *Brand image*
b. Dependent Variable: Keputusan Pembelian
Source: Primary Data, 2017

Table 11 shows the Durbin Watson value of 1.991. The dU value for n = 93, k = 3 is 1.7295 and 4 - dU = 2.2705. This result shows that if Durbin Watson value is 1,991 lies between dU and (4-dU), it is concluded that there is no autocorrelation.

Multicollinearity Test
Symptoms of multicollinearity are detected if the VIF value is greater than 10 or VIF> 10. If the value is VIF <10 then no correlation is found between the independent variables.

Table 4. Multicollinearity Test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.394	.423		.930	.355		
	Brand image	.741	.124	.634	5.956	.000	.386	2.590
	Kualitas Layanan	.068	.114	.052	.599	.551	.586	1.706
	Lokasi	.117	.071	.153	1.657	.101	.515	1.942

a. Dependent Variable: Purchasing decision
Source: Primary Data, 2017

Table 12 shows no multicollinearity due to the VIF value of the brand image, service quality and location less than 10.

Linearity Test

Table 13. Linearity Brand Image Test Results on Purchasing Decisions

			Sum of Squares	df	Mean Square	F	Sig.
Keputusan Pembelian * *Brand image*	Between Groups	(Combined)	14.711	11	1.337	17.127	.000
		Linearity	12.567	1	12.567	160.939	.000
		Deviation from Linearity	2.144	10	.214	2.745	.060
	Within Groups		6.325	81	.078		
	Total		21.036	92			

Source: Primary Data, 2017

Table 13 shows the significant deviation from linearity of 0.06 greater than 5%. These results indicate there is a linear relationship of service quality to the purchase

Table 14. Quality of Service Linearity Test on Purchasing Decision

			Sum of Squares	df	Mean Square	F	Sig.
Keputusan Pembelian * Kualitas Layanan	Between Groups	(Combined)	10.009	7	1.430	11.022	.000
		Linearity	5.910	1	5.910	45.556	.000
		Deviation from Linearity	4.099	6	.683	5.267	.070
	Within Groups		11.027	85	.130		
	Total		21.036	92			

Source: Primary Data, 2017

Berdasarkan Tabel 14 didapatkan nilai signifikan *deviation from linearity* sebesar 0,07 yang lebih besar dari 5%, artinya, ada hubungan yang linier kualitas layanan terhadap keputusan pembelian.

Table 5. Site Linearity Test Result on Purchase Decision

			Sum of Squares	df	Mean Square	F	Sig.
Keputusan Pembelian * Lokasi	Between Groups	(Combined)	10.182	7	1.455	11.391	.000
		Linearity	8.022	1	8.022	62.826	.000
		Deviation from Linearity	2.159	6	.360	2.818	.150
	Within Groups		10.854	85	.128		
	Total		21.036	92			

Source: Primary Data, 2017

Table 15 indicates a significant deviation from linearity value of 0.150 greater than 5%. This means there is a linear relationship of location to the purchase decision.

DISCUSSION

The Influence of Brand Image on Purchase Decision.

The results of this study in accordance with research conducted Laura (2016) and Wijaya (2013) which indicates that the brand significant effect on purchasing decisions. Brand image has an important role in adding value to the overall service experience. A buyer will consider the brand image of a particular product based on his perception, if the buyer gets a positive image then the buyer will not hesitate to make a purchase. Based on the results of this study, the managerial implications for brand image variables as follows.

Table 16. Managerial Implications of Brand Image Variables

Indicators	Before research	After research
Brand Mayster has a good quality	Mayster's quality is good	• Maintain quality of service that matches customer expectations
Mayster can be trusted in doing shoe care	Detailed explanation in shoe care	• explain the service at the beginning with details and explanation of shoes condition
Mayster provides benefits in its services such as education information about shoes to be washed	Mayster provides shoe care education	• Educate the shoe care of every customer, during the transaction and after the transaction
Mayster provides services that can enhance the brand image	Mayster is not too concerned about brand image	• Follow pop-up markets such as Sunday markets, and seasonal or annual events.
Mayster minimizes customer risk	Mayster provides shoe care warranty	• explain the condition of shoes before the treatment process to the consumer
The price offered by Mayster is quite affordable	Mayster price segmented for the middle class	• Running promotions on selected days such as Independence Day all services costing Rp 45.000, during the exhibition there is promotion of 4 pairs washing only Rp 100.000, discount for students / students on Friday
Mayster has a positive and good brand image	Brand image Mayster less attention	• Create Endorsement of shoe-loving youtubers like Hanif Ramdhan

Source: Primary Data, 2017

The Impact of Service Quality on Purchasing Decision

The results of this study is in accordance with the study by Suliyanthini (2015) and Kodu (2013) which indicates that the quality of service gives significant effect to purchasing decisions. Service quality plays an important role in adding value to the overall service experience. A buyer will evaluate the quality of service based on his perception, if the buyer gets quality service then the buyer will not hesitate to make a purchase. Based on the results of this study, the managerial implications for service quality variables is presented as follows.

Table 17. Managerial Implications of the Service Quality Variables

Indicators	Before research	After research
Mayster gives the appropriate results	Be less discipline to check the outcome of care before it is given to the consumer.	Checking procedure is in accordance with applicable SOPs and maintain disciplinary checks on care outcomes before being provided to consumers.
Mayster provides satisfying service	The pick up and delivery service is not open or only given to certain consumers.	Providing pick up and delivery services for certain quantities.
Mayster responded quickly	Customer service is not centralized.	There are warranties (guarantees) provided on some services such as (recolour, reglue, reglue and sewing).
Mayster gives confidence to consumers	Closed in doing the washing process and reluctant to show the washing process to the consumer.	Provide phone/mobile phone number for customer service.
Mayster understands the needs of consumers	Only focus on cleaning service.	Show the process of washing and shoe care to ensure that Mayster is professional in shoe care services.

Source: Primary Data, 2017

Location Influences Purchasing Decision

Rupee Lupiyoadi (2013: 156) mentions there are three types of interactions between service providers and consumer services, namely: 1) consumers come to service providers, 2) service providers come to the consumer, and 3) business service transactions are done through an arm. If a consumer has trouble coming to Mayster, then Mayster should come to the consumer with managerial implications. Implications given to Mayster are Mayster location registration on track location media like Google maps and Waze apps. The spread of printed media or brochures can also be done around the Mayster store to inform the location of the Mayster branch. The pick-up & delivery service can also be duplicated to reach the consumer's residence away from the location of the Mayster branch as an implication of Mayster's interaction with consumers. In addition, the following describes in full the other managerial implications for price-related Mayster to support Mayster in improving the location:

Table 6. Implikasi Manajerial Variabel Lokasi

Indicators	Before research	After research and Implications for Mayster
Mayster location is easy to find	The Mayster branch inside is hard to find because there are no directions.	• Register the location of Mayster on google maps, path, waze to make consumers easy to find Mayster location.
Mayster location has a strategic location	Mayster branch is not strategic because inside a housing.	• Distribute printed media such as brochures on the area around the Mayster branch. In so doing, Mayster location information can be known to consumers around the residence.
Mayster has branches around the consumer's residence	The Mayster branch is relatively far from the consumer's residence as it does not reach the entire region.	• The addition of Pick up and Delivery fleets to reach consumers whose houses are far from the Mayster branch.

Source: Primary Data, 2017

CONCLUSIONS AND SUGGESTIONS

The study gives some conclusions as follows:

1. Brand image has a positive and significant effect on purchasing decision of Mayster shoe care service. The first hypothesis, Brand image has a significant effect on purchasing decision Mayster shoe care service, acceptable.
2. Quality of Service has a positive and significant effect on purchasing decision of Mayster shoe care service. The second hypothesis, service quality significantly influence the purchase decision of Mayster shoe care service, is acceptable.
3. Location has a positive and significant impact on purchasing decision of Mayster shoe care service. The third hypothesis, the location has a significant effect on purchasing decision of Mayster shoe care service, is acceptable.

RESEARCH RESEARCH AND RECOMMENDATIONS

Suggestions proposed in this research are: 1) Mayster participated in several exhibitions every year to better introduce brand mayster so that better known and improvement of good service to create positive image. 2) Mayster shoe care services open customer service services for customers who plan to get information about the services provided and who will file a complaint. 3) Mayster spread brochures on the area around the Mayster branch so that the customer will know there is a Mayster branch around their housing areas. Mayster also adds a fleet or pick-up and delivery service to reach customers who live far from the Mayster branches. This research has limitations. A lot of respondents fill the questionnaire once. The data used in the research are from the respondents who fill the questionnaire has washed at least twice. The results of research can be said to be imperfect.

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THE EFFECT OF HOSPITAL X'S PARTICIPATION IN BPJS PROGRAM ON ITS SERVICE QUALITY AND FINANCIAL PERFORMANCE

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ABSTRACT

Hospital X has joined BPJS program since September 2016. The existence of BPJS program can affect Hospital X's service quality and financial performance. This study aims to determine Hospital X's outpatient service quality for non-BPJS patients and its financial performance before and after participating in the BPJS program. This research adopted cross sectional design with quantitative and qualitative approach. Data on service quality are obtained through conducting survey to 81 patients who are selected using accidental sampling and interviewing 5 patients selected using snowball sampling. The data gained are analysed using gap score. Meanwhile, data on financial performance are obtained from calculating the liquidity ratio, solvency ratio, profitability ratios, and economic value added (EVA) as well. The results show that the level of patient satisfaction on the outpatient service quality decreases after Hospital X joined BPJS, where the most decreasing aspect is responsiveness. Three indicators show the lowest gap score, namely queue time, responsiveness of registration staff, and staff's skills to provide easy-to-understand explanations. Furthermore, regarding its financial performance, Hospital X also shows unfavourable score on its financial ratio. In addition to that, Hospital X also shows a negative EVA value, which means that Hospital X is unable to create value added of the capital already invested into the company, either before or after participating in the BPJS.

Keywords: *BPJS, Service Quality, Financial Performance*

INTRODUCTION

It is a responsibility of the government to ensure every citizen's health. For its effort, the government has organized Indonesian National Health Insurance program (JKN) issued by the Social Insurance Administration Organization (BPJS). In Surabaya, the number of participants participating in the JKN program has reached 273.634 people (BPJS, 2017). BPJS Health Insurance cooperates with 20.739 first-class health facilities and 5.257 secondary referral health care facilities in Indonesia (BPJS, 2017). Until 2017, there has been 37 secondary referral health care facilities in Surabaya that cooperate with BPJS Health Insurance, one of them is Hospital X (Kominfo, 2017).

BPJS exists to facilitate patients in obtaining health facility without having to pay every time they receive treatment. This causes the number of patients attending hospital increases

(Djatmiko, 2015). However, the increased number of patients is imbalance with the availability of adequate human resources in hospitals, resulting in increased workload and decreased service quality provided in hospitals (Mujiati & Yuniar, 2016). Furthermore, bills payment bureaucracy to BPJS Health Insurance seems inefficient and too inflexible, leading to bills accumulation that must be paid by hospitals (Tampi *et al.*, 2016). This condition, unfortunately, can cause financial loss for hospitals so it is not surprising that this condition affects service quality provided to the patient (Aryani & Rosinta, 2010). Another problem most hospitals face is related to hospital rates, namely BPJS rate determination that uses Indonesian-Case Based Groups (INA-CBGs), which is perceived to be a disadvantage to hospitals since the rates set are below the real cost spent by hospitals (Mawaddah & Tasminatun, 2016).

Hospital X is one of the private hospitals that have cooperated with BPJS since September 2016. Based on the problems explained in the preceding paragraph, it can be assumed that BPJS can either be an opportunity or a threat to hospitals, especially to private hospitals (Djunawan & Yusuf, 2017). So far, there has been no research found to study the impact of Hospital X's participation in BPJS on its service quality and financial performance. Therefore, this study aimed to analyze the service quality and financial performance of Hospital X's before and after participating in BPJS program.

LITERATURE REVIEW

Social Insurance Administration Organization (BPJS Health)

Based on Law No. 24 Year 2011, BPJS Health is a provider of public health insurance that succeeds Askes Indonesia Company. BPJS Health issues its health insurance program commonly known as JKN. In the JKN system, patient must follow treatment flow starting from PUSKESMAS (community health care) as the primary health care facility. If patient needs further examination, the patient is referred to secondary health care facility such as hospital (Putri & Kartika, 2017). Financial system in BPJS health is divided into three standard rates, namely capitation, non-capitation, and INA-CBGs charge (Kemenkes, 2014).

Service Quality

Service quality is the ability of an organization to meet customer expectations (Parasuraman *et al.*, 1990). Service quality can be assessed using the Servqual method which is measured through five aspects, namely tangible, reliability, responsiveness, assurance, and empathy (Markovic & Raspor, 2010). These five aspects are analyzed using Perception Gap Model by calculating the difference between perception score and customer expectation score regarding service quality provided by a company (Parasuraman *et al.*, 1990).

Economic Value Added (EVA)

EVA is operating profit of a company after deducting taxes and capital costs (Felisia, 2011). The formula of EVA calculation is as follows:

$$\text{EVA} = \text{Net Operating Profit} - \text{Taxes} - \text{Cost of Capital}$$

If EVA is greater than (>) 0, it can be said that company's financial performance is in good condition, whereas if EVA is less than (<) 0, it means company's financial performance is in poor condition.

Financial Ratios

Financial ratio describes a company's financial condition (Jumingan, 2006) which can be grouped into liquidity ratio, solvency ratio, and profitability ratio (Riyanto, 2010).

1. Liquidity Ratio is a ratio that provides information on how far a company can meet short-term financial obligations (Zions Bank, 2005). Liquidity ratio is divided into three kinds which are explained as follows:
   a. *Current Ratio* is a ratio to determine a company's ability to meet its short-term debts using current assets owned (Kahar, 2016).

   b. *Quick Ratio* is the ratio to find out a company's ability to meet its debts regularly using liquid assets (Zions Bank, 2005).
   c. *Cash Ratio* which measures the company's ability to use available and stored cash in a bank to meet its short-term debts (Kahar, 2016).
2. Solvency Ratio is the ratio used to measure how far a company is financed with debts. Solvency ratio is divided into two types as follows:
   a. *Debt to asset ratio* is the ratio of total debts to total assets (Kahar, 2016). The higher its percentage, the greater its financial risks for creditors and shareholders
   b. *Debt to equity ratio* illustrates the comparison of debts with equity in corporate funding which aims to determine the amount of a company's financial leverage that guarantees company debts (Kahar, 2016).
3. Profitability ratio is used to measure the final outcomes of a company's policies and decisions. There are two kinds of this ratio, namely:
   a. *Net Return On Assets* (ROA) which is able to measure a company assets' ability to generate profits (Zions Bank, 2005)
   b. *Net Return On Equity* (ROE) which shows a company capital's ability to generate net profit. The higher the ROE value, the better a company is in using its capital efficiently (Kahar, 2016).

RESEARCH METHODS

This research was conducted in Hospital X for two months, starting from September 2017 to October 2017. This research is a cross sectional research with quantitative and qualitative approach. The data collected in this research include:

1. Service Quality
   a. Quantitative data on this aspect were obtained from filling-in Servqual questionnaire with seven point Likert scale. The sample size was 81 respondents, selected using accidental sampling technique.
   b. Qualitative data on this aspect were gathered from in-depth interviews to 5 respondents, selected using snowball sampling technique.
2. Financial Performance

   Data on this aspect were gathered from interviewing the Head of Financial Department of Hospital X, and by studying secondary data in form of Hospital X financial report. The performance was measured using EVA and financial ratio.

Data Analysis

1. Quantitative Data Analysis

   For service quality, the data were obtained from the respondents' identity of general aspects, such as sex, age, education, and occupation. The data were analyzed by calculating the percentage of all respondents to get the composition of respondents' characteristics, and processing Servqual data on questionnaires using gap score method. Gap score is calculated by the difference between the score of customer's perception about the service which were given to them and the score of customer's expectation of service quality.

   If the gap score > 0, it means that the customers is satisfied to the hospital's service, and if the gap scores < 0, it means that the customers is not satisfied.

   In order to assess financial performance, the data were analyzed using EVA and financial ratios. EVA and financial ratios of Hospital X before participating in BPJS Health were compared with EVA and financial ratios after participating to find out its differences.
2. Qualitative Data Analysis

   Qualitative data in form of in-depth interviews on service quality were analyzed in transcription stages (transcribing interview results into text), content analysis (coding), and themes arrangement (categorizing some into conclusions).

RESULT AND DISCUSSION
Result of Data Analysis
Characteristics of Respondents
There are four characteristics of respondents in this research, namely sex, age, education and occupation. The respondents were mostly male with 53 people (65.4%) while the females were 28 people (34.6%). The dominant age group for the respondents was 51-60 years old with 34 people (42%), while 17 people were between 41-50 years old (21%), 15 people were between 31-40 years old (18.5%), 13 people were above 60 years old (16%), and 2 people were between 21-30 years old (2.5%). Next, the respondents' education background (arranged from the highest to the lowest) was dominated by university graduates as many as 36 people (44.4%), 24 academy graduates (29.6%), 17 high school graduates (21%), and 4 junior high school graduates (4.9%). Last, the respondents' most dominant occupation was self-employed as many as 27 (33.3%), followed by 21 housewives (25.9%), 18 civil servants (22.2%), 10 private company employees (12.3%), and others as many as 5 people (6.2%).

Quality of Outpatient Services Hospital X
Service quality of Hospital X after participating in BPJS, viewed from aspects of tangible, reliability, responsiveness, and empathy has decreased when compared to its service quality before participating in BPJS. The highest decrease occurred in responsiveness aspect. Chart 1 below shows the patients' satisfaction of Hospital X patients before and after participating in BPJS.

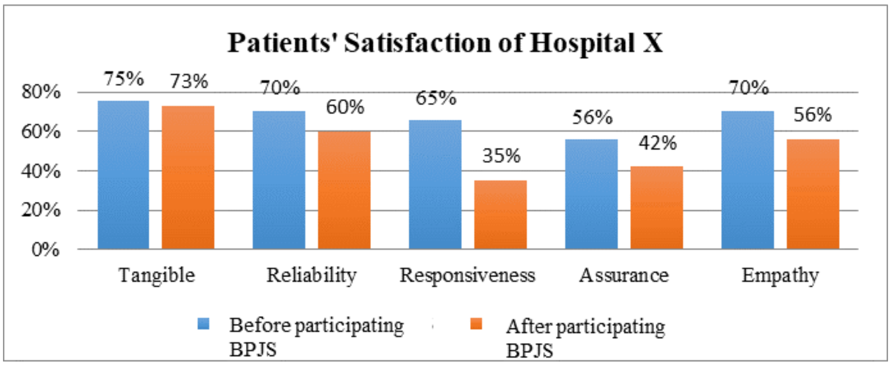

Figure 1. Patient's Satisfaction of Hospital X

Based on gap score calculation, all aspects of service decreased. The highest decreasing indicator was duration of queue time length. Queue length is waiting time from patient begins registration for health service to patient is being served either by the doctor or by the pharmacy. The interview results showed that after participating in BPJS, the queue length became longer than before due to the significant increased number of patients while the number of health workers remained the same. Therefore, it is reasonable for Hospital X to experience such a performance decrease due to the high increase in the number of patients, since being participating in BPJS caused the health workers to serve more patients, thus decreasing their speed and responsiveness negatively. This condition is also felt by respondent who is interviewed by researcher. He said:

> "In my opinion, the queue time is so long. I think it's because the increasing number of BPJS patients who come to this hospital."

Another respondent recommended to differentiate between the queue number of patients who want to meet the doctors and patients who want to pay the bills:

"Generally it's good. But I have been complaint when there are many other people who grabbed for pay. The hospital have to differentiate the queue number or the counter for patients who want to meet the doctors from those who want to pay."

These findings support Hazfiarini and Ernawaty's research results (2016) which also claim that it is reasonable to have low satisfaction score on the service speed indicator since the number of BPJS patients who desire to be immediately served increases and the queue gets longer. These findings also support Mujiati and Yuniar's research results (2016) which state that an increase of workers' workload can lead to a decrease in service quality provided. Another factor that may cause a decrease in service quality is the fact that Hospital X is resulted from the acquisition of Budi Mulia Hospital by Lippo Group. This acquisition keeps old workers including the medical workers. Therefore, there are many aged medical workers in Hospital X who tend to remain conservative and less agile. Considering this situation, worker regeneration is required to improve service quality, in particular the aspect of responsiveness.

In the other hand, there are some indicators which have meet the patient's satisfaction. One of them is the hospitality of health workers and other staffs. Respondent commented that the staffs treat them respectfully:

"All of them are respectful, including the registration staff, nurses, and also the doctors."

Table 1 shows the gap score of all aspects in this research.

Table 1. Gap Score Quality of Hospital X Service

Indicator	Gap Score Before BPJS	Gap Score After BPJS
Responsiveness		
Speed and accuracy of patient admissions procedures	0.160 (Satisfied)	-0.148 (Not satisfied)
Readiness of staffs in serving patients	0.309 (Satisfied)	0,000 (Satisfied)
Queue length	-0,247 (Not satisfied)	-1,259 (Not satisfied)
The speed and responsiveness of registration staffs in overcoming patient complaints	-0.593 (Not satisfied)	-0.543 (Not satisfied)
Doctor's quick response to patient complaints	0,000 (Satisfied)	0.049 (Satisfied)
Nurse's quick response to patient complaints	-0,049 (Not satisfied)	0.062 (Satisfied)
Assurance		
Doctors and nurses are qualified	0.222 (Satisfied)	0.247 (Satisfied)
Doctors and nurses are skilled in performing the task	0.802 (Satisfied)	0.840 (Satisfied)
Doctors, nurses, and other workers create a sense of security and trust	0.358 (Satisfied)	0.457 (Satisfied)
Registration staffs explain about service quality clearly and easily understood	0.049 (Satisfied)	-0.284 (Not satisfied)
Nurses explain the procedure clearly and are easily understood	0.235 (Satisfied)	0.148 (Satisfied)
Doctors explain examination result clearly and are easily understood	0.543 (Satisfied)	0.235 (Satisfied)
Treatment rates are quite affordable and correspond to the quality of services obtained	0.358 (Satisfied)	0.222 (Satisfied)
Empathy		
Registration and payment systems make patients at ease	0.012 (Satisfied)	-0,247 (Not

		satisfied)
Staffs and workers always put patient's interests first	0.099 (Satisfied)	0.198 (Satisfied)
Registration staffs show hospitality in serving patients	0.049 (Satisfied)	0.148 (Satisfied)
Nurses show hospitality in serving patients	0.296 (Satisfied)	0.346 (Satisfied)
Doctors show hospitality in serving patients	0.346 (Satisfied)	0.296 (Satisfied)
Doctors give sufficient time for patient consultation	0.049 (Satisfied)	-0,247 (Not satisfied)
Workers pay special attention to patients and family complaints	0.296 (Satisfied)	0.148 (Satisfied)
Equal service is provided regardless of patients' social and economic status	0.395 (Satisfied)	0.049 (Satisfied)
Good communication between workers and patients	0.099 (Satisfied)	0,000 (Satisfied)
Reliability		
Easiness of patient registration procedure	0.309 (Satisfied)	0.247 (Satisfied)
Simple outpatient procedures	0.247 (Satisfied)	-0,062 (Not satisfied)
Accurate outpatient scheduling service	0.210 (Satisfied)	-0.198 (Not satisfied)
Clear doctor schedule	0.395 (Satisfied)	0.333 (Satisfied)
Doctors are reliable in giving action	0.346 (Satisfied)	0.235 (Satisfied)
Nurses are reliable in giving action	0.346 (Satisfied)	0.444 (Satisfied)
Registration staffs are reliable in providing explanation needed by patients	-0.210 (Not satisfied)	-0,099 (Not satisfied)
Nurses are reliable in providing explanation needed by patients	0.321 (Satisfied)	0.519 (Satisfied)
Doctors are reliable in providing explanation needed by patients	0.556 (Satisfied)	0.407 (Satisfied)
Tangible		
Registration staffs' appearance are neat	0.198 (Satisfied)	0.049 (Satisfied)
Nurses' appearance are neat	0.346 (Satisfied)	0.210 (Satisfied)
Doctors' appearance are neat	0.593 (Satisfied)	0.259 (Satisfied)
Lounge area is clean and comfortable	0.198 (Satisfied)	0.160 (Satisfied)
Examination room is clean and comfortable	0.160 (Satisfied)	0.111 (Satisfied)
Equipment/medical facilities are complete	-0.543 (Not satisfied)	-0,247 (Not satisfied)
Information board is clear	-0.148 (Not satisfied)	-0.123 (Not satisfied)

Financial Performance of Hospital X

Based on Hospital X's financial report as secondary data, there has been an increase in total liabilities and total equity. It is seen in the balance sheet that most of the assets owned by Hospital X were due from related parties, and there was also an increase due from related parties when Hospital X participated in BPJS. The data show the amount of assets owned by Hospital X from its related parties, such as fund transfer from other companies as Lippo Group subsidiaries. Later, based on the secondary data, the AR average also shows increase when Hospital X participated in BPJS. This average AR shows the amount of company accounts receivable (Gorczyńska, 2011). The amount of accounts receivable may be caused by the duration of BPJS claim process. For that reason, it is necessary to coordinate with BPJS in order to save the hospital from loss. As for the value of financial ratios and EVA, all decreased after Hospital X participated in BPJS which are shown in Table 2.

Table 2. Hospital X Financial Data Comparison Before and After Participating in BPJS

	Before participating in BPJS	After participating in BPJS
	Jan-Aug 2016	Sep 2016-Jun 2017
Due from Related Parties	228,545 *	278,038 *
Average AR	24682 *	30,745 *
Current Ratio	675.6%	611.9%
Quick Ratio	660.3%	599.7 %
Cash Ratio	9.5%	7.5%
Debt to Asset Ratio	8.7%	7.1%
Debt to Equity Ratio	11.2%	9.1%
ROA	12.6%	8.9%
ROE	16.1%	11.5%
EVA	-1.846 *	-11.082 *

* Unit in IDR Mio

1. Liquidity Ratio
   a. Current Ratio
   Current ratio value decreased after Hospital X participating in BPJS. Despite the decrease, the value still exceeded the recommended current ratio. According to Kahar (2016), the recommended current ratio is 200% or 2:1 and current ratio value that exceeds the standard value shows good guarantee on a company's short-term debts (Agustina, 2016). On the other hand, this very high current ratio value indicates many inactive assets, causing their use less efficient (Sawir, 2009; Agustina, 2016).
   b. Quick Ratio
   Quick ratio value of Hospital X after participating in BPJS was lower than before the participation. This decrease reflects that the ability of Hospital X to meet its short-term financial obligations with using its most liquid assets also decreased. However, the quick ratio value still exceeded the recommended standard, which should be above 100% (Kahar, 2016). Similar to the current ratio, this extreme quick ratio value shows the number of unused current assets (Sawir, 2009).
   c. Cash Ratio
   Cash ratio value also decreased after Hospital X participating in BPJS program than before. The value, either before or after joining BPJS, was still under the recommended ratio, which should be above 100% (Kahar, 2016). A low cash ratio indicates a less favourable size for creditors since this is a sign of weak guarantee of a company to pay short-term liabilities (Kuranta *et al.*, 2016). Meanwhile, from the shareholders' point of view, this cash ratio is very profitable because it indicates no unused cash funds since the funds have been used for company's operation affairs (Kuranta *et al.*, 2016).
2. Solvency Ratio
   a. Debt to Asset Ratio
   This ratio of Hospital X before participating in BPJS was low, and after it participated in BPJS the ratio even decreased. This decrease is due to the reduced debts of Hospital X while its number of assets is increasing. Brigham and Gapenski (1997) argue that smaller debts will reduce risks of shareholders and add a company's potential return. Conversely, this theory does not apply to Hospital X's financial situation. Therefore, this low debt to

asset ratio is not an assurance that the company's financial life will be fine. This analysis result supports research of Julliumursyida *et al.*, (2008) and Widayanti (2012) which also show that the debt to asset ratio does not significantly affect the return obtained by a company.

b. Debt to Equity Ratio

This ratio of Hospital X before and after participating in BPJS was also low. This value shows that Hospital X's capital structure employs more of its own equity than debts. Small percentage of debt to equity ratio shows that the company's dependence on outsiders is decreasing (Erari, 2014). According to Brigham and Gapenski's theory (1997), small proportion of debts will increase a company's obtained return rate. However, this does not happen in Hospital X where the decrease in debt to equity was not followed by an increase in return. This analysis result supports the research from Farkhan and Ika (2012) as well as Malintan and Herawati (2013) which also show that debt to equity ratio has no significant effect on a company's return.

3. Profitability Ratio

a. ROA

The ROA of Hospital X before and after participating in BPJS was low. This low ROA value describes the ineffectiveness of the company in employing its assets to generate profit (Erari, 2014). The decrease in ROA value has been caused by smaller profit gained by Hospital X during its participation because, in the case of certain diseases, the rates paid by BPJS are actually lower than the real costs spent by the hospital. Yuniarti et.al, (2015) reveal that INA-CBGs rates are lower than hospital rates, causing loss for the hospital. Meanwhile, this result contradicts to Suhartiyas' result (2014) that shows ROA of Hospital X in Mojokerto increased after implementing JKN. Therefore, it cannot be generalized that the existence of BPJS has negative impact on hospital's ROA value.

b. ROE

The ROE value of Hospital X was low. This low value reflects the low effectiveness of employing the hospital's equity to obtain profit (Erari, 2014). This has been due to the low number of profits generated as a result of the low rates set by BPJS. This result also supports opinion from Wang *et al.* (2015) who claim that in a case of certain diseases, the rates paid by Health Insurance are lower when compared to hospital rates.

4. EVA

Hospital X's financial performance, shown in the EVA value, can be said as poor since the value was less than 0. This indicates that Hospital X was not able to create economic value added for the company, either before or after participating in BPJS.

CONCLUSIONS

1. BPJS program affects some aspects in Hospital X' service quality. There was a decrease of satisfaction level on the five aspects of outpatient service quality after Hospital X participating in BPJS. Responsiveness is the aspect with the highest decrease, while tangible was the lowest decrease. Several indicators must be improved since they have yet met patients' satisfaction. The indicators are completeness of the equipment or medical facilities, clear information board, complicated procedure of outpatient service, schedule accuracy of outpatient service, reliability of registration staffs in providing required explanation by patients, speed and accuracy of patient admission procedure, too long queue, speed and responsiveness of registration staffs in handling patients' complaints, ability of registration staffs in explaining service process clearly and easily understood, registration and payment system, and time allocation for doctor consultation.

2. Based on the financial ratios, the Hospital X's financial performance decreased after participating in BPJS, since the company's assets and large capital have not been employed optimally which is resulting poor profit. Moreover, a negative EVA value, either before or after participating in BPJS, also shows that Hospital X is unable to create economic value added. The condition will affect the management negatively, since poor financial performance can reduce investors' interest to make investment. In addition, based on the due from related parties' data, there is a possibility of involvement of other companies as Lippo Group subsidiaries in form of transferring assets to Hospital X.

SUGGESTIONS

1. Suggestions for Hospital X
   a. Hospital X should employ various assets and capital it has, such as regenerating physical facilities, completing medical facilities, adding hospital capacity, changing queue system from manual to IT-based system, establishing new department for preventive and rehabilitative disease activities, and many more. The optimal use of assets and capital will improve hospital profitability in the future.
   b. Hospital X must measure its revenue in each department to find out which department generates high revenue and which one is not.
   c. The financial management of Hospital X must be separated from the financial management of other Lippo Group subsidiaries.
2. Suggestions for further research
   a. This research is limited to studying the cardiac patients who did not use BPJS or other health insurance, so the sample did not represent whole patients who are served in Hospital X. Thus, it is suggested for further research to conduct research on similar topic by involving larger respondents to get more thorough view on service quality in all service aspects of Hospital X, both outpatient and inpatient services.
   b. This research is limited to assessing service quality using Servqual method and assessing financial performance from its financial ratio indicators and EVA. Therefore, further research that uses other methods and indicators is needed to get different views and to become a reference to compare the results obtained from various methods and indicators.

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PLANNING BUSINESS SUGAR BOWNIS "BOWERY”

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ABSTRACT

Business planning is a document that states the attractiveness and expectations of a business. A business plan that will operate a business must clearly state the location, process, raw material problem, place problem, soil and others. Business planning is a systematic blueprint. Sugar ants are palm sugar or brown sugar made in the form of brownish brown powder and often also referred to as sugar crystals.

The purpose of this research is to know the business planning of sugar palm "BOWERY" in terms of marketing, operational aspects aspects of human resources, legal aspects and financial aspects.

Based on the results of data analysis and discussion in research on business plan palm sugar "BOWERY" is, it can be concluded as follows: Judging from legal aspect, marketing aspect, human resource and technology are said to be due to the detail of legality, STP details, recruitment, technology and location. Based on the calculation table of NPV investment value from Sugar Ant "BOWERY" is positive and in accordance with the rules of NPV rules so this investment project can be said worthy to be implemented. The value of Profitability Index (PI) is above 1 for the three conditions then it is said worthy to be established. Internal Rate of Return (IRR) internal rate of return above the interest rate for 3 conditions, this investment project can be said to be profitable and feasible in terms of financial aspects. Looking at the length of this payback period in the medium-term investment industry, making it a period of <5 years and still in good category.

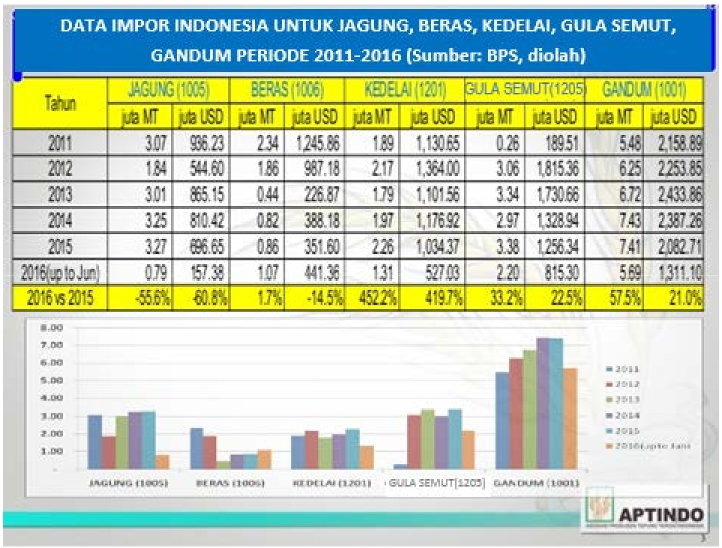
Keywords: Business Feasibility Study, Entrepreneurship, Palm Sugar.

INTRODUCTION

One of the keys to successful start-up is the ability to pour creative and innovative ideas or brilliant ideas. The idea must have a high economic value as outlined in a mature and realistic business plan. The business plan contains what is done in a future business covering the allocation of resources, attention to the key factors and cultivating the problems and opportunities that exist. The need for a business plan becomes absolute if we are going to run a business, because business planning itself is like a map and a compass to run a business. Through a mature plan we can set the main objectives of our business, the priority scale, and set the targets to be achieved. With the existence of a good business plan will make the business success opportunity we run will be higher.

Business planning is the first step in running a business, usually consisting of what we do, when, and how more clearly about the type of business to be pioneered, who will become customers and what products or services will be offered. Business plans are developed with a focus on the stakeholders. Complete business plans usually include an assessment of the business environment, management plans, marketing plans, and financial plans. The business environment assessment covers the economic environment, the industrial environment, and the global environment. The management plan includes an operational plan focusing on the proposed organizational structure of production and human resources within the company. Marketing planning includes five steps: target market, market characteristics, pricing, distribution, and promotion. Furthermore, the financial plan consists of two business feasibility and business funding.

Sugar ants are palm sugar or brown sugar made in the form of brownish brown powder and often also referred to as sugar crystals. Named sugar ants because this form of sugar resembles a house of ants nesting on the ground. Sugar ants have many advantages compared with brown sugar that is already known by the community mainly because it is easier to use, more soluble, and not a lot of non-sugar impurities such as those found in sugar prints. In addition, because the crystal-shaped and low water content makes the shelf life longer, and can serve as a substitute for sugar. Viewed from the economic side, sugar ants are higher than palm sugar print (brown sugar). The price of brown sugar is slightly lower than that of low quality sugar. In contrast, the price of sugar ants is higher than the best quality sugar. The price of palm sugar printed at the craftsmen level is usually around Rp. 5,000 - Rp. 6.000 / kg, and at the traditional market level around Rp. 6.500 -Rp 8.000 / kg, while the price of sugar ants can reach Rp.12.000 / kg at the craftsmen level and Rp.14.000 - Rp.17.000 / kg at the market, supermarket and exporter levels, depending on the performance of both packaging, labeling and volume. This indicates that the ants sugar agroindustry can be very profitable for poor farmers. Moreover, sugar ants have the potential to be exported. Based on the description above, this research titled **BUSINESS PLANNING SUGAR BOWN "BOWERY".**



DATA IMPOR INDONESIA UNTUK JAGUNG, BERAS, KEDELAI, GULA SEMUT, GANDUM PERIODE 2011-2016 (Sumber: BPS, diolah)

Tahun	JAGUNG (1005)		BERAS (1006)		KEDELAI (1201)		GULA SEMUT(1205)		GANDUM (1001)	
	juta MT	juta USD	juta MT	juta USD	juta MT	juta USD	juta MT	juta USD	juta MT	juta USD
2011	3.07	936.23	2.34	1,245.86	1.89	1,130.65	0.26	189.51	5.48	2,158.89
2012	1.84	544.60	1.86	987.18	2.17	1,364.00	3.06	1,815.36	6.25	2,253.85
2013	3.01	865.15	0.44	226.87	1.79	1,101.56	3.34	1,730.66	6.72	2,433.86
2014	3.25	810.42	0.82	388.18	1.97	1,176.92	2.97	1,328.94	7.43	2,387.26
2015	3.27	696.65	0.86	351.60	2.26	1,034.37	3.38	1,256.34	7.41	2,082.71
2016(up to Jun)	0.79	157.38	1.07	441.36	1.31	527.03	2.20	815.30	5.69	1,311.10
2016 vs 2015	-55.6%	-60.8%	1.7%	-14.5%	452.2%	419.7%	33.2%	22.5%	57.5%	21.0%

Figure 1. Development of Sugar Industry in Semarang
Source: Central Bureau of Statistics

Research purposes

The purpose of this research is to know the business planning of sugar ant "BOWERY" in terms of marketing, operational aspects aspects of human resources, legal aspects and financial aspects.

Previous Research
Research conducted by Evalia (2015) states that many opportunity opportunities that have not been well utilized. From the results of the study also found 10 alternative strategies that represent in the development from upstream to downstream in the effort of sugar ants agroindustry development, which can be applied in District Lareh Sago Halaban. Research conducted by Mulyadi (2011) stated that the analysis of market and marketing shows that the demand of sugar ants is big enough either so that the establishment of this ants sugar processing unit still have chance to able to fulfill market requirement. Research conducted by Ningtyas, et al (2015) stated that market analysis and marketing indicate that the demand of sugar ant is big enough either So that the establishment of processing unit of this ant sugar still have opportunity to able to fulfill market requirement. The research conducted by Rahayu (2015) stated that in terms of legal aspect as a member of KSU Jatirogo, 67 business is very feasible to run, while as individual company, 4 sugar business of ant is declared unfit because not yet have any license. Research conducted by Indiyastuti (2010) stated that Viewed from the technical aspect, the ant cultivation business has strategic business location, production capacity above minimum production area, production process and suitable layout, and proper technology selection.

LITERATURE REVIEW
Entrepreneurship
Entrepreneur is a person who is free and has the ability to live independently in running its business activities or business or life. He is free to design, determine manage, control all his efforts. Entrepreneurship is a mental attitude and soul that is always active or creative empowered, creative, berartistic and modest in the effort in order to increase revenue in business activities. Entrepreneur (entrepreneur) is someone who pays a certain price for a particular product, then sells it for an uncertain price, while making decisions about efforts to reach and utilize resources, and accept risks (Winardi, 2003).

Business Feasibility Study
According to Umar (2005) business feasibility studies are a study of business plans that not only analyze feasible or not feasible to build, but also when routinely operationalized in order to achieve maximum profit for an unspecified time, such as plans for new product launches. With that, Kasmir and Jakfar (2012) business feasibility study is an activity that studies in depth about an activity or business to be run, to determine whether or not a business is worthy to run. Meanwhile, Sunyoto (2014) stated that the business feasibility study is a study involving various aspects of legal aspects, financial aspects, socio-economic and cultural aspects, market and marketing aspects, consumer behavior aspects, technical and technological aspects, organization, where it is used to make a decision whether a project or business can be done or delayed and not even run.
Judging from the ownership, the project can be divided into two types, namely government projects and private projects (including foreign projects). While viewed from the reasons for its establishment and objectives, the project is divided into non-profit businesses. if investment projects implemented are sound investments that are economically profitable then with the increase of these projects economic activity will increase.

Business Planning
Business planning is a useful plan for the company to look ahead, allocate resources, focus on key points and prepare for opportunities and problems (Berry, 2004). On the basis of this it can be concluded that the business requires plans to optimize growth and development in accordance with the company's priorities. There is no patent business plan format because it is

tailored to the needs and goals of the company. But at least a simple business plan consists of summary, mission, key success, market analysis, and projected profit and loss calculations. Business planning is required in the business activities to be undertaken as well as ongoing to stay on the right track in accordance with the planned. Business planning is a very important tool for entrepreneurs and corporate policy makers. Business planning can also be used as a tool to seek funding from third parties. For the purpose of economic development to know the cost and benefits, among others, in terms of aspects of the national development plan, the distribution of added value to the entire community, the value of investment per labor, social influence, and analysis of utilization as well as social burden.

Marketing Aspects

According to Rangkuti (2012), Marketing is a process of activities that are influenced by various social, cultural, political, economic and managerial factors. The result of these factors is that each individual or group gets the needs and wants by creating, offering and exchanging products which has commodities.

In terms of a feasibility study of a business or project, the market and marketing aspects are one of the most important aspects. This is because market and marketing aspects are crucial to the life of a company. If the market and marketing aspects are not properly researched, what future prospects are, it is not impossible that the company's goals are never achieved. In fact it is not impossible the life of the company will be threatened. In essence, the market and marketing aspects determine the life of a company. If the market and marketing aspects are not properly researched, what future prospects are, it is not impossible that the company's goals are never reached. It is not impossible that the company's life will be threatened. The point is market and marketing aspect is to know how big market will be entered, market structure and market opportunity, market prospect in the future and how marketing strategy to do. Market and marketing are two sides that can not be separated from each other. Understanding the market simply can be interpreted as other similar places. Understanding the market simply can be interpreted as a meeting place of the sellers and buyers to make transactions. Philip Kotler's marketing philosophy is a social and managerial process whereby individuals and groups get what they need and want by creating and exchanging products and value with others.

Operational Aspects

Operational aspect is a series of activities that make goods and services through the change from input to output, this activity occurs in the company. The operational aspect is also known as the production aspect. Thus, the aspect of operations is to assess the company's readiness in running its business. Assessment of this aspect is very important because it involves matters such as the problem of location determination, production area, layout, preparation of factory equipment and production process including technology selection. Completeness of the study aspects of operations depends on the type of business to be run, because each type of business has its own priority.

Human Resource Aspects

Human Resources is a work effort or service that can be provided in the production process. Resource management includes everything that the company prepares for the performance of human resources, namely in the placement of work positions in accordance with their respective fields. In HR management, management functions such as planning, organizing, directing and supervising and operative functions such as procurement, compensation, development, integration, maintenance and layoffs are also applied. Management and organizational aspects are vital aspects of a business. Because the business that will or is being pioneered may be a failure if management and organization are not running properly. Project development management is a system for planning, implementing and overseeing projects that are being implemented.

Legal Aspects
The legal aspect examines the legality of the proposed project to be built and operated, meaning that any project to be established and built in a particular region must comply with the laws and regulations of the region. The legal aspect examines the legality of the proposed project to be built and operated, meaning that any project to be established and built in a particular region must comply with the laws and regulations of the region. The types of business entities such as the Company, Firma (Fa) Associate Commanders (CV), Limited Liability Company (PT), Foundation, Cooperative. A company, whether it is a trading company or an industrial company, in carrying out its activities will need a legality for the sake of the company's sustainability. The forms of company legality vary according to the field and type of activities of the company, including Company Name, Trademark, Trading Business License (SIUP), and Industrial Business License (IUI). With the possession of corporate legal documents, there will be some benefits such as in the protection of legal action relating to licensing issues, in the case of product promotion, in the case of legal compliance evidence, in the event of a project expiry, and in the event of obtaining a loan funds for corporate expansion and other activities.

Financial aspect
Cash Flow is calculating the income and expenditure as well as the estimated timeframe for the payback.
The Net PresentxValue is the present value of the benefits or outcomes earned in a project's investment on the cost incurred in making the investment.
The Internal Rate OfxReturn is the interest rate that will be the sum of the current values of the capital expenditure xx.
The Payback Period of an investment represents the length of time it takes for the funds embedded in an investment to be recovered entirely.
Profitability Indexx is obtained by comparing current values (present value) x from the planning of the cash inflows with the present value of investment.

SWOT
The SWOT analysis identifies strategic factors that describe the best combination of strategy choices. This analysis will maximize the strengths and opportunities and minimize the weaknesses and threats. The focus in the SWOT analysis is the opportunities (important situations that are profitable in the corporate environment) and threats (important situations that are not important in the corporate environment). The next focus is the identification of strengths (resources, or other advantages) on competitors and market needs (served or served by companies) and weaknesses or lack of inhibiting resources, skills and performance)

Matriks SWOT
1. SO strategy, aims to create strategies that use the power to exploit opportunities
2. Strategy ST, aims to create strategies that use the power to deal with threats.
3. WO strategy, aims to create strategies that minimize weaknesses to take advantage of opportunities.
4. WT Strategy, aims to create defensive strategies aimed at reducing internal weakness and avoiding external threats.

RESEARCH METHODS

Research Approach
Judging from the data type of research approach used in this study is a qualitative approach. The type of this research approach is descriptive. Descriptive research is a research that seeks to tell the solution of existing problems based on the data. The type of descriptive qualitative

research used in this study is intended to obtain information about business planning on the sugar ant business BOWERY.

Place and time of research

This research was conducted in the business environment of sugar ants BOWERY as the object under study. This study was conducted from November 2017 to February 2018.

Benchmarking Company

Name: Business Sugar Ants BOWERY
Business Activity: Food Business
Address: Jl. Catleya no.2, Semarang

Method of collecting data

1. Observation

A method of collecting data conducted by observing Direct, viewing and retrieving a required data in place The research was conducted. Observation can also be interpreted as a complex process. Data collection conducted on BOWERY ant sugar business.

2. Interview

Interview is one of data collecting technique done through direct face to face with resource by way of direct answer question. Interviews were conducted with business owners of the sugar ants BOWERY associated with related data.

Determination of Informants

Informants acting as a source of data and information must be eligible, which will be informant informant (key informant) in this research is business owner of sugar ants BOWERY. In addition, interviews were conducted with several informants such as farmers and buyers of sugar ants.

DATA ANALYSIS AND DISCUSSION

Marketing Aspects

Segmentation

1. Geographical Segmentation: Sugar Ants "BOWERY" serves the geographical segment of the surrounding Semarang city community in general.
2. Demographic Segmentation:

a. Age, which divides the market into different age groups. Sugar Ants "BOWERY" serves adult age especially as its market segment, that is society aged 20-60 years old.
b. Social class, which divides the market into different social class groups.
Sugar Ants "BOWERY" serves middle class social.
c. Gender, which divides the market into different groups by sex.
Sugar Ants "BOWERY" caters to male and female sex, mostly mainly female.
d. Revenue, which divides the market into different income groups.
Sugar Ants "BOWERY" serves middle income communities.

Targeting

Sugar Ants "BOWERY" takes aim at adults in need and shopping for sugar ants. Geographically, the target market is the people of Semarang City, and demographically they are from middle-class social class, and high.

Positioning

Positioning is important to place the product in the right position in the eyes of consumers, therefore Bowery ants have a positioning position "to live healthier", because in line with the type of product offered is a healthier sugar because aren-based compared to sugar made from the base of the calorie cane contained in palm sugar is smaller than that of white sugar, because palm sugar has a lower glycemic index value of 35 whereas in glycemic sugar index sugar is 58.

Marketing Mix Program

Product

Products offered by Sugar Ants "BOWERY" which includes sugar ants. The products offered are high quality ants.

Price

The price offered by Sugar Semut "BOWERY" is set at a relatively cheap price so as not to burden the housewives. Price will adjust to the quantity taken or ordered.

Promotion

Promotion made by Sugar Ants "BOWERY" is by loading on mass media such as newspaper release, brochure spread, internet news (social media) and banner installation.

Place

The distribution channel from Sugar Semut "BOWERY" to the direct consumers made by Sugar Ants is marketing around the area where the store is established.

Aspects of HR

Organizational structure

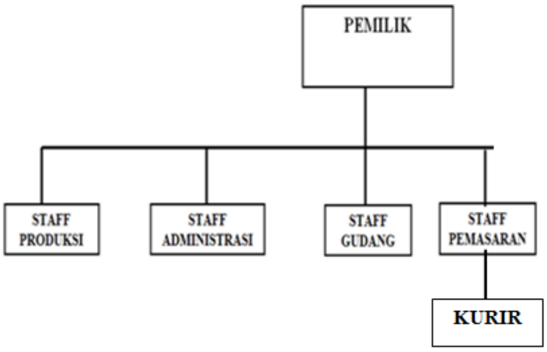


Figure 2. Organizational Structure of Sugar Ants

Duties and Responsibilities of Employees

Marketing staff, administration, working from 08.00 - 17.00 WIB, Production staff work using shif system; shift 1: 23.00 - 08.00, shift 2: 08.00 - 17.00 WIB, courier work from 05.00 - 14.00 WIB.

Qualification of Employee Recruitment

Sugar Ants "BOWERY" will employ men and women based on their abilities, experience and talents.

Employee Performance Assessment

1. The job review process provides regular feedback to all employees for their accomplishments compared to Management's expectations.
2. The Company has three types of formal performance appraisal as follows:
- Continuous talks between employees and Management;
- Periodic assessments based on certain criteria, or at the end of the project or assignment or when there are significant changes in employee performance levels;
- Official semi-annual / annual written assessment (Work Performance Appraisal) comparing execution and activity and work performance since the last appraisal.

3. Employees who are known not to contribute to the required level will be given clear guidance on certain areas that require improvement and their target dates will be set to assist in achieving them. If achievement does not increase within the Company's prescribed period, the relevant employee may be transferred to another equivalent or lower position (demotion).
4. Work Performance Assessment will be the basis used for Salary adjustment.

Compensation System
Payroll Policy
a. Payment The initial salary of employees is described in Employee Reception
b. Salaries will be paid on the 5th of each calendar month and commission on the 15th of each calendar month.
c. Salaries will be reviewed in June of each year, according to achievements measured by the company's performance appraisal system.
Bonus Hari Raya
a. Each year the Company will provide a 1 month bonus of Basic Salary Allowance for all first and contract employees
b. If the working period is less than 12 (twelve) months during Lebaran / Christmas holidays, the Allowance Benefit payment will be calculated proportionally from the date / contract starting.
c. If the work is still in trial, the bonus payment will be determined by the company.
d. If there are old employees who re-enter, then the calculation of Hari Raya Benefit is the same as New Employee.

Human Resource Strategy Facing Challenges Ahead
Conducting Career Training and Development
1. Employees will be given the necessary training to carry out their duties at the required level.
2. An employee who wishes to follow the exercise should seek approval from the Operations Manager and the Department Head

Operational Aspects
Location
Sugar Ants "BOWERY" is located at Jalan Semarang Raya no. 143, the city of Semarang-Central Java.
Labor
On Sugar Ant "BOWERY" there are 4 people production staff, 1 person administration staff, 1 person warehouse staff, 1 person marketing staff and 1 courier

Layout

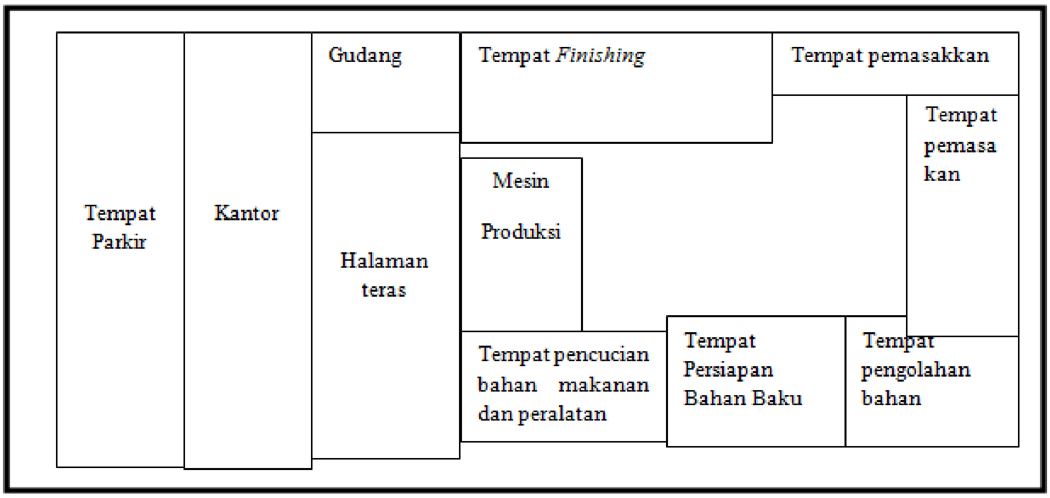


Figure 3. Layout

Legal Aspects
The legal aspect of a business feasibility study involves all matters related to the legality of the business plan that the Sugar Semut "BOWERY" intends to do. These legal provisions include:
1. Location permission
2. Deed of incorporation of a notary
3. Taxpayer Identification Number (NPWP)
4. Letter marks list of companies
5. Business location permit from Local Government
6. Letter of partnership from local government
7. Trading Business License (SIUP)

Licensing Process
Prior to the investment activity, it is necessary to consider the location of the business to be built because it will not be separated from the effects that could harm the company if not well prepared.

Risk Analysis
Normal Condition
Normal condition is a condition where the market when selling Sugar Ants raw material prices under normal conditions or market standards and the selling price is also in a condition or standard range. In this section will discuss about the condition of income statement, balance sheet, cash flow and feasibility analysis under normal conditions.
Pessimistic Condition
Pessimistic condition is a condition where the market when selling Sugar Ants raw material price in more expensive condition 3% in market and selling price also in condition or range more expensive 3%. In this section will be discussed about the condition of income statement, balance sheet, cash flow and feasibility analysis on pessimistic conditions.
Optimistic Condition
Optimistic condition is a condition where the market sells Sugar Ants raw material price in 3% cheaper condition in market and selling price also in condition or range which is cheaper 3%. In this section will be discussed about the condition of the income statement, balance sheet, cash flow and feasibility analysis on optimistic conditions. And the best condition is the optimistic

condition where the selling price increases but the cost of production decreases, so in this optimistic condition, the company enjoys the highest profit with the best return.

Managerial Implications

Based on the results of the analysis and discussion, it can be seen the managerial implications in this study include: the marketing aspect of the target market has met, the aspects of production meet because of the complete details on layout, investment and HPP, for human resources and financial aspects terms of business establishment services. Then this effort should be established soon.

CONCLUSION

1. Judging from legal aspect, marketing aspect, human resources and technology are said to be kayaking because of the details of legality, the existence of STP details, labor and recruitment, technology and location.
2. Based on the calculation table of investment value of NPV from Sugar Ant "BOWERY" is positive and in accordance with the rules of NPV rules then this investment project can be said feasible to be implemented.
3. Value Profitability Index (PI) is above 1 for the three conditions then it is said to be feasible to be established.
4. Internal Rate of Return (IRR) internal rate of return above the interest rate for 3 conditions, this investment project can be said to be profitable and feasible in terms of financial aspects.
5. Looking at the length of this payback period in the medium-term investment industry, making the period for <5year and still in the good category.

SUGGESTION

Based on the conclusions obtained, then the advice given is:

1. For Practitioners:

We recommend this food business can be run because of the analysis is feasible to run in three conditions that is normal conditions, pessimistic or optimistic.

2. For Further Researchers

Researchers who will conduct further research, it is advisable to search and read other references more so that the results of further research will be better and can gain a new science.

Limitations

This study has limitations, among others, using only one case study in the food industry so that different results will be obtained when running another business with other assumptions as well.

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DETERMINANTS OF CREDIT ACCESS BY MICROENTERPRISE

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ABSTRACT

The number of micro-entrepreneurs and the dominant number of micro enterprises compared to medium and large-scale enterprises in Indonesia is not driven by the provision of access to credit and venture capital for micro businesses. This resulted in a micro-sector sector identical to the poor being vulnerable to exploitation by moneylenders who exploit the difficulties of micro entrepreneurs accessing credit from the banking sector.
This study examines the factors that determine the accessibility of credit by micro entrepreneur in Bojonegoro regency. A total sum of 270 micro entrepreneurs who have applied for banking loan were sampled from the study area. With an binary logistic regression model the research resulting that education, skill on entrepreneur, and monthly net profits generated by the microenterprise are significant in determining the accessibility of microcredit.

Keywords: micro entrepreneur, microcredit, credit accessibility.

INTRODUCTION

Credit accessibility by micro, small and medium enterprise (MSMEs) as a source of capital is one of the very important factors on the development process in each country (Kasali, Aznor, & Lim, 2016). In the long term, access to credit for MSMEs not only expected to be a solution of capital problems for medium-sized business but also will have an effect on the provision of employment and ultimately become a path in poverty alleviation.
The number of MSMEs continued to increase by years, an increase of 2.41 percent from 2012 to 2013, reaching 57.89 million business units in 2013 where 98.77 percent of them are micro businesses (Indonesian Ministry of Cooperative and MSMEs, 2014). Table 1 shows that micro, small and medium Enterprises (MSMEs) in Indonesia have a significant role in the national economy, especially into Gross Domestic Product (GDP) and employment. The contribution of MSME to the national GDP in 2012 was 4,869.8 Trillion rupiah or 59.8% of the total business contribution to National GDP. While in 2013, it was 5,440.50 Trillion rupiah and able to absorb the workforce of 107.6 million workers in 2012 compared with the large-scale business sector that only absorbed a labor force of 3.2 million workers in the same year. While in 2013 the employment by the MSMEs rose to 114 million workers, wherein the same year the large-scale business sector only employed 3.5 million workers.

Table 1. Total Amount of Contribution to GDP and Employment Absorption By MSMEs and Large Scale Business.

	Contribution to GDP				Employment Absorption			
	2012		2013		2012		2013	
	(billion IDR)	%	(billion IDR)	%	(persons)	%	(persons)	%
Micro	2.951.120	35,8	3.326.564	36,	99.859.517	90,1	104.144.08	88,
Sector	798.122	1	876.385	90	4.535.970	2	2	90
Small	1.120.325	9,68	1.237.057	9,7	3.262.023	4,09	5.570.231	4,7
Enterprise		13,5		2		2,94	3.949.385	3
Micro	4.869.568	9	5.440.007	13,	107.657.50			3,3
Enterprise				72	9	97,1	114.144.08	6
	3.372.296	59,8	3.574.943				2	
Total				60,	3.150.645	2,84		96,
MSMEs		40,9		34			3.537.162	99
Larga-		2						
Scaled				39,				3.0
Business				66				1

Source: Indonesian Ministry of Cooperative and MSMEs, 2014

In contrast to the dominant number micro business compared to other types of business (small, medium and large enterprises) precisely micro sector get the smallest portion of credit distribution from national banks compared to other types of business. Table 2 shows that micro businesses receive credit disbursements of 113.7 trillion rupiahs or only 4.1% of total business loans disbursed by banks during the year. Over the next few years, the number of credit disbursements for micro businesses also ranged only 4% of the total business loans disbursed by banks, in 2013 by 4.1% in 2014 by 4.8% and 4.8% by 2015.

Table 2. Growth of Micro, Small and Medium Enterprise (MSMEs) And Non MSMEs Credits by Banking in 2012-2015.

Credit Indicator	2012		2013		2014		2015	
	(Million IDR)	%	(Million IDR)	%	(Million IDR)	%	(Million IDR)	%
Micro Enterprise Credit	113,754.1	4.1%	137,797.7	4.1%	179,748.3	4.8%	199,123.4	4.8%
Small Enterprise Credit	169,882.5	6.1%	193,060.3	5.7%	224,348.3	5.9%	239,194.5	5.7%
Medium Enterprise Credit	268,589.5	9.7%	308,613.5	9.1%	363,481.1	9.6%	392,338.3	9.4%
MSMEs Total Credit	**552,226.1**	**19.9%**	**639,471.5**	**18.9%**	**767,577.7**	**20.3%**	**830,656.2**	**19.9%**
Non MSMEs Credit	**2,226,731**	**80.1%**	**2,744,758**	**81.1%**	**3,012,536**	**79.7%**	**3,345,787**	**80.1%**

Source: Bank Indonesia, 2017.

The banking sector is the largest source of capital that can be uses by the business. However, the banking industry that is organized on commercial principles makes MSMEs in particular micro-groups groups difficult to meet the technical requirements in obtaining credit, especially collateral, business feasibility, and other administrative requirements. The principle of prudential banking in credit distribution or often referred as 5C principles: character, capacity, collateral, capital, and condition becomes the main barrier for the business micro to access the source of capital (Nengsih, 2015).

Microcredit or capital financing specifically targeted to the micro-enterprise sector identical with the poor community is a classic problem in a country's economy development (Haryadi, 2006). The availability of capital that is easily accessible by micro entrepreneurs is a very important policy, because this group is always become the exploited persons by informal moneylenders.

A micro business sector identical to the poor society needs an access to capital in the framework of sustainability and development of their business. With the loans, the poor can create their own jobs, and some of them can employ all members of their families, and even or others. Thus, the analysis of access to credit for micro business groups besides as a poverty alleviation strategy is also important in the context of reducing unemployment in each region (Kalirajan & Singh, 2009).

This study aims to reveal the factors that influence the acquisition of credit by micro enterprise with research area in Bojonegoro region. Where the research results expected to be an input for the development of microfinance policy. Based on Central Bureau of Statistics East Java latest data (2016), poverty rate in Bojonegoro Regency in 2015 is 15.41% or 8th level of poverty level in East Java, so expansion of credit access as source of capital of micro entrepreneur sector is expect to be part as poverty alleviation strategy in Bojonegoro regency.

LITERATURE REVIEW

Formulated by UNCDF, CGAP and ADB, Microcredit is a micro-financing, micro meaning within this context with regard to transaction value and financial capacity of customers who generally give into the poor category (Kalirajan & Singh, 2009*)*. Based on historical data of Bank Indonesia (2017), the national banks only provide a small portion of lending to micro business groups. That is due to the assumption that micro business loans have high transaction costs and the difficulty of measuring the micro business financial ratios because generally their business finances are not separated from the family private finance (Wanjohi, 2009).

Micro enterprise tend to have a much more volatile growth and income pattern than large companies do. Their survival rate is lower than that of larger companies. The medium enterprises face obstacles in applying for loans to banks compared to large-scale companies and established companies. (Kung'u, 2015).

Many studies have revealed that countries that provide easy access to finance for the SME sector have significantly reduced poverty rates from countries that still have a high gap in capital access between the large-enterprise sector and the SMEs (Yang, et al 2002). Empowering the poor through the provision of capital and credit is essential for economic development (El-komi, 2010)

The mortgage payment by the micro-credit beneficiaries becomes an important discussion in the development of a micro financing model for micro entrepreneurs. Empirical studies shown that the ability to pay for micro-credit installments is also influenced by the quality of the business actor as the borrower itself and other factors like education, amount of loan, gender, duration of loan, and various credit rules applied (Roslan and Abd Karim, 2009; Smith 2010). It also conveyed that micro credit repayments would be more effective if microfinance institutions relax the rules of repayments, so they are more realistic for micro entrepreneurs. This is to encourage the participation of the poor within financial inclusion (Abu-Hadi,et al, 2013).

In the analysis of credit, distribution to micro-scale entrepreneurs must also discus about the feasibility of lending to the poor. As stated earlier that the concept of microcredit becomes an urgent discussion to be resolved due to the inability of the micro sector to qualify the

requirements of obtain loan from conventional banks. Therefore, the concept of 5C lending cannot applied to credit analysis for the poor.
As an illustration of the feasibility of lending to micro entrepreneurs, researchers use benchmark data on the number of global credit distribution and non-performing loans by banks in Indonesia from 2011 to 2013.

Tabel 3. Total Loans disbursed and Non-Performing Loan on MSMEs And Large Firm by Banking in Indonesia (in Million IDR).

	2011	2012	2013
MSMEs' Loan			
Total amount of credit	458.164	526.397	608.828
NPL	15.674	17.011	19.515
NPL percentage	3.42%	3.23%	3.21%
Non MSMEs/ Large Firm sector Loan			
Total amount of credit	1.151.392	1.350.606	1.562.104
NPL	26.115	31.714	37.022
NPL percentage	2.27%	2.35%	2.37%

Source: Indonesian Financial Fervices Authority, 2015

From Table 3, it appears that although the presentation of bad-loans for credit disbursement in the MSME sector is higher than the percentage of nonperforming loan at large-scale enterprises. However, the percentage of non-performing loans in small and micro enterprises continues to decline from year to year, compared to the percentage of non-performing loans in the large-scale business sectors, which increased between 2011 and 2013.

REVIEW OF EMPIRICAL LITERATURE ON MICROFINANCE ACCESSIBILITY

The perfect market theories of financing says that all valuable projects should be funded (Merton, 1987), but the measurement of creditworthiness through the projection of cash flow, and other financial instruments is certainly very difficult for entrepreneurs in the micro sector. Banks should apply a special feasibility review model for credit application from small and micro entrepreneurs.
The low absorption of credit in micro sectors is often due to overly stringent requirements by lending providers, so it would be too difficult for the micro sector to meet these requirements. The absorption of microcredit is another measure of the effectiveness of microfinance programs. Level of education, gender, and family size, household expenditure are micro entrepreneurs consider some of the factors that affect the credit acquisition.

Some studies also have attempted to construct the measures for form performance in the SME sector as factors that involve they credit accessibility, and found that greater sales and profits also associated with greater access to credit (Kung'u 2015)

RESEACRH METHODS

Research Design

The research uses an explanatory research design, Explanatory is a study that aims to determine the relationships between one variable with other variables or how a variable affects other variables (Sugiyono, 2010).

Data Source and Collection procedure.

To achieve the objective of this study, primary data were collected from the study area: Bojonegoro Regency. Bojonegoro is one of the districts in eastern Java province that is still synonymous with poverty. The population of Bojonegoro Regency is 1,453,880 people, of which 14.35% are in poor condition.

In this study cross-sectional data collected by structured questionnaires. Data collection of micro entrepreneurs is prioritized on various traditional markets in Bojonegoro. Research data obtained through the filling questionnaire directly by the respondents and through interviews if the condition of the respondents possible.

Data Analysis

To identify the determinant factors of credit accessibility by micro entrepreneurs, the researcher adopted logistic regression model. The logit & probit models is a binary option model that is typically used in credit accessibility analysis in various literatures, since the dependent variable of the study is dichotomous it is not relevant if the analysis uses ordinary least square models (Xia, Chistopher, & Baiding, 2011).

Based on Gujarati & Potter, (2009) in the estimation of logit model equation of this research describe as follows:

$$Li = \ln(\frac{P_i}{1-P_i}) = Z_i = B_0 + B_j \sum_{j=1}^{k} X_i + u_i$$

Where the value of Zi is the dependent variable in the study and in the form of data dichotomy (yes or no) while X_i (X_1, X_2, X_3,…. X_n) are the independent variable.

The logit regression model used also adopts from Xia, Chistopher, & Baiding (2011), where statistical equations can be described as follows:

$$Li = \ln(\frac{P_i}{1-P_i}) = f(X_1, X_2, X_3, X_4, X_{5i}, X_6, X_7, X_8)$$

P_i is a binary dependent variable, P_i =1; if the micro entrepreneur is loan beneficiary and P_i =0; if the person is microcredit loan non-beneficiary but eligible microcredit applicant.

X_1 = Age
X_2 = Gender
X_3 = Educational level
X_4 = Skill in Entrepreneurship
X_5 = Number of employees
X_6 = Monthly turnover
X_7 = Net profit per month
X_8 = Household size

In this model, credit access is considered as dependent variable, while age, gender, educational level, skill in entrepreneurship, number of employees, monthly turnover, net profit per month, and household size are considered as explanatory or independent variable.

EMPIRICAL RESULT

Descriptive of Respondents.

Researchers have conducted a survey of 287 micro entrepreneurs in Bojonegoro regency, but 77 respondents were excluded from the sample data because they had never applied for micro credit application to the bank. Table 4 shows the demographic statistics of the respondents. Table 1 shows that the percentage of the gender distribution is male respondents are 46% and female are 54% from the total of respondents. Age distribution in percentage shows that about 38% of the respondents fall between ages of 41-55 years. This is indicates that most of the eligible candidates for microcredit obtainers in the sudy area are still in their productive age.

Table 4. Demographics of Respondents

	Total sample
	210 (100%)
Gender	
1. Male	45.9%
2. Female	54.1%
Age	
1. less than 25 year	18.1%
2. 25-40 year	27.1%
3. 41-55 year	37.6%
4. more than 55 year	17.1%
Education	
1. elementary	30.0%
2. Junior high	25.2%
3. Senior high	22.4%
4. Diploma/ university	22.4%
Entrepreneur skill	
1. less than 3 year	4.3%
2. 3-5 year	31.4%
3. 5 -10 year	39.0%
4.more than 10 year	25.2%
Number of employee	
1. 1- 4 people	40.0%
2. 5-19 people	39.0%
3. 20-49 people	9.5%
4. more than 50 people	11.4%
Total sales/ monthly turnover	
1.≤ 10 million IDR	49.0%
2. 10-25 million IDR	35.7%
3. 25-100 million IDR	12.4%
4. > 100 million IDR	2.9%
Monthly net profit	
1. .≤ 1 million IDR	40.0%
2. 1-2,5 million IDR	39.5%
3. 2,5-10 million IDR	13.8%
4. > 10 million ID	6.7%
Household size (member)	
1. 1- 3 persons	46.2%
2. 4-5 persons	47.6%
3. above 5 persons	6.2%

Source: field survey data

Table 4 also depicts the profiles of the respondents. About 75% of the respondents have less than 10 years' experience in entrepreneurship. The proportion of the household size shows that 46.2% respondents are less than three persons per households. About 40 percent of the respondents accommodate above four persons as employee of the microenterprise. Average of the research sample are microenterprise with monthly sales turnover less than 25 million rupiah, with the net income less than 2.5 million rupiah per months.

Result and Discussion.

The results of binary logistic regression analysis of the determinants of access to micro credit are shown in table 5. The result revealed that the coefficient education, and net profit were statistically significant at 5% probability level, while entrepreneur skill/ experience was significant at 10 percent level signification.

Table 5. Results of Logit Estimates on Determinant Of Credit Access By Microenterprise

Variables	Estimated coefficients	Sig
Gender	0.287	0.674
Age	-0.149	0.465
Educational level	0.128*	0.035
Entrepreneur skill	0.170**	0.082
Total of employee	0.151	0.644
Turnover	0.180	0.533
Net profit	0.163*	0.302
Household size	- 0.239	0.431
Mc Fadden R-Squared (Pseudo) R^2	0.052	
Source: Field survey data		
*variable significant at 5%, **variable significant at 10%		

Table 5 indicate that the coefficient of education, entrepreneur skill, and net profit were positive and significant at a specific level, while variable gender, total employee, turn over had a positive coefficient but were not significant.   More specifically, the coefficients of age and household size were negative but not at significant level.

The results of analysis revealed that variables with positive signs indicate that their higher values increase the chances that the micro entrepreneur have to access credit and vice versa. The positive coefficients of education and entrepreneur skill are supports the previous study by Phan (2012). Empirical results that find net profit, gender, total employee, turn over had have positive coefficients also supported by Obesisan and Akinlade (2013) and (Kasali et al., 2016) The negative coefficients although it was not significant of variable age (-0.149) and household size (-0.239) imply that the chances of the entrepreneur in accessing credit decrease with age and household size. These result supported by similar study by Xia, Chistopher, & Baiding, (2011).

CONCLUSIONS

This Study examines several factors that determine the accessibility of micro-entrepreneur to credit from the bank in Bojonegoro regency. The results obtained from eight variables analyzed; only three that proved to have a significant influence on the acquisition of credit, there are educations, entrepreneur skills, and monthly net profit by the microenterprise have a significant positive relationship with microcredit access.

Based on the findings of this study, the government should provide financing that friendlier for micro entrepreneurs, especially for entrepreneurs who still have constraints such as monthly profit is still relatively small and minimal entrepreneurial experience. Also for start-up entrepreneur with low level of education and experiences.

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CREATING CUSTOMER ADVOCACY TOWARDS CUSTOMER of LALA GROUP BABY SHOP

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ABSTRACT

Business and customers are currently in a state of content shock, where the company must have received complaints from its customers. The negative worth of mouth from dissatisfied customers will impact the future of the business. This is where the importance of customer advocacy. Because they are not only encourage and recommend but also volunteer to defend when there is a negative issue about the brand. Lala Group Baby Shop has been established since fifteen years ago with six branch outlets in Sidoarjo. So advocacy is very important for the business so that in the future it can reduce the cost of promotion and increase the advantage of competing with competitors. This research aims to create customer advocacy as well as to create an appropriate advocacy strategy for Lala Group Baby Shop customers.
The research approach used is qualitative descriptive using case study type with explorative analysis method with analytical descriptive approach. Research subjects in this study there are five women who are customers of Lala Group Baby Shop that has met the criteria and selected by purposive sampling that representing several branches of Lala Group Baby Shop. The research was conducted with semi-structured interview methode.
From the results of the research, it is known that all of these informants have the potential to become an advocate customer because they already have good satisfaction, trust, commitment and loyalty. Overall there is no difference strategy on customers of Lala Group Baby Shop based on the customer profile and behaviour. Thus, the resulting customer advocacy strategy can be applied to all Lala Group Baby Shop customers by recognizing and improving company deficiencies, creating communities, implementing membership card programs, and working with ojek online to implement delivery systems.

Keyword: Satisfaction, Trust, Commitment, Loyalty, Advocacy

INTRODUCTION

The development of modern retail business in Indonesia increasingly shows rapid progress. The development of retail business in various big cities and small towns in Indonesia can't be separated from the demands of society that is very practical, fast, and comfortable. The number of players in the retail business makes the competition very tight. They compete to provide ease in serving customers, as well as with various strategies applied in order to seize customers,

while making them loyal. So, they strive to create good relationship quality with their customers. By having a good relationship quality, the company is able to change the loyal customer into advocacy by recommending and further defending the company. Maintaining or even improving relationship quality with loyal customers is economically cheaper compared to recruiting new customers.
Reported from the website of the Ministry of Communication and Informatics of the Republic of Indonesia, data obtained from the June 2nd edition of Indonesia Demographic and Health Survey (SDKI), Total Fertilility Rate (TFR) or childbirth rate of a woman in Indonesia reached 2.6 children 2012, meaning that every woman has 2-3 children during her lifetime where there is an increase from 2011. Meanwhile, the Total Fertility Rate (TFR) in rural area is 17% higher than urban up to 2.8 children compared to urban areas only reached 2.4 children. So, from the data can be concluded the opportunity for the establishment of infant and child equipment business in rural areas is still very promising.

Lala Group Baby Shop is one of the middle-class modern retail business that provides baby and child supplies and has several retail outlets spread across Sidoarjo District. Sidoarjo is one of developed district near Surabaya (capital of the province) that included of the 16th largest rank for the Market Potential Index for Regencies in Indonesia with high market growth rate compared to districts / cities in Indonesia (Agus Dwi Darmawan; 2017; 50 Kabupaten dengan Potensi Pasar Menjanjikan di Indonesia; http: //databoks.katadata.co.id/datablog/2017/05/12/50-kabupaten-denganpotensi-pasar-menjanjikan-di-Indonesia). It uses the concept of modern retailers spread in densely populated areas with strategic location not in the city center but able to meet the needs of its customers. The most important concept is reaching customers by closer branches from residential areas of customers.

Being the first does not mean a business can stop innovating. By continuing to build good relationship quality with customers, a brand will be able to survive and even continue to be advocated. Advocacy means action to ask other people in this case the customer to do something for the company. With customer advocacy, the company is able to reduce the cost of promotion with the initiative of its own customers to recommend the company to relatives, which will impact on the promotion through positive word of mouth. The company's challenge is how to make the positive experience shared with others.

LITERATURE REVIEW

Susanta, Taher Alhabsji, M.S.Idrus and Umar Nimran (2013) entitled, "The Effect of Relationship Quality on Customer Advocacy: The Mediating Role of Loyalty". According to them, the use of customer advocacy is very important in the company's efforts to get new customers. Based on the theory of social exchange, advocacy can result from satisfaction, trust, commitment and loyalty. The results of this study states that satisfaction and commitment directly affect the advocacy, but trust has not. Loyalty mediates the relationship between trust and advocacy, while commitment has the greatest impact on advocacy.

Anna M. Walz and Kevin G.Celuch (2010), entitled "The Effect of Retailer Communication on Customer Advocacy: The Mediating Role of Trust" highlight how services can create more customers. It can be said that advocacy, or promotion or defense of a company, product, or brand by a customer to another customer is one of the most important results in building customer engagement. Communication has been positioned as one of the most effective corporate strategies for building relationships, while the level of customer trust in the company also has the potential to influence advocacy. The findings of this study explain the importance of trust customers at retailers. Given that in a competitive environment, retail management will be involved in quality improvement efforts, realizing the benefits of such actions are minimal for customers who do not have enough confidence in retailers.

Muhammad Hassan, Arslan Ra and Syed Sibtain Kazmi (2015) entitled, "Impact of Differentiated Customer Service, Brand Trust, Brand Commitment, and Brand Salience on Brand Advocacy" aim to identify why brands need to have customer advocacy. Many brands today offer the same type and quality of products. This research study helps in identifying which factors should be considered by top management when designing marketing strategies. Trust on a brand develops when perceived product attributes and actual product attributes are the same. It will create customer satisfaction and emotional attachment and turn customers into advocates.

Bariky Robby, Lilik Noor Yuliati, and Megawati Simanjuntak (2015) entitled "The Influence of Customer Commitment and Loyalty Program on Customer Advocacy Behavior in B2B Product" were conducted quantitatively and empirically tested the impact of satisfaction and trust on commitment, and explored the effect of commitment to customer advocacy behavior. The result shows that commitment has the greatest impact on advocacy. Loyalty programs have a role in making customers from commitment (commitment) to advocacy. And loyalty programs also have a direct influence in making customer advocacy.

Figure 1. Analytical Model

RESEARCH METHODS

Judging from the data type, the research approach used in this research is qualitative approach. In this study, researchers used a case study in which researchers examined how the relationship quality of customers of Lala Group Baby Shop in order to create an advocate customer who

then reviewed and interpreted its meaning into a strategy that can be applied to customers of Lala Group Baby Shop. The research method used is explorative method with analytical descriptive approach.
The research was conducted in August until November 2017 for four months by conducting interviews in each interviewers at least 45 minutes and maximum 90 minutes at Sidoarjo in accordance with the domicile of the five speakers.

Research subject
Customers from every branch of Lala Group Baby Shop which has been established for at least one year and has a turnover of more than 250 million per month. In the criteria, as many as five people were chosen as research subjects with purposive sampling method. From these observations, it was found that the appropriate samples for this study were: Lala Group Baby Shop customers who make at least 2x purchases in one month on a regular basis, at least do the average transaction at least Rp 300.000,00 per expenditure, shopping for product variation varying or different on every spend.

Object of Research

Table 1. Object of Research

Relationship Quality			Loyalty	Advocacy
Satisfaction	**Trust**	**Commitment**		
1. Satisfied with brand attributes 2. Shopping experience 3. Customer Perceptions 4. Customer expectations	1. eliability 2. redibility 3. enevolence 4. ntegrity 5. onsistent 6. ompetent 7. esponsible	1. Emotional attachment 2. Sense of belonging 3. Sense of Identification 4. Relationship commitment 5. Sustained relationship awareness 6. The utmost effort to maintain relationships	1. Repeat purchase 2. Increased frequency of purchase 3. Buy between product lines 4. Long-term purchases 5. Demonstrate immunity from similar products from competitors	1. WOM positive 2. Try new products 3. Encourage friends / relatives 4. Recommendations 5. Forgive any kind of bad behavior 6. Defend when there is a negative issue

Source: Processed by Researcher (2017)

FINDINGS
RESPONDENTS

Table 2. Interviewers Profile

Demographics Indicators	Adek Lala 2	Adek Lala 2	Adek 1	Adek 2	Lala 2
	Finda (FD)	**Risma (RA)**	**Jannah (RJ)**	**Annisya (AA)**	**Yuli (YN)**
Age	20 tahun	27 tahun	31 tahun	32 tahun	38 tahun
Domicile	Sidokare	Sidokare	Villa Jasmine 3 (Suko)	TAS 4 (Jambangan)	Sidodadi (Jambangan)

Occupation	Housewife and entrepreneur	Banker	Housewife	Housewife	Kindegarten Teacher
Education	Senior high school, (cuti kuliah)	S1	D3	D2	D1
Child Age	10 months	2 years	8 months, 3 years	2 years, 4 years	5 months, 8 years
Customer Behaviour					
Customer duration	1 year	Since 2001. Active shopping since 2 years ago	3 years	3 years	5 years
Shopping partner	alone, sister, mom	kid, sister, mom	Alone, kid	Alone, husband	Alone, friend
Shopping intensity	1x	1x	2x	1x	2x
Shopping expense/visit	Rp 350,000-500,000	Rp 300,000-400,000	Rp 100,000 - 500,000	Rp 300,000 -800,000	Rp 100,000 - 600,000
Shooping expense/months	Rp 350,000-1,050,000	Rp 600,000-900,000	Rp 400,000-800,000	Rp 300,000-900,000	Rp 400,000-800,000
Shopping Products	Diapers, toiletries, dailywear	milk, diapers, toiletries, dailywear	milk, diapers, toiletries, dailywear, fashion product,	milk, diapers, toiletries, pakaian dalam anak, fashion product,	milk, diapers, toiletries, dailywear fashion product,

Source: Primary Data (2017)

From the description of the fifth profiles of the resource persons in this study, it can be categorized as follows:

a. Customer Type

Based on the above table, the type of customer in this study is divided into three, based on the length of become customer in Lala Group Baby Shop outlets and can be grouped into three types, namely: (1) new customers, (2) medium customers, (3) old customers . FD is classified as a new customer on Adek Lala 2, having just been a customer for about a year now when she started giving birth to her first child and knowing Lala from her sister who was already shopping at Lala. Then in the second category, medium customers are RJ, RA and AA that have been customers since three years ago.

b. Shopping Habits

The shopping habits of the informants were divided based on their shopping behavior in visiting Lala Group Baby Shop outlets, hence the type of informants based on spending habits can be divided into (1) once a week (2) twice a week. Resource persons who are categorized have a habit of spending once a week, namely FD, RA, and AA.

c. Type of Goods Purchased

In the type of grouping of items purchased, informants in this study can be classified into two categories based on customer habits in buying goods, namely: (1) personal equipment - non fashion (2) personal equipment - fashion.

INTERVIEW RESULTS

a. Satisfaction

Based on the aspect of satisfaction, the informant was satisfied with the overall aspects that existed from the service, low prices, close to home, complete product, good product quality and comfortable place. Based on the service aspect, the informant as loyal customer is satisfied because when entering into the store, they get good reception from the shop employees. In fact, not infrequently employees have to take the products they want to buy because it was memorized to products purchased by customers. This usually happens to customers who regularly buy milk and diapers. If customers do not come to buy the goods, employees will tend to ask what items are sought and able to recommend goods in accordance with the wishes of customers.

Based on the price, according to informants' opinion, Lala Group sells a more sloping product as evidenced by the opinion of FD that the diapers price in Lala is much more than other minimarket or supermarket in Sidoarjo. Looking at the price comparison with competing baby shop, Lala's price is not too far away but Lala Group has a branch closer to the customer's home so it is economically cheaper than shopping at a competitor's outlet.

If based on a close aspect of the house, Lala Group outlets are indeed created close to densely populated housing targeting low-mobility mothers for new families or young couples, so it is appropriate because the close aspect of the home is the most important aspect of the satisfaction factor when visit the baby shop. Based on the completeness of the product, the majority of Lala Group Baby Shop sells the basic needs of mother and child, so based on interview results there are still some shortcomings in the completeness of the product, although the mother's and child's core products are available there.

Convenient place owned by another baby shop different from other baby shop because the room is clean, air-conditioned room, the place is wide enough so that children can freely to play in the store. According to the researcher's observation but not expressed by the informant, it could be a comfortable factor that is expressed because there are customers are required to remove footwear when entering the store, so the impression clean and comfortable in baby shop is felt by customers when visiting Lala Group Baby Shop.

There are several gaps between perceptions and expectations expressed by customers, including: inadequate parking space when the store crowded, shop operational hours that are not in accordance with customer needs, unavailability of goods desired by customers and goods that are more branded, especially on the equipment and the breast pump. In dealing with this, the company strives to meet the customer's desire for an existing gap that will be explained in detail in the table of managerial implications in the next discussion.

For some bad experiences ever experienced by customers, among them are employees who are playing mobile phone while serving customers and employees are indifferent when there are buyers are able to overcome by good service today. However, the informant who had had a previous bad experience at the service only fumed at the existing service but did not intend to move the shopping place because of the near location of the house, so one of the unpleasant customers willing to contact the company owner for better service at Lala Group Baby Shop.

Broadly speaking, customers of Lala Group Baby Shop already have a good belief in Lala brand. However, the bad experiences experienced by customers in the past, make the company must try harder to maintain the service that according to the customer is good, in order to avoid similar events even more so it happens to loyal customers who have for years become customers Lala Group Baby Shop.

b. Trust

Based on the results of interviews, there are several factors that make customers sure to shop at baby shop, among others: can see the goods directly, can check expired products, especially milk, low prices, good quality goods, close to home and workplace, flexible payment system, friendly service. By being able to see the goods directly, customers get certainty of goods purchased by being able to hold and check expired products. This is very important especially the products used for babies or children to be consumed or used alone. In addition, the low price determines the belief factor when shopping at a baby shop. If buying products online, in accordance with some customer opinions that online product prices sometimes more expensive or same and not include postage to the address addressed customers. On the quality of the goods, customers will be sure to shop at a baby shop if it has good quality products in terms of quality of materials that are comfortable and safe for the customer's child. In addition, close factors from home and workplace make customers sure to shop at Lala Group Baby Shop with a flexible payment system so that customers feel free in the transaction because it is not limited to cash money brought by customers. The latter and make customers sure shopping at the baby shop is a friendly service. With a friendly service then employees will provide a good explanation of a product, it will make customers will be confident of the product so that the purchase decision will be greater.

The belief in a product and service sold at Lala Group Baby Shop according to all the speakers has been well proven with products received by customers is a good product, never disabled and sometimes employees help to check back the products purchased before receipt was accepted. In addition, the company also provides a return warranty for defective products provided on certain products or products that are not enough in the customer and can be returned with a record of customers carrying a receipt, not to remove the price tag and not more than three days.

If trust in the brand is very good because the brand sold for the needs of baby and child customers is a brand that has been popular and trusted so ascertained has received a security permit for use in infants and children. In fashion brands as well as underwear that are not very popular, customers trust brands that are sold even though the products sold are not a popular brand seeing from the quality of materials as well as the convenience of the product.

Confidence in the promotion can only be answered maximally by customers of Lala Group Baby Shop because some of the informants do not know and never feel the promotion. This can be attributed to the number of customer purchases that tend to be a bit on the purchase of certain items or it could be the shortage of employees who are unable to recommend customers to buy more products in order to get the discount. The belief in Lala Group Baby Shop brand is good, but there are still some deficiencies in some aspect such as trust to promotion because not all informant yet know about promotion. When customers are increasingly aware of existing promotions, then in the future the increase in shopping transactions will increase.

c. Commitment

The emotional bonds owned by Lala Group Baby Shop customers are still at an intermediate level. Because some customers will switch to competitors if the goods sought in Lala does not exist or could be if the price on competitors is cheaper. However, they will still return to the Lala Group as the main reference where to shop but if not there they will find the appropriate store. But there is one customer that is YN mother who has a high emotional bond, if he did not find the product he was looking for in Lala 2 outlet, then he will switch to other branches like

Adek 2 or Adek Lala 2. If not there to Lala Group branch, then he will go to Alfa or Indomaret or shop that sells the product he is looking for. This shows a high emotional attachment to the informant.

The average of informants already know about the existing branch of Lala Group Baby Shop from the logo on the billboard, store name, and yellow identity as trademark brand Lala. Informants who know about Lala Group branch outlets, only from those who have tried to shop at other Lala Group branches other than their usual shopping spots. The reason they shop at other branches other than their usual shopping is because the available items are not available or run out of the outlets they normally visit, accidentally / passing by, close to home-in-law or workplace. And the average of those who have not visited other outlets than the usual because it is only limited to passing and indeed tend to be away from home and not intend to shop.

Considering these facts, customers are committed to continue shopping on branches of the Lala Group regularly and when their children's needs are not met, customers will shop for other needs to buy relatives or friends who give birth and invite others to shop there. This shows that high commitment is already owned by customers of Lala Group Baby Shop.

d. Loyality

Customer interest to continue shopping at Lala Group Baby Shop stores tailored to customer needs and budget. If there are new products sold at Lala Group Baby Shop stores, some customers are interested in trying new products if the products purchased are suitable and suitable for the customer's children, some of whom are not interested because the new products to buy are not sold at Lala Group Baby Shop stores and others are also afraid of the high risk of trying new products in children. Some are interested in spending on competitors if the product they are looking for is not there or the price offered is more expensive but will tend to shop at stores closer to home and others will tend to be loyal because it is not necessarily compatible with the services of other baby shops. Based on the loyalty of informants Lala Group Baby Shop is good but should be aware if the company does not follow the needs of customers and prices that are not competitive with competitors, it is feared loyal customers will move on competitors.

e. Advocacy

All the informants once said positively about the Lala brand to their relatives. They said positively about Lala brand about comfortable and cheap breastfeeding, cheap and complete goods, and said positive about the free gift wrapping service. What's more, recommending and recommending Lala's brand to relatives has also been done in between recommending a nursing bra to a neighbor who is both breastfeeding, milk and diaper prices cheaper than any other place to you, inviting the neighboring mothers to buy gifts at Lala, as well as suggesting the brand to school guardians in the school about cheap diapers milk and good quality clothes. Some customers have experienced errors in the service and reprimand the employee and confirm the note with the items received. When the customer has never felt a mistake in the service, the customer will reprimand and learn the mistake that there is a defect of the product as long as there is a store warranty to return the product. And all the speakers are willing to forgive service errors. All informants had never heard of negative issues from others, so the criteria for defending when there were negative issues were not included in the assessment in view of the category of customer advocacy creation in this study, because all informants had never heard of negative issues about the Lala Group Baby Shop.

f. Advocacy Strategy

There is no difference in the customer advocacy creation strategy for customers of Lala Group Baby Shop looking at the profile of informants based on their customer behavior.

Thus, customer advocacy creation strategies applicable to Lala Group Baby Shop customers are as follows:

1. Recognize and correct the company's shortcomings

Recognizing the company's shortcomings has to do with recognizing customer needs. To win the hearts of its customers, the company must identify the needs and wants of its customers. Not in terms of rational, but also in terms of emotional. Improve from the company will make the customers become satisfied, because they trust their own experience more than others. When satisfied, they will tend to be loyal and will voluntarily recommend it to other mothers who have a huge impact on the company.

2. Creating community

Communities can be the most effective channel for marketing a product to mothers. First of all, the psychological nature of a woman is very easily influenced and believes in her own community because they are not easy to trust with ads that promise and tend to believe in the worth of mouth or recommendation from their inner circle. Secondly, through the community, our brand is not just talked about from a mother to another. From the results of research conducted by MarkPlus & Co shows that about 60% of mothers spend time at least 1-2 times a month to do social activities or having holiday with friends. From the community, create activities involving mothers. Creating community are not just promotional activities, but educational activities such as parenting, child nutrition, seminars, competitions and sharing as well as some other activity recommendations that have been presented by informants who can present the mothers to discuss each other and gather together. That way will cause the image that Lala brand is very concerned about mothers and children.

This community can be formed beginning with the use of database loyal customer in store that can be started with implementation of membership card before to form community. Then, broadcast message will existence of activities and newly formed community to the loyal customer. And keep these activities running regularly and specifically for them to create an effective community. All resource persons are interested in joining communities in the Lala Group if one day is formed with activities that include: baby gymnastics, baby games that work with other brands, baby fashion, knowledge of child nutrition, collect used clothes from children of customers and donate to needy children, social activities with underprivileged children, and info on child development and parenting.

3. Implement a membership card program

By applying the membership card program to the mothers, they will tend to be tied to a brand and impact will get a discount, so they have to pay less than they should pay at their favorite outlets. Mothers always want a cheap product with good quality then that should be applied to mothers is not cheap image but value for money, cheap and quality. Based on the interviews of the five informants, all the informants are interested to have a membership card at Lala Group Baby Shop because they feel it is a routine need to spend there, so it becomes more value if it gets the privilege of having membership card. Some customers are attracted by the point system accumulated at the end of the period or the end of the month, as well as some customers want a discounted system that is directly cut. While the rest want a reward system or any of the most important membership card does not harm customers and more profitable customers.

4. Delivery program that works with ojek online

Mother is very concerned with her name of time and practicality. Good time efficiency is important for mothers in household affairs. If the time efficiency can be applied properly through the delivery program, it will be more time that mom can spend to relax at home and do other work. If mothers already feel a lot of positive impact from this delivery program, it will easily make them recommend this program to other mother. Based on interviews with all informants, delivery programs that work together with online motorcycle taxis are very beneficial for mothers with low or high mobility, because the platform is able to ease their work.

5. Training for employees

Conducting training for employees especially for handling complaint from unpleasant customer to service error. In addition, training on employees about providing good service that includes how to greet customers, how to recommend products and serve customers in the store for customers to stay comfortable in shopping. In addition, merchandising products, as well as displays are also provided for in-store interactive to run well so that customers will be more interested in the goods sold.

6. Uncommon promotion every month in cooperation with suppliers

Conducting uncommon promotion that makes customers curious and continue to spread worth of mouth positive to relatives about Lala Group Baby Shop. In this promotional form, Lala Group is working with suppliers who are already working with Lala Group Baby Shop. Besides profitable Lala Group, this also has a positive impact for the supplier concerned because the products are also promoted positively. Uncommon promotion can be in the form of providing a trademark doll of a company on every Saturday and Sunday because the most populous day customers where customers can take pictures and get promotional products from the company there.

CONCLUSION

To make customers an advocate, companies must make them satisfied, confident, committed and loyal to the company. Based on the results of research of the five resource persons who became the subject of this study has the potential to become an advocate customer because in outline they are satisfied with the retail aspects that exist despite the shortcomings that must be addressed by the company. In addition, from the aspect of trust, customers have a high confidence in aspects of products, services, and promotions provided by the company even though there are some customers who do not know the type of promotion offered by the company. In terms of commitment, customers have a commitment in the future to maintain the good relationship shown by continuing to shop at Lala Group Baby Shop. And based on loyalty, there are still doubts on the minds of customers to move on competitors because the products customers want about infant and child talent are not available at Lala Group stores or offered price is more expensive than competitors who have the same location nearby. When viewed from these four aspects, the customer already has a good relationship quality with the company. If looked at from the aspect of customer advocacy, the customer has said positive about Lala to others, have suggested brand Lala to people who do not know about brand Lala, have recommended brand Lala to relatives / friends / brother, and forgive mistakes in service. For attributes defending when there are negative issues, customers have never heard of negative issues about Lala Group Baby Shop so that attributes are not used in this study.

There is no specific behavioral difference in the customer advocacy creation strategy for Lala Group Baby Shop customers looking at the categorization of buyers. Judging from the rhythm of customer spending 1x a week has the amount of spending in a month on the minimum amount is still in the same category with customers who have the rhythm of spending 2 times a week. Thus, overall there is no difference in the strategy of creating customer advocacy on Lala Group Baby Shop customers. Thus, customer advocacy creation strategies applicable to Lala Group Baby Shop customers are recognizing and improving company deficiencies, creating communities, implementing membership card programs, and working with online motorcycle taxis to implement delivery systems.

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PROMOTION MIX DESIGN TO IMPROVE BRAND AWARENESS OF COMPANY X

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ABSTRACT

This study aims to design the promotion mix in an effort to increase brand awareness of the Must Evans products. This research is motivated by a preliminary survey conducted to consumers who have made a purchase on the consumers' reasons to buy the Must Evans products. Most consumers agreed that the Must Evans is less active in promotions. This research uses qualitative method through conducting interview, observation, and documentation. The data validity of this research was through member check which is the process of checking the data obtained by the researchers to the data provider. Data analysis was conducted through data evaluation, data analysis, promotion mix design, and conclusions. The results of this theory-based research are eight variables in the promotion mix, yet only five appropriate promotions mix to apply. The Must Evans' advertisements consist of billboards, posters and acrylics, cloth bags, product catalogs and calendars; sales promotion consists of: free gift giving products, discounts, vouchers, incentives, and product displays; interactive online marketing consists of the use of social media and product sales through e-commerce; personal selling which is the use of sales by providing information on the products, and; event and experiences consist of bazaar and fashion show event. While the other three promotions mix, namely public relations and publicity, direct selling, and word of mouth marketing, are not used in this promotion mix design because the company sees that they are not currently appropriate to apply because of high costs and unsuitable consumer targets.

Keywords: *Promotion Mix, Sales Promotion, Advertising, Interactive Online Marketing, Event and Experience, Brand Awareness*

INTRODUCTION

Company X was established in 2007 and is engaged in the jeans convection for adult men. Its products consist of various kinds or models of pants, such as formal pants, basic pants, and jeans. All products use supporting accessories like zippers and buttons that are not easily rusted or internationally-standardized ones. The excellence offered by the company is good product quality compared to its competitors. The target market segment of this company is the middle class, young male consumers between 21 and 45 years old. The data shown in Table 1 shows the growth of apparel industry in Indonesia, which continued to increase from 2008 to

2012. There is also a continuous improvement that shows public interest in fashion product in term of domestic consumption.

Table 1. Development of Apparel Industry in 2008 to 2012

DESCRIPTION	UNIT	2008	2009	2010	2011	2012
Number of companies	Unit	2.639	2.656	2.680	2.711	2.739
Investment value	Rp (billion)	36.675	37.548	38.081	39.608	40.908
Total number of workforce	Orang	537.786	622.560	719.020	752.998	780.760
Production volume	Ton	562.126	561.570	650.477	668.119	667.863
Domestic consumption	Ton	187.052	209.290	250.265	259.004	265.510

Source: BPKM, Indonesian Textile Association, Directorate of Textile and Miscellaneous Industry

Figure 1 shows the sales data of Company X from 2011 to 2015 which continued to grow in terms of turnover. Based on these data, the demand for The Must Evans products was quite high. Also, Figure 1 indicates that the business prospect of Company X still has high potential.

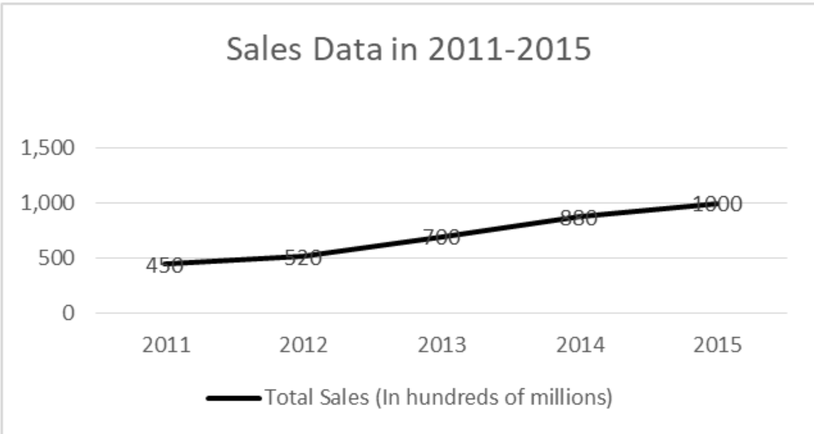

Figure 1. Data of Company Sales, 2011-2015
Source: Internal Company

Eventhough, these data do not make company easily satisfies. The company still evaluates their weaknesses in order to win the competition from their competitors. The company sees that all this time, the company only focused on maintaining product quality during marketing the products, yet little attention was paid to deliver the product value to their consumers.

Prior to conducting this research, the researchers conducted a pre-survey related to the promotions done by the company. This pre-survey was conducted to 30 respondents who are the consumers of the Must Evans products with the criteria of buying the Must Evans products three times or more. The selected research location is Salatiga city, precisely in Topsy shop, Clothing Partners, and Clothing Palace since these stores sell products of Must Evans. Figure 2 shows the results of the pre-survey.

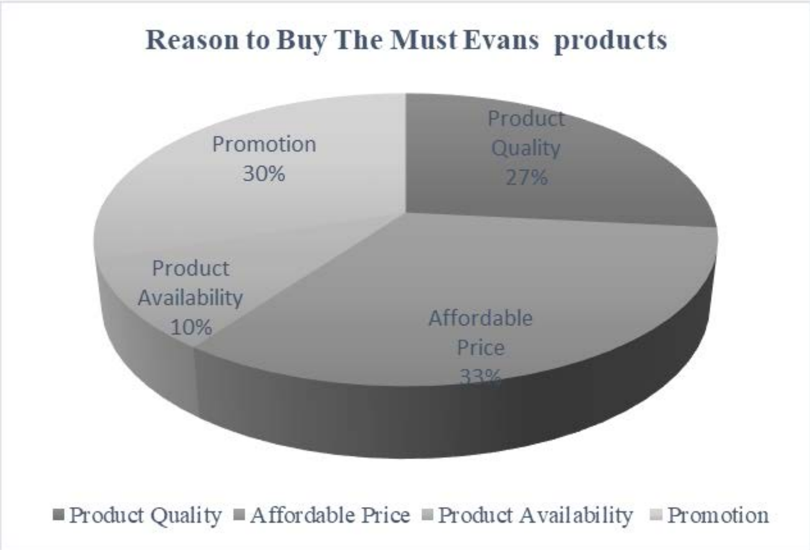

Figure 2. Results of Pre-interview with Must Evans Consumers
Source: Internal Data Processed, 2016

Based on the results of pre-interviewing 30 respondents, as many as 6 respondents had bought the product 3 times, 4 respondents bought the product 9 times, 10 respondents had bought the product between 5 to 10 times, and 5 respondents had bought the product for more than 10 times. Thus, consumers that consumers who did repeated buy were those who did 5 to 10 times repeated buyings. This means that the consumers who buy the Must Evans products are loyal consumers who are satisfied with the products.

Figure 2 also shows the opinions of the Must Evans consumers, where the strongest reason for consumers (33% consumers) to buy the products is its affordable prices. This reason matches the benefits of products offered by the company so far. Variable of product quality (27%) is the third strongest reason due to a fairly strong correlation between this variable with affordable price variable. In addition to that, the second strongest reason (30%) why most consumers buy the product is because of the promotion by the company. The majority of consumers knew or were familiar with the Must Evans products from billboard, participation in bazaars, recommendation of friends, and found out the products in the stores that sell them. These results indicate that the company promotion through billboards or bazaars was quite effective to attract consumers. However, from the consumers' opinions, the promotion done by the company so far was still limited, both in terms of intensity or less interactive promotions. They also revealed that the Must Evans has not been active in using social media such as website, facebook, and instagram. So, based on Figure 2, one of the strongest reasons for consumers to buy the product was because of the promotion done by the company, yet they also said that those promotions were far from effective. Based on these data, it is important for the company to design its promotion mix to make the consumers more aware of this product and buy the products of the Must Evans.

LITERATURE REVIEW

Promotion

According to Kotler and Armstrong (2012: 62), promotion is an element used to inform and persuade markets about new products or services in a company through advertisings, personal sales, sales promotions, and publications. Promotional activities are one of the priority components of marketing activities (Hermawan, 2012: 38). Promotional plays role to inform, that is, to communicate about a new product to consumers; to persuade, which is to encourage potential consumers to switch to a different product, and; to remind potential consumers where they can get a product. Responses expected can be in form of consciousness or awareness of the product existence and service until reaching real buying action (Setiyaningrum, *et al.*, 2015: 223).

Promotion Mix

For Kotler and Armstrong (2012:408), promotion mix is a specific combination of promotional tools used by a company to communicate value to its consumer persuasively and build customer relationships.

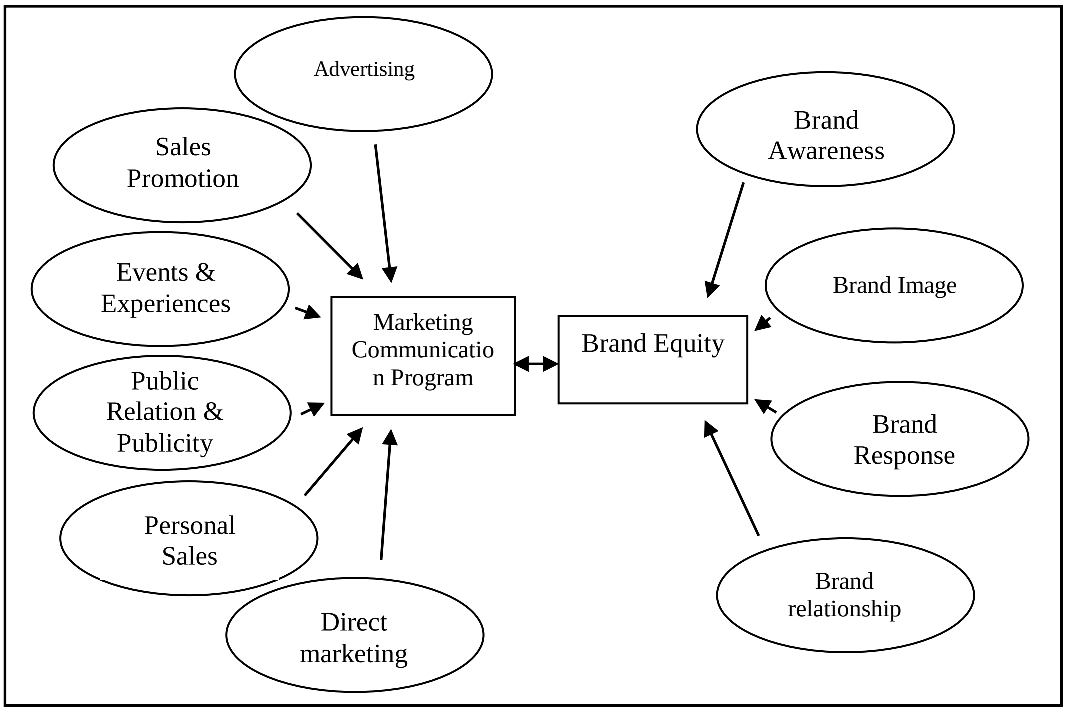

Figure 3. Model of Integrated Marketing Communication (IMC)
Source: Takada, H. Chattalas, C., Kramer T., 2009. International Marketing and Communication, ed. 10. New York: The McGraw-Hill Companies.

Hermawan (2012: 54) explains that marketing communication mix can be translated into several elements that are closely related to efforts to create brand equity. Good marketing communication, in its implementation, will have an impact on positive perceptions (beliefs) on the brand delivered, while brand trust will smoothly facilitate integrated marketing communications (Hermawan, 2012: 54).

The followings are eight elements of promotion mix **(**Kotler & Armstrong; 2012:408): Firstly, *Advertising* as a paid form of nonpersonal presentation and promotion of ideas, products or services through clear sponsors through printed media (newspapers and magazines), broadcast media (radio and television), network media (telephone, cable, satellite, wireless), electronic media (voice recording, video recording, CD-ROM, website pages), and exhibition media (billboards, signboards and posters). Advertising offer reasons for people to buy. Secondly, *Sales Promotions* which is a short-term incentive designed to stimulate faster or bigger buyings of certain products or services by consumers or trades. Sales promotions offer incentives to buy products. These promotions include tools for consumer promotions (such as coupon samples, cash refund offers, rebates, premiums, prizes, warranties, and related promotions), trade promotions (discounts, incentives for advertising and display, and free stuff), and business promotions and salespeople (trade show and convection, salesperson contests, and special ads). Third, *Event and Experiences* as a company-sponsored activities and programs designed to create daily interaction or brand-specific interaction with consumers, which are including sports, entertainment, and other casual activities to make events become less formal. One of the goals of this kind of event is to improve awareness of a company of a company product's name.

Fourth, *Public Relations and Publicity* which is a program directed internally to journalists from outside companies or consumers, other companies, governments, and media, in order to promote and build relationships between companies with the public, as well as to protect and build a company's image or positive individual communication products. Fifth, *Personal Selling* as a face-to-face interaction conducted by a company salesperson with one or more prospective buyers with aim to hold sales meetings, personal presentation, answering questions, ordering, for the purpose of holding sales meetings, personal presentations, answering questions, procurement, sales, and customer relationships. Sixth, *Direct Selling* as a direct marketing which can use a number of channels to reach potential customers such as direct mail, marketing catalogue, interactive TV, phone, *e-mail*, and websites to have direct or indirect communication by asking for consumers' responses, or having dialogue with certain prospects. Seventh, *Interactive Online Marketing* is activities of communication and direct selling to consumers through electronic channels. The Internet provides much greater interaction for marketers and consumers. The advantages of web-marketing are that the marketers can place their advertisements based on keywords from search engines in order to reach people when they are going to start the buying process. And the eighth, *Word of Mouth Marketing*, is an oral, written, and electronic communication between communities which are related to the excellence or experience of buying or using the product. Rangkuti (2010: 95) states that a company must provide confidence in their consumers' minds. The more consumers that trust a product, the faster their trust spread and increase brand awareness with a very minimal cost.

Brand Awareness

Shimp (2014: 39) explains about brand awareness as the ability of a brand to come to consumers' mind when they think about a particular product category and how easily the brand name pops in their mind. Marketing communication can affect this brand awareness when all marketing mix tools are optimally maximized in their application. Figure 4. shows two levels of brand awareness, namely brand recognition and brand recall. Brand recognition has a relatively shallow level of consciousness, while brand recall shows a deeper form of consciousness

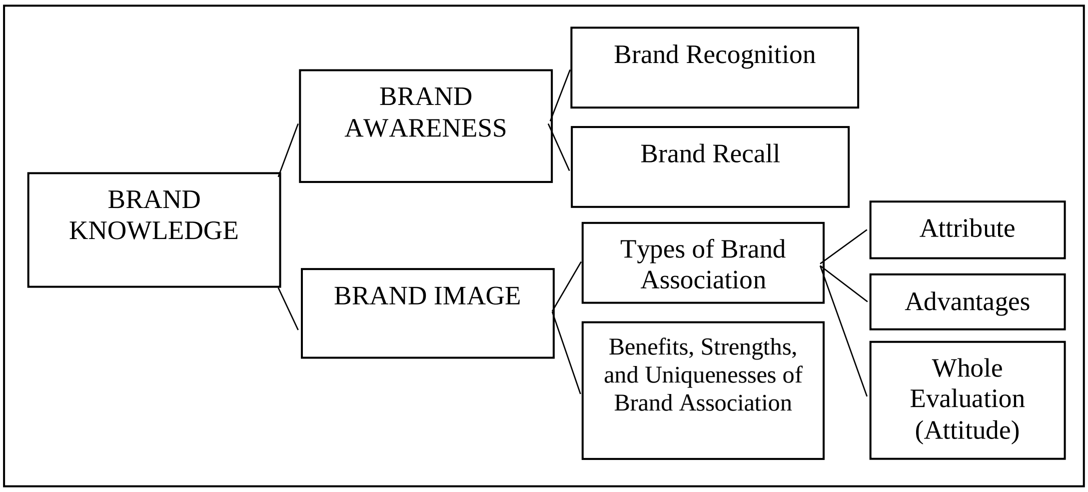

Figure 4. Framework of Consumer-based Brand Equity

Source: Adapted from Kevin Lane Keller, “*Conceptualizing, Measuring, and Managing Consumer-Based Brand Equity*”, *Journal of Marketing* 57 (January 1993),7.

Consumers are able to identify a brand if it is presented in a provided list or guidance. However, few consumers are able to recall a brand name from memory without any reminder. Which is why, the next level is to recall the brand at a deeper level of consciousness, hence becoming a goal for all marketers. Through an effective and consistent designed marketing communication efforts, some brands are so well known they are deeply attached in the consumers’ mind. The importance of marketing communication to move the brand from the unconscious level to the recognition, remembering, and ultimately to the peak of awareness or top of mind awareness.

RESEARCH METHODS

Research Type

This research was qualitative in nature. Bungin (2011: 6) explains that qualitative research contributes to science, since a researcher captures various facts or social phenomena through field observations, then analyzes them in attempts to generate theory based on what are observed. This research used a case study approach. Case study, according to Noor (2011: 35), includes an in-depth and contextual analysis of similar situations in other organizations, where the nature and dimensions of the observed problem are similar to the problems experienced currently.

Research Subjects and Sampling or Informant Selection Method

The subjects in this research were all distributors who have been selling the Must Evans products for more than 5 years, located in Salatiga. This city was selected since the company office is also located here. The selected distributors or stores to become the informants were Topsy, Istana Busana, and Mitra Busana.

Data Collection Method

Data collection method is a technique or a way to collect data. Bungin (2013: 129) states that data collection method is a part of data collection instruments that determine the success or failure of a research. The data collection in this research was done through interview, observation, and documentation. The semi-structured interview defines the way the researchers are given the freedom to ask questions and in arranging the flow and setting of interviews (Herdiansyah, 2013: 66). In this research, the data were obtained by directly meeting with the informants to be interviewed. Observation, according to Sugiyono (2012: 145), is a complex process, composed by various biological and psychological processes. Two of the most important processes in observation are observing and recording. Furthermore, Sugiyono (2014) adds that documentation is record of past events in form of written and visual reports. Moreover, he says that documentation can be used as a complement or supporting information of a research (Sugiyono, 2013: 196).

Data Validity

According to Sugiyono (2012), validity test or trust test for qualitative data can be conducted in several ways, one of which is member check. This research used member check for its data validity test. Member check is the process of checking the data obtained by the researchers to the data provider. The goal of member check is to find out how far the data obtained are in line with what are provided by the data provider. If the data found are agreed by the data provider, then the data are found as valid. However, if the data provider does not agree with the data obtained then the researchers needs to discuss the data with the provider. If the disagreement is found sharp, consequently, the researchers must change the findings to be adjusted to what are provided by the data provider. This member check implementation can be done after one period of data collection is completed, or after the researchers finds a finding or conclusion. Once the data are agreed by the data provider, the provider is required give signature in order to make the data authentic and worth as evidence that the researchers has conducted the member check.

Data Analysis Method

Method of data analysis is a systematic process in searching and arranging the transcripts of interviews, documentations, and observations already collected by the researchers (Emzir, 2011: 85). Data analysis in this study was conducted based on the data obtained from interviews, observations, and documentations. The stages of data analysis were determined by conducting the evaluation process of promotion mix where the data were from internal data company. After evaluating, the company conducted promotion mix analysis based on two sources of data. The first analysis was conducted on the literature of theoretical basis and related research journals. The data were obtained from a source of business magazines and relevant internet source as well. The second analysis was done on the data resulted from benchmarking results to competitors who have similar products, which was done through field observation approach. After these two sources of data were analyzed, the researchers tested the data validity by conducting member check. Later, the researchers designed promotion mix based on all data collection done. After this design stage, the researchers continued to analyze the implications of this research.

Research Findings and Discussions

The data analysis conducted in this research was based on the results of collecting theory, interviews, observations, and documentations which were all conducted in September 2017. Data analysis method is a systematic process in searching and arranging interview transcripts, documentations, and observations collected by the researcher (Emzir, 2011: 85). The discussion starts from the evaluation of promotion mix already conducted by the Must Evans products. After that, the company designed a new promotion mix based on the data collection processes, and finally, the researchers examined the implications of the research.

Evaluation of Must Evans Promotion Mix

The evaluation of the promotion mix of the Must Evans products was done on the data obtained prior to this research. It is revealed that forms of advertisement were using the radio by giving promos on certain events, billboards advertisement (displaying photos of product, the Must Evans logo, and cooperating stores). Other advertisement forms were in form of posters and acrylics with the Must Evans logo, distributing stickers to the consumers, and giving cloth bags to the consumers (the logo of Must Evans and the cooperated stores were printed on the bag);

sales promotion by giving product gift, and; a form of cooperation with Topsy store in form of bazaar in certain events. the cooperation in the form of a bazaar with Topsy stores on certain *events*. However, based on the results of pre-survey conducted prior to this research, most consumers agreed that the Must Evans company has been less active in promoting its products, while promotion was actually the second strongest factor that affect the consumers in buying the products. This is also supported by theories described earlier on the importance of promotion to enhance brand awareness. The stronger a consumer's brand awareness, the more likely he or she is to buy the products.

Design of Must Evans Promotion Mix

There are eight models of promotion mix according to Kotler and Armstrong (2012: 408). Brand awareness, according to Shimp (2014: 40), is a basic dimension in brand equity. After conducting the research, it is found that not all models of promotion mix can be implemented on the Must Evans products. The researchers found there are at least five promotion mix that can be used to achieve the company goal to improve brand awareness of the Must Evans, namely *advertising, sales promotion*, *event and experiences*, *personal selling*, and *interactive online marketing*.

Advertising

A proper promotion mix used by the Must Evans company with aim to increase brand awareness to its consumers, is advertising. The forms of advertising that can be done by the company are radio advertising, store billboards, posters and acrylics installed on stores that sell the Must Evans products, stickers with the Must Evans logo, cloth bag distribution, making catalogs, and making calendars. As for the kinds of advertisements which are not proper for this company are tv commercial and advertisement on newspapers, magazines and tabloids because their target markets are too wide or not appropriate for a company like the Must Evans. Still, these kinds of advertisement can be recommended to be used by the company in the future if this company plans to expand the business scale. Therefore, based on the above statements, there are several useful promotions mix to increase brand awareness of the Must Evans, whether in form of promotions done before or from recommendations and experiences from the informants who sell the Must Evans products. Some considerations for the company to use these promotions mix are in the aspects of cost, location, and character or target market of each store that sells the product.

Sales Promotion

Proper promotions mix through sales promotion for the Must Evans products are free gift based on the product usage or combined with other sales promotion, warranty or quality product guarantee, promotion through discounts which is effective to the consumers and buy the products, vouchers in form of discounts that can bind the consumers to do repeated buyings, giving incentives to store employees, and counter or display installation for the products. In conclusion, those are the promotions mix that can increase the brand awareness of the Must Evans products. On the other hand, sales promotion can also have impact on increasing product sales. One thing for sure is through sales promotion, the company can attract consumers' attention. These types of promotions are expected to be a short-term solution for the Must Evans to implement promotions mix in order to achieve its company goal.

Event and Experiences

The promotions mix in form of events and experiences are effective to be applied by the Must Evans. The Must Evans company must increase its cooperation with stores who hold bazaar events for public. The kinds of products on sales can be the products who are categorized as affordable or price can be reduced. For the future, it is suggested that The Must Evans company can hold a fashion show that is very effective to increase brand awareness, since through this kind of event, the company can directly introduce the products in public places.

Personal Selling
The Must Evans company serve B2B consumers (business to business), so this company does not directly face their end consumers or users. Therefore, personal selling in this case is the Must Evans sales which offer products to stores in order to build cooperation with the company to sell their products. The salespersons of the Must Evans products, in order to offer the products to stores or distributors, must be able to explain about the products specifications and advantages. Therefore, distributors can freely prmote the Must Evans products to the consumers. Thus, the company must give latest information about their products by contacting the stores. Not only that, but the company must establish a good relationship with the head of the store so that the Must Evans products can be prioritized. In addition to this, the company can provide targets to the stores, so when the product sales reach the company target, the distributors or stores will be rewarded.

Interactive Online Marketing
Promotion mix through interactive marketing is new to the company and has never been done by the company. It is admitted that the Must Evans company promote their products conventionally. From the observations done, the competitors of the Must Evans products have used social media as promotion channels. When compared to previous brands or famously known brands such as Cardinal and Emba, these brands already promote their products through interactive marketing such as on websites and Facebook. There is also a product marketing done online such as using e-commerce. The design of interactive marketing by the Must Evans products can be done by creating website, facebook, instagram as channels to introduce the products, cooperate with e-commerce as a channel to sell the products online. A product, when promoted in an *e-commerce,* will certainly play a role to increase the product brand awareness.

Managerial Implications
The expected impacts or implications of this promotions mix design are to achieve the company's goal in increasing the brand awareness of the Must Evans products, as well as to increase the sales of the products.

CONCLUSIONS AND SUGGESTIONS

Conclusions
Based on the findings of this research, it is concluded that there are eight promotional mix theories as suggested by the theory of promotion mix, yet in this research, only five appropriate promotions mix that can be applied to increase the brand awareness of the Must Evans products, which are as follows:

1. Advertising, consists of: billboards, posters and acrylic, cloth bags, product catalogs, and calendars.
2. Sales Promotion, consists of: free gifts, discounts, vouchers, incentives, and product displays.
3. Interactive Online Marketing, consists of: the use of social media and product sales through e-commerce.
4. Personal Selling, which is the use of sales to give information on the products.
5. Event and Experiences, consists of: bazaar and fashion show events .

As for the other three promotions mix, which are Public Relation and Publicity, Direct Selling, Word of Mouth Marketing, are not used in this design of promotions mix. Public Relation and Publicity is considered inappropriate for the company recently, since the company is still in the stage of designing promotions mix, while the other two mixes are not consistent with the target consumers of the Must Evans.

Limitations and Suggestions

Suggestions for the Must Evans

Based on this research, the Must Evans can implement the promotion mix, advertisements promotion, sales promotion, and bazaar that have been designed. The Must Evans must also consider other factors that have impact or relationship in the application of promotion mix. In order to properly implement the promotion mix, it is necessary to pay attention to the types of promotion to reach the target market or the appropriate consumers for the Must Evans.

Suggestions for Further Research

The results of this research are expected to become a reference for companies that are going to design their promotions mix. For further research, the future researchers can conduct in-depth analysis on the elements of promotion mix as required in the convection field, in particular, in the field of pants industry. Furthermore, it is suggested that a continued research can be done to study the element of brand image, which is the next step level of the brand awareness.

Research Limitation

The limitations of this research are on the searching for informants as sources of data and time available to obtain the data, so the data available were only from Salatiga. Another limitation is in extracting information through interviewing the informants, so that the data obtained were not optimal.

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THE EFFECT OF COMPETENCY ON THE PROFESSIONALISM OF THE INTRAPRENEURS OF CIPUTRA UNIVERSITY WITH SENSE OF IKIGAI AS THE MODERATOR

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ABSTRACT

The aim of this research is to ascertain the effect of competency on intrapreneurs' professionalism, as well as to examine and to find out the effect of sense of Ikigai as the moderator which influences the competency relationship on intrapreneur professionalism. Quantitative approach is used in this research and Non-lecturers of Ciputra University who have a star intrapreneur training, are used as research subjects. A Questionnaire is used to collect the data with 60 respondents. This research uses SEM-PLS to analyze the data by using WarpPls software. The result of this research shows that competency does significantly affect the intrapreneur professionalism, but the sense of Ikigai does not moderate the relationship between competency and professionalism.

Key Word: Competency, Ikigai, *Sense of* Ikigai, Professionalism, WarpPLS

INTRODUCTION

Indonesia is the fourth most populous country in the world after China, India and USA. The number of employees in this country is also far higher compared to the number of entrepreneurs.

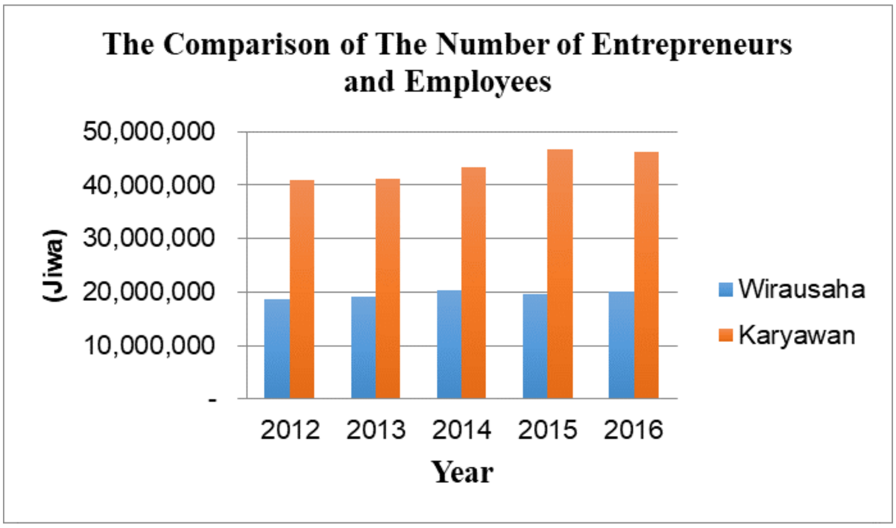


Figure 1. Comparison Chart of the Number of Entrepreneurs and Employees in Indonesia

Figure 1 indicates that most Indonesian people are more interested in becoming an employee rather than an entrepreneur. According to Indudewi (2015), this tendency is due to entrepreneur risks, which most citizens are not yet willing to take. By becoming an employee, no business risks need to be considered and there is no need to worry about not having an income. But the high level of interest of becoming an employee also causes competition and difficulties in maintaining (certain) positions. Therefore, an employee cannot just provide a mediocre performance or in the same level with others. He/she must have more prominent ability and competency compared with other employees.

Some Indonesian people still consider that the level of Education is the most important aspect is assessing the employees' competencies. But some researches have shown that this aspect is not the only one. According to Sofo (1999, p. 123 as quoted in Maelani, 2014), an employee's competency is a mix of skills, knowledge, and attitude. All three must be applied in order to achieve a standard of performance required by a company. If an employee has a high level of competency, it is therefore expected that this person will also give a better performance. The effective work of an employee is then reflected by the level of professionalism of that employee of him/herself.

An employee that has a high level of professionalism is expected to be able to do his/her work in an effective manner and to give the best result. If an employee has such high professionalism and is able to do his/her job beyond the company's expectations, this means that this employee can be called an intrapreneur. An intrapreneur also needs creativity in doing his/her job to produce new innovations. Amabile (1996 as quoted in Shalley, 2004) says, that an individual can be more creative when he/she experiences a high level of intrinsic motivation.

One of the tools to help the intrapreneurs finding this job intrinsic motivation is Ikigai. Ikigai is a philosophy from Okinawa, Japan, which means 'the meaning of life' (Kondo as quoted in Park, 2015). Ikigai consists of 8 aspects of forming, among others abilities, hobbies, passion, other people's needs, missions, anything that produces, vacation and profession. In daily lives, Ikigai is reflected through sense which emerge when that individual has a reason to live (Park, 2015). Therefore, an intrapreneur with Ikigai sense does not merely carry out his/her work. He/she will also make an attempt to keep and inspirit the work. The intrapreneur will feel capable, glad and have a positive impact by doing his/her work.

Based on these conditions, the researcher wants to find out whether competency has an effect on work professionalism of intrapreneurs. Considering the aspects of comfort and happiness as the influence factors of performance and professionalism, the researcher will also examine the intrinsic motivation of the intrapreneurs of Ciputra University employees by using the sense of Ikigai.

LITERATURE REVIEW

Job competency is a characteristic of a person to see if he/she is able to give an effective or superior job performance (Boyatzis as quote in Abraham, 2001). Competency, according to Eicker et al. (2008), consists of experience, determination, expertise, conceptual power and intellectual analysis. While competency according to Lester (2004) is consisting of leadership, consumer orientation, organizational ability, firmness, cooperation capacity, communication ability and conflict management ability.

Professionalism is a reliability in conducting his/her duties to deliver high quality, punctuality, precision and with an easy-to-understand system (Siagian as quoted in Aisyah, 2015).

H1 : Competency has a positive effect on professionalism.

Figure 2. Ikigai

Ikigai is a concept originated from Okinawa, Japan which simply means 'the meaning of life' or 'the life's purpose'. Ikigai can help an individual find the intrinsic motivation. Ikigai is a sense of purpose and willingness, sensitivity to help others, and a reason of a person to live (Kondo as quoted in Park, 2015). Sense of Ikigai is a sense felt by an individual who has a reason to live (Park, 2015).

H2 : Sense of Ikigai has a moderation function; gives an effect of competency on professionalism.

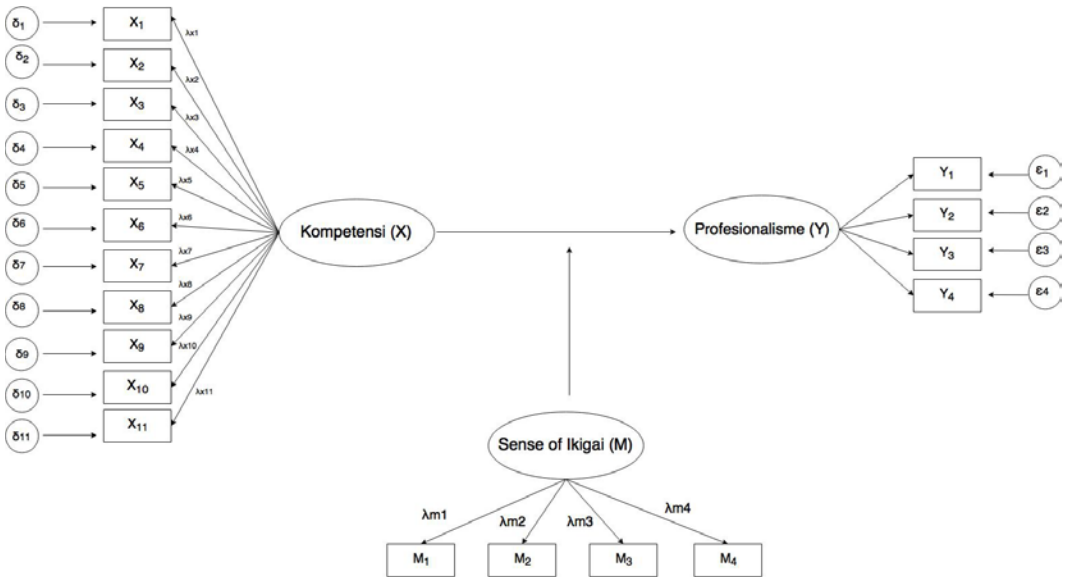


Figure 3. Analytical Model

Table 1. Operational Variables

Variables	Indicators	Sources
X. Competency (Reflective)	X_1 Experience	Eicker et al. (2008)
	X_2 Expertise	
	X_3 Determination	
	X_4 Conceptual Power and Intellectual Analysis	
	X_5 Leadership	
	X_6 Consumer Orientation	
	X_7 Organizational Ability	
	X_8 Firmness	
	X_9 Cooperation Capacity	
	X_{10} Communication Ability	
	X_{11} Management Conflict Ability	
M. *Sense of* Ikigai (Formative)	M_1 feels that he/she has a belief system that can lead his/her life	Park (2015)
	M_2 feels that life's challenges are meaningful	
	M_3 feels that what he/she has done is useful to others, to his/her family, or to the world	
	M_4 feels that his/her family or other people believe that he/she can pull off important and meaningful matters for them	
Y. Professionalism (Reflective)	Y_1. Achievement Oriented	HCM of Ciputra University (2017) Rowland (2016)
	Y_2. Cost Effectiveness	
	Y_3. Standard Oriented	
	Y_4. Responsibility	

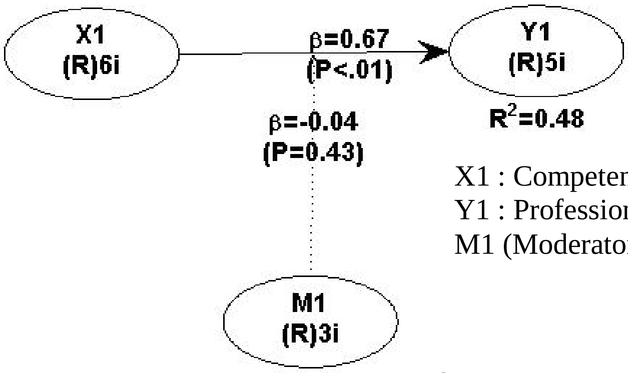
RESEARCH METHODS

This research uses quantitative approach in order to find out the role of competency on intrapreneurs' professionalism with Ikigai as the moderator. The population used in this research are all (intrapreneur) employees of Ciputra University who are directly in contact with the consumers or students. There are 60 respondents as samples which its determination is by using purposive sampling.

The sample criteria among others: Non-lecturers intrapreneurs who actively work in departments at Ciputra University, Surabaya and has had star intrapreneur training. Indicators used in this research are taken from previous researches by using the 5 points likert scale to measure the responses of the respondents in every statement. The following is information related to samples: 40% male and 60% female; age of respondents: 10% of 21–26 years old, 30% 26–30 years old, 20% of 31–35 years old, 21.67% of 36–40 years old, 13.33% of 41–45 years old, and 5% of 45 years old and above; education levels of respondents: 21.67% are senior high school graduates, 1.67% with diploma degree, 56.67% with bachelor degree, 18.33% with master degree, and 1.67% with doctoral degree; years of service of respondents: 1–2 years at 21.67%, 3–4 years at 15%, 5–6 years at 18.33%, 7–8 years at 10%, 9–10 years at 31.67%, and more than 10 years at 3.33%. The respondents are consisting of 14 departments, that are: BAA, BMA, Secretariat, Library, LPP, PM, Business Incubator, Finance, Academic Support, SEH, MNA, LPM, HCM, ICT.

This research is using partial least square analysis technique with WarpPls software. The validity and reliability tests have been done for all indicators. After the convergent validity test, some of indicators do not fulfill the requirement of loading factor ≥ 0,5 value and < 0,05 p–value so are then eliminated in this research. Variables X, Y, M all resulted in a construct value of > 0,50. This shows that there are no convergent validity problems on the tested model. All variables that are qualified for discriminant validity for AVE square root are bigger than the correlation of each construct.

The determination of model's reliability is using two measurements that are composite reliability and Cronbach alpha. Composite reliability is used to test the consistency in the measurement of every variable. All reliability and Cronbach alpha values of every variable have a ≥ 0,7 value and can be stated that the measurement used in this research is reliable.



X1 : Competence Variable
Y1 : Professionalism Variable
M1 (Moderator) : Sense of Ikigai Variable

Figure 4. Result of Data Analysis.

Figure 4 above shows that the path coefficient value of X variable (competency) affects the Y variable (professionalism) as much as 0.673. In linear analysis, this means that 1 standard deviation of variable X (competency) is resulting a standard deviation of Y variable (professionalism) as much as 0.673. The inner model measurement requires the same or smaller p-value path coefficient value to 0.05 (≤ 0.05) to be stated as significant. The calculation of p-value path coefficient shows p < 0.001 which means the competency variable has a significant effect on professionalism variable. While the path coefficient value of the moderator is only at 0.043 that indicates a very small value and the p-value path coefficient value of the moderator shows p = 0.430. Therefore, because the >0.05 p-value, the effect of moderator is insignificant.

The result shows that the sense of Ikigai is not the right moderator variable for competency and professionalism. Solimun (2011) explains that this insignificant moderator variable has changed in function to be a predictor (exogenous variable). The result of data analysis shows, that Hypothesis 1 in this research, is accepted due to its value of path coefficient of the competency variable on professionalism variable is at 0.673 and has a < 0.001 p-value, which means the competency has a positive and significant effect on intrapreneurs' professionalism of Ciputral University. This result is in accordance with the theory put forward by Boyatzis as quoted in Abraham (2001) that job competency is a characteristic of a person who can give an effective and superior job. The result is also in accordance with Saengchot (2016) which states that competency owned by a worker affects his/her level of professionalism. The fulfillment of hypothesis 1 indicates that if an intrapreneur has an optimal competency, the reflected level of professionalism will also rise.

The result of data analysis shows that hypothesis 2 is not supported in this research. The hypothesis cannot be accepted because the path coefficient value of sense of Ikigai moderator, is -0.043 and the p-value path coefficient 0.430 which is not in accordance with the terms of <0.05 p-value. This result means that sense of Ikigai does not moderately affect the relation between competency and professionalism. Solimun (2011) explains that if hypothesis 1 either has a significant result of not, but the hypothesis 2 has an insignificant result, the moderator variable can change its function to be a predictor (independent or exogenous variable). Predictor variable is an independent variable that can affect or become the cause of the change or emergence of dependent variable. Based on this result, sense of Ikigai can be a predictor variable which in the future can be examined to see its effect on professionalism or as an intervening variable between competency and professionalism.

CONCLUSION

Based on the result and the elaboration of this research, the conclusions are as the followings:

1. Competency has a significant effect on intrapreneurs' professionalism, consequently the first hypothesis is accepted.
2. Sense of Ikigai does not moderate the relation between competency and professionalism, consequently the second hypothesis is not accepted.

Based on the findings in this research, there are some advices or suggestions for further research:

1. To do further research with a different method, samples and settings and may use a qualitative approach in order to easily introduce Ikigai and for the respondents to clearly understand the new variable. Hence, a clear answer can be obtained from the respondents.
2. There are not many researches discussing about Ikigai and sense of Ikigai. Therefore, further research must find and have prepotent references about Ikigai and sense of Ikigai theories.

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THE ROLE OF SERVICESCAPE ON CUSTOMER SATISFACTION OF KAHYANGAN RESTO SURABAYA

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ABSTRACT

This study aims to analyze servicescape in Dream of khayanganArt Resto Surabaya and its role in providing satisfaction to consumers. The research is a qualitative descriptive type using data collection method including observation, documentation, and interview. An analytical technique using qualitative analysis. The results showed that servicescape at Dream of khayanganArt Resto Surabaya plays a role in giving satisfaction to consumers in terms of atmosphere and concept. Sign, symbol, and artifact also contribute to the consumer satisfaction marked by the number of Signs, symbols, and artifacts that are considered unique so as to attract consumers. The role of servicescape in social symbols is also capable of providing satisfaction for consumers characterized by appropriate themes, logos, uniforms, and antiques. The natural dimension also contributes to customer satisfaction, while the servicescape's role is less satisfactory for the consumer in terms of speed and availability of the waiter's caller.

Keywords: Consumer Satisfaction, Servicescape,

INTRODUCTION

Along with the increasing number of tourist trips, so also increased demand for tourism goods and services, one of which is a restaurant business or the provision of food and drink. The rapid development in the sector of accommodation and the provision of drinking water at East Java GDP is due to the shifting lifestyle conducted by the people of Indonesia. As a result of Qraved.com, which is a restaurant search and reservation site, shows that throughout 2013, Indonesians visiting restaurants reached 380 million times with a total expenditure of USD 1.5 billion (Andrianto, 2016).

This condition explains that the lifestyle of Indonesian people began to switch and more likely to enjoy to eat in the place of eating rather than eating at home. This then encourages the business of food and beverage providers began to grow rapidly, especially in East Java. Chairman of the Association of Indonesian Cafe and Restaurant Entrepreneurs (APKRINDO) of East Java explained that, in the first semester of 2016, the growth of cafe and restaurant industry reached 20%. Further explained by the Chairman of APKRINDO East Java, the number of new entrepreneurs in the food & beverage sector continues to grow throughout the year, especially in the city of Surabaya and Malang (berita24.bisnis.com, 2016).

The restaurant industry is a target for new entrepreneurs, especially in Surabaya. Supported with adequate facilities and infrastructure to make the restaurant business thrive in Surabaya. But this then affects the increasingly tight competition among restaurant entrepreneurs. The

statement submitted by PT Riska Manager confirms that with the increasing competition in the restaurant industry in Surabaya, the entrepreneurs tend to innovate not only on the food and beverage menu that is at the core of a restaurant business but also on the decoration and interior design which is interesting, so it can cause a different culinary experience to consumers.
Innovation meant by Manager of PT. Riska is one of the servicescape variables found in the restaurant. The statement is complemented by statements by Lovelock, Wirtz, and Mussry (2010: 4) in Pramita, et al., (2015) that the physical condition of the service environment experienced by customers has a very important role in shaping the service experience and strengthening or reducing satisfaction of a consumer. Not only that, Gaspersz (2005: 37) added that in addition to the needs and experiences of others, experience when using their own services, especially restaurant service is one factor that can affect customer satisfaction and expectation through servicescape innovation.
Servicescape is the impression created in the senses by the design of the physical environment in which the service is delivered (Lovelock and Wirtz, 2004: 354). In a study conducted by Kwong (2017) explained that servicescape is a deliberate environment established by service providers to be able to support the interaction process that occurs between consumers and providers using physical facilities. Further explained by Kwong (2017) that servicescape has a great influence on the quality of service perceived by customers, where servicescape is also able to determine customer evaluation of the quality of service expected by customers, including in restaurants. In addition, Pratama & Setyorini (2015) who disclose that servicescape has a close relationship with customer satisfaction, where servicescape can have an impact on customer perceptions until then able to give a positive impact in the process of formation of satisfaction of a service perceived by a customer. Satisfaction itself is the result of evaluations made by customers after consuming or using services or services (Kotler and Keller, 2013: 32).
Bitner (1992) explains that there are three reasons that can encourage consumers to come to the restaurant, that is because of the atmosphere, the style and function of the restaurant style, and the ancient objects. This statement explains that the servicescape of a restaurant is the main attraction for consumers to visit and enjoy different dining experiences. As explained in the results of research that has been done by Miles, et al., (2012) which explains that servicescape has a strong relationship with customer satisfaction. In addition, Raza (2013) also added that there is a real impact arising from the role of the servicescape restaurant to satisfaction experienced by customers. The results of both studies emphasize that servicescape can be a distinguishing factor owned by restaurants to compete in the restaurant industry in Surabaya.
Kahyangan Resto Surabaya adheres to the traditional concept of servicescape. Where on the exterior and interior of this restaurant features an exotic impression with the stupa of Borobudur Temple, and other trinkets that are thick with the Hindu culture of Indonesia in the past. Overall it can be explained that Kahyangan Resto Surabaya, is one of the restaurants that offer a very traditional concept from the service owned side. With the uniqueness owned by Kahyangan Resto, it can be a positive example for other restaurants in running a restaurant business to provide more value to consumers. So it can be explained that the servicescape contained in Kahyangan Resto managed to give a positive impact on customer satisfaction. Therefore, this study was conducted to analyze the success of servicescape contained in Kahyangan Resto in giving influence to customer satisfaction.

LITERATURE REVIEW

Servicescape

Servicescape or so-called physical service is a physical facility owned by a different tangible organization in the physical environment (Angkow, et al., 2016). According to Hightower (2009: 381), servicescape is defined as "the servicescape define herein as everything that is physically present around the consumer during their service encounter transaction" which means everything that is physically present around the consumer during the service transaction meetings. Lupiyoadi (2013: 120) in Pramita, et al., (2015) explains that the servicescape or service environment is the environment in which the service is delivered.

Mc Comish and Quester (2007) in Cindy (2012: 19) consider servicescape as a physical physical environment of a service that affects the consumer experience. Architectural design and related design elements are an important component of servicescape. According to Bitner (1992), there are three reasons tourists want to come to the restaurant, which is due to the atmosphere, layout, and function of the restaurant style and ancient objects. Bitner's (1992) opinion shows that customers come to restaurants because of the elements of servicescape ie atmosphere, layout, function, and style, ancient objects, but there are three other elements such as customers want to come ethnic to restaurant because their interest is not only three elements, there are some elements such as design (restaurant boarding board, attractive restaurant nameplate, furniture, and serving appliance).

Opinion Dube et al (1994) customers come to ethnic restaurants due to aspects of nutrition, culture, religion, brand, experience, security and personality. The opinion is good, but still not perfect if it is not equipped with atmosphere factor, social (restaurant staff), design, artifacts. If equipped with these factors are perfect because the content of servicescape elements are met. Measurement Servicescape by Rosenbaum and Massiah (2011: 472) is divided into 4 parts namely Physical Dimension with three sub-dimensions of Ambient Conditions; Space / Function; and Signs, symbols, and artifacts, then Social Dimension, Social-symbolic Dimension, and Natural Dimension.

Consumer Satisfaction

According to Kotler and Keller (2013: 32) satisfaction is the feeling of pleasure or disappointment of someone who appears after comparing the results of the performance of the product (s) thought to the desired performance (or outcome). According to Lovelock & Wright in Djudiyah (2013: 28), consumer satisfaction is the result of comparison between services perceived by consumers with services expected by consumers. Rangkuti (2011: 31) argued consumer satisfaction is a response or reaction to the discrepancy between the level of previous interest and actual performance perceived after use or use.

Consumer satisfaction shows the relationship between consumers with service providers (Khan & Fasih, 2014). In the context of consumer behavior theory, satisfaction is more defined from the perspective of consumer experience after consuming or using a product or service. Therefore, satisfaction can be interpreted as a result of consumer ratings that the product or service has provided a level of enjoyment in which the level of fulfillment can be more or less (Irawan, 2009: 3). Consumer satisfaction is considered to be a post-purchase evaluation in which the selected alternatives will yield outcomes equal to or exceed consumer expectations (Fadli et al., 2013).

According to Hannah and Karp (in Rahmawati, 2013), in creating customer satisfaction an organization or company and agency must be able to meet the needs of consumers or customers are considered the most important or commonly called "The Big Eight Factors". In general, these factors are divided into three main categories. First, factors related to products such as quality, a relationship between value and price, form and reliability. Second, factors related to services such as assurance, response and problem-solving. Third, factors related to experiences such as patient experience, ease, and comfort. Meanwhile, according to Irawan (2009) there are five factors that affect customer satisfaction, namely 1) Quality of service, customers will be satisfied if after buying or using the service turned out to have good quality; 2) Price, cheap price is an important source of satisfaction because they will get high value for money, while for customers who are not price sensitive than price component is not something important; 3) Service, service depends on three things: system, technology, and human being; 5) Emotional factor, associated with pride, confidence is an example of emotional factor that can create customer satisfaction. 5) Ease, customers will be more satisfied if relatively easy, convenient, and efficient in getting a service.

The Role of Servicescape on Consumer Satisfaction

Hall and Mitchell (28: 2008) in Cindy (2012: 19) say that servicescape is a physical environment in which there is a service meeting and affect the perception of quality and subsequently on the internal response (the level of customer satisfaction and external response (consumer behavior and buyback) Lovelock, Wirtz and Mussry (2010: 4) in Pramita, et al., (2015) describe that the physical condition of the service environment experienced by customers has a very important role in shaping the service experience and strengthening or reducing customer satisfaction. the overall attitude of the customer towards the service provider or the goods. This attitude is an emotional reaction to the difference between what the customer anticipates and what the customer receives from the service provider regarding the fulfillment of the customer's needs, goals, or desires (Rahman, et al., 2012).

The results of research conducted by Pratama and Setyorini (2015); Manoppo (2013); shows that ambient conditions, spatial layout and functionality, and signs, symbols and artifacts can impact every evaluation performed by the customer to achieve perceived satisfaction. Candrawati (2013) in his research shows that servicescape consists not only of objective, measurable and managerial controlled stimuli, and systematically stimulated stimuli, but also uncontrollable social, symbolic and natural stimuli that influence customer decisions or avoidance and behavior social interaction. Based on this, the customer's response to social, symbolic and natural stimuli is often a driving force in people's deep attachment. Kiran Raza (2013) explains that when a restaurant has an interesting concept it will tend to increase customer satisfaction.

The results of a Servicescape study on a place have a real impact on customers or for employees. Explained that the atmosphere is able to encourage customers to feel comfortable in a place. Then the layout of the room, which is explained that the more complex the layout of a room a place, can have a negative impact on customers and employees who become uncomfortable. Then the sign or symbol becomes an important aspect of servicescape, especially for new customers. This can help new customers quickly feel comfortable with the place in question.

RESEARCH METHODS

This type of research is qualitative confirmatory descriptive that is the type of research that examines and explains the pattern of relationships between two or more variables that this type of theoretical support has been required, both for use as a foundation in proposing the hypothesis or for determining collection criteria. The subject in this research is Dream of Kahyangan Art Resto. The servicescape analysis unit includes Physical Dimension, Social Dimension, Social Symbolic Dimension and Natural Dimension. While the unit of customer satisfaction analysis includes: Experiences based on satisfaction, Fulfillment expectations, customer confidence, and corporate performance perceptions. Methods of data collection using interviews, documentation, and observation. The technique of data analysis using descriptive confirmatory analysis with stages include data reduction, data presentation, data comparison, and conclusions.

FINDINGS

Profile of Study Object

Dream of Kahyangan Art Resto is located in Citra Raya, West Surabaya, built in May 2005 with a land area of 900 m². The concept of designing Dream of Kahyangan Art Resto combines two cultures, namely Javanese culture and Chinese culture. One of the Dreams of Kahyangan Art

Resto collection is a historic house building originating from Kudus, Central Java. The collection is considered to save the side of romantic between Chinese descent men and women who come from Central Java, thus supporting the concept of designing this restaurant. In addition to building a house from Kudus, Central Java Dream of Kahyangan Art Resto also has a collection of historical objects of ancestral heritage of ethnic Chinese and *Central Java.*

Figure 1. Interior design *Dream of Kahyangan Art* Resto

Fasilities of Dream Khayangan Art Resto

The restaurant is divided into 4 (four) rooms, in addition to the kitchen area and bathroom. With a maximum capacity of visitors is 250 people for a semi-standing party. Restaurant areas have the names of thematic names, namely Nirwana Hall, Kahyangan Hall, Kahyangan VIP and Indrakilla Garden-Bale Kambang. At Nirwana Hall and Indrakilla Garden-Bale Kambang, the design showcases the atmosphere of Java, while at Kahyangan Hall, the design displays the Chinese atmosphere. Nirwana Hall area is an indoor dining area. In this area can be found some interior elements that display the feel of Java. Some of them are gebyok on the wall, ornament in the form of Javanese decoration on wall and furniture, and artwork in the form of wayang klitik.

While Kahyangan Hall is an indoor dining area with interior elements featuring Chinese shades, such as some urns that are modified into table legs, table, and chair formation, ornament in the form of Chinese decoration on furniture. Not only provide food, Dream of Kahyangan Art Resto also provides an opportunity for visitors to shop for various accessories, clothes, sandals, and women's shoes by building Kahyangan Art Boutique. Indrakila Garden-Bale Kambang area. This area is an outdoor area designed to showcase the atmosphere of the park. The floor in this area using the natural stone material. Furnishings that are used in this area is more simple than the furniture in the indoor room.

Profile of Source

Resource persons in this research include Dream of art owner Khayangan Resto (Hariadi Surja), Dream of Art Manager Khayangan Resto (Rudi Darjono), Loyal Consumer (Cynthia Oentoro), and consumer walk-in (Andreas Atmarumeksa).

Servicescape Analysis

Based on the interviews conducted, the servicescape analysis includes several elements including physical evidence, social dimension, social symbol dimension, and natural dimension. The results of interviews related to physical evidence show that the concept of design of Dream of art Khayangan Resto to support the coolness in the room. Hariadi Surja (owner of Dream of art Khayangan Resto) stated that it is related to the material used with Javanese house characteristic that there is already air circulation naturally. In addition, building materials used are of wood so that automatically adds coolness.

In the physical sub-dimension, related to the concept and atmosphere of Dream of Art Khayangan Resto (Hariadi Surja) and Dream of Art Manager Khayangan Resto (Rudi Darjono) wants the concept of home, where consumers feel comfortable while eating as felt in their own home, the atmosphere is supported by the rush of water, the strains of gamelan and traditional music to bring consumers to feel in touch with nature. For layout arrangement has been done as maximally as stated by Owner of Dream of Art Khayangan Resto (Hariadi Surja) and Dream of Art Manager Khayangan Resto (Rudi Darjono), that Layout arranged as maximal and minimize as possible in order to reach capacity not too much, too little and designed as comfortable as possible. In addition, every furniture in the house is also adapted to the concept of the house, "so if the building is already Chinese, Chinese carving, yes we give the table chair with Chinese motif, the bed also functioned as dining table, Chinese bed also, which built also Javanese bed java bed ". For analysis Physical dimensions related to marks, symbols and artifacts, are sufficient, this is indicated by statements from informants and documentary evidence in the form of photographs on nameplate showing the identity of the Dream Art of Khayangan restaurant. As for the artifacts which are one aspect of servicescape which, is highlighted in various angles and can be found as decoration of the room.

Analysis of the social dimension (social dimension), the quality of human resources has been done optimally with the process of recruitment and selection of resources that have the required criteria. This is as revealed by the owner of Dream of art Khayangan Resto (Hariadi Surja) and Dream of Art Manager Khayangan Resto (Rudi Darjono), that the recruitment is done by interview and written test, and some main criteria that must be owned, among others the intention, and honesty. The result of the analysis on the social symbol dimension of the four informants stated that it is appropriate only on the concept of informant logo which represents as the consumer with the AA code stated less. The existence statement of the social symbol dimension is expressed in the statement of the existence of logos, objects of antique theme symbols, uniforms. In the Natural Dimension analysis, which analyzes the existence of natural nuances such as ponds, trees and flowers, both HS and RD informants as owners and managers state their existence.

Consumer Satisfaction Analysis

Analysis of customer satisfaction obtained from two informants namely Consumer loyal (Cynthia Oentoro) and consumers walk in (Andreas Atmarumeksa). From the results of interviews related to the pleasure based on experience related to servicescape offered by Dream art of Khayangan obtained some statement expressing the satisfaction of the atmosphere while in the restaurant of Dream of Khayangan Art Resto. The informant expressed his love and interest in the concept offered. Loyal customers (Cynthia Oentoro) get a comfortable, relaxed and relaxed atmosphere while enjoying a meal at Dream art of Khayangan. Added that interior design and existing collections have a uniqueness that can appeal to tourists.

The analysis of consumer satisfaction based on the fulfillment of expectations shows that from the analysis of consumers associated with the coolness stated that the coolness is still considered to be lacking. The results of interviews with loyal Consumer (Cynthia Oentoro) states that in some places such as parks and pendopo still less cool, even tends to hot. In terms of lighting offered by Dream art of heaven is enough. It is justified by the loyal Consumer

(Cynthia Oentoro), and the consumer walk-in (Andreas Atmarumeksa). Layout arrangement and function is also considered to be in accordance with the wishes of consumers, this is justified by the statement of two informants about layout arrangement. However, in terms of availability of parking space is still considered less, it is as expressed by loyal Consumer (Cynthia Oentoro) that the parking lot is still less, especially when being eaten together with their own vehicles, so forced to park on the other side. In the analysis of the natural dimensions of the fulfillment of hope for the existence of natural nuances such as ponds, trees, and flowers, stated existence already exists.

The result of consumer satisfaction analyst based on customer trust show From informant as consumer got the result about the satisfaction of consumer of a feeling of pleasure based on trust expressing frequency of arrival which is 2 weeks because of atmosphere that supports its atmosphere. It is as revealed by the loyal Consumer (Cynthia Oentoro) who visits Dream Art of heaven every two weeks because of the nuances and the food offered.

The analysis of customer satisfaction based on the performance of the company some of the perceived performance is quite good but still, there are less well-perceived performance statements. Loyal customers (Cynthia Oentoro) mention one of the lesser performance is related to the sufficiency of personal numbers when the restaurant is busy. Informants also mentioned never filed complaints related to the dish, it immediately became an evaluation for the Dream art of heaven so it does not happen again.

DISCUSSION AND CONCLUSION

The servicescape offered by Dream of Kayangan Art Resto becomes an important factor in attracting consumers. It is in agreement with Lovelock, Wirtz and Mussry (2010: 4) in Pramita, et al., (2015) which describes that the physical condition of the service environment experienced by customers has a very important role in shaping the service experience and strengthening or reducing customer satisfaction. Based on the results of the interviews show that one of the reasons that make informants visit Dream of Kayangan Art Resto is not because of its unique design concept. The results are in line with Bitner's (1992) opinion that there are three reasons tourists want to come to the restaurant, that is because of the atmosphere, layout and function of the restaurant style, and ancient objects. Components have been fulfilled in Dream of Kayangan Art Resto so as to provide consumer satisfaction. Lovelock & Wright in Djudiyah (2013: 28) explains that consumer satisfaction is the result of comparison between services perceived by consumers with services expected by consumers. Based on the definition of consumer satisfaction involves the assessment caused by perception so that experience becomes a thing that helps build customer satisfaction.

Fadli et al., (2013) explains that consumer satisfaction is a feeling indicated from the evaluation process, in which the consumer of the goods or service has compared what is received to what is expected. Servicescape becomes a place or environment where service delivery occurs (Lupiyoadi (2013: 120) in Pramita, et al., (2015) so as to be in direct contact with the consumer as an experience The servicescape roles in Dream of Kahyangan Art Resto have been well conceptualized by owners and managers who coordinate all the services provided in the physical dimension, social dimension, social symbol dimension as well as the natural dimension. All of the servicescape owned by Dream of Kayangan Art Resto has been able to provide the same impact as that offered where consumers can see the servicescape indicator offered by Dream of heaven of Art Resto both from design, symbol, function, layout, the social dimension in the form of service and also performance.

The role of existing servicescape at Dream of Kahyangan Art Resto has been conceptualized to the maximum so as to provide satisfaction to its customers. These results are in line with some of the previous researches such as Pratama and Setyorini (2015); Manoppo (2013) which states that servicescape has a significant effect on customer satisfaction. The results also support what

Hall and Mitchell (28: 2008) suggest in Cindy (2012: 19) says that servicescape is a physical environment in which there is a service encounter and affects the quality perception and subsequently on the internal response (the level of customer satisfaction and response external (consumer behavior and buyback).

But from the analysis of customer satisfaction relating to social dimension, there is dissatisfaction about the service given related to social dimension. However, this is responded by the informant that the owner who stated that the service provided is done as well as possible but back again on the individual nature where the company will maximize working conditions conducive so that the working atmosphere will be maximized. Sometimes what the owner wants to convey to the consumer also misunderstandings. It is as consumers of Dream of Kayangan Art Resto, in general, assume that the restaurant is typical Indonesia. While the concept of a restaurant selected by combining ethnic Chinese with Java. The misunderstanding did not reduce consumer satisfaction.

Based on the results of research shows that servicescape role in providing satisfaction to consumers in terms of atmosphere and concepts. Sign, symbol, and artifact also contribute to the consumer satisfaction marked by the number of Signs, symbols, and artifacts that are considered unique so as to attract consumers. The role of servicescape in social symbols is also capable of providing satisfaction for consumers characterized by appropriate themes, logos, uniforms, and antiques. The natural dimension also contributes to customer satisfaction, while the servicescape's role is less satisfactory for the consumer in terms of speed and availability of the waiter's caller.

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THE APPLICATION OF MARKETING SYSTEM IN FAMILY BUSINESS CV. FMG

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ABSTRACT

Marketing activity is the spearhead for the company. That the marketing officers resign from the company often becomes a problem. They begin begin to influence old company clients to join and work together by offering the same services and goods. The more complicated, the former marketing still has a blood relationship with business owners. They are a family member (cousin) who used to become employee. This study aims to formulate a marketing system in a family business whose elements include the organizational structure of marketing, marketing SOP, marketing human resources. The elements in family business have the following categories such as owners, employees, the 3 Axes Model, and rules of entry and exit. This research is a qualitative research using triangulation method. Data were collected through semi structured interview method. There were 6 informants in this study: 2 informant marketing experts, 2 informant family business experts, 2 informant owners of family company. This study found many things that need to be improved in the marketing system in the family company FMG. The improvement in marketing includes offline and online in marketing system, marketing SOP (SOP sales script, SOP overcoming technical barriers, SOP of achievement and resources, SOP reward and punishment), marketing human resources (recruitment criteria, skill, negotiation, attitude, knowledge, cooperation with marketing freelancers, segregation of functions with other parts). Family elements need to be categorized such as family member, owner, employees, then the stage of The 3 Axes Model (controlling owner, sibling partnership, cousin consortium business cycle, working together). It is important to pay attention to the rules of entry and exit (including rules of entry and exit of the company, the right time for written agreements, and how to overcome the attitude of family members that are not appropriate to the prevailing procedures).

Keywords: Family Business, Marketing System, Marketing SOP, Cousin Consortium, Controlling Owner, Rules of Entry and Exit.

INTRODUCTION

IDC (International Data Corporation) reported in 2016 that the printing and printing industry worldwide continues to grow rapidly until 2017, reaching US $ 9 billion. This figure has increased significantly compared to the year 2012 which is US $ 5.3 billion. Currently, the industry has entered the 4.0 era. This is a time when technology and digitization are part of all human life activities. The Industrial Age 4.0 enables multiple manufacturers to connect digitally, from 3D printing, robotics to a variety of new technologies that are digitally related. The era of digital all the time many give ease in printing and printing industry. IDC also revealed that the publishing, printing, packaging and advertising industries will continue to grow by 12% in 2017 compared to the previous year for the Asia Pacific region (CNN Indonesia, 22 April 2017).

Having oppportunities for "Print" happens if any used objects cannot be reused. As a result, when the company's stock form is depleted, the company will re-order the products to meet the needs. Having opportunities from the "Digital Priting" is also almost the same as the printing business. For example, banners that have listed the date of the certain events cannot be reused because the information in those banners has been obsolete.

As a business established and controlled by the family, Fast Media Globalindo is engaged in indoor and outdoor printing and digital printing services. The company is influenced by family culture including its vision of mission. The company has recruited employees who have a kinship relationship:

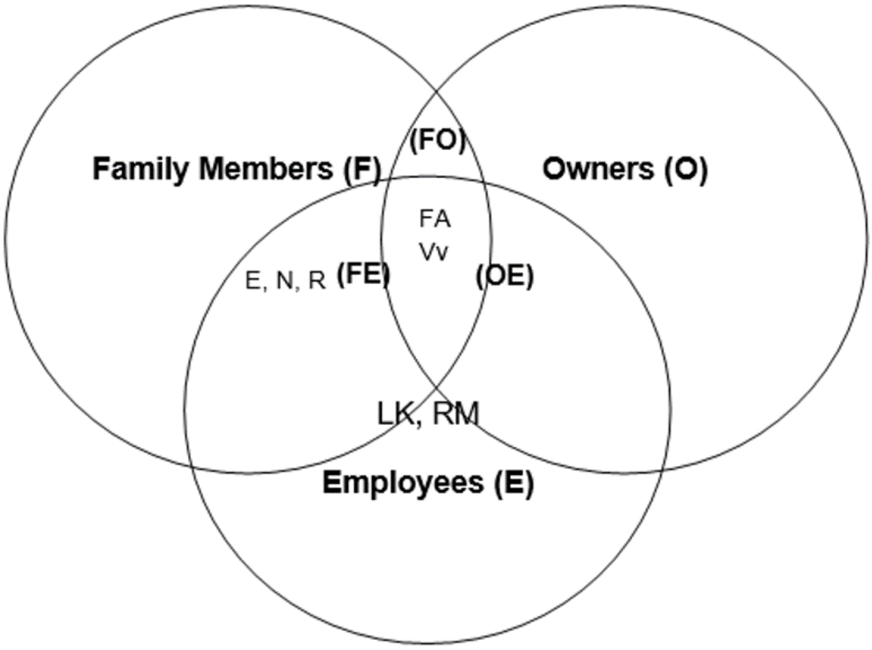

Figure 1. Grouping using Analysis of Davis's 3-Circles Model
(Sharma *et al.*, 2013:4)

The result of the analysis using Davis's 3-Circles Model explains the description of for employees who have and do not have family relationships.

Table 1. In-Company Family Relationships

No	Name of Employees	Gender	Relation
1.	FA	Man	Founder
2.	Vv	Women	Founder
3.	E	Man	Cousin FA from Mother (child of bude 'A')
4.	N	Man	Cousin FA from father (son of aunt)
5.	A	Man	Employee / Student intern
6.	R	Man	Cousin FA from Mother (child of bude 'T')
7.	LK	Women	Permanent employees who are not related to kinship
8.	RM	Man	Employees (freelancers) who have no relative relationship

Source: Company Data CV.FMG (2013-2017)

Managing a family business is not an easy thing. Running a leadership role to an existing subordinate of kinship relationships is a very complex challenge. There is often internal conflict within the family enterprise "This occurs when there are things that do not match the value of family culture in work. The solution to this problem is always not easy. The sensitivity in this family enterprise is high and results in conflicts among the employees.

Employee named 'N' is decided to resign at the end of June 2017 from CV. Fast Media Globalindo. He has his position as a marketing company and works to assist the FA. Quit 'N' from work because VV managers do efficiency and work effectiveness. The goal is to enforce company regulations to make the working atmosphere more orderly. Efficiency is carried out to exercise oversight of production activities (which are often inadequate). Mistakes in meeting customers' demands have impacts on the scouring of the company's capital. Effectiveness is carried out including monitoring of work-in-work and work-time hours as agreed at the joint meeting on Monday-Friday at 08.00-17.00 WIB, Saturday at 08.00-14.00 WIB, Sunday off. Monitoring is done because because a lot of employees who have a kinship relationship often come late beyond the tolerance limit, for example at 10:00 am or at 11:00 pm present new. This situation disrupts the effectiveness of working hours for other employees.

LITERATURE REVIEW

In general, the system is defined as a whole of a number of components (parts) are interconnected or related in achieving one or several purposes. Understanding if connected with management as a process or a series of activities known as components, functions or elements of management (planning, organizing, implementation, budgeting and supervision) to realize organizational activities in achieving goals or objectives (Nawawi, 2015: 174) .

According to Layton (2015) the marketing system has the main goal of producing and delivering various goods, services, experiences and ideas to customers. Furthermore, this action aims to improve the quality of life of the community and provide economic benefits for each participant of the system. Marketing systems are formed and grow (and often collapse) wherever human communities are formed and grow. They exist at every level of transactions between households such as market exchanges, inter-community trade relations, aggregate societies or regional trade relations. They form into groups of individual products or services, or aggregates that have common attributes. The sum of all transactions is done within a certain geographical location and over a specified period of time as well. Entities of a marketing system often become themselves. This entity facilitates the work system and acts according to complementary and sometimes even competitive roles that result in conflict.

Environmental changes with uncertainty force the company to continue thinking that companies can live stable and win the competition. Globalization has brought great influence to all unlimited economic activities. This condition forces people to make massive changes in marketing. This is called the marketing revolution (Manap, 2016: 1).

In its simplest form, family business refers to a business owned and/or managed by a family (Casrud, 1994; Chua *et al.*, 1999; in Pounder, 2015). Family business is a business management activity that involves at least two generations of families within the company. Family members in the family company hold a vital role, so that their existence can influence the policies made by top management. Family values in family firms are so dominant that they can be embedded into employees who have no kinship relationship. The role of family business owners and business managers should be seen as separate and different even though it is just as important as family business success.

RESEARCH METHODS

This type of research uses a qualitative research approach and aims to explore and understand the meaning of individual behavior. According Sugiyono (2015: 254), qualitative methods are used to understand the condition of objects studied in depth and difficult to quantitatively measure. This study is based on their views/subjects being studied. The results of this study aims to determine the work system that is needed in the family business CV. FMG.

This research was conducted at CV. Fast Media Globalindo, located at Jalan Darmokali number 144A Surabaya. Running time from July to December 2017.

The research sample informants were chosen by proposive sampling. According Sugiyono (2015: 76) proposive sampling is a technique of sampling data sources with certain considerations. For example, the person is considered most know about what we expect. They can act as rulers and allow researchers to explore the object / social situation under study. Criteria for Selection of Informants:

A. Owner Family Business: Running a business family of approximately 8 years old, having an employee with a family relationship of more than 5 years in the company.

B. Expert in Marketing: Practitioners in sales and marketing, Trainers in sales and marketin.

C. Expert in Family Business: Family Business Consultant, Have experience and understanding in family business.

Data collection of data source in this research is primary data source. Primary sources are data sources that directly provide data to data collectors (Sugiyono, 2015: 256). The data of this research are qualitative data meaningful. Qualitatively meaningful is the data behind the apparent facts. Researchers should be able to give meaning or give interpretation of the facts obtained in the field (Sugiyono, 2015: 8).

To obtain accurate and relevant data, researchers used participatory observation techniques, semi-structured interviews, and recording. In this observation, researchers are involved with the daily activities of the person being observed as a source of research data. Data collection was done by conducting question and answer verbally and directly with key informant. Interviews are designed semi-structured to make the interview impression not rigid. According Sugiyono (2015: 267), the interview technique aims to find the problem more openly where the informant asked to express opinions, and ideas. During the interview, the researchers listened carefully and recorded information from the informants.

The focus in this study is to look at the strengths and weaknesses of Human Resources (HR) in handling marketing. This research will use intrinsic case study methodology. Intrinsic case study was chosen because the researchers conducted this study in the corporate environment. This study has internal validity. Research is stated to have internal validity if the results reflect the function of the program or research approach (Sugiyono, 2015: 210). The reliability of this study has external reliability. According Sugiyono (2015: 211), if others repeat the research in the same way, then the results will be the same.

Examination of the validity of data in this study is by using Triangulation and Member Check techniques: researchers perform data collection at the same time test the credibility of data by checking using various techniques of data collection and various data sources. In this study, researchers used technique triangulation and source triangulation. Member check is a technique of checking data that comes from the data provider.

The analysis model of this study is as follows:

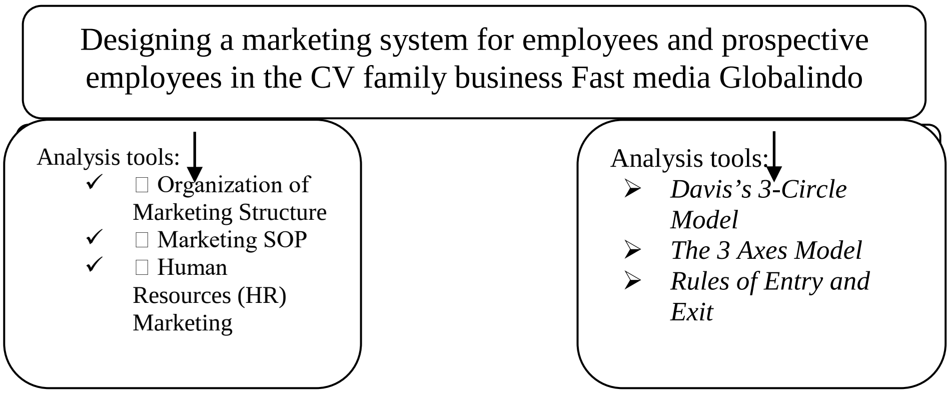

Figure 2. Analysis Model

Tabel 2. Research Informant Profile

Name	Occupation	Informant Status
Catur Mulyono	Total Image	*Director*
Yuyun Ayna	SWA Logistik	*Director*
Fuad Zakiy	*Authorized Master Trainer of* Tung Desem Waringin	Marketing Consultant
Herman Josep S	*Director & Sales Trainer of PRO-M*	Marketing Consultant
Himawan Wijanarko	Jakarta *Consulting Group*	*Family Business* Consultant
Damelina B. Tambuna	*Chair Master of Entrepreneurship Management, Universitas Ciputra*	*Family Business* Consultant

Sourse: Primary Data (2017)

RESULTS AND DISCUSSION

I. Marketing System

a. Organizational Structure of Marketing

In the design of the marketing system required several stages. One of the things in marketing is the existence of a special marketing organization structure. The structure of this marketing organization has not been absolutely essential. The most important thing is related to who runs it. In this case, there is a similar statement from the interviewee whose talent is important. If the marketing organization structure is lean, decision-making is quick. The organizational structure of this marketing should also be evaluated six months for adjustment. When the owners are involved, they have multiple roles as the owner and marketer.

b. Marketing SOP

When conducting marketing activities, guidance regulating what to do needs to be prepared. The result of interview with interviewee is that there should be written proof in marketing SOP, not just verbal data only. SOP must include Sales Script (Sales Script phone and sales script meet with client). The marketing should call and meet with the number of clients. Every day, the marketing division makes reporting on a visit to the client. For checking, the company can make use of numbers of action cards to follow up. Every one week there is an evaluation meeting. The meeting aims to analyze internal and external constraints and seek technical means to address them. The implementation of follow-up can be done according to the time available. After that, it is to do the evaluation of SOP: how to follow up the client has been obtained in the last month. In terms of resources there are several resources available to run the target.

c. Human Resources (HR) Marketing

• Recruitment Criteria:

Required that fit the business to business (B2B) business model: HR can create its own Milestone (short, medium term, long term). Experience over 2 years and have previous achievements. Have own connection, intuition in marketing and sales, age 29 years old, Honest, trustworthy, care with customer, At the time of recruitment process, this candidate is given cases. This way enables the company know how to deal with and solve problems.

• Cooperation with freelance marketing

For business owners, working with freelance marketing can be an option. Based on interviews with interviewee, it is necessary to cooperate with marketing freelancer. In this way, companies do not have to pay them otherwise just provide incentives and bonuses only when the closing occurs.

• Segregation of marketing functions with other parts

Based on interview interviews, they said it was important to share the marketing division with the finance department. This is done to avoid the price game. Billing does not matter because the payment standard will be valid if transferred to the company account. Besides marketing is also suggested disaggregated with the production section in this case if the context of advertising or printing service company, then an example if a marketing gets an acrylic order for a poster branding of a bank, it turns out he has the ability to form Acrylic as taught by the previous owner, that he knows the basic price of Acrylic material before it is formed according to the client's wishes. Then this will be very dangerous. He has production skills and knows the base price; on other occasions he will find his own Acrylic suppliers and clients can be offered a cheaper price than the company has to offer. If so then the hand over client is most likely to occur.

I. Family Business

a. Family member, Owner, Employees

The main function of categorization is to regulate the rights and obligations of each. If acting as the owner alone is not entitled to a salary but from the stock or dividend that's all. In addition, so there is a limit between business owners and business managers. As for the shares of ownership, although the form of a legal entity CV still requires the distribution of shares, depending on the regulations in the company. However, the division of shares in advance can minimize the possibility of conflict when the business is getting bigger.

b. Ownership, Business, Family
The controlling taks can involve more than one person. People have their own specialization. However, there should also be a special written rule about this company: how much the owners are able to control. That way can be done by looking at the scale of the company. For example the company is shaded by two contributing brothers. Culturally it is usually the most dominant of the oldest sibling but still for decision making. There is a process of negotiation. Because 2 brothers have their own specialization, there must be good decisions to make regarding the market. The mechanism must also be set concerning whether employees simply report one or to two owners. Sometimes giving also reports to two people can be less efficient. However, if that is the nature of the company, that strategy does not make any matters.

c. Rules of Entri and Exit
• Family involvement in the marketing team
Engaging family members in the marketing team does not matter as long as he or she has competence or marketing skills, but the disadvantage is that if he already has extensive connections he will open a business in the same field. Another shortcoming is the company will lose talent. And there is a sense of hard feeling in a kinship relationship.

• The rules of joining and leaving the company
In every business, there are rules of the game. They become urgent because they concern the rights and obligations between employees and business owners. Company regulations for family members who want to join the company must be made in accordance with the needs of the company because family business is non-customize. The following are the criteria worth considering:
1. Opening the opportunity may be filled by the family
2. No bound contract with others. There must be one month prior permission to the previous company. When people decide to resign, there must be permission that should be made at least 2 months earlier. They should be willing to have responsibilities to provide training to new people who replace his position.
3. Compliance between job descriptions required by the company with the competence, the more appropriate the better.
4. In addition, the commitment of family members is also important in order not to go around doing the job (orderly) and keep the feelings so as not to hurt each other.
5. Having interest in the field of advertising services business. People who are interested will be more productive and do more effective jobs.
6. Ability and experience, competence accordingly, eg occupy the position of marketing then must master the source screen and have the ability to negotiate.
7. Company regulations related to family culture, which will be set in SOP.

• How to deal with 'discomfort' to reprimand family members
1. If anyone made a mistake then there should be proceures regulating how to remind them by looking at the context (not in the time of the incident) or associated with the same situation.
2. Not being absenteeble, absentee dispensation takes place in less than 1 year working period. It is is only allowed one day in 2 months, more than 1 day, there is a consequence of 2x daily salary cut. If the working period of more than 1 year then the absent allowed a maximum of one day in a month, more than that then there is a consequence cut salary 2x daily salary.
3. Creating 2 figures in the company:
- Family figures (good guide)
- The company management figure (bad guide)

It is the management of the company that concerns how to handle the mistakes. It is a suggestion and input from the owner.

CONCLUSION

In the Marketing System there are components (Marketing Organization Structure, Marketing SOP, and Marketing HR). Meanwhile, for business family this study uses tools (Davis's 3-Circles Model, The 3 Axes Model, Rules of Entry and Exit). The purpose of this study is to investigate if family member joining family company know what to do and what limitations they have. Family companies can be sustain and well developed, if the people who fill in it are right, and compact in all situations. Conflicts that occur should be resolved in a peaceful way. If not, a business can lead to family break up.

Regulations are made to protect interested parties from each other, concerning the rights and obligations in order not to harm each other. If there is a blood relationship, the potential for complex conflicts tend to be more difficult to resolve. Compared with the misuse of others, the company firmly takes criminal and civil action. But if there is a blood relationship then there is the principle of humanity is not hearty, uncomfortable, and other feelings as a material consideration. Therefore, in this study formulated Rules of entry and exit, which is a non-customize concept in the family business which is usually considered taboo in set on the type of company classified as "Small and medium-sized companies", because the brother who joined the company does not need to signed a written agreement. If there is a conflict, comppany can be resolv by way of kinship. In reality, in a business, the existence of black and white is very important to stand on the strength of the law. All things related to money is a matter of vulnerability to conflict regardless of relationship.

The Marketing System and the Rules of entry and exit for family members who want to join are dynamic. It is periodically necessary to make adjustments, along with the growth of the company and the development of the next generation of companies. The marketing system and rules to join for this family member is run effectively and beneficial for the company. To do so, it is necessary to improve the system in other parts according to the needs of the company.

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BUILDING SUSTAINABILITY STRATEGY ON IMPLEMENTATION OF SMALL BUSINESS WITH TRIPLE BOTTOM LINE

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ABSTRACT

Keeping corporate sustainability is a business topic that always accompanies the company in carrying out its activities, including small companies. The concept of sustainability is accepted as true and is believed to be applied by the company include the concept of the Triple Bottom Line (TBL), which harmonizes economic needs with care for the environment and surrounding communities. Large company can implement this concept without obstacles, however not the case with smaller companies. Theoretically, this paper aims to provide a framework TBL concept that can be run by small companies, whereas the empirical aims to provide an understanding of how to implement the concept of TBL for smaller companies.

Keywords: Business Continuity, Small Company, Triple Bottom Line

INTRODUCTION

It is becoming increasingly fashionable model of sustainability within the last 20 years (Steven A Rod L Flanigan Schulz, 2016). Companies often include environmental and social sustainability in addition to their financial sustainability. Harris poll (2000) said about the company's interest and responsibility towards environmental sustainability, social, and ethical company in September 2000 in the United States reported that 95% of respondents had more than one purpose. They also owe something to their workers and the communities in which they operate, and they sometimes have to sacrifice some profit for the sake of making things better for workers and the public. In the same way, only 4% of respondents indicated that they believed the sole purpose of the company was to make maximum profit for shareholders, and 61% of respondents believed that US companies had fair and ethical business practices for the poor (Business Week 2000).

Information in the Business Week (2000) showed that the world-class companies the US has been able to harmonize social needs with the interests of the company. As pointed out by some large companies such as Shell sites, AT & T, Dow Chemical, and many others, these firms to show social component on their web site and financial disclosure. They do not make social responsibility as a cost or constraint, but take advantage of social responsibility as a potential source of innovation and competitive advantage in order to maintain the business continuity by using better inputs, achieve a higher quality or improve product yield (Porter and Kramer, 2006). Elkington (1997) presents a framework of TBL as a key concept that promotes business sustainability of environmental quality, elements of profit, and social justice. Thus it can be said that TBL is one key to successfully implementing CSR.

The results of the stakeholder approval appears to be one of the guidelines for the company to address the topic of sustainability. In addition to the approval of stakeholders, this paper explores another catalyst to elevate the strategic importance of sustainability. As more companies develop sustainability programs, opportunities to develop competitive advantage becomes more important. As the purchasing agent and the committee has begun to enter the criteria for sustainability in the supplier selection process, certification, and evaluation; competitive advantage can be gained or lost on this issue. The purchase process industry companies to broaden the focus beyond sustainability to include all members of the supply chain (Golicic and Smith, 2013).

To implement the concept of TBL, large companies can hire experts to develop a cohesive strategy and ways to implement best practices. However, many small and medium enterprises (SMEs) that have <500 employees have been left without the resources to move forward with a "green business" to produce products or services. Many smaller companies do not have the expertise TBL, skills and technical resources where they can operationalize sustainable business practices. It is not very good because in the United States, 99.7% of employers and 42.9% of private sector employment provided by small businesses (*Small Business Administration*, 2016). Then, how small companies can apply the concept of TBL role in running the business activity? Through this paper, the authors sought to give the concept of TBL very simple and can be implemented by the company allows small though theoretically they do not understand the definition and purpose of the application of TBL in conducting business activities.

This paper uses a framework of sustainability efforts contained in the literature business, including Carter and Easton (2011), Carroll (1991), Elkington (1997, 1998), Hubbard (2009), Kaplan and Norton (1992), Markley and Davis (2007), Quinn and Baltes (2007), and others. The purpose of this paper is to utilize the literature to formulate the concept of sustainability in small firms.

Theory Study of Triple Bottom Line (TBL)

The concept of corporate sustainability was originally submitted by the United Nations World Commission on Environment and Development (WCED) in 1987 through the publication of Our Common Future: Report of the World Commission on Environment and Development in 1987. Running the concept of corporate sustainability is defined as an attempt to meet the future needs present without compromising the ability of future generations to meet their own needs. The definition of sustainability has been widely accepted and last up to several years. The next few decades, seen a fundamental challenge for sustainable development and sustainable growth at all levels, from the individual to the global. In 2001,

Environmental sustainability in theory and practice continues to grow as an important company value for most large businesses and multinational corporations (Schneider and Meins, 2012). One common sustainability framework or model applied in the United States is the ideology of the "Triple Bottom Line" (TBL) in the phrase "people, profit, planet" which was coined by John Elkington of England (Elkington, 1997, 1998). Elkington (1997) presents a framework of TBL as a key concept that promotes business sustainability of environmental quality, elements of profit, and social justice. Elkington (1997) conclude logically that the TBL philosophy, " the concept of economic capital will need to absorb the concepts more broadly, such as natural capital and social capital. There are three types of capital, not only the economic capital, which must be protected: this is why the Triple Bottom Line is needed, to examine the reality of preserving the three types of capital. There are two views on the framework TBL:

1. TBL models optimistic outlook

Diane Depken & Catherine Zeman (2016) states that the financial bottom line is not the only or even the most important measure of success. They are positioned as a model TBL profit creation for shareholders. A sustainable company “create profit for its shareholders while protecting the environment and improving the lives of people with whom to interact”. This definition implies that the decision to take action in support of the natural and social capital increase will not lower the profit of shareholders. Diane Depken & Catherine Zeman believes that the fulfillment of the responsibilities of nature will improve the profitability of the company.

2. Pessimistic view of the model TBL

   However, TBL model is based on the concept of “eco-efficiency”. Elkington (1997), provides a fundamental role for eco-efficiency in building models of TBL. According to him, the development of the concept of eco-efficiency enable the development of models of TBL, a framework that he believes could save employers from communism ecology.

Untill now, the TBL concept had much to contribute to the development of practical business and become the company's social impact assessment methods on the environment and surrounding communities theoretically, especially in large companies. Many large companies have incorporated these concepts in corporate environmental responsibility report. However, it is not the case for small companies. Not only takes willpower to run TBL, but also the necessary expertise and the cost is not small. Empirical evidence shows that when companies add social and environmental components to assess their performance, these factors are often overshadowed by the financial dimension as well.

A study by Quinn and Baltes (2007) found that 45 percent of leaders surveyed realize the concept of TBL. The leaders of the companies have found that the biggest obstacle to overcome when applying the concept of TBL is a lack of understanding within the organization. Although there is public sentiment against social and environmental responsibility of the company, the financial focus at most companies tend to take priority over the other components of TBL so that leadership and organizational support tend to be neglected (Quinn and Baltes, 2007). Elkington confirms that some of the most interesting challenges is found not within but between the areas covered by the economic, social and environmental bottom line. Elkington also states that there is one area where we see growth rates of overlap between economic and environmental performance of the company is “eco-efficiency”. The researchers concluded that the model TBL-based eco-efficiency is not a guarantee of progress on environmental issues. In fact, it can lead to increased degradation. Contrary to the expectations expressed by Elkington (1997) eco-efficiency will not save capitalism.

Integration Components TBL

Based on the work of Carter and Rogers (2008), we agree with the definition TBL as a strategy to integrate the achievement of social objectives, environment, and economy in order to improve the performance of individual companies. Ppublic ompany which first adopted the theory of TBL in reporting its performance is Shell in 1998. Since then other leading companies including Nike, Texaco, AT & T, IBM, Hewlett Packard and Dow Chemical have joined the movement TBL (Steven A Rod L Flanigan Schulz, 2016).The main challenge in adopting TBL strategy lies in the measurement of each construct in a single metric (integrated) and the use of TBL to gain a competitive advantage in the marketplace. Limited research has shown there are three advantages that consistently have adopted this model and the benefit of increased revenue and market share, the weakening of employee retention, and increased community (Quinn and Baltes, 2007).

This paper adopts the opinion Steven A Schulz Rod L Flanigan (2016) in making the integration metric TBL component in realizing the business continuity and then apply it to SMEs.

1. **Financial metrics of TBL**
Financial components TBL focuses on a different measurement of productivity and return on assets for the company. For example, a manufacturing company can start a lean manufacturing program that would reduce production costs through more efficient use of resources. To become a sustainable operation, the company must be involved in commercial activities that generate enough revenue to support itself. The company also must have clearly set the same financial input or even exceed their output to be successful. Measurements are often used to finance measurements may vary by industry, but often include EBITDA, ROA, ROI and net sales (Markley and Davis, 2007). Financial success can also include variables such as job growth, market share, and sector revenues that contribute to the overall economy (Slaper and Hall, 2011).

2. **TBL environmental metrics**
Previously research shown that the environmental dimension of the TBL should focus on the company's impact on both living and non-living natural systems. These include ecosystems, land, air and water (Jamali, 2006). The idea of environmental sustainability, however, may have different meanings for different industries. environmental sustainability for producers may, for example, be entirely different models than industrial distributors in the supply chain. Some environmental studies use the Toxic Scale Release Inventory (TRI) as an indicator of environmental performance (eg, Pagell and Gobeli, 2009), but most often TRI data is reported for emissions emitted during the manufacturing process. These, and the same measurement instruments, are very limited to only one link in the supply chain as a whole. environmental metrics should represent measures of impact on natural resources and long-term sustainability of the company (Slaper and Hall, 2011). environmental measurements can come from internal and external stakeholder groups. In the United States, the Environmental Protection Agency (EPA), advocacy groups, and the media have developed a number of environmental indices. The overall objective should identify and implement sustainable plans for all stakeholders while creating a competitive advantage. Elkington (1998) states that in the business world, environmental performance is increasingly seen as a competitive and strategic issue for companies. Previous research has shown that the environmental dimensions of TBL should focus on the impact of firms on both living and non-living systems of nature. This includes the ecosystem, the land, the air. In addition to the pursuit of profit (profit), the company must also pay attention and be involved in the fulfillment of people's welfare (people) and contribute actively in preserving the environment (planet).

3. **Social Metrics TBL**
Corporate ethics deliberate how to make a contribution to society, many consider ways to contribute to their communities that may include retention careers, volunteerism, and charitable contributions. Other measures of the social impact could include education and training, access to social resources, health and welfare of employees, social performance of suppliers, and social capital. According to Shell's website, their social investments including support for community development

projects, understand the needs of the local area, and addressing social and economic issues relevant to their business.

Norman and MacDonald (2004) suggested a small sample of data can be collected to develop the company's social report. For example, companies can see the diversity of their company to see if there is a percentage of female senior executives, or the percent of employees who are members of visible minorities. They can also see the health and security of their corporate data. This may include the number of deaths at work per year, or the percentage of employees agree that their workplace is safe and comfortable. One of the most common measurement states include community involvement as a whole. This may include the percentage of pre-tax profits donated to the community or the policy of encouraging the use of local contractors and suppliers (Norman and MacDonald, 2004). Companies can open the door for dialogue and positive stakeholder relationships involving around environmental and social impacts. By doing this, companies present themselves as a good corporate citizen and partner to the community (Quinn and Baltes, 2007).
Profit becomes the main and most important objective in every business activity. No wonder the main focus of all activities in the company is to pursue profit and boost stock prices as high. because this is the most essential form of economic responsibility to shareholders. Activities that can be taken to boost profit, among others, by increasing productivity and cost effiiency. Increased productivity can be gained by improving work management starting process simplification, reducing inefficient activity, saving process and service time. While cost efficiency can be achieved if the company uses the material as economically as possible and cut costs as low as possible. People or the community are very important stakeholders for the company, because public support is indispensable for the existence, survival, and development of the company. Reasons must pay attention to the interests of the community: 1) the company's operations have the potential to impact the community. Therefore, companies need to perform various activities that can touch the needs of the community. Planet or environment is something that is related to the whole field in human life. Since all activities carried out by humans as living beings are always related to the environment such as drinking water, inhaled air and all equipment used, all from the environment.
Ness et al., (2006) cover ways to conduct a sustainability assessment is based on three main areas of focus, namely sustainability indicators, assessment of related products, and integration of sustainability assessment tool. They concluded that the tool was varied today must meet the criteria for assessment specifications and can be accessed by users who are very diverse by providing standardization action. Thus, there are conflicting requirements for the application of this tool. The proposed tool is a strategic assessment rubric, sustainability assessment, integrated assessment and environmental impact assessment and the beginning of the traditional Environmental Impact Assessment (EIA), which was developed under the Act of the National Environmental Policy (National Environmental Policy Act / NEPA). The analysis in question is EIA approved by most major companies and it requires large resources to implement it. It was reasonable because large companies have the ability to hire professionals experienced in the application of applying the assessment tool.

TBL role for Building Sustainability Small Business
The process of building a sustainable business requires a set of skills, abilities and resources for small or medium-sized business owner or manager (large). While medium and large companies familiar concept of ISO and have the resources to take advantage of environmental management tool provided by the International Organization for Standardization (ISO 14000) as a whole, many small businesses do not have the resources to enforce the preservation of a sustainable environment and or monitoring social impact (ISO 14000, 2016).

Saez-Martínez et al., (2016) propose a theoretical framework useful to examine the application of a small corporate responsibility and its relationship with the company's overall performance. The model is applied to small entrepreneurs in Europe in the sector of water and wastewater (Rabadán and Saez-Martínez, 2017). This framework has the potential to be a useful system analysis tool for businesses of all sizes, but very practical for SMEs and SME researchers who want to explore the complex relationship between corporate values collaborative partners, the market demand, regulation and incentives.

In another study, Diane Depken & Catherine Zeman (2017) stated that the response rate of small businesses to the implications of TBL in ensuring the sustainability is still low. It may be a useful indicator to explain the missing link between profitability and social responsibility Among the many small businesses in the United States. Without a set of values that are submitted by recognized thought leaders leading institutions such as the European Commission for the European Union, then the profit will beat social values in the capitalist economy. It is at least shown by the rejection rate of 90% when the company was invited to participate in this survey.

A number of conceptual model has been trying to integrate components of TBL with little consensus in the literature. Carroll (1991) created a scorecard approach to identify groups of stakeholders including owners, customers, employees, communities, competitors, social activist groups, and the general public in an effort to align corporate values with economic missions. Scorecards are quick to point out the complexity of problems to be solved by the various stakeholder groups. Carroll develop social responsibility pyramid companies with a sequence of economic responsibility, legal, ethical, and philanthropic.

Hubbard (2009) extended the work of Carroll (1991), and Kaplan and Norton (1992) to develop a Sustainable Balanced Scorecard (SBSC). SBSC models try to incorporate financial measures, market information, internal processes, and learning and development of long-term issues for a company or organization taking into account the interests of stakeholders. Hubbard uses this scorecard to capture the elements of environmental and social sustainability by developing Sustainable Organizational Performance Index (OPSI). OPTIONS sums all the data in the SBSC and then create a single value for each category. For smaller companies, we propose expanding the work of Carroll (1991), Kaplan and Norton (1992), and Hubbard (2009) with a balanced scorecard design combined with an assessment tool that shows the relationship between the factors that affect the company's strategy to gain competitive advantage. By applying the proposed model, the small company can determine the amount of resources that can be allocated to each production unit appropriately.

Kleine and von Hauff (2009) develop integrative triangular sustainability that can be used to evaluate the relative performance of an organization for each component of the TBL. Their work moved the discussion from a focus on economic performance to normative measures of corporate social responsibility utilizing the triangle Gibbs borrowed from engineering and materials science. The result is an integrative sustainability triangle that visualizes TBL as a mixture of the three components shown in two dimensional media. While the results are intuitively interesting, the model relies heavily on an accurate assessment of subjective topics across different stakeholder groups.

By utilizing this model, managers can determine the performance of the TBL for each component, and how each component factor into the overall assessment. This model extends the results of integrative triangle sustainability into a three dimensional representation of the results of Balanced Scorecard Modified while maintaining the integrity of each component. The main advantage of this visualization is that a trade-off assessment is not required and every component of TBL can be assessed with an overall score. Since economic, environmental, and social outcomes are not always financially measured, results need to be addressed as individual components, and then normalized for use in the overall valuation model.

CONCLUSION

Maintaining the sustainability of the business is the main objective to be achieved by the company in carrying out its business activities, including small companies. Theoretical studies explain the concept of sustainability as a business activity aimed at gaining the prosperity of the present generation without diminishing the rights of future generations to gain equal prosperity. In this case, the TBL Model is a sustainability concept that enforces the needs of the company to gain profit with the welfare of the environment and the communities surrounding the company.

Implementation of the concept of TBL requires skill and cost is not small. For large companies, it does not become an obstacle. Large companies can hire experts and fund all the costs required in designing the concept of sustainability. But what about small companies? With limited skills and capital, small companies can integrate the TBL components to sustain their sustainability by identifying stakeholder groups including owners, customers, employees, citizens, competitors, social activist groups and the wider community in an effort to harmonize company values with economic missions . In other words, in order to gain long-term profit, the company must be friendly with nature and the surrounding community. The level of competitive advantage will be formed if public opinion says that the company is indeed a good company and has a quality product.

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THE ROLE OF BRAND AMBASSADOR IN INCREASING THE INTERESTS OF THE CUSTOMERS OF DOUJ PROTECT'S PRODUCTS

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ABSTRACT

The use of brand ambassadors is important for companies in order to introduce their products to the society at large as well as to increase their revenue. The purpose of this research is to determine the role of brand ambassador in increasing the customers' interests of Douj Protect products. The informants, as the chosen subjects in this research, are potential customers, customers, company owners, brand ambassadors and expert marketing. The object of this research is the Douj Protect Company. This research uses descriptive and qualitative approaches. The method used for data collection is interview supported with data documentation. Interviews are used to find out the opinions of the informants about the role of brand ambassador on Douj Protect products. The results indicate that brand ambassador can generate an appeal to the customers and potential customers through VisCAp (visibility, credibility, attraction, power) model. The brand ambassador chosen by Douj Protect is popular on Youtube, which is known as the 'sneakers head' with good credibility. The chosen brand ambassador is in accordance with the target market of Douj Company and is able to generate customers and potential customers' interest of the product. Other than the brand ambassador, price and quality also come into customers' consideration in making purchases of a product so that companies must be able to compete in other markets.

Keywords : Qualitative, Brand Ambassador, Marketing, Online Marketing.

INTRODUCTION

The rapid development of increasingly advanced technology makes it easier for everyone to access all the desired information on the internet. Therefore, the internet has become the most used communication tool in Indonesia. The table 1.1 shown below, obtained from the Ministry of Communication and Information Technology, states that the amount internet users in 2013 reached 72.8 million people. The following year, the number increased to 83.7 million people. The total of internet users by 2017 has reached 112.6 million people.

Tabel 1. The Amount of Internet Users in Indonesia.

Top 25 Countries, Ranked by Internet Users, 2013-2018
millions

	2013	2014	2015	2016	2017	2018
1. China*	620.7	643.6	669.8	700.1	736.2	777.0
2. US**	246.0	252.9	259.3	264.9	269.7	274.1
3. India	167.2	215.6	252.3	283.8	313.8	346.3
4. Brazil	99.2	107.7	113.7	119.8	123.3	125.9
5. Japan	100.0	102.1	103.6	104.5	105.0	105.4
6. Indonesia	72.8	83.7	93.4	102.8	112.6	123.0
7. Russia	77.5	82.9	87.3	91.4	94.3	96.6
8. Germany	59.5	61.6	62.2	62.5	62.7	62.7
9. Mexico	53.1	59.4	65.1	70.7	75.7	80.4
10. Nigeria	51.8	57.7	63.2	69.1	76.2	84.3
11. UK**	48.8	50.1	51.3	52.4	53.4	54.3
12. France	48.8	49.7	50.5	51.2	51.9	52.5
13. Philippines	42.3	48.0	53.7	59.1	64.5	69.3
14. Turkey	36.6	41.0	44.7	47.7	50.7	53.5
15. Vietnam	36.6	40.5	44.4	48.2	52.1	55.8
16. South Korea	40.1	40.4	40.6	40.7	40.9	41.0
17. Egypt	34.1	36.0	38.3	40.9	43.9	47.4
18. Italy	34.5	35.8	36.2	37.2	37.5	37.7
19. Spain	30.5	31.6	32.3	33.0	33.5	33.9
20. Canada	27.7	28.3	28.8	29.4	29.9	30.4
21. Argentina	25.0	27.1	29.0	29.8	30.5	31.1
22. Colombia	24.2	26.5	28.6	29.4	30.5	31.3
23. Thailand	22.7	24.3	26.0	27.6	29.1	30.6
24. Poland	22.6	22.9	23.3	23.7	24.0	24.3
25. South Africa	20.1	22.7	25.0	27.2	29.2	30.9
Worldwide* **	**2,692.9**	**2,892.7**	**3,072.6**	**3,246.3**	**3,419.9**	**3,600.2**

*Note: individuals of any age who use the internet from any location via any device at least once per month; *excludes Hong Kong; **forecast from Aug 2014; ***includes countries not listed*
Source: eMarketer, Nov 2014
181948 www.eMarketer.com

Source: www.kominfo.go.id

Douj Protect Company was established in April 2016. It mainly engages in the shoe industry, with product examples such as Douj Air Refreshner, Douj Foot Refreshner, and Douj Water Repellent.

The marketing strategies used by the company are offline and online marketing strategies. Participating at a sneakers exhibition in Jakarta and implementing product consignment through stores in Surabaya, such as On Market Go at Tunjungan Plaza, are examples of its offline marketing strategy. The purpose is to introduce the products as well as the Douj Protect brand to the customers and the community.

The company is demanded to become more aware towards the customers' wants and to be able to communicate the product well and efficiently. One of the ways of doing it is by promoting and advertising through a person or a public figure, who has charisma and the ability to attract people's hearts and their attention. In the business world, this is called 'celebrity endorser' or 'brand ambassador'.

So far, Douj Protect has attempted to advertise its products by using the celebrity endorser or brand ambassador. The company uses public figures, Malvino Fajaro and Hanif Ramadhan. Malvino Fajaro is a young actor, 35 year old, who plays many roles on the big screen and is often seen as a brand ambassador of an advertisement such as a fast food product. Hanif as Ramadhan is a youtuber who has many subscribers which then makes him an influencer to sneakers head's community. The purposes of advertising a product by using a celebrity endorser are to increase followers on Instagram and Line, to introduce the company's product to the sneakers and non-sneakers community, to persuade the society to maintain their footwear hence prevent a consumptive behavior and to find out the role of brand ambassador in increasing the customers' interest of Douj Protect products.

LITERATURE REVIEW

Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others (Kotler dan Keller, 2012:5)

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offering that have value for customers, clients, partners, and society at large (Kotler dan Keller, 2012:5).

Social media is an online publishing and a communication tool, sites and the purpose of Web 2.0 which is rooted on conversation, engagement, and participation (Gunelius, 2011: 10).

Social media marketing is a form of direct and indirect marketing which is used to build awareness, recognition, remembrance, and action for brands, businesses, products, people, or other entities and implemented by using tools from the social web such as blog, microblog, social network, social bookmark, and content (Gunelius, 2011:10).
Endorser is the ad advocate or known as a commercial star who support all products he/she advertises. There are two types of endorser, a Typical Person Endorser who makes use of non-celebrity people to deliver a product's message and a Celebrity Endorser who is already famous and is able to influence other people due to his/her achievements (Soesatyo, 2013).

RESEARCH METHODS

This research uses descriptive and qualitative approaches. Descriptive method is conducted by studying a group of subject that has been determined, an object, a condition, a way of thinking or a present event. The first subject in this research is Douj Protect's owner who is expected providing valid information about their online marketing through social media by using brand ambassador. The next informants are five customers who buy the Douj Protect products and give customers who do not. The purpose is to ascertain whether or not the brand ambassador is able to attract customers until he succeeds to pull of the emergence of buying desire from the customers. The next informants are the brand ambassadors themselves and a marketing expert. While the object of this research is Douj products produced by Douj Portect Company.
Validity is a measurement scale which will appear 'valid' if it does what it should do and measures what it should measure (Kuncoro, 2013:172). If the measurement scale is invalid, it will not be helpful for the researcher because it does not measure what it needs to measure.
Reliability is a consistency and stability of a score (Kuncoro, 2013:175). This research is reliable if the data shows a consistency based on information given by various sources.
This qualitative research uses descriptive analysis towards data collection results from source exploration. It uses interview, documentation, and observation as data collection methods.
The qualitative data analysis in this research applies a descriptive and qualitative analysis. The analysis technique which describes the processing stages qualitatively and the data analysis in this research are consisting of (Sugiyono, 2012:247-253) data reduction, data presentation, data comparison, condition and conclusion.

FINDING

In accordance with the interview results of Douj Protect's potential customers, states that the existence of brand ambassador has indirectly attracted the attention of the potential customers of Douj Protect.

> "*It really works …. because that brand ambassador gives such appeal to some people who never buys the product, myself included.*" (Tegar, 5, page N-1)

There are some of the informants who suggest to be more careful in selecting their brand ambassador. According to their opinion, although the chosen brand ambassador is sufficient, but it will better if he/she is a quite known public figure in order to widen the market coverage.

> *"Douj needs to observe much further, do more survey about the impact given by Hanif to its company. For example, if Douj is brave to hire a very famous Youtuber, such as Reza Oktavian* or *Kemal Palevi who is known for his sneakers collections because he* is *a collector and willing to spend a fantastic amount of money (to purchase a pair of sneakers). But, I think so far, Douj*

> *(ambassador) is already okay. I mean, suitable having Hanif (as brand ambassador) because he is also a newcomer on Youtube (Youtuber) who already has many viewers and fifteen thousand subscribers and for now, it is more than enough for a new Youtuber."* (Aan, 10 halaman O-3)

Further to note is the suitability between brand ambassador and company's products. The suitability between Hanif and Douj's products is that Hanif is a sneakers head (Appendix U-3) and Douj is a company who offers shoe protector products which causes a suitability between Hanif and Douj's products. Having a brand ambassador, it is expected to influence the customers as well as potential customers with his appeal so that, in the end, the customers will decide to buy Douj's products. This statement is in line with the result of customers and potential customers interviews.

> "*Hmm.. it indeed gives an impact. I think, it (the sales) will increase if there is a brand ambassador*." (Tegar, 7, page H-2)

The researcher measures the strength of influence or impact (of a brand ambassador) by finding out the customers' consideration in buying Douj Protect's products and the impact of having a brand ambassador on the company's strong brand image towards the point of view of the customers.

> *"Of course…because a strong brand image will strengthen the branding too.*" (Tegar, 9, oage N-2)

> *"Of course it will increase (the brand image), because what I said earlier on. The people will trust the product review given by that influencer."* (Dania, 9, page R-3)

> "*Yes, of course. It definitely gives a really strong impact because the most influential marketing (tool) for all kinds of product nowadays is certainly social media. Once you post something (on social media), everyone will know about it too.*" (Nuril, 9, page Q-3)

The brand ambassador, in this stage, does all the promotional activities with some approaches to the potential customers by using all available media as a means of promotion.

DISCUSSION

Douj company hires two brand ambassadors, an actor named Malvino Fajaro, and a youtuber named Hanif Ramadhana. Both brand ambassadors are sneakers heads (or sneakers lovers) who already have popularity or being famous. This condition is supported by Putra's theory (2014) about the utilization of a brand ambassador which is done by the company to influence or persuade the customers. The purpose is to attract customer to use the product, especially because the process of selection of a brand ambassador is based on the image of the famous celebrity.

The results of Douj's customers' interview indicate that Douj Protect Company has chosen the right brand ambassadors because of their good credibility. However, there are some informants that suggest to be more careful in selecting a brand ambassador. According to some informants, the chosen brand ambassadors are suitable for the company but it will be better if there is a better and more famous brand ambassador so that can cover a wider market.

The result of interviews of some informants indicates that a brand ambassador can influence the customers and potential customers so that gives an appeal and affect the customers' purchasing decision of Douj's products.

The customers state that a brand ambassador can attract people's attention and is able to strengthen the brand image towards customers. In addition, there are other considerations from the customers in deciding their decision to purchase the products, which are price and product quality. The existence of a brand ambassador is expected to be able to influence the people's decision to purchase.

CONCLUSION

Based on the result of this research, the role of a brand ambassador in increasing customers' interests on Douj products on VisCAP model: is able to attract the customers' attention as well as the potential customers by using a brand ambassador and the right social media, to choose a more well-known brand ambassador and suitable with the company's products. In addition, the brand ambassador must be able to do a product campaign well so that he/she is able to attract customers and potential customers.

They also need to grain trust from the customers and potential customers through brand ambassadors in order to create brand awareness. Brand ambassadors chosen must follow the target market set by the company in order to reach the market easily.

Price and quality have become the consideration for customers in making decision to purchase. However, a brand ambassador can increase the brand image in the eye of a customer. It is suggested for a brand ambassador to use social media not only to do a product campaign such as photographs and videos, but also to give educated campaign.

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THE INFLUENCE OF PRODUCT, PRICE, AND PROMOTION TOWARDS PURCHASE DECISION ON YUMALA BRAND

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ABSTRACT

This research aims to know the influence of product, price, and promotion towards purchase decision of Yumala brand. In this research, the population is customer of Yumala. The sampling was conducted with roscoe formula that produces score of 40. Questionnaire is the tool for data sampling. The amount of question within the questionnaire is 21 by using Likert scale. The research was conducted during February 2018. This research is using regression analysis with validity and reliability test in every questions. Hypothesis test is applied in this research by F test, T test, correlation coefficient, and determination coefficient. Classical assumption test is applied in this research by using multicollinearity test, heteroscedasticity test, auto correlation test, normality test, and linearity test. The result of this research is the product variable, price variable, and promotion variable are significantly influenced the purchase decision towards Yumala brand.

Key Words: *Product, Price, Promotion, Purchase Decision*

INTRODUCTION

Creative industry in Indonesia is currently growing in a pace, fashion industry is one of the industry with a bright prospect. This is proven when fashion nowadays has become one of the sub-sector of creative economy that contributes in added value with amount of 154,6 trillion rupiahs. Fashion contributes in the development of Gross Domestic Product (GDP) of creative economy with the percentage of 18,15% or 1,43% towards national GDP with the growth reaching 2,8% in 2016 (Safutra, 2017). Fashion industry provides a large contribution for Indonesian economy stated by The Minister of Industry, Saleh Husein that fashion and craft is one of the creative economy sub-sector that provides a great contribution against national economic growth, starting from added value, absorption of manpower, amount of firm, until export-import market. Director General of National Export Development Ministry of Trade, Nus Zulia Ishak also provides statement that Indonesian fashion has a great potential to be developed. Her future hope is that Indonesia could become the centre of mode in regional until global level (Hartono, 2015).
The development of fashion industry cannot be separated with the work of Indonesian designers such as Rinaldy A. Yunardi with *headpiece* until shoes worn by Katy Perry and Nicki Minaj, Amanda Mitsuri with accessory collection made from resin, Fahrani Empel with his glasses

design, and Sabbatha Rahzuardi with his bag collection masterpiece. These creations from those designers are things that is well known domestically and internationally (Marsoum, 2016).

Several fashion events that provide a real support in loving Indonesian product movement in fashion sector are Jakarta Fashion Week, Indonesia Fashion Week, Trademark, Looats Market, Pop Up Market, and Brightspot Market as the form of appreciation from the nation to its people to push the development of local fashion and provides more opportunity for local brands to be known by community. Those events really help in increasing the love and purchase intention of Indonesian citizen towards local brand (Santa, 2016).

The growth of fashion industry today is quite fast that gives the chance for more creative industries to be established. The emergence of many industries that provides fashion needs such as accessory and growth of internet users makes many businesses in fashion industry doing its business through online means. Serfiani, Purnomo, and Hariyani (2013:305) stated that the prospect of online business or e-commerce in Indonesia is really bright supported by the high pace of national economic growth, the amount of mid class citizens, the amount of internet users, the use of smartphone that spreads to more people, government regulation, as well as internet network that increasingly widespread, fast and cheap. There are a lot of ways to promote their products by selling through social media. Promotion activity through social media can be categorised as a cheap and easy promotion method that can be accessed by wide community.

Researcher has online based fashion accessories business with the brand name of *Yumala* that established in September 2017. Yumala is a business that moves in fashion industry especially earrings accessories. Researcher chose to sell earrings because the fashion trend today is not only focused on apparels but also accessories that could support people's look to make them more good looking. The product that *Yumala* produce is handmade ones with the price starting from Rp. 75,000 – Rp. 185,000 per piece. The main selling system of Yumala is through online, offline method is also conducted by Yumala by using partnership in several boutiques in Surabaya which are Natabells and Fashionistas. The target market of Yumala is Indonesian women with age between 20 to 45 years from mid to high class background. In Indonesia, the similar business is relatively many, such as Klar, Yourhands, and Sheer. Those three has similar business model and a company is required to build a strong relation with consumers in order to make the company grows in which the marketing plan is conducted. Marketing is made to help company to prepare itself in facing moving market condition because marketing had to be able to market and sell company's goods and services to gain profit that supports the company.

Based on the product comparison between Yumala and competitors' product, Yumala has product theme that is not very different to each other which is floral theme, the price is also competitive, the promotion method is not mush different as well. However, the followers amount of Yumala in Instagram is less improved and affecting the sales which also less improved.

According to the problems explained above, this research aims to know the influence of *product*, *price*, and *promotion* towards purchase decision making for Yumala brand and this research is using sample with specific characteristics which are: women with age between 20-45 years old and had bought products from Yumala to make it more focused and directed.

LITERATURE REVIEW

Product is everything that can be offered to the market to attract attention, the use or consumption that could satisfy a desire or needs (Kotler and Armstrong in Faedah, 2016:239). The indicator of product according to Kotler and Armstrong (2008: 272), as follows:

1. Branding is the name, term, symbol, design, or combination from all of those intended to identify product or service from one or sellers group and differentiate it with competitors' product.

2. Packaging is the activity of designing and making vessel or container of a product, packaging involves designing and making the container of a product.
3. Product Quality is an anility of a product to run its function such as durability, reliability, and easiness to operate it.

Price is an important variable in marketing where price can affect consumers in making decision to buy a product (Mongi et al, 2013:2338). Price indicators according to Kotler and Armstrong (2008:278) are:

1. Promotion frequency is the amount of sales promotion that is conducted within a set of time through sales promotion media.
2. Promotion quality is a benchmark of how good a sales promotion is conducted.
3. Promotion accuracy is a needed factor to achieve the target that company wants.

Purchase decision is consumers' activity that will determine the decision making process in their purchase, the process is an approach to problem adjustment that consists of five stages the consumer does, those five stages are problem introduction, information searching, alternative judgement, making decision, and post purchase activity (Kotler and Keller in Mongi et al, 2013:2338). According to Kotler and Keller (2007:222). The indicators of purchase decision are:

1. The purpose of buying a product
2. Stability for a product
3. Providing recommendation to other people
4. Making repeat-purchasing activity

Researcher is using several previous researches that is made as reference to support this research. The first research is done by Tiningrum (2014) titled, "The Influence of Marketing Mix towards Purchase Decision of Batik in Small and Medium Enterprise Batik Surakarta". The purpose of this research is to know the influence of product, price, place, and promotion towards purchase decision in Small and Medium Enterprise Surakarta City.

The second research conducted by Yang and Lee (2016) titled "In-Store Promotional Mix and The Effects on Female Consumer Buying Decisions in Relation to Cosmetic Products". The purpose of this research is to know the relationship between process of purchase decision of women within the shop and the promotional mix.

The third research is done by Faedah (2016) titled "The Influence of Product and Price towards Purchase Decision of Lea Apparel in Lea Showroom at Samarinda". The purpose of this research is to know the influence of product and price partially and simultaneously towards purchase decision of Lea clothing in Lea Showroom in Samarinda.

RESEARCH METHODS

This research is conducted in February 2018 by spreading questionnaires to respondents who had bought products from Yumala. Questionnaires were also shared through LINE and Instagram application to make it easier in getting answer from respondents because the impossibility to share the questionnaire directly.

The sampling technique used in this research is purposive sampling. Purposive sampling is a technique to determine research sample with certain considerations aimed to get more representative data (Sugiyono, 2010:218). In this matter, the considerations are special characteristics the respondent must have. Those are women with the age between 20-45 years old who had bought Yumala products. The amount of research sample is 40 respondents obtained from roscoe formula by diverting research variable with 10 or 4 variables multiplied with 10 then produces 40 samples.

This research is quantitative where data obtained from respondent through questionnaire is coded based on Likert scale, Sugiyono (2014:93) explained that Likert scale is done to measure someone's or group people's attitude, opinion, and perception of social phenomenon. The variable measured with Likert scale became a variable indicator.

FINDINGS

Multiple Linear Regression Analysis

Gujarati in Ghozali (2012:95) explained that regression analysis is basically about study of dependent variable with one or more independent variable, with the purpose to estimate or predict the average population or average value of dependent variable based on known independent variable value. Multiple Linear Regression is aimed to know the influence of independent variables which are product (X_1), price (X_2), and promotion (X_3) towards purchase decision (Y).

The equation used is as follow:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Description:

Y = Purchase decision variable

α = Constanta

$\beta_1, \beta_2, \beta_3$ = Coefficient of studied variable regression (X_1, X_2, X_3)

X_1= Product variable

X_2= Price variable

X_3= Promotion variable

e= Error/Error level

Table 1. The result of Linear Multiple Regression Analysis

Variabel bebas	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.980	2.148		0.456	0.651
X1	0.153	0.067	0.297	2.306	0.027
X2	0.285	0.139	0.267	2.058	0.047
X3	0.334	0.134	0.383	2.483	0.018

Source: Processed Data (2018)

Based on above interpretation, it can be known that Product, Price, Promotion are positive towards Purchase Decision. In other words, if Product, Price, Promotion are increasing in value then the Purchase Decision value is also increase and the most influencing variable is Promotion (X_3) because it has the smallest significant value of 0,018 (sig < 0,05).

F Test

According to Ghozali (2013:98), F statistic test basically shows if all independent variable entered in the model has simultaneous effect towards dependent variable. If F value with sig. ≤ 0,05 then independent variable simultaneously does not provide significant influence towards dependent variable.

Table 2. Result of F Test

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	160.621	3	53.540	24.160	0.000
Residual	79.779	36	2.216		
Total	240.400	39			

Source: Processed Data (2018)

T Test
According to Kuncoro (2013:244), T statistics test is basically shows how far the influence of an independent variable individually in explaining dependent variable.

a) If the significant value > 0,05 then independent variable does not significantly influence dependent variable individually.
b) If the significant value < 0,05 then independent variable significantly influences dependent variable individually.

Table 3. Result of T Test
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.980	2.148		.456	.651
	X1	.153	.067	.297	2.306	.027
	X2	.285	.139	.267	2.058	.047
	X3	.334	.134	.383	2.483	.018

a. Dependent Variable: Y
Source: Processed Data (2018)

Determination Coefficient (R^2)
According to Ghozali (2012:97), determination coefficient (R^2) basically measures how far the ability of a model in explaining dependent variable's variation. The value of determination coefficient is between zero and one. The small value of R^2 means limited ability of independent variable in explaining dependent variable. The value that close with one means that independent variables provide the information needed to predict dependent variable.

Table 4. Result of Correlation Coefficient and Determination Coefficient

R	R Square
0.817	0.668

Source: Processed Data (2018)

Classical Assumption Test
Multicollinearity Test
According to Ghozali (2012:105), multicollinearity test is aimed to test if regression model has correlation between independent variable. A good regression model must not have correlation between independent variable. If independent variable is correlating to each other, then these variables are not orthogonal. Orthogonal variable is independent variable with correlation value between the same independent variable is equal zero. Anwar and Satrio (2015:9) stated that to detect multicollinearity, it can be seen from the VIF (Variance Inflation Factor) value and tolerance value by SPSS programme, with criteria as follows:

a) VIF value > 10, multicollinearity is happening
b) VIF value < 10, multicollinearity is not happening

Table 5. Result of Multicollinearity Test

Variabel Bebas	Collinearity Statistics	
	Tolerance	VIF
X1	0.556	1.797
X2	0.547	1.828
X3	0.388	2.575

Source: Processed Data (2018)

Heteroscedasticity Test

According to Ghozali (2012: 139), heteroscedasticity test is aimed to test if in regression model the difference variance from one residual observation to another is happening or not. If variance from one residual observation to another is steady, then it is Homoscedasticity and if it's different then it is Heteroscedasticity. A good regression model is Homoscedasticity or in other words Heteroscedasticity is not happening. To detect whether heteroscedasticity is happening or not within a linear multiple regression then glejser test is conducted in which absolute value of each residual is regressed with each predictor variable. A regression model is said to be heteroscedasticity if signification value of t test ≥ 0,05.

Table 6. Result of Heteroscedasticity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.490	1.237		2.012	.052
	X1	.004	.038	.022	.100	.921
	X2	-.047	.080	-.129	-.589	.560
	X3	-.043	.077	-.145	-.558	.580

a. Dependent Variable: RES2

Source: Processed Data (2018)

Normality Test

According to Ghozali (2012: 160), normality test aims to test whether in a regression model, disturbing variable or residual has normal distribution or not. In this research, statistic test Kolmogorov – Smirnov is used. The value of sig. of K-S ≥ 0,05 shows residual is normally distributed.

Table 7. Result of Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		40
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.43025384
Most Extreme Differences	Absolute	.087
	Positive	.087
	Negative	-.068
Kolmogorov-Smirnov Z		.549
Asymp. Sig. (2-tailed)		.923

a. Test distribution is Normal.

b. Calculated from data.

Source: Processed Data (2018)

Autocorrelation Test
According to Ghozali (2012:110), autocorrelation test aims to test whether in linear multiple regression the correlation between mistakes in one period to previous period is exist or not. The method used to test autocorrelation in this research is by comparing Watson Durbin value with Watson Durbin Table, if the value of Durbin Watson obtained is placed between dU value and 4-dU then autocorrelation does not exist.

Table 8. Result of Autocorrelation Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.817[a]	.668	.640	1.489	2.213

a. Predictors: (Constant), X_3, X_1, X_2
b. Dependent Variable: Y
Source: Processed Data (2018)

Linearity Test
Linearity test according to Ghozali (2012: 115) is used to see whether model specification used has been right or wrong. Whether the function used in an empirical study should be linear, square, or cubic. Linearity test in this research is conducted by using ANOVA in which signification value in linearity ≤ 0,05. By using test of linearity, it can be concluded that there is linear connection between independent variable and dependent variable.

Table 9. Result of Linearity Test

Hubungan		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Keputusan Pembelian (Y) * *Product* (X_1)	Linearity	109.694	1	109.694	42.240	0.000
Keputusan Pembelian (Y) * *Price* (X_2)	Linearity	105.451	1	105.451	32.319	0.000
Keputusan Pembelian (Y) * *Promotion* (X_3)	Linearity	138.805	1	138.805	50.971	0.000

Source: Processed Data (2018).

Discussion
In the following are explanation regarding respondents in this research:

1. Respondent in this research is customer of Yumala, in which people who already have products from Yumala. By looking at the existing data, it shows that most respondents are aged 21-30 years old with the highest percentage of 72,5%.
2. Respondent in this research with the job as employee has the highest percentage of 42,5%

Explanation above shows that most respondents are employees who bought Yumala products, accessory is a product that enhance the look of a person and they bought it regularly because they already got the regular salary to fulfil the needs for appearance.

The influence of Product towards Purchase Decision
If a product has undergone its function that consists of durability, reliability, accuracy, easiness in operating, and also another factor, then it can be categorised as good quality product (Mongi

et al, 2013). It can be concluded that if a product already has a good quality then consumers' purchase decision has wake up as well.

According to the result of t test, product variable has significance value of 0,027 (sig. ≤ 0,05). From the data, it can be concluded that product variable (X_1) significantly influence Purchase Decision variable (Y) individually. This research stated that product is positively influences purchase decision of Yumala brand, therefore, the more increase in Yumala's product quality such as the packaging used, stylish design and easily remembered brand, then the more increase in consumers' purchase decision for Yumala product as well.

This research result corresponds with research by Tiningrum (2014) that shows if product significantly affects purchase decision with regression coefficient value of 0,234. Result of determination coefficient of 0,813 or 81,3% which means that the influence amount of product towards purchase decision is big. If the offered product has good quality material and also with various model, then the purchase potential will also increase.

Looking at the existing fact, the factor that becomes a purchase decision towards Yumala product is the existing special characteristic in every Yumala product. Special characteristic here refers to the model that the other brand doesn't have. However, from the existing facts as well, another fact shows consumers still compare Yumala product with another brand's product. Consumers also feel Yumala product is less elegant because the model is less simple and too excessive to be worn daily in which the aspect that needs to be evaluated is the model and elegant impression for the earrings.

Product quality is largely affecting purchase decision, therefore, Yumala should repair its product quality to make purchase decision also increasing. Here are managerial implications that Yumala could do:

Table 10. Managerial implication of Product towards Purchase Decision

Variable	Before Reearch	After Research
***Product* (X_1)**	1. Less quality control from Yumala's internal party which are: • Choosing material that is going to be used • Already assembled Accessory • Product packaging using pouch spunbond	- Quality control activities done which are: • The kind of materials used are resin, monel ring, monel wire, and monel chain • After the accessory has been assembled, the monel part should be coated with 14 carat gold to make it safer for people who has allergy towards imitation made accessory that could cause itch and irritation • Yumala is using pouch spunbond to protect accessory before being inserted into a paper bag
	2. Yumala earrings model which is still low in number and still look less elegant	- Yumala should produce more earrings model such as producing 5-7 earrings model every 2 or 3 months - Yumala should make more elegant model, a simple one that can be made daily and the colours used are silver or gold. There should be a special characteristic of a product from the brand itself.

Source: Processed Data (2018)

The Influence of Price towards Purchase Decision

Price is an important variable in marketing, where price can influence consumers in making decision to purchase a product (Mongi et al, 2013). It can also be concluded that price holds an important role in determining purchase decision.

Based on the result of T test, price variable has significant value of 0,047 (sig ≤ 0,05). Therefore, with the data, it can be concluded that price variable (X_2) significantly influence Purchase Decision variable (Y) individually. This research that states if price is positively influence purchase decision of Yumala brand, which is the price of Yumala product is affordable to consumers and also competitive.

The result of this research corresponds with research by Tiningrum (2014) that shows if price is significantly influence purchase decision with regression coefficient value of 0,115. Result of determination coefficient test of 0,813 or 81,3% which means that the influence amount of price towards purchase decision is big. Price is not an important consideration if the quality of the goods offered is also worth and affordable to the people.

From the research result obtained, aspect that needs to be evaluated by Yumala is the price of Yumala's product is fit to the product offered. This thing is due to the price of Yumala's product can compete with competitors and consumers are quite sure with the product price offered.

Price is really influencing purchase decision, it can be seen from the consumers that are still in doubt with the price that is worth the product's benefit and its affordability. Therefore, Yumala should be able to fix the quality of the product by using monel material and should be coated with 14 carat gold to make it safer for those who have allergic reaction towards imitation material that could cause itch and irritation, in which consumers can feel the benefit that is worthy with the fixed price. Here are managerial implications that Yumala could conduct:

Table 11. Managerial implication of price towards purchase decision

Variable	Before Research	After Research
***Price* (X_2)**	1. The price of Yumala product can compete with competitors and consumer is quite sure with the price of the product offered	- Yumala needs to use monel material coated with 14 carat gold to make it safer for those who has allergic reaction towards imitation material. - Yumala needs to add more posts of product photo from close-up angle so that the material used is seen in detail and also add more information about the product in Instagram caption. - Add testimonial statement from consumer who bought the product from Yumala to make consumer more convinced with the product by reading consumer's experience in purchasing product of Yumala to develop purchase decision.

Source: Processed Data (2018)

The influence of Promotion towards Purchase Decision

Promotion is a media to introduce goods and services or to strengthen the brand image of a product that has been existed before (Tjiptono, 2010:45). It can be concluded that promotion is one of the important factors in building purchase decision other than product and price.

Based on the result of T test, product variable has significant value of 0,018 (sig ≤ 0,05), with that data, it can be concluded that promotion variable (X_3) is significantly influence purchase decision variable (Y) individually. This research states that promotion is positively influence purchase decision of Yumala brand and promotion is the most influencing variable among price and product variables because it has the smallest significant value of 0,018 (sig < 0,05). The more increase in promotion frequency, the more increase in consumer's purchase decision of Yumala product as well.

This research result corresponds with research by Tiningrum (2014) that shows if promotion is significantly influence purchase decision with regression coefficient value of 0,602. Result of Determination Coefficient of 0,813 or 81,3% which means that the amount of promotion towards purchase decision is big. Promotion could make consumers realise about the needs that has to be fulfilled and the increase of promotion frequency can provide purchase decision potency of buyers.

The aspect of promotion in Yumala that needs to be evaluated is the promotion that Yumala does is in accordance with the needs. All this time, Yumala's consumers is quite frequent in giving complaints about promotional campaign that is less vigorous and powerful. However, according to the existing fact, Yumala has not fulfilled the solution towards those complaints. Therefore, consumers feel that Yumala does not respond to their complaints. The solution that needs to be done by Yumala is by increasing frequency of promotion in which at the first time it was once every two months to become once every two weeks, among them are: making giveaway, free shipping for minimum purchase of Rp. 30,000 and 15% discount for member who has a birthday.

Promotion is really affecting the purchase decision which makes Yumala should increase the frequency of promotional activity in order to increase purchase decision. Here are managerial implications that could be done by Yumala:

Table 12. Managerial implication of Promotion towards Purchase Decision

Variable	**Before Research**	**After Research**
***Promotion* (X_3)**	1. Rare discounts	- Yumala needs to increase promotion frequency which are: • giveaway • *Free shipping* for minimum purchase of 300.000 • 15% discount for member who is having birthday
	2. Less attractive content	- Yumala needs to make creative content by making video about Yumala product
	3. *Endorse* only for Surabaya's selebgram	- Yumala needs to conduct endorse to fashion blogger who has good credibility, because consumers tend to be more convinced to online shop who has given an endorse to the fashion bloggers, because after getting the product, blogger will certainly write a review of the product

Source: Processed Data (2018)

CONCLUSIONS

Based on the research result and explanation, it can be concluded that:

1. Product (X_1) is significantly influence purchase decision of Yumala's product. The more increase of the Yumala's product such as packaging used, design, and easily remembered brand, the more increase in purchase decision of Yumala's product as well.
2. Price (X_2) is significantly influence purchase decision of Yumala's product. If the price is adjusted to the product, the more increase in purchase decision of Yumala's product as well.

3. Promotion (X_3) is significantly influence purchase decision of Yumala's product. The more increase in promotional frequency, the more increase in purchase decision of Yumala's product as well.

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APPLICATION OF STRATEGIC INNOVATION ON A WATER TANK COMPANY

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ABSTRACT

This research aims to identify the application of strategic innovation for CV. Profil 88.
This research use the qualitative research method, explanatory type with purposive sampling technique. Interview, Observation and Documentation are the preferred data accumulating technique used.
Analysis tools used are Business Model Canvas (BMC) and Ten Types of Innovation.
According to the ten types of innovation analysis, the reccomended strategical innovation for the company is towards Business Model Shift where CV. Profil 88 have the bigger chance to won competitions by changing their production line and how they deliver products to customers, rather than making changes to products.

Keywords: Strategic Innovation, Business Model Canvas, Ten Types of Innovation.

INTRODUCTION

According to data by the Minister of Indonesia's Ministry of Home Affairs Tjahjo Kumolo, the amount of residence of Indonesia as of 30 june 2016 are 257.912.349 people. While the growth rate of Indonesia is around 1.49%, which means that in a year the populace of Indonesia grow by around 4 million people.
Housings are one of the main basic needs of humans, and with this clean water. The need of water resources keep on increasing as the amount of people grows, especially clean water. Efendi and Makhfudli (2009: 81) said that a healthy family is a family which making sure of the availability of clean water, toilets, house sizes which suited amount of people in the family, and flooring not made of ground.
The source of this waters can be taken from a well, local water company (PDAM) or other sources. In general, this water is stored in a water tank which then distributed to extraction points by using pumps of gravity systems. By volumes, the water tanks vary, depends on the water debit that will fill those water tanks (Denis, 2010)
The usage of this these water tanks are adjusted with the needs of clean water that vary and tied to the number of populace in a region. As is told by Ditjen Cipta Karya DPU in this Table:

Table 1. Indonesians Average needs of water

No.	City Category	No. of Populace	Standard needs of water/Person/Day
1	Metropolitans	1.000.000	120 Liters
2	Big City	500.000 – 1.000.000	100 Liters
3	Medium City	100.000 – 500.000	90 Liters
4	Small City	20.000 – 100.000	60 Liters
5	Urban City	3000 – 20.000	45 Liters

Water tanks are one of the most common ways to secure the needs of water in a household, and accordingly almost every housing hold at least one of their own water tanks and this is where CV. Profil 88 takes the initiative.

CV. Profil 88 is a company that moves in the water tanks making industry that first found on 2007 as a fiber-glass company, now made and sells water tanks made of plastic and stainless steel in the metropolitans' city of Surabaya.

In the height of business rivalries and advancement of technology there would be a point where a product is indistinguishable one from the other. And therefore to win competition with other companies, it's not only product quality and quantities that are required but also strategies that employed by the company. In this case, Market Orientation (Narver and Slater, 1995: 134) and Product Innovation (Han et at, 1998:35)

LITERATURE REVIEW

1. **Role of Innovation: Development of Product Quality and Business Performance.**

Sri Hartini (2012) write an article about "Role of Innovation: Development of Product Quality and Business Performance". The main citation of this article is to explain the result of innovation to product quality and business performance at East Java. By using proportional area random sampling and path analysis to show that there is innovation at works against product quality and in that business performance.

2. **Innovating Product Appearances in Products Brand.**

In a research by Martin Ondra (2017), there's an exploration of similarity between designed concepts and previous models of brand that count the rate of similarity of features. The aim of this research is to learn the exercise of a brand by using tools available nowadays to find and discuss the relationship between appearances innovation and keeping main design feature.

3. **Using Agile Approach for Product Breakthrough Innovation.**

Mitch Beaumont (2017), explain that breakthrough innovation – innovation that aim to create a new market rooms or step of changes in product, process or business model performance. An Agile approach for product development, a self-managed team to make a quick innovation by involving consumers at each step that have been widely used by software's industries.

RESEARCH METHODS

This research is a qualitative research; it is a research method which its data is not received through statistical procedure or any other calculation (Strauss & Juliet, 2003). Qualitative research is a research which resulted in data in the form of words or pictures, as opposed to numbers and diagrams in a quantitative research.

Research method used are explanatory research, which used purposive sampling technique. Purposive procedure is one of the most common method to determine informant in a qualitative research in accordance to the criteria of the research (Bungin, 2012: 107). It is determined by this that the informant would be the owner and some of the department heads of CV. Profil 88.

Data collection in this research is primary and secondary data. Primary data is information gathering from the subject of research directly by using measuring apparatus or direct approach (Interview) (Azwar, 2007: 91). Secondary data is obtained by indirect approaches such as documents or literature study.

Data collecting procedures in this research are Observations (where researchers come to research objects in order to observe without interfering), Interview (where a field research is conducted by directly doing question and answers with the informants), and Documentations (documenting of research such us profile of the informants or documentation photograph).

Data analysis of this research is through the use of Business Model Canvas (BMC) to determine current business model of the company and Ten Types of Innovation to determine the most suitable innovation to conduct.

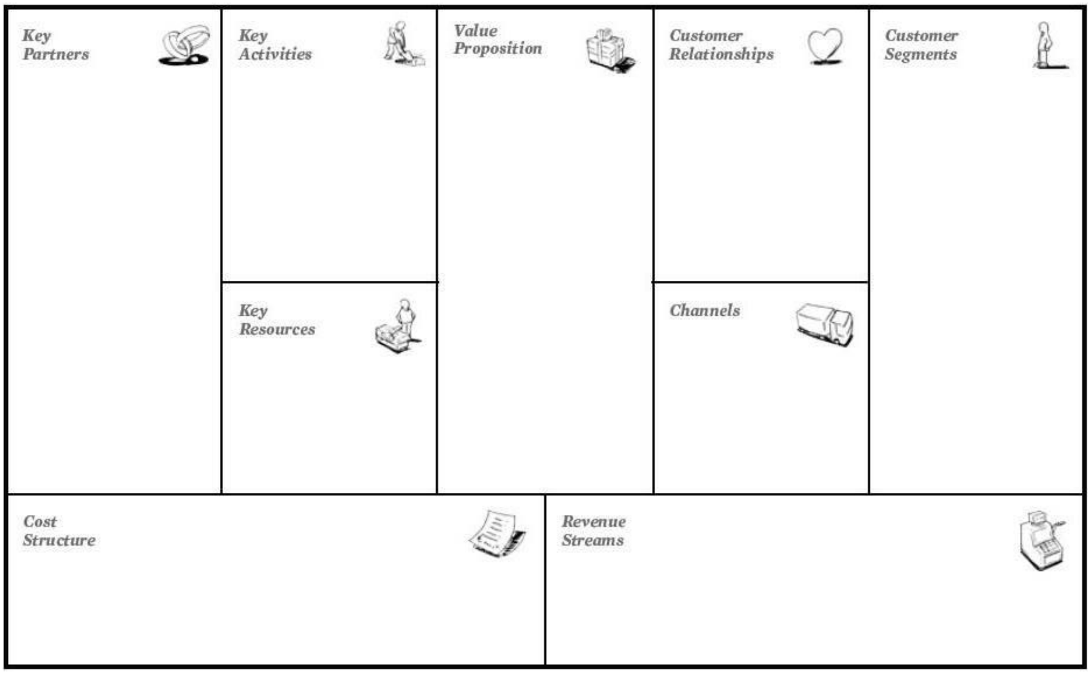

Figure 1. BMC templates by Osterwalder and Pigneur (2010)

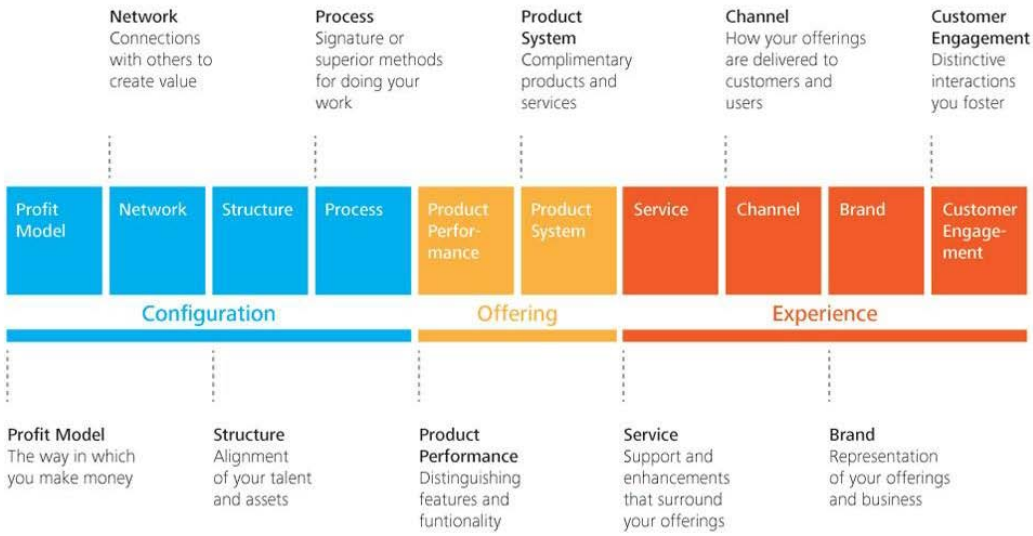

Figure 2. Ten Types of Innovation, Keeley et al., 2013: 16-17

RESULT AND DISCUSSION

This section will analyze qualitatively the results of data collected through interviews and documents previously by using BMC as shown in Figures 2 and Ten Types of Innovation as shown in Figure 3.

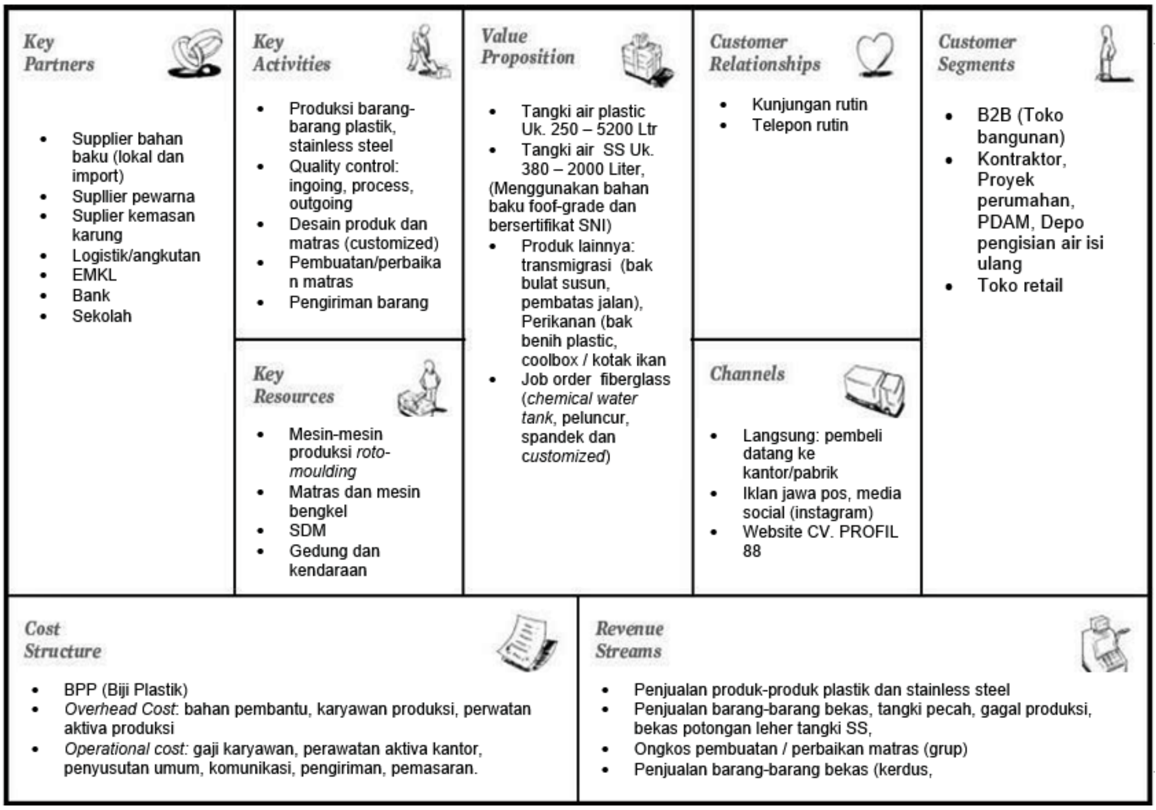

Figure 3. CV. Profil 88 BMC Analysis

Based on Figure 3, the current business models of the company can be identified and that most possible innovation could be translated to 10 Types of Innovations ‘Process’, ‘Service’, and ‘Channel’.

Profit Model	*Structure*	*Structure*	*Process*	*Product performance*	*Product system*	*Service*	*Channel*	*Brand*	*Customer engagement*
-Menjual barang bekas reject, sisa potongan besi, kerdus	-*Longterm relationship* dengan supplier bahan baku	-*Standar-disasi mesin*	-*Quality control* -Jadwal kirim	-Kualitas baik (bahan baku / *finishing*) -Ergonomis -Keunggulan tangki air *blow moulding*	-Respon cepat atas komplain -Promo diskon	-After sales services -Garansi produk 10-15 tahun	-Order pembelian via telepon / whatapp, instagram, twitter, iklan, jawa pos, youtube (*coming soon*)	Belum ada merek khusus	*Customer relation program*

Figure 4. CV. Profil 88 10 (Ten) Types of Innovation Analysis

As mentioned before and further explained in Figure 4, it is determined that most viable innovations are within the Process, Service and Channel as in accordance of Ten Types of Innovation.

Process innovation refers to a drastic changes that could allow company to adapt rapidly in accordance to market value. Process is the activity of producing the product or services of the company. In accordance to this, technological advancement from the current roto moulding to the new blow moulding is deemed necessary.

Service innovation refers to the improvement of utility, performance and the company’s product values or services. This innovation is intended to make the intended product to become easier to try, use, and enjoy. In this case the company is needed to improve their after sales services in order to secure a better relationship with customers.

Channel innovation refers to all practices that connects the company and their customers (Keeley et al., 2013: 46). This innovation is intended to ensure that customers can get their products whatever, whenever, and however they wanted while ensuring minimum costs and maximum satisfaction. In this case the company improve their sales process, payment systems, buying orders, and more on-ground salesman.

Table 2. Simplified Before and After Research Table

	Before	After
Process	Roto Moulding Technology	Blow Moulding Technology
Service	After Sales Services : 5 years warranty, allowing feedbacks on product quality	5-10 years warranty, ensuring of maximum customer satisfaction by responding to feedback and complains until there is none.
Channel	Consumer comes directly to the factory, salesman comes to construction sites, building materials stores, factories.	Order can be made through LINE/whatsapp, payment can be made through COD,payment, paypal, more online methods. More salesman on the ground.

In accordance to Table 2, the company is expected to do a business model shift strategy. In this case to change how company deliver products to consumer rather than making changes to the products itself.

CONCLUSION

1. Based on BMC analysis, the 9 factor of CV.Profil 88 business model are: (1) Customer Segment: B2B (building materials store, local water company, drinking water refueling depot, retail shops), (2) Value Propositions: Plastic Water Tank 250-5200 lt., Stainless Steel water tank 380-2000 lt., (3) Channels: Direct Marketing, newspaper ads, social media, (4) Customer Relationships: feedback and complaint management, (5) Revenue Streams : sales of plastic and stainless steel water tank, (6) Key Resources: roto moulding production machines, human resources, building and vehicles, (7) Key Activities: plastic and stainless steel production, QC, custom product design, product delivery, (8) Key Partnership: raw materials supplier, dye supplier, logistic, Bank and, (9) Cost Structure: plastic pellets, overhead cost and operational cost.

2. Based on Ten Types of Innovation analysis, the most suitable strategic innovation for company is Business Model Shift. Where CV. Profil 88 focused on Process, Service and Channel. So that company have bigger chances to win competitions by changing way of production and product delivery to consumer, rather then creating changes to the product itself.

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PERCEPTION OF STUDENTS IN STIE MAHARDHIKA SURABAYA ON ENTREPRENUERSHIP PROGRAMS'BENEFITS

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ABSTRACT

STIE Mahardhika Surabaya Entrepreneurship Program is conducted to foster the spirit of entrepreneurs, as well as to foster the creativity of students to open business opportunities. This research was conducted with a qualitative description method to determine student perceptions of the benefits gained from the implementation of the Entrepreneurship Program. The results of the study are the benefits that students' got, so that they can practice theory that has been accepted in several semesters, both in managing finances, how to collaborate with other people / teams, and understanding the character of team members. able to communicate better. Get learning how to take advantage of the opportunities that exist, open opportunities for work / business, how they must always be creative and innovative in making products that are preferred by consumers, understand the market environment, how to compete in fair way , and understand risks, and of course they can establish cooperation with there are many parties with the opportunity to expand the link / relationship with certain parties. In addition to feeling the benefits they also get the experience of how to block their efforts. The perceived obstacles include their confusion to share profits, the problem of distributing production results, the problem of maintaining quality, lack of experience ranging from product selection, conducting production processes, and market search.

Keywords : perception, entrepreneurship, benefits

INTRODUCTION

Emerging the spirit of entrepreneurship is not as easy as turning your palm. It takes a process to learn and gain experience in the field so as to know more about entrepreneurship and become interested in entrepreneurship. Currently learning about entrepreneurship is mostly done in education lfe (campus). This is driven by the desire of being independent students and can create an educational field, which can help reducing unemployment.

Experienced with campus environment adaption is an important dimension of perception, because according to Ivancevic et al. (2006) perception is the process by which an individual gives meaning to the environment. This involves organizing and translating various stimuli into psychological experiences. In relation to the increasing importance of the campus environment, it requires a support of student independence in responding or reacting to various campus programs, including entrepreneurship programs for students who have been rolled out since 2009 by the government. In order to develop the potential of young entrepreneurs, so that later after completing, studies are able to create employment opportunities. student responses to entrepreneurship programs interpreted through stereotypical translation, impression

management, and emotion as a perceptual element become important to be considered as a barometer of the smoothness of entrepreneurship programs on campus.
From the description in previous the problem formulation is found as ; How is the Student Perception of Mahardhika Surabaya High School of Economic Entrepreneurship Program benefit ?

LITERATURE REVIEW

Entrepreneurship is the process of creating something new with risks and benefits (Robert D. Hisrich and Michae lP.Peters, 2003. While Stephen Robbins and Mary Coulter (2002) define entrepreneurship part of the process of an individual or group using organized efforts and means to pursue opportunities to create value and grow by fulfilling desires and needs through innovation and uniqueness, about what resources are currently controlled. (Takdir, Mahmudin, Zaid, 1: 2015).
To be succeed performing the process of creation, innovate to meet the wants and needs some factors, namely (1) Ability and willingness, people who do not have ability, but have many will and people who have will, but do not have ability, both will not be successful entrepreneurs. Conversely, a person who has the will equipped with the ability will be a successful person. As willingness stands alone is not enough if it is not equipped with ability. (2) Strong determination and hard work, people who do not have strong determination, but have the courage to work hard and people who like to work hard, but do not have strong determination, they will not be successful entrepreneurs. (3) Opportunity and chance, as there is a solution, there will be an opportunity exist, otherwise, when there is no solution, there will be no opportunity. Opportunities exist if we create the opportunity itself, not looking for or waiting for opportunities come to us. So, entrepreneurial ability is a function of entrepreneurial behavior in combining creativity, innovation, hard work and courage to face the risk of gaining opportunities. (Suryana, (2014: 108).
Luthans (2006) states that perception is a unique interpretation of a situation, not a recording of a situation. In short perception is a complex cognitive process that produces a unique world picture, which may be somewhat different from reality, or perception is considered a filter. Robbins and Timothy (2008) say perception is a process by which individuals regulate and interpret management impressions of their sensory impressions to give meaning to their environment. give meaning to their environment.

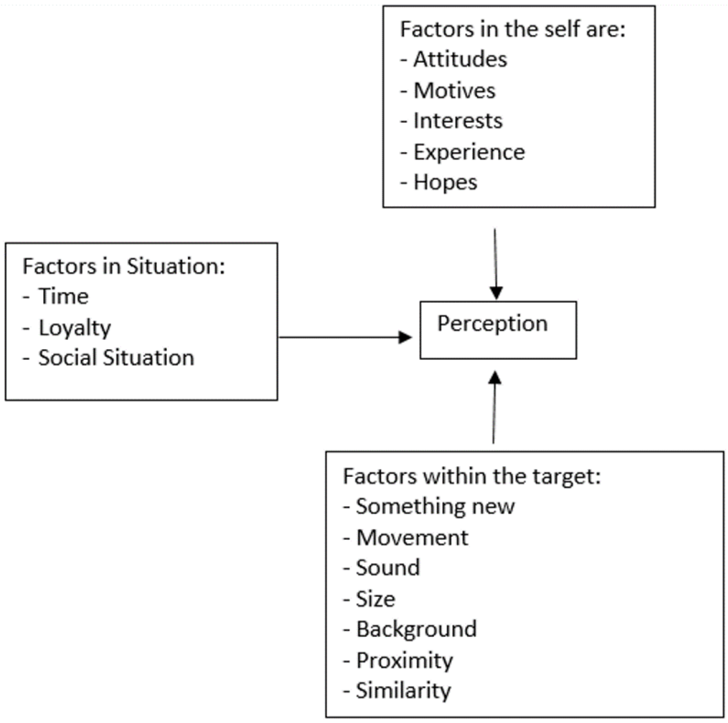

Figure 1. Factors that Affecting Perception
Source : Robbins and Timothy (2008)

According to Ivancevich et al. (2006) have determined eight primary primary emotions: fear, surprise, sadness, pleasure, disgust, anger, anticipation, and acceptance. The eight major emotions can vary in intensity. The common form of emotion is called mood (mood). mood is a low-intensity, long-lasting emotional state. To run an entrepreneurial program does require a pleasant mood. Therefore, entrepreneurship programs in the campus should be run in a conducive situation, so as to provide an emotional response that is always fresh in carrying out entrepreneurial activities.

Another study of student perseption of entrepreneurship program conducted by Soenartomo Soepomo, Faculty of Economics and Business, Ma Chung University resulted in conclusion, that student perception toward entrepreneurship program in college is positive. From result of data analysis of student perception give contribution equal to 66%. The perception of stereotyping contributes 20.50%, which means that if stereotyping is increased by one unit then the entrepreneurship program will increase by 20.50%. Impression management perception contributes 27.70%, which means if impression management is increased by one unit, the entrepreneurship program will increase by 27.70%. Perception on emotional intesitas contributes 28.30%, which means that if the emotion is increased by one unit then the entrepreneurship program will increase by 28.30%. Recommendation of this research is the implementation of entrepreneurship development program in campus can be followed up in the form of giving working capital to student in group to open business according to their wishes, which management keep monitored by campus.

RESEARCH METHODS

This research is a qualitative descriptive study with a population of fifth semester students of Mahardhika Surabaya High School of Economic, which presents a detailed picture of a particular situation, social setting, or relationship (Silalahi, 2009, .27; 2006), qualitative research that used in this study to obtain actual data, the exact data which has its value of visible data. Therefore, in qualitative research does not emphasize generalization, but rather emphasizes meaning. The determination of informants in this study was determined using purposive sampling technique,

Analysis and discussion

1. Problem Encountered

Based on the data obtained, that the seven groups of student entrepreneurship programs said there were some problems in carrying out this entrepreneurial process, doing the production process, and market search

Starting to market products that are already available is not as easy as they learned in marketing theory. Finding the right market share with the products they produce is a new experience that is a little difficult. This is related to the location search for their business. Survey is needed to get the perfect location for their business. The cost of renting in the right location is also a consideration because it deals with existing capital. Surveys about competition in selected locations are also new things that they have to face. Often they are faced with a problem of rejection of new traders in the locations they choose. They must really maintain good relations with competitors who have already been in that location. Even if it is not a matter of not receiving them in the location that has been choosen, they must also look for other locations because they are faced with a decrease in income.

Team work is an obstacle that arises, communication that is less effective among group members can be a big obstacle. Schedule arrangements and division of labor which sometimes do not correspond to each group member making the production process until the distribution becomes obstructed. This is a loss for them.

Besides that, the obstacles that can make the level of loss also are the weather. Especially for those who produce more variety of cold drinks product for hot weather. So that when the weather of rainy season starts, the sales amount of their products decline.

The last obstacle they face is good raw materials at a low cost, things that cannot be avoided because they must maintain the quality of their products.

2. Benefits

Many of the benefits they got from the results of the student entrepreneurship program are experiences to practice the theory that has been obtained, in managing finances, learning to collaborate with other people / teams and understanding the character of team members. As well as learning to communicate well

Another benefit they got is how to get and open business opportunities. It requires hard work, creativity and innovation to be able to start and run a business well. Understanding the desires of consumers and understanding the location of businesses is important to show their income increase.

Competing in a fair manner is also part of their learning in doing entrepreneurship, besides facing the risks that must be faced. Bringing up the existing strengths and business opportunities to compete fairly will reduce the risk they will receive.

Collaboration among group members is very useful because it is part of internal strength. In addition, maintaining external forces, one of which is cooperation with many parties, will be an opportunity to expand links with certain parties.

From the data obtained by students' perceptions of the benefits of this entrepreneurship program is to grow the character of entrepreneurs, opening jobs and the most precious benefits are getting experience and the ability to manage finances and maintain team work as a force to be creative, innovate to maintain the business life they run together.

Table 1
Respondents' answer data on obstacles and benefits

2018 Student Entrepreneurship Program			
PROBLEM	**AMOUNT**	**BENEFIT**	**AMOUNT**
SHARING PROFITS	1	FAIR COMPETITION EXPERIENCE	2
DISTRIBUSION	1	UNDERSTANDING THE PRODUCTION PROCESS	3
QUALITY	1	UNDERSTANDING RISK	4
LACK OF EXPERIENCE	1	ADD LINK	7
LACK OF RESEARCH	4	COMMUNICATIONS	8
MARKETING	4	UNDERSTANDING MARKETING	8
LOCATION	6	FORMING ENTERPREUNEUR CHARACTER	10
CUSTOMER	6	RESPONSIBILITY	10
COMPETITORS	7	CREATIVE	11
SALES DECENDING	9	UNDERSTANDING OF TEAM CHARACTER	12
PRODUCTION PROCESS	12	PROFIT GAINING	13
DISTANCE	13	SET JOB VACANCIES	17
COMMUNICATION	16	KNOWING OPPORTUNITIES	18
ACCOMMODATION OF	20	TEAMWORK	26
LESS HUMAN RESOURCE	23	MANAGING FINANCE	30
TEAMWORK	27	EXPERIENCE	64
TIME MANAGEMENT	30		
WEATHER	31		
RAW MATERIAL FACTORS	42		
TOTAL RESPONDENT	71 PEOPLE (7 GROUP)		

Source: Processed data

CONCLUSION AND SUGGESTION

Conclusion

The Student Entrepreneurship Program provides many benefits that students' got, such as being able to practice theories that have been received several semesters, both in managing finances, how to do teamwork, and understanding the character of team members. Able to communicate better. learning how to take advantage of existing opportunities, setting job vacancies, how they must always be creative and innovative in making products so that consumers like, understanding the market environment, how to compete fairly, and understanding risks, and of course they can establish cooperation with many parties thus there is an opportunity to expand links / relationships with certain parties.

In addition they understood how the problems / obstacles confront their efforts. their confusion of sharing profits, the problem of distributing products, the problem of maintaining quality, lack of experience ranging from product selection, production processes, and market search.

Suggestion

For getting better students' perceptions of entrepreneurship programs on campus, seminars or briefings should be held regarding:

1. Entrepreneurial spirit
2. Good entrepreneurship
3. What business is
4. The importance of innovation
5. The importance of finance
6. Marketing
7. The importance of teamwork

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DEVELOPMENT OF ENTREPRENEURSHIP MODEL IN AGRICULTURAL AND MARINE SECTOR BASED ON LOCAL POTENTIAL VILLAGES IN THE KANGEAN ISLANDS

Ahmad Arsyad Munir[1], Uswatun Hasanah[2], Faidal[3]

ABSTRACT

Village development is intensively highlighted in the period 2015-2019. The development of rural communities has two issues: first, development has focused only on urban areas in the past two decades; in fact, the countryside is the largest part of Indonesia. Secondly, although during the New Order government has launched various efforts of rural development policies and programs, socio-economic conditions of rural communities are still very far from expected. This study focuses on the model of entrepreneurship development based on local potential villages in the Kangean islands. In the first year, problems took place in four sectors, namely, Fisheries, Livestock, Agriculture and tourism. In the second year the study focused on two issues: agriculture and fisheries. The development of this research model is to develop a model of solving rural problems, especially in the archipelago. The entrepreneurship development model includes upstream downstream of village potentials in the agricultural and marine sectors. This strategy is expected to be one of the economic potentials of the village to develop. This research method is conducted by applying several methods of analysis (multi-methods analysis): Loqation Quotion (LQ) method, SWOT analysis, Trend analysis, and Community Economic Empowerment analysis in agriculture and marine sub-sector. This research has value and strategic objectives in providing important information about the potential of villages on Kangean Island. The results of this study indicate that there are potential as well as problems in the agricultural and marine sector that must be developed properly. One application of the entrepreneurship development model in the agricultural sector is to develop the upstream downstream of agricultural superior products, from planting to marketing process. The development of the entrepreneurship model is also conducted in the marine sector, through the upstream development of downstream products of processed seafood products. The approaches of this study are conducted through socialization and training of fish processing into derivative products and have higher economic value such as shredded, nuggets, crackers and other products. The purpose of marine tourism management is to create the welfare of the people of the region. In addition, the governance is challenged to achieve cultural integrity and maintain biodiversity resources. Kangean community involvement in management and processing provides several benefits, (1) increasing income of Kangean communities, (2) sustainability of coastal resources and (3) cultural integrity of the community. It is important to maintain community-based management by adopting a partnership concept approach between the community, government and other stakeholders.

Keywords: Entrepreneurship, Local Potential, Loqation Quotion, SWOT Analysis, Trend Analysis

INTRODUCTION

Indonesia's territory consists mostly of oceans with an area of about 5.8 million km2 and potential fishery resources of 6.4 million tons/year. The utilization of the sea by fishermen as the heir of maritime culture has not achieved satisfactory results. This is because they use simple methods, and consequently they can not get the optimal results. Potential resource management is essential for the realization of marine ecosystems in the sustainable Kangean archipelago and to improve social welfare. One of the ways to improve social welfare in terms of the development of local potential-based entrepreneurship model is done by utilizing marine resources on a regular basis and depending on (defendency feeling) (Sallatang, et.al, 1999). Madura has the principle of life "*smoked by the wind and covered by the waves*" which means wrapped in a wind-cushioned waves. This analogy describes that the majority of Madurese fishermen rely on the use of marine products.

In addition to the principle of life, the model of community empowerment of fishermen also takes into account the construction of Suramadu Bridge. In Bangkalan regency recorded 12,626 fishermen, 698 farmers, Sampang 11,031 fishermen, 1,499 farmers, Pamekasan 6,074 fishermen, 677 farmers, in Sumenep recorded 21,176 fishermen and 646 farmers. The catch and fish cultivation from the Madura coast in 2013 reaches Rp. 1.9 trillion. This is a significant figure to be developed in the era of regional autonomy. However, the figure is inversely proportional to the welfare of coastal communities. Sea potentials should be directly proportional to the level of community welfare. Therefore, the pattern of community empowerment is needed to build the economic independence of the community. If economic independence is built then the level of welfare may increase. Loekman Soetrisno (1988) in his paper entitled State and Its Role in Creating Independent Village Development (1988) suggests that the concept of self-reliance in the context of rural development in Indonesia has broader meaning than just the balance of development financing responsibilities. Self-concept means a change of power between rural and state society in determining the direction and objectives of social change that occur in society, especially the archipelago.

Furthermore Loekman Soetrisno made clear that a development is said to be successful in addition to an increase in the standard of living of the community as well as the willingness and ability of the community to be independent. Being independent means the willingness of the community to create development and to preserve and develop the results of development. This is either derived from their own efforts as well as those derived from initiatives that come from outside the community such as marine resources.

Based on research results in the first year, there are four potential sectors in Kangean Island such as fisheries, agriculture, animal husbandry and tourism sector. The four sectors have the potential to be developed and commercialized through the application of self-reliant entrepreneurship development model. One way to build community self-reliance is entrepreneurship. Some experts define entrepreneurship is a creative endeavor to build a value from something that does not yet exist and can be enjoyed by the crowd. So far, large marine potentials are not utilized optimally. The majority of fishermen sell products in raw form. This situation can not create value added that adds the economic value of the resource.

This is in line with the opinion of Dr. Ir. Ciputra (2013) a figure of entrepreneurship reality. He explains that even if we have abundant natural resources but we remain poor. It should be noted an analogy "dirt and debris can be turned into gold". The analogy means that if there is already available capital we should stop thinking about a handful of gold. Instead we should think about a mountain of gold or welfare for all citizens. Referring to the definition of entrepreneurship, the focus of this research is on two potential sectors of the island of Kangean namely agriculture and fisheries.

LITERATURE REVIEW

Sumodiningrat (1999) says that community empowerment is an attempt to empower the community through the realization of their potential abilities. Community empowerment involves two interrelated groups, namely the empowered community and the empowering parties. So far, people do not feel the benefits of empowerment. Lots of empowerment does not go completely. Therefore, we need a model of empowerment with a new concept of entrepreneurship-based empowerment. Entrepreneurship is a mental attitude and the nature of the soul that is always active in the effort to promote his devotion to increase business income. In addition entrepreneurship is a creative and innovative ability that is used as the basis, tips, and resources to find opportunities for success. Meanwhile, according to Peggy A. Lambing & Charles R. Kuehl in Entrepreneurship (1999), entrepreneurship is a creative endeavor that builds a value from which nothing yet exists and can be enjoyed by many people.

Community empowerment can be seen from three sides (Sumodiningrat, Gunawan, 2002); first, creating an atmosphere or climate that enables the potential of the developing community (enabling). This concept explains that every human being and society has the potential to be developed. This means that no society has no power. Without it, society will become extinct. Empowerment is an effort to build that power by encouraging, motivating, and awakening potential awareness to develop. Second is to strengthen the potential or power of society (empowering). In this framework required more positive steps, in addition to creating a climate and atmosphere. This reinforcement includes concrete steps and involves the provision of inputs, as well as access to opportunities (opportunities). This will make the community become empowered. Empowerment not only involves strengthening individual members of society, but also their institutions. Embedding modern cultural values, such as hard work, thrift, openness, and responsibility are central to this empowerment effort.

Empowerment also means renewing and integrating social institutions into development activities by involving the community: increasing people's participation in community decision-making processes. Therefore, community empowerment is very closely related to the stabilization, culture, and practice of democracy. Third, empowering has a protective meaning. In the process of empowerment, weak groups of people should not or become weaker. Protection and deflection to the weak is the core concept of the concept of community empowerment. Protecting does not mean isolating or masking of interactions. The action actually dwarfs the small and weakens the weak. Protecting must be seen as an attempt to prevent unbalanced competition, and strong exploitation of the weak. Community empowerment does not make the community dependent on various charitable programs. What you enjoy should come from your own business (which results can be exchanged with others). Thus the goal of empowerment is to establish, enable, and build people's capacity to lead to a better life on an ongoing basis.

Community empowerment of fishermen is a process of intervention to raise the people of Indonesia. Entrepreneurship-based empowerment has the potential to motivate people to be more empowered. Entrepreneurship as one strategy or model in community empowerment has been done

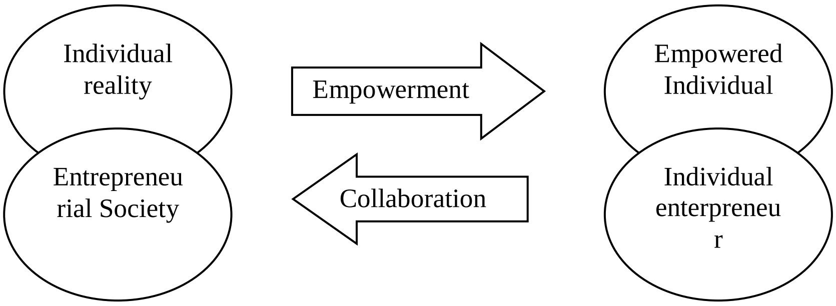

Figure 1. Entrepreneurship Community Empowerment
Source: Misbah (2013)

Entrepreneurial community empowerment in the creative industry is done through the following process:
1. Conditioning: the process of awareness and habituation to form a conscious business person. This process is done in stages, ranging from building the mindset to the creation of business ideas. Individuals who have no business interests will be interested in creating such business ideas.
2. Preparation of a business plan: this process is a step to foster entrepreneurial competence, including how to start a business, how to design a systematic and implemantatif business.
3. Mentoring: This process is related to how to provide strategies and best practices to every individual who will start his business. Mentoring is a process of improvement towards sustainable enterprises. Assistance can be done by an experienced entrepreneur or entrepreneur. This method is expected to create a good learning process.
4. Evaluation: the effort is not always successful and easy to gain profit. Sometimes businesses also suffer losses. Therefore, periodic evaluations should be conducted by the owner, expert team, as well as fellow business actors.

RESEARCH METHODS

The method of implementation of the activities focuses on the process of data collection, data analysis, conclusion of results and recommendations, preparation of results and discussion reports. This activity involves stakeholders to participate in entrepreneurship-based empowerment development program whose purpose is to build economic independence of the Kangean islands community. In this study, people can be classified into active and passive communities in the Kangean islands of Sumenep regency. The number of samples depends on the degree of homogeneity of the population. If the population is homogeneous, the study does not demand a large sample size. The sample must meet the requirements as determined by the analyzer. According to Hair (2004), the best sample will involve more than 100-200. This study assigned 200 respondents as research sample. To strengthen and support the results of the research analysis, besides the research sample, this research involves some respondents who are considered as a key source of information: managers/implementers of empowerment.
Data collection for each case study was conducted with semi-structured interview techniques, involving decision-makers such as community group managers. The primary data were collected through field studies, questionnaires as well as expert interviews and stakeholders. To support the primary data, FGD (Focus Group Discussion) on stakeholders was conducted. Secondary data collection was conducted through relevant literature studies, books, reports, documents and publications. The basic framework of the case study method was taken from Yin as described in Figure 3.1. This study modified the Yin framework (see Figure 3.2) because of the complexity of roles, competencies, and characteristics of fishing communities.

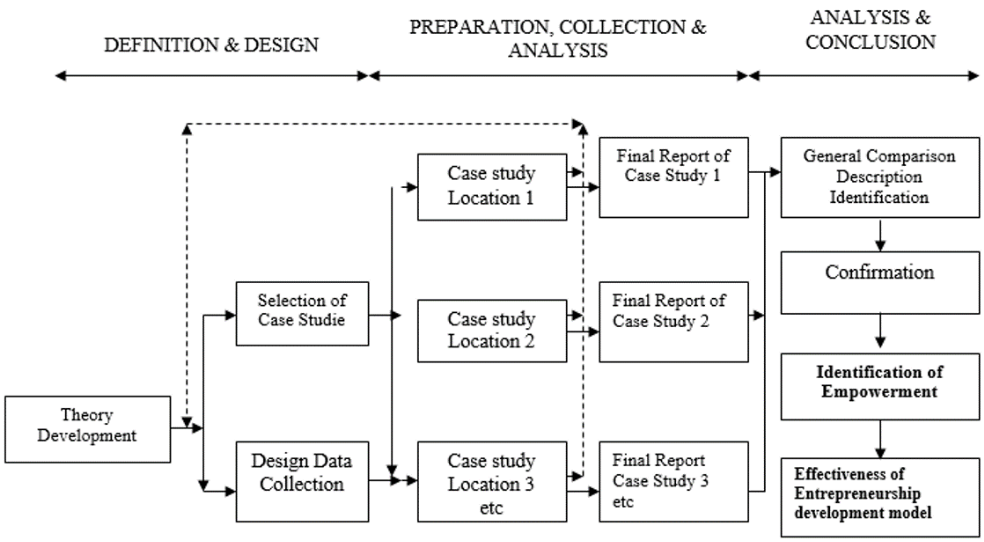

Figure 2. Working Method of Study

Results and Discussion

Fisheries Sector

Kangean Islands is an archipelago consisting of 120 islands. 68 The island has no temporary residents 52 Other islands have no residents. The area of the kangean is 487 km2 (BPS Sumenep 2016). The largest islands are Kangean (188 km2), Paliat island, and Sepanjang island. The islands are divided into three districts namely Arjasa, Sapeken and Raas. For agricultural activities it is known that the land in the Kangean islands consists of paddy fields and dry land. Dry land has an area of 37,501.10 Ha (81.35%) and spread over 28 villages. The rest is wetland with an area of 8,594.90 Ha (18.65%), spread over 25 villages. Saobi village is the most extensive area that is 10,767 Ha. This village consists of rice field area of 116 Ha (1.08%) and the remaining dry land area of 10651 Ha (98.9%).

Here is the village of Kolokolo which has an area of 5,741 Ha. The village consists of 1.134 Ha (19.75%) rice field and 4,607 Ha of dryland (80.25%). Only 5 (five) villages have acreage above 2,000 Ha and less than 4,000 Ha of Gelaman village (3,934 Ha), Pajanangger village (2,915 Ha), Kangayan village (2,798 Ha), Batuputih village (2,897 Ha) and village of Sawahsumur (2,200 HA). Other villages have an average area less than 1000 Ha. There are villages that have only less than 100 hectares area such as Laok Jangjang (81 Ha) village, Sumbernangka village (58 Ha). Kangean Island is part of Sumenep district. Kangean Island has three districts, namely arjasa, sapeken and Kangayan district.

Fishery is also a source of income from most of the population in Kangean Island. Fish cultivation conducted on land with an area of 48 ha for ponds and 54 Ha for freshwater cultivation. In terms of the productivity, ponds provide a high yield of 22 tons per year; whereas, freshwater cultivation only produces about 5 tons per year. , Productivity of each is 0.46 tons per Ha per year for ponds and only 0.9 tons per Ha per year for freshwater fish cultivation. Production of the fishery sector comes from many fish catch from the sea. By 2015 there are 1,615 tons of fish caught on the high seas. The number of fish from the fishery sector in Kangean Island is 1,340 tons in 2015. The potential of Kangean islands fishery to date is very potential because the island has a marvelous marine wealth. Fisheries that have high economic value are like tiger grouper, mouse grouper and lobster. This fishery commodity has an expore market to Europe, China and Japan through Bali.

Natural resources on the island of Kangean are inversely proportional to the livelihoods of the Kangean community: natural resources do not contribute much to the economy of the Kangean people. People prefer to be migrant workers in Malaysia and wander to other areas such as Kalimantan and Lombok. Some other communities are divided into two namely the island of East Kangean. The island's population is largely dependent on seafood. Meanwhile, the western Kangean island became an agricultural area with a variety of rice crops, corn and green beans. Kangean community interest to wander due to the community is not able to manage and cultivate the potential that exists. The results of interviews with 90 respondents (80% of respondents) said that the community is only able to sell directly the results of fish catch, or panin results without processing it first. This situation does not provide maximum results to meet daily needs. In addition, the Kanegan community is not supported by infrastructure development policies such as electricity grids. The electricity goes on from 17:00 to 05:00. Outside these hours, Kangean island suffered a total blackout. This situation makes Kangean residents to wander to other areas.

This research conducted socialization at SMK Al-Hidayah Arjasa Kangean. The objective is to provide awareness to the younger generation about the potential of nature in the archipelago to be developed. Socialization participants just realized how great the potential of nature is in the Islands. In addition to the lack of people's ability to optimize their natural potential, most of them still use fishing gear that tends to damage marine ecosystems: trawling tigers, firecrackers and community-built bombs. This is very contrary to the Law

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Figure 3. Socialization of fish potency in SMK Al-Hidayah

Figure 4. Socialization of fish potency in SMK Al-Hidayah

In the next stage, this research conducts marine processing training: an application form of entrepreneurship model based on the local potential of the village. Socialization includes activities to build public awareness of the potential of the archipelago to training the processing of marine products to have a higher economic value. Fishery processing training is done from post fisherman fishing, fish selling in fresh condition and processed, fish sale after processed. Fishery processing is needed to increase the income of the fishermen. These appropriate fisheries processing activities can optimize fishermen's income. One of the products processed seafood is meatballs, fish chips and fish crackers. Fishery processing training is expected to maintain the stability of fish prices during the fish season. Fish is not sold entirely while keeping fish prices steady. The socialization activity also involves giving knowledge to the fishermen's wife about processing and marketing with Entrepeneurship Model and selling the product more widely.

The training on Seaweed Processing is conducted in Mamburit Island, Kalisangka village, Arjasa Sub-district and followed by 20 PKK management in Mamburit Island. Socialization activities include discussion of processing until packaging. The youth of Mamburit cooperate with PKK board to market their products through online and offline media. Processed products of fish crackers, fish chips, dried fish, salted fish and culinary jajanan based fish

Figure 5. Fisheries sector training

Figure 6. Delivering fisheries sector material

Agriculture Sector

The potential of Kangean islands other than fisheries is also from agriculture. The fields and rice fields on Kangean Island are about 65%. The livelihoods of Kangean are fishermen and farmers. During this agricultural trade in Kangean, in the panin season, the results are directly purchased by traders and sent to the mainland in the form of grain. On land, the crops are tidy and neatly packed at much more expensive prices. This is the main reason for this socialization. Socialization of agricultural potential followed by farmers and farmer groups in the village.

In the agricultural sector, Kangean is corn, Melon, Papaya and other crops producing areas. But this commodity has not been well managed. In addition to the primary plant commodities, there is also the potential of the best teak trees of Madura, namely, teak Kangean. The potential of the agricultural sector has not been properly managed due to limited infrastructure to engage with stakeholders outside the archipelago. The government has tried to maximize the development of the agricultural sector by building UPT Agriculture. Collaboration with farmer groups is not yet optimal. One of the potentials in the agricultural sector is rice. Farmers sell their crops in the form of grain. The proceeds of the sale of grain do not give the maskimal benefits to the farmers. This is because the price of perkilo very low ranged from Rp. 4,000, -. Grain is sent to Sumenep in raw condition then milled in Sumenep and packed in Sumenep and resold in Kangean islands for Rp. 10,500 perkilogram.

This phenomenon has already occured for tens of years. The natural conditions are inversely proportional to the condition of society. Most of the Kangean people have no awareness of the added value of agricultural potential if it is self-managed. The government's attention by educating the Kangean community is urgently needed. The government needs to make a policy by strictly prohibiting the sale of grain. Cooperation of village government is needed in maximizing the potential of agriculture sector. The follow-up of socialization and the results of the deliberations with the village head finally formed "Rumah Tani". It is expected that this group can play a role as media or container to optimize the potential of agricultural sector. This farmhouse aims to nourish the grain of the farmers during the harvest season, and process into rice and then marketed.

Rumah Tani helps farmers from upstream and downstream, from nursery to sales process. Rumah Tani helps to market the farmers' harvests so that prices are not touched by the middlemen. The price specified at the Farm House is based on the market price and remains in favor of the farmers. Rumah Tani acts as a medium for gathering the farmers. They present agricultural scholars who serve as agricultural extensionists to provide knowledge and insight in farming from planting to harvest. This group also serves as a medium for consultation on the use of drugs and fertilizers with the right dose. It is expected that farmers use the correct theory and no longer use traditional estimates and ways.

Figure 7. Support of related parties

Figure 8. Delivering the materials

Figure 9. Participation of the participants

CONCLUSION

The conclusion in this research is that the development of entrepreneurship model based on local potency of Kangean Island village becomes one of community empowerment alternatives in optimizing the utilization of village potency and resources. The optimization of agriculture and fisheries sector is done from upstream and downstream. The community awareness and the role of village government play a role in optimizing the potentials of the Kangean islands. Especially for the agricultural sector, farmers are formed as a solution, the existence of Rumah Tani as a medium of means for gathering of farmers and presents agricultural scholars who served as agricultural extension to provide knowledge and insight in farming from planting to harvest, but also as a medium for consultation about the use of drugs and fertilizers with the right dosage so that farmers are able to use them correctly no longer using traditional estimation and ways.

SUGGESTION

Further research is expected to be more specialized in one sector so that the results are more optimal and appropriate according to the problem

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THE INFLUENCE OF BEHAVIORAL FINANCE TO ENTREPRENEURSHIP DECISIONS ON STUDENTS FACULTY ECONOMICS UNIVERSITY ABDURACHMAN SALEH SITUBONDO

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ABSTRACT

The study entitled "The Influence Of Behavioral Finance To Entrepreneurship Decisions On Students Faculty Economics University Abdurachman Saleh Situbondo ", to find out the direct and indirect influence of demographic factors (X_1) and psychological factors (X_2), against the decision of entrepreneurship (Y). External research achieved increasing the knowledge about the importance of entrepreneurship, opening new business opportunities especially for students themselves and for surrounding communities, increasing the income of students and the community, and can open up new jobs in the community. The population in this research is the student of Faculty Economics University Situbondo Saleh Abdurachman 983 students. This study used a purposive sampling random sampling techniques namely the sampling criteria. Determination of the total sample of respondents using the formula slovin, namely an amount of 71 respondents. The method used is the type of survey methods research explanation or explanatory research. Data analysis technique used is multiple regression analysis. Analysis results obtained shows that the influence of demographic factors Variable (X_1) against the decision of Entrepreneurship (Y) based on the t-test can be aware that demographic factors variable significance < α namely 0.010 < 0.05. Means a partially variable demographic factors (X_1) had a significant influence of entrepreneurship (Y). While the influence of Psychology Factor Variables (X_2) against the decision of entrepreneurship (Y) that the value of the variable significance of Psychology factor < α namely 0.000 < 0.05. Means a partially variable factors Psychology (X_2) had a significant influence of entrepreneurship (Y). Thus, the hypothesis that States influence the psychology of entrepreneurship in students of Faculty Economics University Abdurachman Saleh Situbondo proved his righteousness. As for the F-test results in summary it can be seen that the value of the probability of significance test of F is less than 0.05 (0.000 < 0.05), then the variables are demographic factors and psychological factors simultaneously influential decision significantly to entrepreneurship. So it can be stated that there is the influence of demographic factors and psychological factors simultaneously to the decision of entrepreneurship student Faculty Economics University Abdurachman Saleh Situbondo.

Keywords: *demographic factors, psychological factors, the entrepreneurship decisions*

INTRODUCTION

The development of UKM based economic system make the community start thinking of survival. One way to survive is to increase people's income, such as creating an entrepreneurial. To create an entrepreneurial course society should have the insight and ability about entrepreneurship. Entrepreneurial ability is the red thread of knowledge to become a force in the face of the difficulties of employment or business in order to survive and succeed (Hendro, 2011).

Entrepreneurship according to Wisdom in Hendro (2011) instead of science to trade, but more than that. Entrepreneurship such as ' large ship ' is full of meaning and makana inside many lifeboats that could save lives when storm coming. Simply put entrepreneurship can be defined as a process of creativity and innovation that is emerging and has risks in creating added value for the products that are produced and are beneficial to the community as well as produces advantages for entrepreneurs. To become a successful entrepreneur, then it must have an interest and a strong determination to achieve the goals of business and life.

Entrepreneur is one business that is included in the small and Medium Businesses (UKM). Where UKM have a central role in the development of economy in Indonesia through ASEAN Economic Community (MEA) at this time. In addition, with the entrepreneur will then reduce the level of unemployment in Indonesia, especially in Situbondo. Situbondo, East Java coastal area is composed of 17 districts, 132 villages, of which there were 4 wards and 37 villages located on the coastline are scattered in 13 districts. Inhabitants of Situbondo based on the results of the year 2016 estimation amounts to 678,298 soul 333,687 soul consists of male and female 344,611 inhabitants (source: Department of population and civil registration Situbondo). In addition to population, unemployment figures open the year 2016 in Situbondo, too many IE berjumalah 13,468 inhabitants (source: Department of labor and Transmigration). Portion of the total unemployment in Situbondo are those who educated Diploma/Bachelor/Graduate from College. These conditions will be exacerbated by the current global competition situation which will make graduates from college to compete freely. Therefore, scholars or prospective undergraduates in College needs to be given direction and support to not only think as jobseekers (*job seeker*) but should also be ready to become the creator of job (*job creator*).

According to Suharti and Sirine (2011), fosters entrepreneurial Souls College students believed to have been an alternative way out to reduce the unemployment rate, because graduates are expected to be a young entrepreneur educated and capable of piloting his own business. The influence of the science of entrepreneurship have been considered as one of the important factors to foster and develop a passion, the soul and the behavior of entrepreneurship among the young (Kourilsky and Walstad, 1998). In addition to the influence of educational entrepreneurship, young entrepreneur nominees also have to understand about how to develop and encourage the birth of a young entrepreneur who has potential.

Litner (1998) make it clear that behavior finance about how human beings interpret and act on information to make investment decisions. Pompian (2006) suggests that behavioral finance is becoming a very interesting topic to be researched because of its uniqueness. Alwisol (2009; 1) asserts that born psychology as a science that seeks to understand the whole person, which can only be done through an understanding of the personality. Therefore, the analysis of investing that uses the science of psychology and the science of finance known as behavior or behavioral finance (Manurung, 2012). In demographics, East Java is one of the provinces that have pretty much industry and highly educated population. In addition to this lifestyle describes how a person's life, how someone is using his money and allocate their time that would affect a person's behavior or way of life.

Based on the description in the article is the problem formulation: (a) how is the influence of demographic factors of entrepreneurship in students of Faculty Economics University Abdurachman Saleh Situbondo. (b) how does the influence factors of the psychology of entrepreneurship in students of Faculty of Economics University of Abdurachman Saleh Situbondo. So the goals to be achieved in this article are as follows: (a) review and analyze the influence of demographic factors of entrepreneurship in students of Faculty Economics University Abdurachman Saleh Situbondo. (b) reviewing and analyzing the influence factors of the psychology of entrepreneurship in students of Faculty of Economics University of Abdurachman Saleh Situbondo.
As for the outer one would expect from this research: (a) the research is expected to be input on behalf of the University, especially for the Faculty of Economics University of Abdurachman Saleh Situbondo in developing curriculum or courses more both courses are mainly related to entrepreneurship in the future. (b) expected to be a development of science in the future that combine several fields of the meliputinya include: economy and agriculture so that it becomes an entrepreneurial innovation is appropriate.

RESEARCH METHODS

The Draft or Design Research

The design of the research used in this research is explanatory research.

Types and Sources of Data

The data used in this research is the primary data obtained from interviews and dissemination of the questionnaire related to the variables examined. Secondary data in this study include obtained indirectly through book readings related to the variables examined, the data obtained from the internet, and journals that exist.

Population and Sample

Population data collected in the study are students of the Faculty Economics University Situbondo Saleh Abdurachman 983 students. This study used a purposive sampling random sampling techniques namely sampling criteria or specific terms (Sugiyono, 2011). as for criteria that are required are as follows:

1. Students of the Faculty Economics University Abdurachman Saleh Situbondo already attended courses in entrepreneurship.
2. Students who are still active in College.
3. Samples are all students in smt 7 who have attended entrepreneurship 1 and entrepreneurship 2. Total the study are 983 students.239. Determination of the sample number of respondents using slovin formula, ie a number of 71 respondents

Data Analysis Method

Analyzer used in this research is multiple linear regression analysis

Research Result

Test Validity and Reability

Validity test shows how far the measure can be used to measure what should be measured Sugiyono (2007). Valid or not an instrument can be seen from product moment correlation (r-count)> 0.5 Sugiyono (2012). Test Validity can be seen in Table 1.

Tabel 1. Validitas Test

Variable	Indicator	r hitung	Sig.	Information
Demographic Factor	$X_{1.1}$	0,643	0,000	Valid
	$X_{1.2}$	0,611	0,000	Valid
	$X_{1.3}$	0,637	0,000	Valid
	$X_{1.4}$	0,621	0,000	Valid
	$X_{1.5}$	0,622	0,000	Valid
	$X_{1.6}$	0,668	0,000	Valid
Psychological Factors	$X_{3.1}$	0,824	0,000	Valid
	$X_{3.2}$	0,807	0,000	Valid
	$X_{3.3}$	0,796	0,000	Valid
	$X_{3.4}$	0,826	0,000	Valid
Entrepreneurial Decision	Y_1	0,771	0,000	Valid
	Y_2	0,848	0,000	Valid
	Y_3	0,832	0,000	Valid

Source: data processed

Based on Table 1.1 above, it can be seen that the research instrument used has a product moment score of more than 0.5 with a significance level of less than 5 percent so that all items in the instrument are said to be valid.

Reliability testing aims to determine the reliability of the measuring tool or in other words the gauge is consistent if used to measure the same object more than twice. Reliable instrument is an instrument used several times to measure the same object will produce the same data Ghozali (2006). In other words, measurements that have high reliability, are capable of delivering reliable results. To test the level of reliability, usually used a reliable variable or variable present if the value of Cronbach Alpha> 0.60 (Santoso, 2002: 200) Reliability test results can be seen in Table 1.2.

Tabel 2. Reliabilitas Test

Variable	α	Information
Demografi Factor	0,699	Reliabel α > 0,60
Psikologi Factor	0,829	
Decision of Entrepreneurship	0,752	

Source: data processed

Based on Table 1.2, it can be seen that the Alpha Cronbach whole instrument is greater than 0.6. This suggests that such measurements can provide consistent results when re-measurements are taken on the same subjects.

Classic Assumption Test

To obtain an appropriate empirical model, the regression coefficients must qualify Best Linear Unbiased Estimation (BLUE). To obtain the results of the coefficient BLUE must meet the classical assumption that the data is normally distributed or close to normal, no multicolinearity, and no heteroscedasticity

1. Normality Test

Normality test aims to test whether in the regression model, dependent and independent variables both have a normal distribution or not. Testing of normality of tested data can be determined by One Sample Kolmogorov Smirnov Test. Normality test results can be seen in Table 1.3.

Table 3. Normality Test Result with Kolmogorov Smirnov Test

Variabel	Nilai *Kolmogorov Smirnov*	Sig	Information
Unstandardized Residual	0,702	0,707	Normal Distribution

Source: data processed

Based on the results of normality test data as can be seen in Table 1.3, it can be stated that the value of unstandardized residual obtained from the regression analysis has a number of significance greater than 0.05. Thus, the regression model is feasible because it meets the assumption of normality.

2. Uji Multicolinearitas

Multicolinearity means intercorrelation between independent variables that indicates the presence of more than one significant linear relationship. If the correlation coefficient of the relevant variable is located outside the limits of the reception (critical value) then the correlation coefficient is meaningful and multicollinearity occurs. If the correlation coefficient lies within the acceptance boundary, the correlation coefficient is not significant and no multicolinearity occurs.

Tabel 4. ***Collinearity Statistic***

Variabel	VIF	Keterangan
Faktor demografi Faktor psikologi	1,728 1,728	VIF < 10 Tidak ada multikolinearitas

Source: data processed

Based on the results of Collinearity Statistic analysis known that the model does not occur multicollinearity. This can be seen in appendix 6 where the VIF value of each variable is less than 10.

3. Heteroscedasticity Test

This test is performed to determine whether in a regression model there is a variation inequality from one observation to another. The procedure is to detect by examining whether there is a particular pattern on the scatter plot in Appendix 6. The basis for decision-making is as follows if the existing points form a certain pattern that is regular (wavy, widened, then narrowed), there has been heteroscedasticity.

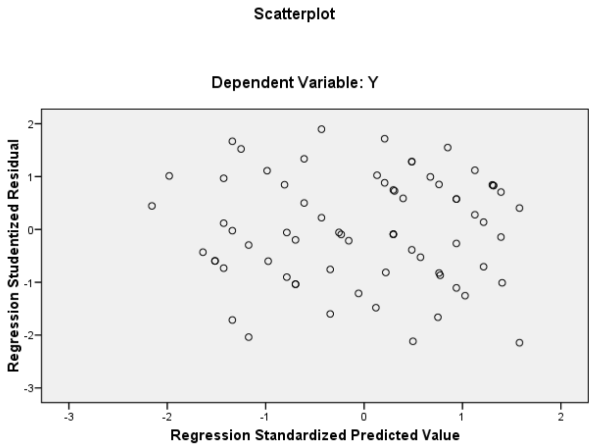

Figure 1. Heteroscedasticity Test Results
Source: data processed

The result of the analysis of the scatterplots graph in Figure 1.1 shows the spreading dots randomly, not forming a certain clear pattern, as well as scattered either above or below the number 0 on the Y axis. This means there is no heteroscedasticity in the regression model.

Multiple Linear Regression Analysis
Multiple linear regression testing is useful to know the level of influence of independent variables (demographic factors and psychological factors) to the dependent variable (entrepreneurial decision). Based on testing with the help of SPSS for Windows 17.0 program obtained the results that can be presented in the following table.

Tabel 5. Results of Multiple Linear Regression Calculations

Variabel	Koef. Regresi	t_{hitung}	Sig.	Information
Konstanta	-0,467	-0,539	0,592	-
X_1	0,166	2,650	0,010	Signifikan Signifikan
X_2	0,521	7,998	0,000	
		R		0,845
		R Square		0,715
		F hitung		85,102
		Sig		0,000
		N		71

Source: data processed

Based on these results can be obtained multiple linier regression equation as follows:
Y = -0.467 + 0.166 X1 + 0,521 X2 + e
Interpretation of the results of the analysis can be expressed as follows:
1. Constant of -0.467, indicating the magnitude of entrepreneurial decisions at the time of variable demographic factors and psychological factors equal to zero. In this case the decision of entrepreneurship will decrease without the three variables caused by other factors.
2. b_1 = 0.166, meaning that if the psychological factor variable equal to zero, then the increase of demographic factor variable will increase the decision of entrepreneurship.

3. b_2 = 0,521 means that if the variable demography factor, equal to zero, then the increase of psychological factor variable will increase the decision of entrepreneurship.

Double Determination Coefficient (R_2)

The value of multiple determination coefficient (R_2) is intended to know the contribution of the independent variable to the dependent variable. The value of the coefficient of determination lies between 0 and 1. If R square or R2 = 1, then the regression line of the model contributes 100% to the change in the dependent variable. If R2 = 0, then the model can not influence or can not contribute to the change of the dependent variable. The fit of the model will get better when it comes to one.

Based on the results of the analysis can be seen in Table 1.5 obtained the results of multiple determination coefficient (R2) of 0.715, this means 71.5% changes in entrepreneurial decisions influenced by the variables demographic factors and psychological factors, while the remaining 28.5% caused by other factors such as motivation, family support, capital, and others not included in the regression equation created

Partial Testing (t test)

This test is intended to determine the influence of each independent variable to the dependent variable. The trick is to compare the probability value (α) with significance level α = 5%. Each independent variable is said to have a significant (real) influence if the probability is ≤ 5% (α). The result of t test using SPSS for Windows program can be seen in Table 6.

Table 6. Summary of Test Results t

Variable	t_{hitung}	Sig.	Information
X_1	2,650	0,010	Ha_1 accepted
X_2	7,998	0,000	Ha_2 accepted

Source: data processed

Based on Table 1.6 can know the magnitude of the influence of each independent variable to the dependent variable as follows:

1. The Influence of Demographic FactorVariables (X1) on the Decision of Entrepreneurship (Y). Based on Table 1.6 it can be seen that the significance of demographic factor variable <α is 0,010 <0,05. Because the probability level is less than 5%, then H0 is rejected, it means partially demographic factor variable (X1) has a significant influence to the decision of entrepreneurship (Y). Thus, the hypothesis that there is influence of demographic factors on entrepreneurial decisions on students of the Faculty of Economics, University of Abdurachman Saleh Situbondo proves the truth (Ha ¬ accepted).
2. Influence Variable Psychological Factors (X2) on the Decision of entrepreneurship (Y). Based on Table 1.6 it can be seen that the significance value of the psychological factor variable <α is 0,000 <0.05. Because the probability level is less than 5%, then H0 is rejected, it means partially psychological factor variable (X2) has a significant influence on the decision of entrepreneurship (Y). Thus, the hypothesis that states the influence of psychological factors of entrepreneurship decisions on the students of the Faculty of Economics, University of Abdurachman Saleh Situbondo proved true (H_2 accepted).

Test Result F

This test aims to determine the factors of demography and psychological factors simultaneously to the decision of entrepreneurship. This study was conducted using a significant level of 0.05. Together variables of demographic factors and psychological factors will prove to have a significant effect on entrepreneurial decisions if the probability ≤ 0.05. Conversely, if the probability> 0.05 then the variable demographic factors and psychological factors have no significant effect on the decision of entrepreneurship. The results of the F test can be seen in Table 1.7.

Table 7. Result of Test Calculation

Dependent Variable	*Independent Variable*	*R Square*	F_{hitung}	Sig.
Y	X_1, X_2	0,715	85,102	0,000

Source: data processed

Based on Table 1.7 it can be seen that the probability value of significance of F test is smaller than 0.05 (0,000 <0.05), then the variables of demography and psychological factors simultaneously have a significant effect on entrepreneurship decisions, in this case H0 is rejected. So it can be stated that there is influence of demographic factors and psychological factors simultaneously to the decision of entrepreneurship of Faculty of Economics, University of Abdurachman Saleh Situbondo.

DISCUSSION

This study was conducted with the aim of knowing the demographic factors and psychological factors on student entrepreneurship decision of the Faculty of Economics, Abdurachman Saleh Situbondo University. Partial statistical test (individual) is done by using t test.

a. The influence of demographic factors on entrepreneurial decisions

The result of regression test shows that demographic factor variable have positive and significant effect to entrepreneurship decision. This means that demographic factor factors measured through students have high tolerance for the risk of entrepreneurship, students have a high interest in entrepreneurship, students have adequate education and will be ready to become an entrepreneur and lead the subordinates, students have educational background in the field economy and business to start a new business in the future, students are interested to become entrepreneurs because of the income they earn if success exceeds the employees, and the students are interested in any additional economic ability received or obtained can be used for consumption and increase the wealth is a factor that determines the entrepreneurship decision of students of the Faculty of Economics Abdurachman Saleh Situbondo University.

Convergence Theory (Walgito, 2004) states that the environment has an important role in the development of individuals. The fact that many happen to justify this theory. A person who grows in a merchant's neighborhood will relatively have a greater chance of becoming a trader. Similarly, other individuals who grow in the environment of farmers, fishermen, entrepreneurs, teachers, and so forth.

The influence of entrepreneurship education has been considered as an important factor to cultivate and develop entrepreneurial passion, entrepreneurship and behavior among the younger generation (Kourilsky and Walstad, 1998). Therefore most universities provide lessons about entrepreneurship to students for the interest of students to entrepreneurship. Growing entrepreneurial spirit of college students is believed to be an alternative way to reduce unemployment, because scholars are expected to become entrepreneurs.

b. The influence of psychological factors on the decision of entrepreneurship

Testing statistics also menunujukkan psychological factors have a positive and significant impact on entrepreneurial decisions. This means that the psychological factors measured through the students feel able to start entrepreneurship, the student believes that entrepreneurship will become a success, the student will be able to manage the business well,

and the students believe the choice to start entrepreneurship is the best factor student entrepreneurship decision of Faculty of Economics Abdurachman Saleh Situbondo University.
The emergence of a new field of entrepreneurial psychology is based on the need to understand entrepreneurs. Although entrepreneurial activity is influenced by various personal, organizational, and environmental factors, entrepreneurship basically needs vision, intention, and human work. Entrepreneurs are the main agents that envision and translate business ideas into products and services, and integrate human and financial resources to manage, manufacture, and market products.
Entrepreneurship psychology is an inevitable development of the field of Industrial / Organizational Psychology. The reason is, among other things, the industries and organizations that are one of the most prevalent aspects of the application of psychology are business organizations. Entrepreneurship is not only an economic activity, but also an activity to develop and maintain organizational survival. Psychology is required to reveal the underlying factors, mindsets, and behaviors that can lead a successful business success. Entrepreneurship psychology is not just about entrepreneurs, but also the role of situational factors.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Based on the analysis that has been done in this research, it can be concluded as follows:

1. There is influence of demography factor on student entrepreneurship decision of Economic Faculty Abdurachman Saleh Situbondo University.
2. There is the influence of psychological factors on entrepreneurial decisions on students of the Faculty of Economics Abdurachman Saleh Situbondo University.

Recommendations

Referring to result of conclusion and discussion, so can be submitted some suggestion as follows:

1. For the Students of the Faculty of Economics Abdurachman Saleh Situbondo University, the results of this study indicate that the variables demographic factors and psychological factors affect the decision of entrepreneurship. Therefore, should the Student Faculty of Economics, University Abdurachman Saleh Situbondo always foster interest and interest to entrepreneurship by attending various entrepreneurial training.
2. As a future reference research with similar themes is expected to be able to add variables used such as motivation, family support, capital, and others so that the findings better in explaining the decision of entrepreneurship and the factors that influence it.

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Dinas Kependudukan dan Pencatatan Sipil Situbondo data tahun 2016

Dinas Tenaga Kerja dan Transmigrasi data tahun 2016

THE ROLE OF CONFLICT MANAGEMENT IN DECISION MAKING IN FAMILY COMPANY (CASE STUDY OF LAND ACQUISITION OF PT X FAMILY COMPANY)

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ABSTRACT

This study aims to find out how to manage conflict in decision making in family companies in case study of purchases by family company PT X. PT. X is a family company engaged in transportation, export import and logistics. The problem this family company has is that the company makes a sudden decision in the purchase of land as a family business supporter without careful planning. Such sudden decision-making affects all aspects of the company's family operations. As a result, the company is experiencing cash flow difficulties and faces a prolonged conflict between the founder and the successor of the company PT. This X. This research uses qualitative research methods to get conclusions about how to manage conflict and make good decisions for family company PT X in the future. The author uses the source triangulation method to test the validity and reliability of the research results. Semi-structured interviews and observations became a means of collecting data on this study. Data is reduced and analyzed for use in resolving conflicts and in making decisions. The result of this research is to design ways or methods of managing conflict within family firms by considering open communication among family members covering various issues such as future plans and vision of business strategy and budget planning of family company open and planned and decision making based on agreement family of PT X. It is expected that this method will be able to avoid conflict in the family so that the family company can continue to grow forward.

Keywords: *Family Company, Conflict, Conflict Management, Decision Making, Family Business, Accountability, Family Budget*

INTRODUCTION

Habing located in Surabaya, PT X is engaged in the field of transportation services, especially land transportation. The company is a family-based company originally founded by the author's parents in 1991. The company expanded in 1993. PT X provides Export Import management services in Surabaya. One branch office, Jakarta, experienced a significant development. In addition to transportation service providers, PT. X also traded second vehicles from Singapore and Japan in 1998. At first, PT X only moved in one business area only. Over the course of time, the company is transformed into a "Total Logistics" service center company or a comprehensive Logistics Service Provider.

The founder of PT X wants to add total services as a whole: providing land to support logistics service center and warehousing management services. Automatically, these developments make the business of the company widened. In short, company X not only offers goods delivery services from one place of origin to the destination but also provides storage services (warehousing).

Initially, there was an internal conflict within the management of PT X: the decision of the founder associated with the purchase of assets in the land that will be used as a warehouse of customer goods.

In 2005, the founder of PT X took the initiative to buy land in Surabaya as a garage. Some of the land was also used for rent as storage warehouse and container depot as supporting its transportation business. Everyday operational affairs are quite complicated. This situation is exacerbated by the issue of management arrangements: unnecessary expenditures and contrary to the beginning of the company's direction of standing. All the biggest decisions always came from the founders. Plans and opinions of the second generation were not always acceptable to the founder. This happened because there was no communication and planning first. Funds spent on buying land were huge and even larger than expected.

Both the second generation and the assigned employees were unable to address the issue of land purchase. The absence of organizational structure and clear division of tasks made the company's performance hampered.

The biggest challenge in achieving a sustainable family business enterprise is the absence of conflict within the company. The conditions and facts described above encourage the author to examine a research topic entitled "The Role of Managing Conflict in Decision Making in Family Company PT X". It is expected that this research can give recommendation in the form of solution or strategy for family company X so that this company can stay and grow in the future.

The purpose of this research is: to examine how to manage conflict in decision making at family company PT X in case study of land purchase.

LITERARY REVIEW

Conflict within Family Company

Conflict is a natural element of human relationships. Conflict is something that can not be avoided in life. In life, people struggle with conflict. New changes or innovations are very vulnerable to conflict (destructive), especially if not accompanied by adequate understanding of developing ideas.

Conflicts within family firms are divided into three types: task conflict, process conflict and relationship conflict. Task and process conflict occurs due to operational issues of the company. Task conflict occurs because of disagreement among individuals in family firms about how to achieve goals that they have previously agreed upon. Relationship conflict occurs due to negative feelings or negative emotions of individuals working in family companies such as tension, competition, hatred, hostility of family members. When the conflict is not resolved, communication and trust in the family are difficult to build, let alone make effective decisions. The friction between the people we love and the business interests make the family business unique. Families have a notion that is rooted in the tradition of family generation and business history.

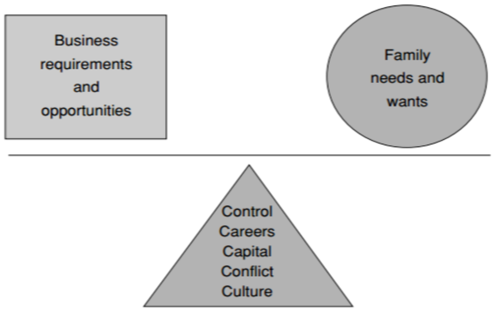

Figure 1. The Family Business Dilemma
Source: Ward (1994)

The definition of conflict in the family company according to Ward (1984) occurs because of the intensity of the imbalance between the love (family relationship) and work. Love and work are the main sources of the self-esteem and pleasure of an individual's life. If both are balanced, the individual can find satisfaction. Figure 1 illustrates conflicting goals in family firms: Family systems are more related to emotional needs while Business systems are more related to work performance demands. The relationship between love and work is connected one to another.

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Figure 2. Differences from System Objectives in 3 Family Enterprise Models
Source: Tagiuri & J.A. Davis (1982)

According to Tagiuri and Davis (1982), there is a difference of system objectives of 3 (three) elements model of a family enterprise. The three Family Business Elements are:

1. Family: success in the family is measured in terms of harmony, unity, and the development of a happy individual with a solid and positive self-esteem.
2. Business: Business is an economic entity in which success is measured not on the individual's self-esteem and pleasure, but in productivity and professionalism. So the main measure of a person lies in contributing to the implementation of strategy, target achievement, and profitability of the firm.
3. Ownership. Ownership is based on a person's role in investing in the company, the role of minimizing risk, representing the company in contact with outsiders.

Family businesses are more complex than non-family businesses due to family, business and ownership factors. The imbalance of these factors can lead to conflict. The family business challenge is at the crossroads of three systems: system values can lead to conflict. The goal is to create healthy systems and boundaries of healthy individuals, without inter-system barriers. This goal can be achieved by clarifying roles, responsibilities, and expectations and for creating rules of engagement between each system.

This business system should take the opposite approach if they want to survive in continuing their business. Companies need to focus on the external environment and find ways to exploit change. This strategy is a key factor in the success of family business. This becomes a great power as well as a potential weakness for family business. Family businesses that place more emphasis on business systems while reducing attention to the family system, often end up with family relationships and creating business competition.

Source of Conflict or Cause of Conflict

Conflict occurs because one party has high aspirations. High aspirations are an integrative alternative that is generally difficult to achieve. Such conflicts occur because one maintains a rigid aspiration. This aspiration can lead to conflict for two reasons: each side has reason to believe that they are capable of obtaining a valuable object for themselves and secondly they believe that it is entitled to own the object.

According to Levinson (1971), this conflict has a negative impact. However, Tjosvold (1991) argues that there is a positive impact of such conflicts because conflicts can improve performance. Some researchers (Amason and Schweiger, 1994; Jehn, 1995, 1997; Jehn and Mannix, 2001; Kellermanns and Eddleston, 2007) say that task conflicts and process conflicts can improve performance; whereas, relation conflicts lead to discontent and frustration (Jehn, 1997; Jehn and Mannix, 2001)

Conflict Management and Settlement

In the conflict management process, there is the so called term “managing conflict”. Stevenin (2000, pp.134-135) says that conflict management aims to deal with conflict. The steps of conflict management are as follows: reducing conflict, and resolving conflicts. One way of reducing the conflict method is to cool down the matter first (cooling thing down).

Resolving conflict in an integrative way is to encourage conflicting parties to solve common problems through problem solving techniques. The parties try to solve the problem together. This strategy is not simply by pressing or compromising with conflict. Even if this is the best thing for the organization; in reality, it is difficult to do satisfactorily. This is because the conflicting parties have no will and honesty to solve the problems.

The conflict approach begins with self-assessment: analyzing conflict-related issues, reviewing or adjusting the results of self-exploration, organizing and planning meetings with conflict-affected individuals, monitoring the point of view of all individuals, developing and outlining solutions, selecting solution and action, and plan for implementation. Other things to consider in resolving conflicts are creating effective systems and communication practices, preventing destructive conflict before it occurs, establishing standard rules and procedures especially with respect to employee rights, ensuring that superiors play an important role in resolving conflicts, creating a climate and a harmonious working atmosphere, form a team work and good cooperation between groups/work units, realize that all units/echelons are the links of mutually supportive organizations, do not feel the greatest, and build and develop a sense of solidarity, tolerance and mutual understanding between units/departments/echelons.

RESEARCH METHODS

This research uses research type with qualitative approach. Sugiyono (2012: 63) states that in general there are 4 kinds of data collection techniques: observation, interview, documentation, and triangulation. Technique of collecting data of this research is by doing observation and interview with resource person company PT X and exploiting sources of written documentation.

In this study, the interview was conducted with reference to the interview guide. During the interview process, data collection was intensified according to the research needs. Researchers used recording tool to facilitate the process of data processing. TLS and HP's sources were the first generation of family company in PT X. TLS's 56 year-old informant and HP Resource Person was 64 years old. They lived in Surabaya. They founded this family company together since 1991. The PCT source was 35 years old and he was the second child of TLS and HP. He was the second generation of PT X family company. He has been in the company since 2006. PSL was 32 years old and he was the third of PT X's Company. He has been in this family business since he was 19 years old. At this time PSL Resources have handled all aspects of the family company to the branch in Jakarta. The PCT resource person handled field operations and had its headquarters in Surabaya. FEL informant was 45 years old and he has been working in PT X Company since 1999. He was a professional who worked inside this family company and knew about all issues of this family company.

According Sugiyono (2011: 330), the technique of source triangulation is a data collection technique that is done by combining various techniques of data collection and data sources.

Stages of data collection were conducted as follows: (1) Conducting interviews with the leadership of PT X family companies to collect information on the stages of planned conflict management (when planning); (2) Conducting interviews to two corporate successors on internal conflict management, (3) Selecting and selecting data to support the needs of this research data. (4) Processing data to make it a reference in determining good decision making regarding the purchase of land for PT X. (5) Adjusting the Conflict Management Model well with reference from the family system, management system, ownership system and personality system. (6) Formulating the best conflict management and decision-making points for PT X company, (7) Generating the most effective conflict management that can be applied in family company PT X

DISCUSSION

Family business (Kidwell, Kellermanns, & Eddleston, 2012) is an enterprise where family members often act and act as caretakers. They help family businesses to achieve success by providing specific resources. Sindhuja (2009) argues that a business is said to be a family business when it meets one of the following three criteria: 50% or more of the company's holdings are held by one family, the family group effectively controls the business, or the family role is very significant in occupying management positions senior. Family business is a system of complex business arrangements. Therefore, there needs to be a balance between business and work affairs with business or family interests. This business system is dynamic and constantly undergoes changes and developments according to the circumstances and conditions. They also have their own uniqueness that is composed of elements of history, strengths, shortcomings, opportunities and threats.

Conflict and Its Causes

Conflict can be understood as a contradiction between what happens to what a person expects about himself, others, the organization.

This study found that conflict occurred in PT X. Most conflicts occur in the office. At first the conflict was a corporate operational conflict. Furthermore, the conflict is exacerbated by the issue of land purchase. This conflict involves all family members who work in PT X. But the conflict does not involve professionals working in the company (in this case for the purchase of problematic land)

The internal family conflict within the family company arises unrelated to how big the company is, how long it lasts, and the generation that the company is running. While conflicts occur in

PT X companies, ways to manage conflict need to be done so as not to aggravate conflict conditions.

> *Most conflicts are in the office, work problems and because of this family business, many also created the initial conflict from the internal family, and spread to other affairs. What everyone is involved with. "(HP)*

Discussion of research is more directed to material capital in the form of place or land that will be developed in the business strategy of this family company. However, purchased land sparks disputes, and creates conflict in this company.
Conflict is not only related to the work affairs, but also related to the internal affairs of the family or personal problems in the second generation. This conflict should not need to be mixed up with work issues or with personal issues. The growing conflicts within the company stem from the issue of land purchase that was originally intended to develop the business of PT X. The situation is exacerbated by their lack of good communication, clear rules. In fact they often decide the matter by way of a veto between the leaders. This information comes from one of the second generation.

Type or Level of Conflict
Conflict in the organization generally consists of 6 types or levels of conflict (Wahyudi, 2015), namely: Intrapersonal, Interpersonal, Intragroup, Intergrour, Intraorganisasi and Interorganisasi conflict. The following is an interviewee's statement on the type and extent of the conflict within the PT X family company

Factors Affecting the Causes of Interpersonal Conflict in PT X
There are several factors that influence the causes of Interpersonal conflict: human factors as well as organizational factors. Here are some statements from the interviewee when answering what factors affect the causes of conflict in the company

> *"Yes I think yes different interests and backgrounds yes. Differences between private interests with the interests of the company. Although in the end also remain mutually supportive. The background of interest is also different. "(TLS)*

Based on the results of further interviews from the founder, second generation and corporate professionals, backgrounds, perspectives and mindset, different opinions for the short and long term for the company, different interests of each personal cause of conflict in PT X. This conflict is based on differences in the way of thinking, views, and corporate goals between the first generation and the second generation.

The first generation felt fatigue and boredom in taking care of the company's operations. According to them, the company can no longer raise the performance and finally decided to buy land. Conflicts in PTX companies include the type of Interpersonal Conflict or Intraindividual Conflict. According to Wijono (1993, pp 7-15), there are several sources of causes of conflict in PT X: goal-related conflicts and role-related and ambiguous conflicts.
Male and female gender factors are the factors that cause different ways of thinking about conflict. At a glance, PT X Company runs gender equality. This is because the founders allow their wives and daughters to work in the company. However, according to interviewee, the mindset of a woman tends to think long term and does not want to get involved with

complicated issues. They tend to wear feelings and the nature of sheltering or protecting the family. Men tend to think by using logic and practical. Different viewpoints create conflict.
The conflict in PT X came about due to the combination of two opposing systems: the corporate system and the family system. The first generation as a founder and parents have the love and hope to give their children their inheritance in the future. Their children are the second generation of PT X companies. However, the attitudes of the first generation may be the main cause of conflict according to Randel S. Carlock. The intensity of family and work relationships is created with conflicts of love and work. Love and work are the main sources of pride and pleasure in life. If both factors are balanced, we can achieve satisfaction.
Wahyudi (2008) says that an organization experiencing conflicts in its activities has the following characteristics: differences of opinion or conflict between individuals, disputes in achieving goals due to differences in perceptions of interpreting organizational programs, conflict of norms and values of individuals and groups, and mutual behavior, prevents others from winning for limited organizational resources, debates and disagreements as a result of new creativity, initiative or ideas in the pursuit of organizational goals
To prevent conflicts from becoming widespread or difficult to control, conflict management is required. Conflict occurs because of the difference of role and ambigius in duty and responsibility to attitude, values and expectations that have been determined in an organization. The problem of the vagueness of each family member's role emerged. This condition gradually creates conflict among family members (internal family conflict), and affects not only the destruction of the family, but also the destruction of the company.
This supports the interviewee's statement that there is a difference in perspective, the idea of the founder in purchasing disputed land differs from the perspective of the second generation, the disagreement in achieving the objectives due to different interpretations of the long-term program of the founder by the second generation. The role and ambiguous differences in PT X also make the conflict more tapered, the power division and power of the first generation and the second generation are not clear causing conflict, this is supported by the statement of professional interviewee working in the company, that in this company has four leadership and make employees are also confused to follow which orders or decisions.
An approach is needed in the handling of conflicts by identifying the main causes of the conflict and finding the best solution for the common interests of the company, providing a barrier of what can be discussed and which need not be addressed in the workplace. Also need to run a certain approach to manage Interpersonal conflict. The method is the Approach-approach conflict method: people are encouraged to take a positive approach to two or more issues with separate goals. Approach-Avoidance Conflict is an approach in which people are encouraged to approach the issues with reference to one purpose and. At the same time, they are encouraged to overcome these problems and refer to their goals containing positive and negative values for the person

CONCLUSION

The most important thing in conflict management is the role of the founder as a determinant of conflict resolution and decision making. Founder plays an important role in managing both things well. They need not emphasize emotions. This helps to minimize interpersonal conflict in the company. Good communication is essential in resolving conflicts. The balance of interests between family, employment and ownership becomes one of the most important issues in good conflict management and decision making. Considering risk management, investment theory, applying good accountability, regularly and periodically, holding family meetings and communicating strategic planning and vision of the company's mission in the future will minimize conflict and risk. Financial difficulties and cash flow will also be avoided.

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ANALYSIS OF BUSINESS OPPORTUNITY AS IMPACT OF HEDONIC SHOPPING VALUE AND LIFESTYLE SHOPPING IN DIGITAL ERA IN SURABAYA EAST JAVA (VIA SWOT ANALYSIS)

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ABSTRACT

This research is an explorative qualitative research, analyzing the impact of changes in consumer behavior as one of the consequences of urbanization namely hedonic shopping value behavior and lifestyle shopping to business opportunities that can be conducted; supported by technological improvements, social media, in Surabaya, by observing, observation of shopping malls, coffee shop cafes, densely populated residential areas, campus environments, and manufacturing environments, divided into represented areas. Analysis used with SWOT, that is by analyzing internal factor that is strength and weakness. External factors are opportunities and threats. The results of the analysis as follows: Strength has a larger value with 14 points, it,s important compared to the weakness of 11 points, this means from internal factors have more strength with a value of 45 compared to weakness with a value of 36. From the external side of the opportunity with the number of items 12, yielding point 41, while the challenge with 11 items, yielding 37 points. From the SWOT analysis results obtained some business opportunities that can be taken, with 6 business fields namely, Property, Education, Transportation, Culinary and house work field. Each field can be developed into various aspects of the business. Business can be done with using technology, with social media, open his/her own applications or using existing applications or programs, such as instagram, line, Fb, blibli applications, pedia shop and many more. Businesses can generate job opportunities and income without having to leave a job.

Keywords: Hedonic shopping value, lifestyle, business opportunity..

INTRODUCTION

The era of globalization, the millennia era, the present era, whatever the terms we often hear, but the estuary is the open window of the world, either it is in trm of Politic, Economy, Social, Cultura, Education, and others, it has been started with several stages, with the AFTA (Asean Free Trade Agreement), the opening world trade of ASEAN level, this resulted in the increasingly tight competition in the world trade, although only at the ASEAN level, Indonesia was in the fourth position after Singapore, Malaysia and Thailand. In 2013 with the AC FTA, it is getting wider by entering of China. This resulted in China's product goods flooding our country, and by 2015 the MEA (The Economic Community of Asia). Our competitiveness is geeting wider and wider.. Meanwhile, the State of Indonesia is still Developed Country trying to get up, catch up the missing by increasing again the movement of entrepreneurs with policies in favor of the People. Various policies implemented by the government include tax amnesty policy, fuel price adjustment in remote areas, acceleration of infrastructure development, until to the policies that touch small group of people. Policies with a variety of possible opportunities to improve the welfare of the community, the policies of have a positive and significant effect on the other side.

One of the Government policies that affect to the employment sector is Law No. 13 of 2013 on the use of Foreign Workers, Presidential Regulation No. 72 year 2014 on the use of Foreign Workers and the implementation of the Workers Training of Co-workers and Manpower regulation No. 16 year 2015 junto Permenaker No. 35 year 2015 concerning Procedures for the use of Foreign Workers. The regulation contains the opening of Foreign Workers, supported by the opening of 169 countries without visas. East Java, one of the provinces in Indonesia is also inseparable from the policy and we cannot avoid it. While the workforce of Indonesia based on data from the Department of Manpower of East Java Province is in the position as in the following table:

Table 1

NO	**Type of activity**	**unit**	**2015**		**2016**		**2017**	
			February	**August**	**February**	**August**	**February**	**August**
	1	2	3	4	5	6	7	8
1	Working age population > 15 year	million	29, 74	29, 88	30, 03	30, 17	30, 31	30, 4
2	Work force	million	20, 69	20, 27	20, 50	19, 95	20, 89	20, 94
	work	million	19, 80	19, 37	19, 65	19, 11	20, 03	20, 10
	unemployment	million	0, 89	0, 91	0, 85	0, 84	0, 86	0, 84
3	Not workforce	Milion	9, 05	9, 61	9, 53	10, 21	9, 42	9, 51
	School	Million	2, 38	2, 30	2, 33	2, 32	2, 18	2, 17
	Taking care of household	Million	5, 41	5, 92	5, 85	6, 59	5, 95	6, 13
	etc	Million	1, 26	1, 39	1, 35	1, 30	1, 28	1, 21
4	Labor force participation rate	%	69, 58	67, 84	68, 27	66, 14	68, 93	68, 78
5	Open unemployment rate	%	4, 31	4, 47	4, 14	4, 21	4, 10	4, 00
6	Workers are not full time	Million	6, 41	6, 24	6, 28	5, 60	6, 26	5, 73
	Half unemployment	million	1, 63	1, 63	1, 61	1, 34	1, 23	1, 23
	Part time	million	4, 78	4, 62	4, 66	4, 26	5, 03	4, 49

Taking note of the above table, related to government regulations on the opening of opportunities for Foreign Workers, resulting competitiveness of labor is getting tighter. Meanwhile, the Minister of Economy explained in Metro TV news.com, Jakarta. regarding to the implementation of the Minister of BUMN (State-Owned Enterprises) on the recruitment of the Director of Foreign Workers and has been approved by the President. This motivates people not to keep being silent waiting for the salary given by the company on a certain date with a certain amount can be measured and counted How we react about it?

On the other hand, the development of society that is moving towards a more dynamic change in lifestyle moves to follow the flow of globalization, it is also influenced by various things, including the openness of economy, making a significant shift from traditional lifestyles in the millennia lifestyle. This lifestyle change also triggers the development of human needs move quickly and change. what made this lifestyle change? This change in lifestyle is due to several things, including Urban life, the movement from the village to town can be caused by a number of things. It can be due to work, education, or for other reasons such as natural disasters that forced people move from traditional communitieshave to adapt to the people in the city who had become a hedonic society earlier. These changes resulted the factors affecting consumer behavior, "consumer buying behavior is influenced by cultural, social, personal and psychological factors" Kotler and Keller (2012: 151). The factors can provide a business opportunity, whether it is the changes of consumer behavior which is caused by cultural factor where culture is a belief, the value of the habits learned by someone. Social factors also influence changes in consumer behavior a lot, either social factors that are influenced by reference groups, families, and roles and status. As said by Dwiastuti, R, . In his book the knoledge Consumer Behavior, stated that "reference groups have an influence on consumers especially in the buying process". So is also the influence of personality factors consisting of several things namely age and stage of life cycle, occupation and economic environment, lifestyle and personality and self-concept. Psychological factors, namely motivation, perception, learning, beliefs and attitudes, will also influence consumer behavior in terms of purchasing decisions. By paying attention to these factors, it can be analized that changes in consumer behavior can provide a business opportunity if it is related to economic openness, competition, urban life, lifestyle, These trigger hedonic shopping value, and shopping life style . If a businessman can capture business opportunities from both buying behavior, then a lot of business can be done. On the other hand, technological advances make it easier for business people to carry out their business without leaving the work that has been owned and generating definite, measurable income. By paying attention to the needs of consumers through the analysis of consumer changes mentioned above, there are many business opportunities that can be implemented, in the field of property, opening a rental business, contracting a house or even build cheap and adequate house, for food culinary is badly needed, because the new comers need to eat, while in a boarding house the time available is very limited. People tend to buy fast food by considering efficiency. So catering services, food stalls, restaurants are badly needed. Meanwhile, a boarding house that does not allow washing or drying, or the difficulty of house workers or household assistants, causes homework need an external workers, whether it is washing and ironing , cleaning house, etc. All possible types of business can be carried out digitally, meaning that in terms of marketing, ordering, delivery goods etc. can be carried out by using Contract Workers without leaving the work we have engaged in, either as Civil Servants, BUMN, private and Students, all can become a businessman without leaving his job and earning extra income.

Based on some of the above phenomena, we will analyze business opportunities as a result of hedonic shopping values and shopping lifestyle in the digital era in Surabaya through SWOT analysis.

LITERATURE REVIEW

Observing business opportunities can not be separated from observing consumer behavior, consumer behavior is the last buying behavior of consumers, both individuals and households, who buy products and services for personal consumption (Kotler and Armstrong, (2012: 133). While factors that influence consumer behavior , according to Kotler and Keller (2012: 151) is a factor of Culture, Social, Personal, and Psychological. From several factors that influence consumer behavior of cultural, social, and personal factors will have an impact on Hedonic shopping value when associated with phenomena that occur from the openness of economy. Urban Life and a shift in the digital era. Hedonic shopping values are stimuli that select the quality of the shopping environment in terms of perceived enjoyment, interest due to visual appeal and relief (escapism) (Subagio 2011: 15) hedonic shopping value reflects potential shopping entertainment and emotional value (Utami: 2010) purchase is incidental, non-permanent, the actual purchase action can produce a hedonic value and can act as the climax of the purchase process. This will lead to impulsive spending. Utami (2010) identifies six factors of consumer hedonic shopping motivation, namely: 1. Adventure shopping. Where consumers shop because of the encouragement that evokes passion for shopping. 2. Social shopping. Some consumers shop because they think that there will be enjoyment in shopping when they spend time with their family, friends or community. So shopping is a social activity to be sociable. 3. Gratification shopping. Consumers shop to overcome a bad mood, stress, to forget the problems at hand. 4. Idea of shopping. Where consumers shop to follow the trend of new models, consumers usually get information through advertisements offered by mass media, social media, especially in today's digital era. 5. Role shopping. Consumers with this role shopping model, shopping for others or their organizations. Shopping for others makes their hearts happy. 6. Value Shopping. shopping is a game when bargaining prices, or when consumers are looking for a place to shop with cheap prices.

Other factors that influence consumer behavior are psychological factors, this factor has several indicators namely Motivation, Perception, Learning, Belief and Attitude. From some of these indicators will affect the style of spending from consumers for example;

lifestyle, lifestyle according to Mowen and Minor in Sumarwan (2011: 45) explains that lifestyle reflects the pattern of consumption that describes a person how he spends time and money. Lifestyle has characteristic which is not permanent or rapidly changing. The lifestyle of Cobb and Hoyer in Tirmiji (2009: 524) defines the Shopping Lifestyle as the behavior shown by the buyer in connection with a series of responses and personal opinions about the purchase of the product. Consumers will be willing to sacrifice something to meet the lifestyle and it will tend to lead to impulse buying behavior (Japarianto: 2011). Based on this definition, it can be concluded that shopping value is a way of consumers shopping, fashion, entertainment, education.

SWOT analysis is a classical strategic planning instrument. By using a framework of strengths and weaknesses, in external opportunities and threats, this instrument provides a simple way to predict the best way to implement a strategy.

A business is an organization that sells goods or services to consumers or other businesses to get profit. from https // id.m.wikipedia.org> wiki> business.

RESEARCH METHODS

The type of research used is explorative qualitative. The aims to map an object in a relatively deep or in other words, explorative research is research conducted to find causes or things that influence the occurrence of something and it is used when we do not know exactly and specifically about the object of our research. Researchers reveal this exploratory research qualitatively. (Sugiono). According to Sugiono (2007: 49), in qualitative research does not use the term population, but is called a social situation consisting of 3 elements, namely place, actor and activity. In the social situation or object of this research, researchers observe deeply the business opportunities as a result of hedonic shopping values and shopping lifestyle.

Arikunto (2006: 7), explains "Explorative research is a research aimed to explore extensively the causes or things that affect the occurrence of something".

This explorative qualitative research uses SWOT analysis. SWOT Analysis is a classical strategic planning tool using a framework of strengths and weaknesses, external opportunities and threats, this instrument provides a simple way to estimate the best way to implement a strategy. This process involves determination of specific objectives of business or project speculation and identifying internal and external factors that support and which and not support in achieving the objectives.

Table 2. Scheme of SWOT Analysis

STRENGTHS	WEAKNESSES
•Skill •Funding Lines •Commitment to positions •Contacts and partners •Existing activities	
Opportunities	**Threats**
• Other Organizations relevant to issue • Resources financial, technical, Human • Political and policy space • Other groups or force	

DISCUSSION

Indonesia is the fourth most populous country after China, India, USA, with a population of 258,316,051 with an area of 1,904,569 KM2 (CIA World Factbook, 2016). It consists of thousands of tribes and cultures. With the fourth largest population in the world, Indonesia has an advantage of 157 million productive ages, so it is bigger than the number of unproductive age (Susenas.2014). East Java where we are with a population of 38.29 million people in 2018 with a ratio of women 19.9 million, men 19.4 million have a productive age and young age is greater than unproductive age. (https // jatim / bps.co.id) Contribute 14.85 per cent to the National Gross Domestic Product, of course this is supported by the success of the movement of UMKM (Micro, Small and Medium Enterprises) in East Java grow until now 6,825,931 UMKM, with a total workforce of 11,117,439. Surabaya is the largest city in East Java with 260,762 UMKM, with a total of 466 779 productive workers.

UMKM Business doers in Surabaya or even in East Java develop rapidly due to several things:

1. Education is getting better, in East Java almost all universities both State and Private have the Faculty of Economy, with curriculum content that contains real economical behavior with the aim of Students are expected to carry out entrepreneurship, furthermore the development of higher education which is more specifically fostering Students towards the practical education of entrepreneurship , doing business which has been implemented the student creativity program at the School of Economics.
2. Not absorbing productive age to work in the formal sector as an employee, either as Public Servant or Private, thus motivating the society to create their own employment, with entrepreneurship.
3. Government regulations that support and encourage the growth of UMKM with various policies, among others, the requirements for the application of permits simplified, relief and support banking in capital, the role of BUMN (State owned enterprise) as partners and counterparts, CSR programs, and much more.
4. Progress in digital technology, concrete examples of almost all residents in Indonesia, in East Java or in Surabaya have mobile phones, either in the form of mobile phones, tablets, Iphone, or whatever form.

With the development of UMKM that contribute to high Gross Domestic Income triggers entrepreneurs to continuously see various opportunities to open businesses, by considering the considerations of consumer behavior in hedonic shopping values and lifestyle shopping. As it has been explained that Hedonic Shopping Value and Lifestyle shopping behavior triggers impulse purchases, purchases with no intention in advance, so buying without a plan. This can be captured as a business opportunity. Usually purchase at stores, but in this digital era it is possible consumers can pay attention to display offerings through social media with easy access and applications of various kinds, such as Instagram, facebook, line, bukalapak, blibli and many more . as for the opportunities that can be developed from various sides, from the side of consumer behavior Hedonic Shopping Value with the background of various demands of life such as housing needs, the need to eat, drink, transportation, education, entertainment, as well as from the side of lifestyle shopping, lifestyle shifts in the fulfillment of their needs requires comfort, recognition of the social class, so to get it through a sacrifice that is no longer a thought, this creats impulse buying. It can be captured as a business opportunity. For more details will be seen in a simple scheme as follows:

STRENGTHS	**WEAKNESS**
OPPORTUNITIES	**THREATS**

1.STRENGTH (STRENGTH)

Strength from outside the existing business opportunities, seen from the structure of society hedonic in Surabaya are;

1.1 The average income level is UMR (minimum regional wage), above 3.5 million so they can meet their daily needs and wants,

1.2 People lifestyle prefer to get their needs and wats easily and practically.

1.3 Almost 95% of people have used gadgets or android phones that easily connect with the internet

1.4 Many of productive ages and young executives, occupying important positions in his office at a young age (under 35 years),

1.5 Lots of new business opportunities can be created

1.6 There is still plenty of vacant land in strategic locations, even contracted buildings for businesses in the Surabaya area

1.7 The easier it is to get loans / soft loans from financial institutions or Banking for UMKM entrepreneurs, with a small interest rate.

1.8 The easier it is to get goods or raw materials to open new business through on line or off line.
1.9 Internet facilities are getting easier to get and used.
1.10. Efficient licensing policies
1.11.Government assistance in the form of education and training.
1.12. Infrastructure facilities that have reached remote villages.
1.13.The level of community education increases.

2. WEIGHTNESS (WEAKNESSES)
Weaknesses from outside the existing business opportunities, seen from the structure of society hedonic in Surabaya are;
2.1. The number of competitors with the same business
2.2. Mindset "Cheap price" resulted in a price level relatively cheap for certain products, so to get the maximum profit is quite difficult.
2.3. Still lack of understanding from business actor in using the internet to market their products
2.4. Lack of existing capital to open a business
2.5. Lack of entrepreneurship so that the soul is still doubt even afraid when he will open a new business
2.6. Still using traditional or conventional ways of managing a business
2.7. Most of the UMKM actors, have not done the bookkeeping properly.
2.8. Lack of recording or bookkeeping of small business actors.
2.9. Lack of innovation in products, place layouts, and promotions
2.10. no interest to join in similar organizations in his business, so that he lacks of business communication.
2.11. Management tends to be not professional.

3.OPPORTUNITY (OPPORTUNITY)
Opportunities to open new business in Surabaya;
3.1 Business Property, by opening land for simple housing to elite housing, rental for boading house or residence, business or RUKO (house is used for doing business), etc.
3.2 Culinary business,
3.3 Online Transportation business
3.4 Services business, among others; laundry services, cleaning services, child care services (TPA), education services, and health services (clinics, hospitals, healthy homes, etc.), pharmacies, etc.
3.5 Culinary Businesses, such as catering, rice stalls, coffee shops, depots, even restaurant.
3.6 Transportation business, including transportation services, rental car, school shuttle & clerk, delivery or pick up goods, etc ..
3.7 Service services of electronic goods, vehicles and home appliances, etc.
3.8 Retail trade business, both traditional stores, modern stores, supermarkets to the on-line store.
3.9 Government policy in cooperation business
3.10. Not difficult to open francase, which is now in trendy business.
3.11. Ease of obtaining capital from a Financial Institution.
3.12.Often held coaching either from the government or from academia.

4. TREATMENT (CHALLENGES)
Challenges that must be faced by businessman in Surabaya, among others;
4.1 Law on the use of Foreign Workers,
4.2 has not been absorbed Productive workers in the formal sector, as well as non-formal, both

public and private.
4.3.flood of imported goods that is liked by people, with cheaper price
4.4.Lots of people who have opened the same business and see business opportunities in the same
business field.
4.5.Lack of encouragement from the family when they will open a business, due to fear of loss or
bankruptcy.
4.6.Seeking capital needed both for initial capital and for development
4.7.Must have motivation to learn to use the internet and follow the progress of modern technology
to market its products
4.7 Assistance to management from academicians have not been done effeciently and effectively
4.8 Must be able to compete with similar franchises that come imported.
4.9 Motivation of legalization of business, in order to have a sale value
4.10 Willingness to expand into newly opened areas.
4.11 Design the product model according to the situation and needs of the user community.

Observing the observation result plus the leteratur study as the comparison, through the likert scale with the 4 standard is very important, 3. Important, 2. Not important, then the following results are obtained:

Table 3.1 IFA'S & EFA'S Analysis

INTERNAL	**STRENGTHS**		**WEAKNESSES**	
	1.1	4	2.1	4
	1.2	4	2.2	3
	1.3	4	2.3	4
	1.4	3	2.4	4
	1.5	3	2.5	3
	1.6	3	2.6	3
	1.7	3	2.7	3
	1.8	3	2.8	3
	1.9	3	2.9	3
	1.10	3	2.10	3
	1.11	3	2.11	3
	1.12	3		
	1.13	3		
	1.14	3		
	SCORE	**45**		**36**
EKSTERNAL	**OPPORTUNITIES**		**THREATS**	
	3.1	4	4.1	4
	3.2	4	4.2	4
	3.4	4	4.3	4
	3.5	4	4.4	4
	3.6	4	4.5	3
	3.7	3	4.6	3
	3.8	3	4.7	3
	3.9	3	4.8	3
	3.10	3	4.9	3
	3.11	3	4.10	3
	3.12	3	4.11	3
	SCORE	**41**		**37**

Source: processed researchers

Analyzing the above, it can be seen that from the internal factors that consists of 14 items, resulting in a value of 45, while the weakness with 11 items has a value of 36. While from external Opportunities with 12 items to produce 41, while threats with 11 items have value 37 . Thus, consumer behavior that is Hedonic shopping value and lifestyle, is an opportunity that we can catch as something that gives benifit value in increasing income through business sector by minimizing movement of business activity through social media with various applications available. The possibility of the type of business that can be implemented

Can we categorize into six fields or even more, just in this discussion we describe into six areas, namely: Property, Culinary / Food, Education, Transportation, Home Service. The six Fields can be devided into several types of businesses or businesses that are well known to the Society. Field of Property, either own or just as a manager that is starting boarding house, contract House, apartment, homestay etc .., while the field of education began Pre-School Education with Child Care Park, kindergarten, up to college, and courses , Culinary more promising, starting from home business catering, food stalls, restaurants, cafes, etc .., Transport area, the field of Household Services, starting from loundry, cleaning house to household appliance service. We can define it as follows:

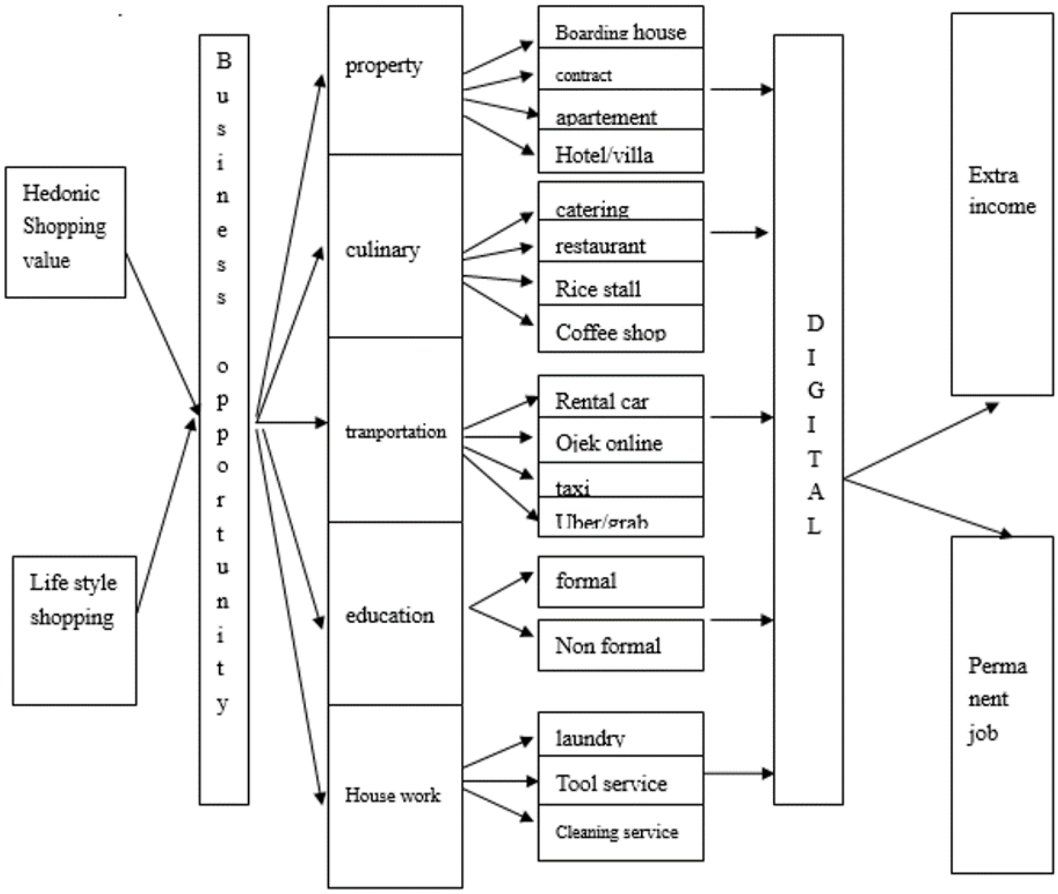

Figure 3.2 Business opportunity scheme
Source: processed researchers

Some aspects that appear to trigger changes in consumer behavior include:

1. Job Factor, from conventional way in the village as a farmer, fisherman, trader, etc., with the improvement of education paradigm, people prefer working in the city life , due to the level

of education adjustment, where the village has not been able to accommodate labor accordingly, so many people move from the village to town, both in the same region in one province or to another province, even abroad.
2. Education factors, the desire to achieve higher education motivates the villagers to move to cities, in addition to better educational facilities in the city, also the customary philosophy of "eat or not eat no problem prvided that gatherings" has begun to erode, this is supported by the ability of the communityis getting better.
3. Government Regulation Factor, the Government issues several policies, whether in the form of Laws, Presidential Regulations, Governor Regulation and so on about some things that resulted in people thinking to switch professions to pursue the business world, the example of the Law on Foreign Workers, can earn more, by opening a business in anticipating of further reduced employment opportunities.
4. Other factors that are Individual, Villagers move to town due to their own desires, or natural disasters that cause land can not be managedany longer, so that the villagers move to town to find livelihoods.

from the four things above, encouraging them to move to town and feel comfortable in the city, so there will be changes in consumer behavior, including:
1. hedonic / hedone behavior: that is buying behavior because of pleasure or enjoyment due to visual appeal and sense of relief (escapism) (Yustini, 2012).
2. Changes in social class: changes in social class due to several things, according to Engel, Blackwell and Miniard, 1995 which is condemned Ujang Sumarwan argues that there are nine variables that determine social classes that are classified into three categories, namely:
   2.1. Economic category, namely the variable employment status, variable income and variable property.
   2.2. Category of Interaction, consisting of prestige variable Individual, Association, and socialization.
   2.3. political category, namely the variable power, class awareness, mobility.

3, Life Style, the lifestyle of people from the countryside, adapting with life in the city that has lived in the millennia era demands immigrants to change their lifestyle. Mowen and Minor in Sumarwan (2011: 45) explain that lifestyle reflects a consumption pattern that describes a person how he uses time and money, life style has characteristic which is not permanent or change fast.

4. Impulse buying. According to Utami (2010: 67) impulsive purchases occur when consumers suddenly experience a strong and strong desire to buy something as soon as possible. This is due to the influence of advertising, the desire to try new products, or because of attractive packaging and attractive displays, or perhaps because of low prices, and promotion girl expertise. Hedonic, and life styles are most likely to be experienced by urban residents, this can be captured as a business opportunity because it will change consumer behavior towards impulse buying.

Changes in consumer behavior, both because of urban, Life Style, changes in social classes and impulse buying is an opportunity in business.
What opportunities can be obtained from everything described above?
1. Urban Life, the movement of residents from the village to town implies the need for a place to live, with careful assessment of this opportunity, of course without doubt the businessman will develop his business in the field of property, either in the form of housing, boarding houses, apartments or perhaps using existing residences as first capital.
2. Changes in social class, of course this is also a business opportunity by analyzing what underlies changing social classes,

3. Life Style, with lifestyle changes there are certainly many opportunities that can be seen, for example from traditional washing because of the limited space and time they will move to more practical ones, namely laundry, or washing and ironing, from starting to washing clothes may even open washing shoes, helmets and much more. Apart from that, eating from those who cook at home many people turn to fast food or easily obtained from the restaurant level, catering to stalls, this also as a business opportunity and many other examples.
4. Impulse Buying, by paying attention to the causes of the community making impulsive purchases, entrepreneurs or prospective entrepreneurs can analyze the trend setter that occurs in the community. Many opportunities by analyzing this.

By analyzing the possibilities of business development, how can we do it while we work? a question that is very easy to answer we can develop a business without having to leave our work, simply by managing it excellently through the use of increasingly sophisticated technology.

CONCLUSION

After analyzing changes in consumer behavior, it can be concluded as follows:

1. Changes in consumer behavior caused by several factors, Culture, social, personal and psychological. From several factors that influence consumer behavior is Hedonic shopping value and lifestyle shopping.
2. SWOT analysis of hedonic shopping value and lifestyle shopping, resulting in several aspects of making strength and opportunity, viewed from internal factors, while from external factors there are Weaknesses and Challenges.
3. power factor provides a stimulus in conducting business.
4. Weakness factors can be anticipated with various activities supported by the government and academicians as a form of community service that is business management / business managerial, or from the accounting side of the Government can be assisted by issuing policies that motivating people in doing business.
5. Challenge factors, can be anticipated by motivating people to do the businesss, as one way to answer the challange, by should not rely on work but give the job.
6. Businesses that can be conducted include:

6.1 The Property Sector, either self-owned or as a manager, those are boarding house, rental house, apartment, contractor,

6.2 Culinary field, a thing that is always needed in the form of, restaurant, rice stall, catering, coffee shop.

6.3. Trasportation, as a service provider, vehicle owner, or application manager.

6.4 Education Services, from pre school, to University, courses that meet the needs of the community until e.learning program.

6.5 Household Services, various services, washing, ironing, cleaning the house, garden, painting, and house appliance repairation.

7. Some fields of business can be conducted through digital, for example the offering of goods can be conducted through instagram, facebook, WA, or other social media. With various applications.
8. Business that is coducted through digital allows us to do business without having to leave our jobs.
9. Business can be an additional income for the businessman who keeps working.

SUGGESTION

Various possible business opportunities have been analyzed, submitted suggestions for consideration as follows:

1. starting business from the small (Badroni Yuzirman, 2013: 3)
2. keep exploring business opportunities by always analyzing the market segment.
3. exploring product innovation, adjust to the current situation and trend.
4. Making Government policy as a foothold.
5. Managerial and simple accounting become a culture, so the management process works.
6. Advancement Technology is a convenience not a barrier.
7. Identify various of timeless businesses.

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THE ROLE OF TECHNOLOGY INNOVATION TO SUPPORT THE COMPETITIVENESS IN MANUFACTURING INDUSTRIES IN THE ERA OF INDUSTRIAL REVOLUTION 4.0 (A LITERATURE STUDY)

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ABSTRACT

The existence of Industrial Revolution 4.0 is a specific challange for manufacturing industry; therefore, the government of Republic Indonesia gives responses by launching Making Indonesia 4.0 which is used as the foundation for economic growth in Indonesia in the future. The method that is used in the research include literature reviews in the objective of drawing conclusion from the research which says that Industrial Revolution 4.0 gives a certain challange especially in the industrial manufacture sectors in Indonesia. The government through the Ministry of Industries has choosen 5 (five) sectors of manufacturing fields that it would focus mainly on the development to become the sample or the starting point in the implementation of Industrial Revolution 4.0. The policy on innovation in national scope particularly in order to support the performance of manufacturing industries must be integrated well among several closely related research institutions among reasearch institution, universities, industries, companies, and people in the society, dan the absorbtion of technology innovation from other foreign countries that requires certain investment for research human resource and the development of competent human resources.

Keywords : Industrial Revolution 4.0, Making Indonesia Indonesia 4.0 and Innovation.

INTRODUCTION

Industrial manufacture in Indonesia is one of the engine drive to boast Indonesia's economy sector because industrial manufacture can create and provide employment through absorbtion of a big number of people. Companies in Indonesia, especially in manufacturing companies need to improve the power of competitiveness through science and technologies in the purpose and objectives to increase the productivitiy in industrial sectors to become more productive in order to win the competitions from other countries in the world. The development and growth of the economy of Indonesia in the future depends so much on the improvement and development of manufacturing industries. For that reasons, the development of manufacturing industries has to be done not only on the basis of natural resources, but more to be directed to the industries on the basis of human resources, and that includes the improvement in the mastery of technology, researches, and development, innovations and creativity.

Nowdays in the world, Industrial Revolution 4.0 is happening and that can be marked or seen by the existence of cyber physical system, where digital technology, wireless technology, and big data are massively integrated by internet network in the activities or production in manufacturing using engines or machines that are internet integrated (internet of things). Industrial Revolution 4.0 is the continuation or the improvement of industrial revolution 1.0; 2.0; 3.0.

Table 1. The Development of Industrial Revolution

Name	Year	Characteristics
Industrial Revolution 1.0	Start in year 1784	The use of steam machine, water, wind powered machines in Industries
Industrial Revolution 2.0	Start in year 1870	The use of electrical energy / Fuel powered energy to produce mass products
Industrial Revolution 3.0	Start in year 1969	The use of information technology and electronic technology that are applied to automatic machines production system
Industrial Revolution 4.0	2011 – now	The use of integrated internet power network (internet of things)

Source : Various Source, processed

Other than that, Industrial revolution 4.0 is also marke by the existence of technology disruptive. Technology disruptive can be defined by the Indonesian Big Dictionary (Kamus Besar bahasa Indonesia as something that can be uprooted, or we can define them as the happening that a technological change has targeted the human life gap. In Indonesian Law or Undang-undang Republic Indonesia number 18 year 2002 in the first article (pasal 1) it is mentioned that technology is ways or methods and process or products that are produced from the implementation and usage as the results of various sciences that provide value to fulfill the needs, the continuation, and the improvement of human lives. The emergence of new technology has caused a temendous change in all subjects and sciences, in economy and industries. Until now, in all aspects of jobs and work all over the world, a transitional process from traditional ways of working and doing has switched to automation ways. According to Schwab (2017), technology disruptive era is the combination or mix among physical domain, digital, and biological domain. Therefore the development and improvement of technology in certain area can encourage the changes in jobs, or the jobs even dissappeared, and new jobs in the old area appeared.

The Pricewater-house coopers (Pwc) consultant, 3 (three) years ago, to be exact on February 2015 released a report about the changes in working world or employment world in the future in the duration of 5 to 10 years ahead, based on the surveys given to 10.000 (ten thousand people in Asia, Europe, United Kingdom, and USA. The result of the survey and its research was briefly described as the following table:

Table 2. Factors that Make the Ways People Work Change

No.	Factors that Make the Ways People Work Change	Percentage
1.	Technology Breakthrough	53%
2.	The shortage of human resources and climate change	39%
3.	Swift in global economic power	36%
4.	Domography swifting	33%
5.	Urbanisation	26%

6.	Other factors	4%
7.	Cannot answer respondents	13%

Source : Pwc, February 2015

With the abitity of a country to absorb the technology development, it can be said that it can increase the economic growth potential through an innovation and through the increase of productivity. The development of Indonesia's future economy depends mostly on the development and improvement of national industries which are based not only on the natural resources richness, but more directed towards the industries that are based on Human Resources, that includes the technology mastery, research, and development, innovation, and creativity. All business people should not treat technology as a treat but business people should take advantage and benefits of the development of technology. In business sector, especially in product with national scale or export products, if the use of the latest technology can be made use of to its fullest, there will be efficiencies and the decrease in cost. Therefore, from the price and quality factors of export scale, the competitiveness in the end will increase market share of export products. For the employees or workers, the development of technology can be used as the opportunity to increase their income and the standard of living of the workers or employees.
The research has the objectives of finding how far the development from the industrial revolution 4.0 happens in the world, as well as to see what kind of strategies must be done by companies in Indonesia in relation with the competition in Industry 4.0

LITERATURE REVIEW

Manufacturing Industry

According to the Law number 5 year 1984 (Undang-Undang No. 5, tahun 1984) about the Industries, industry is all the economy activities that process raw material, material or parts, half-processed goods, and/or ready to use goods to become goods with higher value in their usage and benefits. That also includes all the design and trials dan industry engineering. As for the understanding of industrial manufacturing according to Wignjosoebroto (1992) is the industry which processes the raw material to be made and shaped into many various shapes, model products, in the form of half-made product or finished products.

According to Hastina (2007), industries is often defined in manufacturing industry sector or which also means the processing activities which can provide one of the business fields in calculation of national income according to production approach. Apart from that, Central Bureau of Statistics or Badan Pusat Statistik (BPS) defines manufacturing industries as a business activity which does activities to change a basic goods mechanically, chemically, or manually (by hand) so that it becomes finished goods or semi-finished goods or to change the less-valued goods to become higher value goods, and they are closer to the end users.

Innovation

According to the Law number 18, year 2002 (Undang-Undang No. 18, tahun 2002), the meaning of innovation is the research activities, development, and or engineering which is intended to develop the practical value and the new scientific contexts or new ways to apply new science or new ways to apply existing science and technology into products or processes of production.

As according to Burtonshaw-Gunn, innovation in Aribowo (2018) is the use of new technology and new market knowledge in order to offer new product or product to meet the customer's wishes.

Industrial Revolution 4.0

According to Kagermann & friends (2013) Industry 4.0 is the integration from Cyber Physical System (CPS) and Internet of Things and Services (IoT and IoS) into the industrial process which cover manufacturing and logistics as well as other process. Industry 4.0 is an approach to control the production process by sinchronizing the time by uniting and adjusting production (Kohler & Weisz, 2016)

Hermann & friends (2015) add that Industy 4.0 is the term to refer to a set of technology and value chain organizations in the form of smart factory, Cyber Physical System (CPS) and Internet of Things and Services (IoT and IoS). Industry 4.0 next presents to replace Industry 3.0 which is marked by cyber physics and manufacturing colaboration (Hermann et all in Irianto, 2017). One of the unique characteristics of industry 4.0 is the application of artificial intelligence (Tjandrawinata, 2016)

RESEARCH METHODS

The methods used in the research is the literature review/study. According to Jesson et al (2011) the literature study is the writing product that explores a published topic or research result, without any description of a scientific methodology. According to Zed in Aribowo and Wirapraja (2018), the literature review limits its activities to library materials only without the need for field research.

As for the data collected in the research came from national and international journals that discussed the Competitiveness of the Manufacturing Industry in the Industrial Revolution Era 4.0 selected subjectively by researchers. Also in the research it is supported by data and information that is available in the public such as supporting books, newspaper, magazines, research publication report, and the empirical study from the competent institutions. After collecting data from several books, scientific journals, internet websites on Manufacturing Industrial Competitiveness in Industrial Revolution Era 4.0

DISCUSSION

One of the current government challange in is the limited government spending and the weakening of household consumption is to be done by encouraging the growth of manufacturing industries. Several various efforts continues to be done by government in its effort to support the growth of manufacturing industries such as continuously put the effort to attract domestic investment, and also to look after the domestic investment climate.

World Economic Forum (WEF) in Davos Swiss views the industrial revolution as a new chapter of life that will change all the lines of human life through the development of technology. Also in Industrial Revolution 0.4 there are eight (8) key issues which are 1) disruption or interruption in work; 2) innovation and production power; 3) inequality; 4) smart/intelligent management; 5) security and conflict; 6) business disruption; 7) technology integration; 8) ethnic issues & identity. According to Irianto (2017), the challenges of Industry 4.0 are; (1) industry readiness; 2) trusted workforce; (3) easy socio-cultural setting; (4) diversification and job creation and industry opportunities 4.0 which are (1) ecosystem innovasion; (2) competitive industrial base; (3) investment on technology; and (4) the integration of small & medium business entreprises (UKM).

According to Schawab (2017), he said that Industrial Revolution 4.0 with the support of the rapid technology advancement can bring the condition of transitional technological revolution to change the way of life, the way people work, and the way organization communicates and contacts with each other fundamentally. As according to Sniderman, Mahto, and Cotteleer (2016), they have the opinion that the value from the concept of Industry 4.0 can be increased or improved by making roles clarifications, the roles and functions by technology which facilitate by manipulating of physical objects.

Kagermann et al. (2013) gives recommendation of the framework model of Industry 4.0, where the model that is recommended is the realization from 3 aspects integrations which are: First aspects is the horizontal integration which means that Cyber Physical Systems is integrated into the business strategy and the colaboration of companies’ network now covers partners, supplier, customers or clients, and other parties. Second aspects is the vertical integration, which includes how technology is implemented and applied, the Cyber Physical Systems (CPS) is implemented or applied in the system of manufacturing /production in the company so that they become flexible and modular. Third aspects cover the technology implementation of Cyber-Physical Systems (CPS) into the chain of value engineering from end to end.

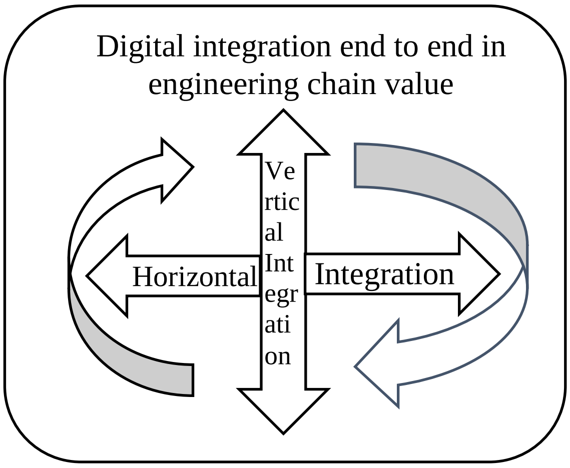

Figure 1. The aspect of integration In Industry 4.0
Source : Kagermann et.al (2013)

Hermann et al (2016) adds that there are 4 major design of Industy 4.0. First, interconnection, Second, information transparency, Third, assistance. And Fourth, decentralized decision

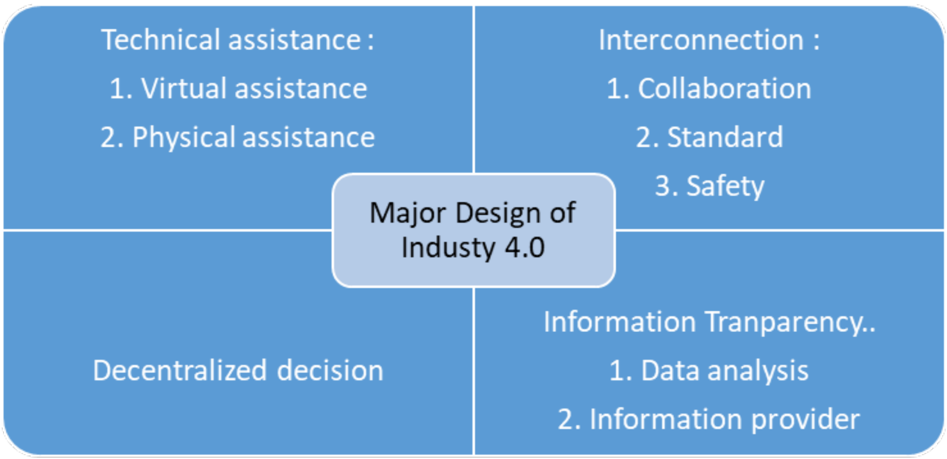

Figure 2. Major Design of Industy 4.0
Source : Hermann.et.al (2016)

A research and technology organization called Fraunhofer in Europe recommends different model which is called Fraunhofer Industrie 4.0 layer model (Neugebauer et. Al 2016) which is the result of document extraction from previous researches and the result of interviews to the experts. Fraunhofer Industrie 4.0 layer model consists of 3 main layers or levels, which are : Core Layer relates to productions, where the layer is devided into ten core technologies which are : engineering, manufacturing, technologies and organization, machines, smart capabilities, robotics and human-robot collaboration, production planning control, logistics, work organization, workplace design and assistance, and resource and energy efficiency. As for the next Layer or Level is the aspects of information technology and communication which enable the realization of Industrial Concept 4.0, and the most outer layer relates to company's transformation as the result of the implementation of Industry 4.0 which covers business, management, and human resources.

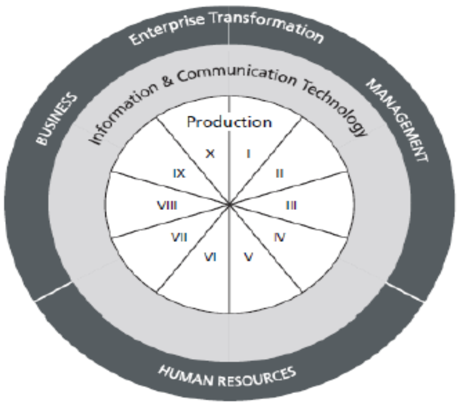

Figure 3. Structure From Fraunhofer Industrie 4.0 Layer Model
Source : Neugebauer.et.al (2016)

As the commitment in building manufaturing industries in Indonesia which has the global competitiveness by the implementation of industri 4.0. therefore, the Indonesia's through President Joko Widodo on the 4th of April launched Making Indonesia 4.0 as the road map and Indonesia's strategy in entering the digital era. Making Indonesia 4.0 as the road map is expected to become the Indonesia's economic growth foundation in the future. As the conceptor of Making Indonesia 4.0, the ministry of industries has set 5 (five) manufacturing sectors which are mainly focused on the development and become the model or example in the implementation of industrial revolution 4.0 which are food and beverage industry, textile and apparel industries, otomotive, electronics, as well as chemicals.

The ministry of industries has prepared four strategic steps in implementing the industrial revolution 4.0 era, among others are: 1) to encourage the workforce in Indonesia to continue to learn and to improve their skills in understanding and mastering the use of internet technology of things or to integrate their internet skills with the production line in industry, 2) digital technology utilization to spur productivity and competitiveness for small medium industries (IKM) so that they are able to penetrate the export market through e-smart IKM program. 3) to ask national industries to use digital technology such as Big Data, Autonomous Robots, Cybersercurity, Cloud, and Augmented Reality. 4) technology innovation through the development of start up by facilitating the business incubation premises.

Other than that, the Ministy of Industry has also set 10 (ten) national priorities to Making Indonesia 4.0 which are: 1) improvement of material flow flow, 2) redesigning the industrial zone, 3) accomodating Sustainability standard, 4) empowerment of micro small medium entreprises (UMKM), 5) building national digital infrastucture, 6) to attract foreign investors, 7) quality improvement of Human Resources, 8) the formation of innovation ecosystem, 9) applying technological investment incentives, and 10) harmonization of regulation and policies.

Innovation is the key in encouraging the economic growth of a country. Other than that, innovation is also the spearhead of the competitiveness creation of a country. The innovative nation will generate result in better competitiveness and better performance on an ongoing basis. (Manurung, 2010). How about the development of innovation in Indonesia? According to the report from Cornell University, INSEAD, and WIPO about Global Innovation Index 2017, it showed that the rank of Indonesia is positioned in 87 rank among 127 countries. The position of Indonesia di South East Asia is still below Singapore (rank 7), Malaysia (rank 37), and Vietnam (rank 47), Thailand (rank 51), and Philippines (rank 73).

Table 3. Global Innovation Index Ranking in the ASEAN Region (GII) 2017

Country	World Rank	Asean Rank
Singapore	7	1
Malaysia	37	2
Vietnam	47	3
Thailand	51	4
Philippines	73	5
Indonesia	87	6
Cambodia	101	7

Source : Cornell University, INSEAD, and WIPO

As for the ranking of each indicator that becomes the assessment of Global Innovation Index (GII) 2017 from 127 countries among others : institution (87), human capital and research (92), infrastructure (81), market sophistication (64), business sophistication (96), techology and knowledge output (70), as well as creativity output (77). Based on the report from Global Innovation Index (GII) 2017, it can be seen that innovation in Indonesia indeed needs improvements in all assessment indicators, especially human capital and research which rank very far below, whereas, in addition to the output of knowledge and technology and the output of creativity, human capital and research is also the key element in the progress of innovation in a country. If the manufacturing company is able to innovate, it will occur efficiency on the performance of the company that ultimately can improve the competitiveness of manufacturing companies.

As for the impact of Industry 4.0 for the man power in Indonesia (Kemnaker/Ministry of Man Power 2018) which says that technology /robot replaces muscle/man power, technology replaces dangerous jobs/tasks, and technology breaks distances. But all disruption due to the presence of the industrial revolution 4.0 should not be a burden on industry and labor in Indonesia. Every change, especially the existence of industry 4.0, will certainly create new opportunities for industry and labor in Indonesia. For this reason, the government must prepare human resources who have an independent spirit with mental self driving, self power, creativity and innovation to be able to, explore new professions and be responsive in facing every change (Ministry of Manpower / Ministry of Man Power, 2018).

As for the implementation of innovation in order to support business sustainability according to Aribowo and Wirapraja (2018) among others by strengthening the research and development by continuing to develop digital skills and trying to apply the latest technology prototype and then utilizing technological progress as a means to innovate such as mobile application, internet of things, artificial intelligence and others. According to Manurung (2010) that in the national innovation policy, it must be able to integrate and to synergize among research institution, universities, industries, companies, and society towards national comprehensive innovation order and in the end, it will be able to give more value to the society or community and nation.

A report from International Moneter Fund (IMF) on March 9, 2018 which is published by Bisnis Indonesia (Indonesia's Business) on April 10, 2018, it is explained that the dissemination and absorbtion of a knowledge and technology that comes from developed countries towards developing countries is able to increase innovation activities and to increase productivity in the recent years so it becomes the key factor in sustaining the economic growth of a country so that the global economy will also increase.

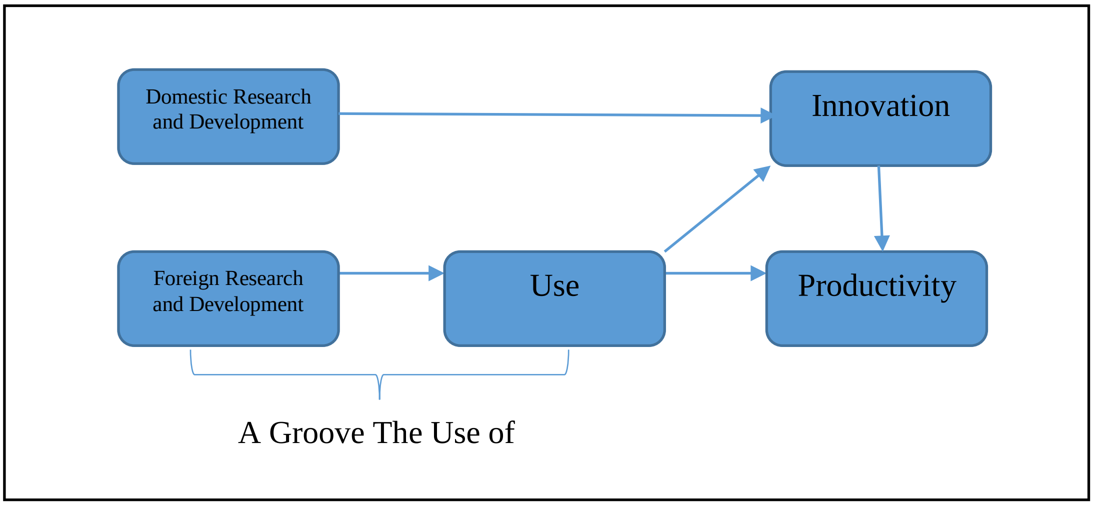

Figure 4. the technology innovation dissemination
Source : IMF in Bisnis Indonesia, April 10, 2018

A technology innovation can create new skills and is able to develop new thinking pattern. However, it is important to note that the absorption of technology innovation which comes from foreign or developped countries need an investment for research and development staff as well as the competent workforce.

CONCLUSION

The conclusion that can be drawn on the reserach are as following:

1. In respond to the industrial revolution 4.0, the government through the Ministry of Industry has set five (5) manufacturing sectors that are prioritised in their development and become the model or example in the implementation of Industrial Revolution 4.0 era. The government has prepared 4 step-strategy and 10 national priorities in the implementation of Industrial Revolution 4.0.
2. The existence of Industrial Revolution 4.0, the govenment has to prepare Human Resource who has the independent spirit with self-driving mentality, self power, creativity, and innovation in order to be able to explore new profession as well as to be able to be responsive in facing every change.
3. The steps that must be done by the companies or organization in facing the Industrial Revolution 4.0 are by strengthening research & development (R&D), by continuously developing digital skills as well as trying and implementing prototype of the latest technology, dan then make use of technology advancement as a means to innovate.

4. In supporting the innovating policy nationally and in suppoting the manufacturing industries, integration , it is required to have integration and synergy among research foundation, research institution, , universities, industries, and society.
5. In supporting the absorbtion of technology innovation which come from foreign countries investment is needed for research and development staffs and the human resources which are competent too.

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THE INFLUENCE OF SOCIO-DEMOGRAPHIC FACTORS ON INTENTION ENTERPRENEURIAL STUDENT'S OF UNIVERSITAS PGRI ADI BUANA SURABAYA

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ABSTRACT

Universities as a tools to cultivate an entrepreneurial spirit. Because college graduates are expected to become young entrepreneurs who can pioneer his own business. After graduation has the intention of entrepreneurship so as to create a new business environment to make a young enterprenuer able to compete in the global market. Factors influencing intention interpreneur one of them is social demography. The purpose of this study is to determine the effect of socio-demographic on intention enterpreuner. The instrument used in this study are questionnaire contain 23 questions. Questionnaire consist of demographic background college students. The data was collected then analyzed by SPSS to answers purpose this study. The results of this study indicate the demographic factors affect the intention of entrepreneurs in the students of PGRI Adi Buana University Surabaya.

Keywords: influence, socio-demographic, intention enterpreuner

INTRODUCTION

The economic development of a country certainly will undergo changes, surely this would lead to changes in the life of the community in accordance with the needs of the households in the nation and the country. To compensate for the rotation of the phenomenon of the current economy surely needed contributions from the entrepreneur, this also resulted in research on entrepreneurship also flourishes. Research on entrepreneurial education has done some researchers, such as Suharti & Siren (2011), Koranti (2013), Sinarasri & Hanum (2012), Jusmin (2012) and many other researchers. Entrepreneurship is the key to a number of social components, such as unemployment, economic stabilization, improved employment, modernization of technology and economic growth.

From studies above, it appears that it is still the existence of limited opportunity work from college graduates are increasingly growing in number of years. If looking at the conditions that exist now, then it can worsen the situation of competition in the global economic community. Surely this can be overcome through a supply science that is able to make college graduates as a vehicle to foster entrepreneurial soul. Novian (2012) explained that the entrepreneur as to the nature, character, and attributes attached to someone who has the will to realize innovative ideas into real business world and can develop it.

Entrepreneur is a person who is free and has the ability to live independently in the exercise of its business activities or his business or his life. He is free to design, specify, manage control all his efforts. Entrepreneurship is the mental attitude and spirit which is always active or creative power, bercipta, berkarsa and unpretentious in trying in order to increase revenue in its business activities (Amen, 2008). Therefore, college graduates are expected to be a young entrepreneur who was able to pioneer his own business. This is in accordance with the vision, the Mission of the University PGRI Adi Buana Surabaya which makes the graduates have a soul enterpreuner.

Entrepreneurship courses is compulsory subjects for students who are currently studying in University PGRI Adi Buana Surabaya. As articulated Zimmerer (2002) that universities have a role for the organization of entrepreneurial education, including fostering the entrepreneurial soul. The University party responsible in educating and providing entrepreneurial capabilities to its graduates and provide motivation to dare to choose entrepreneurship as their career. College parties need to apply entrepreneurial learning patterns are more concrete based empirical input to equip students with knowledge.

Lee & Wong (2004) describes the entrepreneurial intention as the initial step of a process is the establishment of a business which is generally long term. According to Krueger (1993), entrepreneurial intentions reflects the commitment of a person to start a new venture and is a central issue to note in understanding the process of establishment of entrepreneurship new venture. Basically the formation of entrepreneurial soul influenced by internal and external factors (Priyanto, 2008). Internal factors that originate from within entrepreneur can be either personal traits, attitude, willingness and ability of the individual that can give the power of individuals to entrepreneurship. While external factors come from outside themselves perpetrators of an entrepreneur who can be an element of the environment such as family environment, the environment of the business world, the physical environment, socio-economic environment and others.

In this study, researchers will use a factor of external perpetrators entrepreneur of gender, employment of older people, entrepreneurial experience, and courses the student attended. Researchers have hypothesized that the socio demographic factors i.e., gender, parental employment, entrepreneurship courses and experiences influence on intention entrepreneur student's University PGRI Adi Buana Surabaya.

RESEARCH METHODS

This study was conducted at the Faculty of Economics University PGRI Adi Buana Surabaya. The naming of the Faculty of economics because the largest faculty has the intention of entrepreneurship for students. In addition, as well as students who have the intention of entrepreneurship and entrepreneurs appeared after acquiring the theory of entrepreneurship in semester v. Object in this research is the external factor concerns the student's behavior against the intention enterpreneurial. He took the research object due to the ever increasing student learning the entrepreneurial opportunity gave rise to material to invest himself in the entrepreneurial sector and indirectly may contribute to tangible development to the nation.

The population in this research in the form of a student who had graduated courses in entrepreneurship. The technique used is the collection of documentation is the technique of data collection conducted with noted or retrieve data in the form of writing as well as numbers, i.e., the number of students. The now is a method of data collection by providing or distributing a list of statements to respondents in hopes of giving a response to the list of such statements. Now this method is used to collect primary data from respondents.

RESULT AND DISCUSSION

The data collected enterpreuner intention from students of the Faculty of Economics University PGRI Adi Buana Surabaya. The data is distributed to the students ahead of the final exams of the Semester to obtain valid data. Every student is given a question for accounting and management courses.

Based on the results of the analysis of the factors for the variable gender (X1), employment of older people (X2), entrepreneurial experience (X3), and the program of study (X4). Based on the results of data analysis on the variable gender (X1) obtained the value of means that is 0.05 < 0.000. It shows that gender effect was significant with the enterpreuner intention in student faculty of Economics University PGRI Adi Buana Surabaya. It is shown that from the student-sex women have ideas that more markedly compared with male students. Such as research conducted by Johnson, et al. (2010).

For parent’s job (X2) obtained significance means there is a 0.05 < 0.001. It shows that influence among influential parents significant work with the enterpreuner intention in student faculty of Economics University PGRI Adi Buana Surabaya. From the results of the now show if her parents' job background the entrepreneurial propensity of his son then also have a desire for entrepreneurship. Such as research conducted by Gerry et al. (2008) and Nishanta (2008).

For the entrepreneurial experience (X3) gained means 0.015 < 0.05 that shows entrepreneurial experience effect significantly with the enterpreuner intention in student faculty of Economics University PGRI Adi Buana Surabaya. Students who have experience self-employment tend to have high enterpreuner intention. This is because when a person already had experience in entrepreneurship so that someone will be better prepared and more confident in setting up new ventures because previously already have skills (Leon et al., 2007).

While, course (X4) gained significance 0.101 > 0.05 means the course has no effect in a significant way with the enterpreuner intention in student faculty of Economics University PGRI Adi Buana Surabaya. At the Faculty of Economics University PGRI Adi Buana Surabaya consists of courses in accounting and management. Of course it turns out not to have significant influence towards enterpreuner intention. Each course has the same intention when enterpreuner entrepreneurship.

CONCLUSION

Entrepreneurial intention as the initial step of a process of establishment is basically the formation of entrepreneurial soul influenced by internal and external factors (Priyanto, 2008). The conclusions from the results of this research show that the socio demographic factors effect on enterpreuner intention in student faculty of Economics University PGRI Adi Buana Surabaya. This is shown from the significant effect of gender with a enterpreuner intention, an influential parents' jobs significantly with the enterpreuner intention, the entrepreneurial experience significant effect with the enterpreuner intention,

In order to grow the enterpreuner intention among the younger generation, in particular students so that young entrepreneurs created the intellect, then suggested giving the knowledge entrepreneurship for students in all courses. In addition, the improvement of students ' belief that they are capable of starting and running a business as a reflection of self-efficacy of college students also need to be improved through various development programs. If a student has a high intention enterpreuner then the student is able to take advantage of opportunities new ventures and increasingly dare to take the risk that comes along.

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DEVELOPMENT OF LEAN MANUFACTURING SIMULATION MODEL FOR MADURA SHIPYARD

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ABSTRACT

The design of lean manufacturing system to solve the problem of inefficiency or waste in the ship production system in Madura shipyard, with consideration because in a manufacturing system can always be found things that actually do not provide added value or things that are too excessive in doing so. This is commonly called waste workshop. Lean's approach aims to eliminate waste and non value added activity elimination, facilitate the flow of material, product and information, and continuous quality improvement. With lean approach, it is expected that the Madura shipyard will be more efficient and productive.
In this study developed a lean manufacturing simulation model for Madura Shipyard. The simulation model includes functional batch processes, product flow processes, and Lean Flow Frees Up Space. Development of simulation models is done with ARENA software.
Based on three alternative ship production systems such as functional process, production flow, and lean productin system, it can be concluded that lean production system is a production system that minimizes waste workshop such as mean workin process 1.2 tons, meanflow time 1.5 years, and mean waiting time 7 months. Based on this matter Madura shipyard should adopt lean production system in its production system

Key words: Lean Manufacturing, Shipyard, Simulation Model

INTRODUCTION

Lean thinking can also be defined as a method to define value, construct value added activity in the best order, make it flow without hindrance, and maximize more and more effective performance (Womack and Jones, 1996)

To build Lean Enterprises there are five main principles in Lean Production applied:

1. Specify value is a set of actions that can and can not be gained by adding value from a customer perspective rather than a company perspective.
2. Identify the value stream is to identify all the steps needed to design, order, and produce the product on the Whole Value Stream to see waste that does not add value.

3. Flow is to create an action that adds value in the production flow such as in the absence of activities that stop, the way that rotate, the flow back, the use of the rest of the material.
4. Pull is just making what consumers want.
5. Perfection is striving to achieve perfection by continuously eliminating waste.

Development of Simulation Model

The selection of software to be used in the simulation will have a major impact on the success of the researcher. This will affect the model's accuracy, model validity, execution time, and overall research completion time.

Simulation Model Using ARENA Software

The programming language used for manufacturing system simulation here is the programming language with the special purpose of SIMAN-ARENA.Pegden (1995), revealed some characteristics of SIMAN-ARENA are:

1. Has some special functions to model manufacturing systems
2. Compatibility of mainframe computers, minikompueter, microcomputer to facilitate operation without having to modify the program.
3. Graphical modeling capabilities, interactive definitions of experiments and models.
4. Cinema system that produces real time, high resolution, and animated graphics for the System being modeled
5. Modular structure that allows integration with analytical tools.

ConfiguringLean Manufacturing System

To provide optimal lean manufacturing system design in this research will be made three alternative lean manufacturing configuration, where the three alternative configuration will be simulated to know the response (result) from the three alternative.

Program Trial and Validation

Trial program here done to do the validation. Then the test results of the program are re-examined to detect whether there are errors in the model and if necessary there are modifications. The ways that can be done to implement the program validation are:

1. Using sensitivity analysis to know the influencing aspects based on specified performance criteria.
2. Compare the simulation results with past performance (historical data). If the performance results do not differ significantly (meaning) then the simulation model is said to be valid.

Results and Discussion

Lean manufacturing's main focus is to create one-piece flow. This means identifying the component family (part family) that undergoes the same process and mapping the production line for the product family. All products assigned to a machine cell will go through the operation one by one. This allows some parts to skip one step so that not every part has to go through each step. Typically, this approach has been used for large volume production, but world-class shipyards have been widely implemented, especially Japanese shipyards.

In a lean shipyard, docks are arranged in "product lines." The product line does not mean a separate ship component but has a similar component family, in this case a flat block passing through a series of processes and a separate set of processes reserved for the curved block. So all the flat profiles are cut on the same process path, as the profile is straight, and then a small batch is brought to the flat block path for assembly. The paint part is separated into two parts, one for the flat block and one for the curved block. Flat blocks and curved blocks are then installed in separate areas and finally assembled in grand block construction. In the picture can be seen an elaborate path in the process of functional batch and how clean and smooth current in the product flow process. Figure 1 shows fuctional batch process simulation model, figure 2 shows production flow simulation model, and figure 3 shows lean production system simulation model.

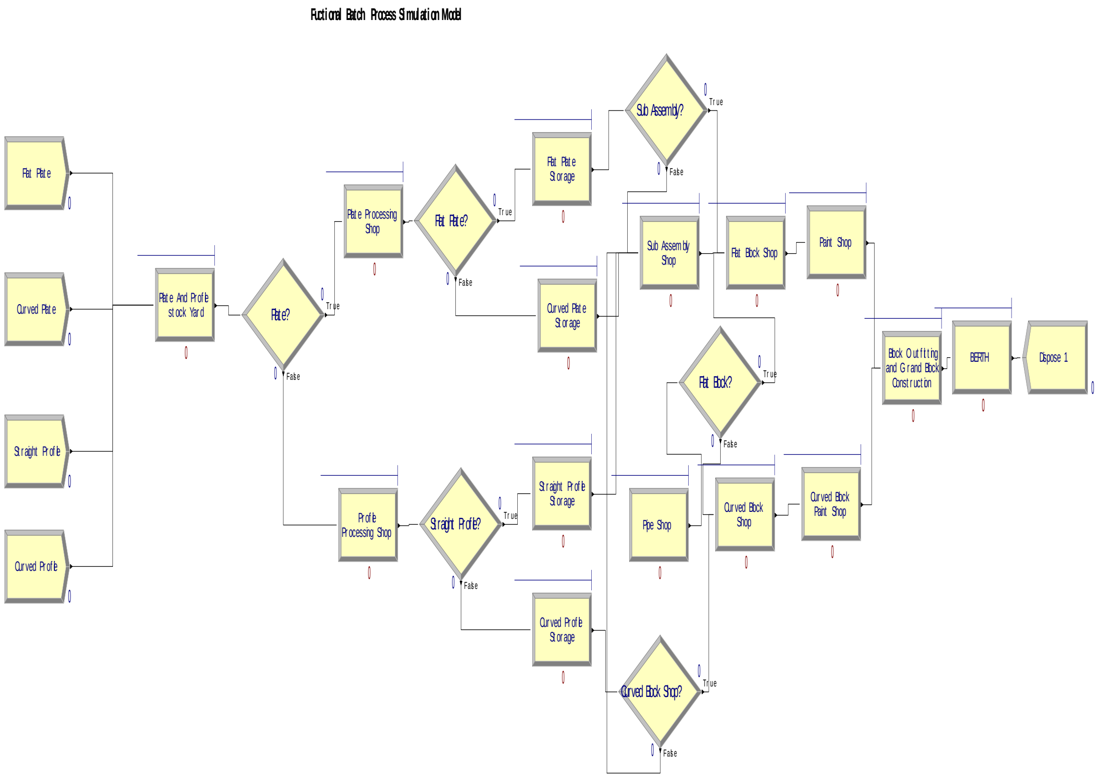

Figure 1. Fuctional Batch Process Simulation Model

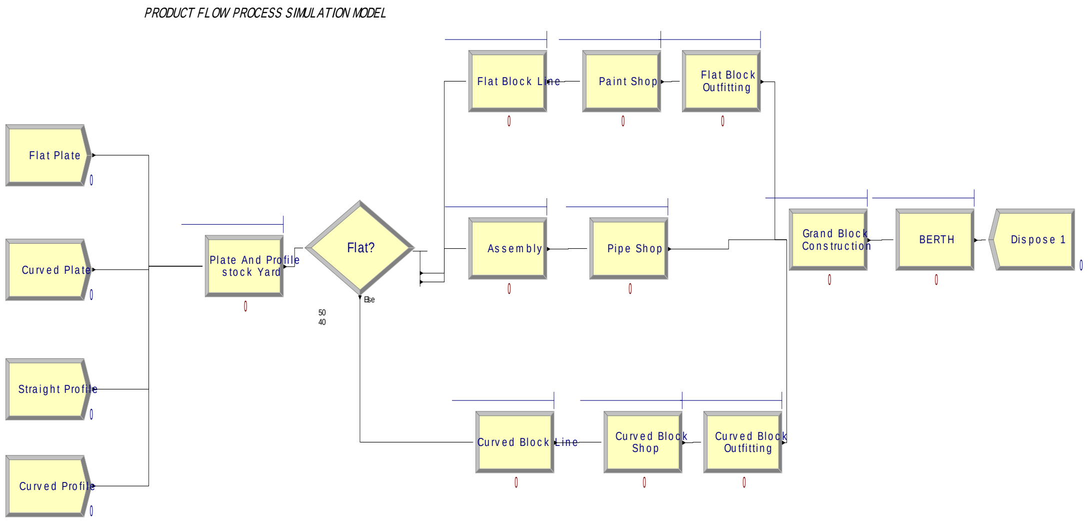

Figure 2. shows the product flow simulation model

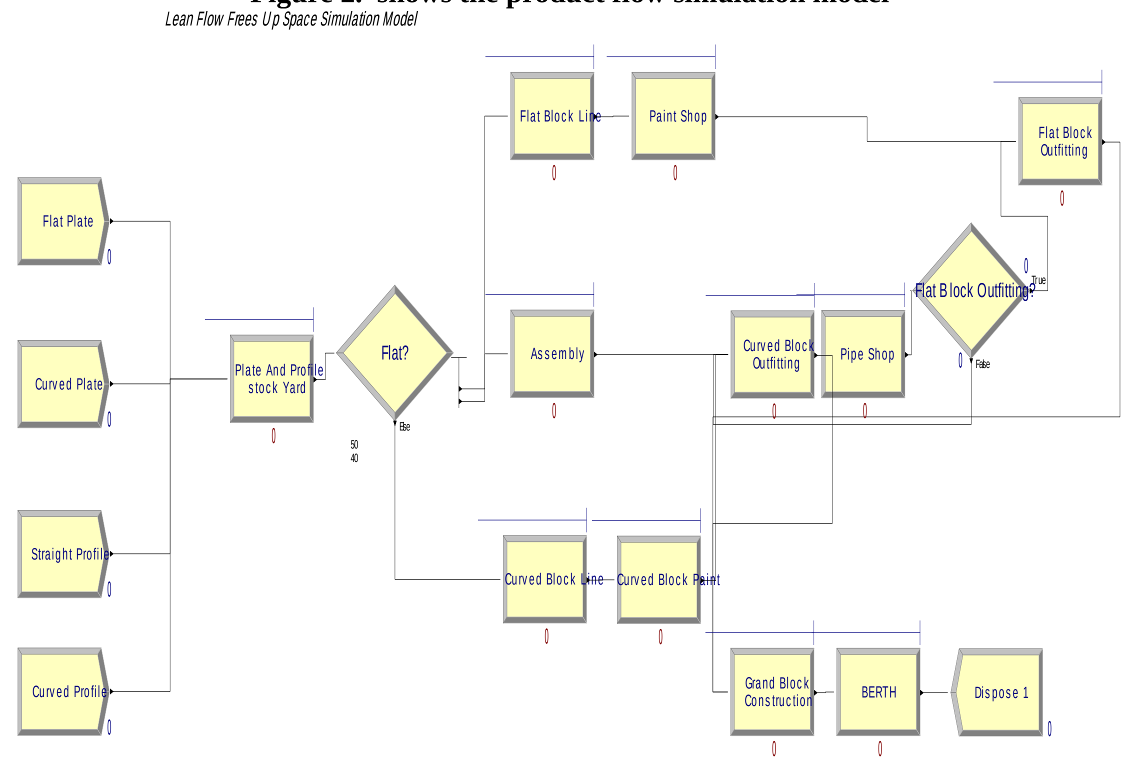

Figure 3. Lean Flow Frees Up Space

CONCLUSION

Based on three alternative ship production systems such as functional process, production flow, and lean productin system, it can be concluded that lean production system is a production system that minimizes waste workshop such as mean workin process 1.2 tons, meanflow time 1.5 years, and mean waiting time 7 months. Based on this matter Madura shipyard should adopt lean production system in its production system

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CONTRIBUTION CAPACITY OF ULOS WOVEN BASED ON LOCAL ISSUANCE IN GLOBALIZATION ERA IN SUPPORTING LAKE TOBA TOURISM DEVELOPMENT

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ABSTRACT

For the development of Lake Toba as one of the national strategic tourism areas, coordinated, systematic, directed and integrated steps should be taken. The Government has issued Presidential Regulation No. 49 of 2016 on the Authority Management Board of Lake Toba Tourism Area, as for the assignment of this Authority Agency, among others, is to formulate the master plan of Lake Toba tourism development, accelerate the coordination of the master plan and manage the integrated tourism area on 500 ha land in the Village Sibisa, Ajibata Subdistrict, Toba Samosir District, and later became a region like Nusa Dua in Bali. The master plan for development and development of Lake Toba tourism is set for 25 years (2016-2041) and the detailed Plan is set for a period of 3 years (2016-2019). To support the successful development of Lake Toba tourism, it can be done through the contribution of the development of ulos woven fabric capacity based on local wisdom in the era of globalization by utilizing cultural wealth. Weaving ulos woven fabric is a Micro Small and Medium Enterprises (UMKM). SMEs become the backbone of the populist economic system to reduce poverty problems and its development can expand the economic base and can contribute significantly in improving the regional economy and national economic resilience. In order for SMEs ulos woven cloth besides aiming to improve the regional economy, then at the same time should be able to support the development of Lake Toba tourism, then needed the appropriate strategy pattern. In this study used qualitative method with interview data collection method, participant observation and documentation study. Then the data analysis techniques in this study using data collection, data reduction, display data and conclusions from data analysis. The results of the research revealed that the development pattern of UMKM Ulos with the restructuring of machine tools, the strengthening of raw material resources access, promotion, product diversification, the implementation of production center area by the Government, then applying social capital by expanding the business network

Keywords: Tourism, MSME:Kain Tenun Ulos (Ulos Woven); Innovation and Social Capital.

INTRODUCTION

In the development of Tourism in the area of Lake Toba, one of them is the development of ulos woven fabric capacity based on local wisdom in the era of globalization by utilizing cultural wealth. Weaving ulos woven fabric is a Micro Small and Medium Enterprises (UMKM). SMEs become the backbone of the populist economic system to reduce poverty problems and its development can expand the economic base and can contribute significantly in improving the regional economy and national economic resilience. In order for SMEs ulos woven cloth besides aiming to improve the regional economy, it must also be able to support the development of Lake Toba tourism, then the required appropriate strategy pattern. SMEs become the backbone of the populist economic system to reduce poverty problems and its development can expand the economic base and can contribute significantly in improving the regional economy and national economic resilience. (Rahayu Kurniawan, 2011) in Duti and Ayu (2013). UMKM is the nation's economic support. According to Rahmatia Nuhung (2012) Through entrepreneurship UMKM plays a very important role in reducing unemployment, provide employment, reduce poverty, improve welfare and build the character of the nation.

The empowerment of UMKM in the midst of globalization and high competition make UMKM must be able to face global challenge such as improving product and service innovation, human resource and technology development, and expansion of marketing area. This needs to be done to increase the sale value of MSMEs,

especially in order to compete with foreign product products that increasingly membajiri industrial and manufacturing centers in Indonesia, given the SMEs is the economic sector that is able to absorb the largest workforce in Indonesia (Sudaryanto, 2011).

Kuncoro (2009) posed the challenges faced by UMKM to strengthen the national economic structure quite hard. The development of SMEs is directed to improve the ability of small-scale entrepreneurs to become middle entrepreneurs and micro-entrepreneurs to become small entrepreneurs. If it is realized that the development of small and medium enterprises faces several obstacles such as skills, skills, expertise, human resources management, marketing and financial information. This lack of managerial and human capital capability has resulted in both small entrepreneurs not being able to run their business well.

More specifically, the basic problems faced by MSMEs are: First, weaknesses in gaining market opportunities and increasing market share. Both weaknesses in capital structure and limitations to obtain adequate sources of capital resources. Third, weaknesses in the field of organization and human resource management. Fourth, the limitations of cooperative business network among small entrepreneurs (marketing information system). Fifth, the business climate is less conducive, because the competition is mutually deadly. Sixth, the guidance that has been done is still less integrated and the lack of trust and public awareness of small business. (Kuncoro, 2009)

Another problem faced by SMEs, namely the existence of trade liberalization. According to Sudaryanto, et.al (2012), such as the enactment of ASEAN-China Free Trade Area (ACFTA) which has been effective in 2010.On the other hand, the government agrees ACFTA cooperation agreement or other agreements, but without considering the readiness of UMKM able to compete, for example product quality readiness, less competitive price, market readiness and lack of clear imported product map so that the positioning of competition is clearer. Such conditions will be more severe faced by Indonesian SMEs at the time of enactment of ASEAN Community in 2015. If this condition is allowed, the so-called MSMEs are able to survive and resilient will eventually go bankrupt. Therefore, in an effort to strengthen MSMEs as national economic fundamentals, it is necessary to create a conducive domestic investment climate in order to strengthen the domestic market so that UMKM can become the buffer of the national economy. One of the local creative business products is Ulos cloth.

Ulos cloth developed in North Sumatra is a typical batak society. From its history ulos cloth used to warm the body. In Batak tradition there is the term "mengulosi", which means warm body with ulos cloth. There are rules that must be obeyed for reproduction, among other things that people should only be able to have a kinship from top to bottom. For example, a parent may have a child's reply, but the child should not have a parent's reply. Ulos cloth is also one of the oldest civilizations in asia that have existed since 4,000 years ago in the batak culture, even ulos have existed long before the Europeans knew the textiles.

Toba Samosir Regency with its capital Balige, is one of 3 (three) objectives of Badan Otoriota Danau Toba, which later one of the Ajibata subdistricts, into areas such as Nusa Dua Bali, therefore the researcher, took the research place of Balos woven cloth ulos. In the Toba community, especially in Balige, the clevery of weaving also has long been there (not known for certain). This can be seen from the cleverness in making Ulos. Equipment used is still very simple once made of wood and bamboo loom in Indonesia called gedogan loom. For the ancient Toba community, Ulos was not only used for everyday clothes, but also for traditional ceremonies. Traditional fabrics, especially Ulos fabrics continue to be produced by the community. Weaving activities became one of the livelihoods of women, especially women in Toba areas, as well as Balige. For the Balige community, beside ulos cloth there is also an interesting cloth that is sarong cloth. This cloth is commonly called and is known by the name of sarong Balige or in Toba called mandar balige. Balige gloves are produced in Balige since the 1930s since the establishment of modern weaving industry ATBM (Machine Weaving Not Machine) made Textile Inrichting Bandung (TIB) in Balige. This sarong cloth is the idea and creativity of Balige businessmen.

The emergence of industry and weaving businessmen in Balige occurred during the colonial era, namely in the 1930s. This took place thanks to the adoption of a policy of industrial development by the colonial government. It can be said, at this time the emergence of the pioneering industry entrepreneurs in Balige. In 1935 there were three large pioneering entrepreneurs: Major Pipin Siahaan, H.O.tenun gedogan and non-machine loom (ATBM).

After independence the development of this weaving business received government attention in the 1960s. Soekarno's government at that time implemented a policy of rationing of weaving yarn in the first half of the 1960s. This policy is pursued with the aim of maintaining economic sustainability of the people while ensuring the availability of cheap clothing. The subsidized woven yarn is rationed according to the number of loom owners. Balige's weaving business in Semakain is increasing as a result of the policy, and the industry that began to develop at that time is one of them is Pertenun Boi-Tulus Tekstil which produce the main product is sarong and ulos cloth with Jempol brand.

The peak triumph of the weaving venture in Balige began in the 1950s to 970. In these times Balige was often dubbed the weaving town. But in the beginning of 1970-1998 Balige's weaving industry experienced ups and downs due to the inability of Balige local entrepreneurs in the face of market competition, the cessation of yellow subsidy supply, followed by the development of ATM textile technology. Actually it gives the most benefit to Balige local entrepreneurs especially in terms of production process, where production process uses ATM faster than ATBM. However, the development of this technology is not accompanied by the level of education and knowledge of local entrepreneurs in developing skills. Some entrepreneurs did not prepare the next generation well, proved almost no future generations in Balige while continuing high school education technology tekstil. As a result, business processing by the next generation is no better than its predecessor, while the challenges it faces are much more complicated.

It was further complicated by the economic crisis of 1998. Like other industries in Indonesia, the Balige industry was impacted by the economic crisis. This economic crisis resulted in some entrepreneurs went bankrupt due to decreased orders and increased production costs. As a result, many loom industries in Balige are closed. The weaving industry entrepreneurs turned to other more promising businesses such as trading, opening shops and even returning to the agricultural sector. In contrast to the thermal-weaving industry (weaving Boi-Tulus Tekstil) which until now can still survive and become one of the largest weaving industry in Balige, although in

1998 affected by the economic crisis. This is the main attraction to study the history and role of this industry.

Boi-Tulus Weaving Factory Textile was founded by Julius Sianipar in 1950. At the beginning of its establishment this industry was in Lumban Silintong precisely in Balige Port Road and then moved to the main street of Tarutung Balige Street in 1980. Construction of new building is done on the area 1,200 m of land with 1,000 m2 of semi-permanent building consisting of owner's house, production building, immersion kitchen, warehouse, dormitory, workshop, employee's kitchen, bathroom. And equipped with machine loom (ATM) and other production aids (such as spool machines, pallet machines, hank machines, and machine hanian) and settled to date. As a result of the addition of the number of weaving machines so that the starting place getting narrow and no longer suitable for the production process. In addition to these factors, the transfer is also intended to facilitate the marketing process because this road is the main road and close to onant Balige with a distance of about 0.5 km and densely populated. Boi-Tulus Tekstil is a medium-scale industry. Medium-scale industry is an industry that employs 20-90 people and has a net worth of more than Rp 500 Jt to a maximum of Rp 10 M, or has an annual sales of Rp 2.5 M to a maximum of Rp 50 M8. The industry produces two woven fabrics namely mandar (cotton sarong) and ulos. The target of this weaving industry is the whole society, this is seen from the affordable and cheap price. Mandar woven fabrics can be shaped, modified to suit the needs and many have a variety of functions that is to dress Sholat, for cloth or baby wrap to keep warm, tablecloth, door and window curtains, pillowcases, bed sheets, even this woven fabric can molded into modern clothing both for men and women. While Ulos cloth has a potential value that is large enough because it has historical value and its own characteristics. Ulos cloth is dominated by indigenous Batak people. Although the number of ulos weave from year to year quite a lot, but the public demand, especially for Batak ceremonial activities still exist. This is due to the fact that in the adat Batak ulos used for traditional occasions is not commonly used more than once. So the demand for ulos will still exist.

The weaving industry of Boi-Tulus Tekstil is one of Balige's weaving industry that has survived until now. Industry has a role in improving the economy especially in the absorption of labor, clothing providers, and poverty reduction, in addition it is also one of the typical products and categorized as a flagship product and become an icon of Balige city. Based on the various problems and thoughts above, the authors feel interested to review it. then this research entitled "Contribution of Capacity Development of Local-Based Ulos-Based Weaving Cloth in Globalization Era in Support of Tourism Development of Lake Toba".

In 1950 the loom was established by the owner, Mr. Julius Sianipar with Non-Engine Weaving Machine (ATBM) of 10 units. With the number of wage labor as many as 12 people and assisted by family members themselves. To examine specifically, it is necessary to conduct an in-depth study at SMEs Ulos Balige in order to find out how the development strategy pattern used by SME Ulos Balige can maintain its existence and survive against the number of ulos non ATBMs entering Balige regional market or outside Balige region. In addition, support from the government of Kabupaten Toba Samosir in promoting the development of SMEs Ulos Balige to face the free trade of ASEAN region.

RESEARCH METHODS

The research methodology used in this research is qualitative approach. It is based on the strategy pattern that emerged in this research which require the researcher to conduct exploratory study in order to understand and explain the pattern of SME development strategy of Ulos Balige which become the focus of problem in this research. Then the collection of various data and information will be done through participant observation, interview, and documentation study of the required data source.

According to Denzin and Lincoln (2011) describes the qualitative research of a locally located activity that puts his research in the world. Qualitative research consists of a series of material interpretive practices that make the world visible. These practices transform the world. They transformed the world into a series of representations, covering various field notes, interviews, conversations, photographs and personal notes. In this case, qualitative research involves a naturalistic approach of interpretation to the world. This means that qualitative researchers study objects in their natural environment, trying to interpret or interpret phenomena in the viewpoint of the meanings that society provides them.

Then Creswell in Primary (2015) suggests that there are several characteristics of qualitative research such as: a) beginning with the assumptions and uses of interpretive or theoretical frameworks that form the study of research problems related to the meaning imposed by individuals or groups on a social problem, b) Data collection of sensitive natural tissue and research sites, c) inductive or deductive data analysis and formation of various patterns or themes, d) The final written report includes the various voices of the participants, the reflexivity of the researcher, the description and the interpretation of the problem research, contributions to the literature for change.

The research was conducted in Ulos Balige village and the office of UMKM and Koperasi Kabupaten Toba Samosir. The reason is Ulos Balige Village as a place of production and sales ulos then the department of UMKM and Cooperatives as government agencies established specifically to help promote SMEs Ulos Balige. In this research, the researcher came to the informant of 2 (two) big entrepreneurs to get the result of research about development strategy pattern and informant, subject 2 (two) people comprised of middle entrepreneur and small entrepreneur to get result of research about social capital.

Researchers use focus group discussion techniques among key informants (key informants) in determining informants in this study. Focus Group Discussion is a socially oriented data-mining instrument. According Krueger (2007) that humans are social creatures whose existence is strongly influenced and affect others. Humans have a tendency to make decisions based on social stimulation, either in the form of suggestions, inputs, whispers, comments from people around him. The existence of other informants in a focus group plays a very important role in the response given by each informant. (Herdiansyah, 2013). Another definition, FGD is one of the techniques in collecting qualitative data, where individuals or groups discuss with the direction of a facilitator about a theology.

Key informants in this study consisted of people who had information, capabilities, and knowledge of the network on research subjects that would eventually lead researchers to selected informants. Key informants in this study are related officials (Dinas UMKM and Koperasi Kabupaten Toba Samosir) and Chairman of Ulos Balige Development Forum while the selected informants are UMKM entrepreneurs in Ulos Balige village in Toba Samosir District who are engaged in ulos production then market them.

Informants were taken based on focus group discussion of the researcher with official of department of UMKM and Koperasi Kabupaten Toba Samosir directing writer to meet the Chairman of Ulos Balige Development Forum. Focus group discussion continued between the researchers, Chairman of Ulos Balige Development Forum, and Assistant Chairman of Development Forum Ulos Balige provide input to the author to meet ulos entrepreneurs in Ulos Balige village with various characteristics.

Data used in this research are primary data and secondary data. According Etta and Sopiah (2010) Primary data is the source of research data obtained directly from the original source (not through intermediaries). Primary data comes from a live interview with Showroom owner in Ulos Balige village, after enough researcher will do observation at research location. Observation aims to record the pattern of MSME strategy, then the interview continued to the office of SMEs and Cooperatives Toba Samosir District. According Kuncoro (2009) Secondary

Data is Data that has been collected by data collection agencies and published to the user community. Secondary data used in this research is obtained from literature review, scientific publication relating to SMEs Ulos Balige village and from related institutions such as UMKM and Cooperatives Kabupaten Toba Samosir. Herdiansyah (2013) describes the process of data analysis in qualitative research has been started and done from the beginning of the research until the research is completed. In this case each researcher performs the process of data retrieval, the researcher directly conduct analysis of the data such as the selection of theme and katagorinya. In this study, researchers used interactive data analysis model according to Miles and huberman (1984) in Herdiansyah (2013). This data analysis model has 4 stages, namely the first stage of data grouping, the second phase of data reduction, the third stage of data display and the fourth phase draw conclusions and data verification.

DISCUSSION

In research in Balos ulos village results of data analysis obtained that the development strategies undertaken entrepreneurs or perpetrators of SMEs in the village ulos always update its products. This is in line with the statement (informant 1) on the pattern of SME development strategy. "... every day I always innovate in developing my ulos products even every night I always make new ulos pattern ..." Informant statement 1 equals informant statement 2 "... if I concentrate and focus to one product just bu, eg ulos weaving; from ulos weaving then I also have a network

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Informant's statement 1 has similarities with the statement of informants 2 that have in common that in the results of the study the pattern of development strategies must innovate to produce new ones. In informant 2 is also concerned with the network or business partners in selling products in this study the business networks are also called social capital, the statement of the third informant in developing umkmnya also require social capital. "... yes I sometimes take the production of ulos my colleagues who do not have a showroom with the purpose of helping friends ..."

Informant 3's statements are slightly different from the 4 informant's statement. "... if I sell my products directly to friends in Jakarta from them directly sell them abroad either in Malaysia or Brunei ..."

From the conclusion of statement of informant 3 and informant 4 stated if social capital play a role in strategy pattern of SME development in Ulos Balige to face free trade competition of ASEAN region. The ability of MSMEs in facing the current global competition needs to be improved further in order to remain able to survive for the sake of the stability of the Indonesian economy. In addition the human resources factor in it also has its own share. The development strategy of MSMEs can be maintained by increasing the competitiveness and development of human resources in order to have value and able to survive the ACFTA market, such as through the distribution of small business credit (KUR), the provision of access to marketing information, financial management training and information communication technology development.

A major challenge in the development of SMEs in the era of free trade and global competition today is the increasingly tight business competition. Strict competition in the business world is also felt by SMEs ulos in the country. In recent years, ulos printing textiles from a number of countries such as China have entered Indonesia, causing traditional ulos UMKMs that produce ulos weaving and face barriers both in terms of production and in terms of marketing. This happens because ulos printing with sophisticated technology can be mass-produced and fast, with relatively cheaper prices that are more in demand by consumers, especially the lower middle class.

According to Novandari (2013) the intensity of competition in this industry, requires UMKM ulos in the country to have a product advantage and the uniqueness of sustainable produced products in order to survive and win the competition. Continuous competitive advantage is the value (value) that can be created by SMEs ulos for consumers continuously. With competitive advantage owned. MSME ulos in Indonesia is expected to produce better ulos products compared to competitors from overseas competitors.

If MSME Industri Ulos can not maintain its existence and make corrections in order to face the pattern of open market in the future it is very possible many SMEs Industrial Ulos that will bankrupt. The perpetrators of MSMEs Ulos should not rely on cheap labor in its business development, creativity and innovation through research and development support becomes very important to note. In addition SME Industries Ulos must take advantage of opportunities to reach the wider market potential and maintain the existence of SMEs well To take advantage of these opportunities, the biggest challenge for MSME Industry Ulos in the face of Free Trade Alief Rakhman Setyanto, Bhimo Rizky Samodra, Yogi Post Pratama MEA is how to determine the pattern of strategy behavior to win the competition, one of the strategy behavior patterns that can be used is to create various product advantages and the specificity of the resulting product, utility of place, site product or utility of diversification.

SMEs ulos industry must be able to take advantage of technological advances in marketing its products. Utilization of e-commerce as one of the promotion media as well as sales will be able to expand the sales network of ulos fabric to all of Indonesia and even the world. Utilization of this technology can be one effective strategy in dealing with MEA. In addition, the competitive advantages of ulos craftsmen must always be improved in order to compete in the global arena. The enforcement of the MEA that makes no more obstacles in international trade in the ASEAN region requires every domestic industry including SMEs in Ulos Kampung Balige Area to innovate products, services and even marketing network. The need for Government support by restructuring machine tools, strengthening raw material access through material center, enhancing the promotion of weaving products through audio visual media.

CONCLUSION

When the Government declares free trade in the ASEAN region, the relationship of social capital with Innovation and cooperation in creating UMKM development is very closely proven that some entrepreneurs have formulated it in business. Always innovate in production and apply social capital in developing business and cooperate with business partners so that ulos production business business can be developed then social capital is emphasized so that entrepreneurs have wide network and partnership so that business business can grow and not stagnant. It is hoped that the importance of social capital, innovation and cooperation is adopted by other UMKM entrepreneurs for MSME is ready to face globalization in the present era especially in ASEAN market.

Objectively, this research still needs to be developed and has some limitations.

The study used a source of data derived from the informants in the field. This research is local and unique, so it can not be generalized. The time difference is very influential because what happens in the field at the time of the research can not be a benchmark that will happen at different times will be the same. With these limitations, it is expected that this research can be followed up and become input for further research.

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FEASIBILITY TEST: SUMBER KASIH

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ABSTRACT

This study aims to test the feasibility of SK (Sumber Kasih) as to improve its performance level form convenience store to conventional supermarket as well as its investment profitability. The number of population in this study involved fifteen people. Three people became the samples of the study.
The feasibility test of this present study was conducted in accordance with market and marketing factor, financial factor, technical factor, management and organization factor. The feasibility of this test can be shown through this 4 factor.
In financial factor with moderate risk taking, there were 3 methods employed, showing the following results: NPV (Net Present Value) with value Rp. Rp. 4,4891,318,838, IRR (Internal Rate Of Return) with result 40%, PP (Payback Period) with result 3.09, and PI (Profitability Index) at 3.44. From each calculation, this business expansion plan can be said to be feasible.

Keyword: *Retail, Business Expansion*

INTRODUCTION

The retail companies in Indonesia are facing various changes from independent local stores to modern shopping centers such as supermarkets, supermarkets and department stores (Danang, 2015: 1). Changes and developments in consumers' demand make retail companies in Indonesia adjust their business and conceptual strategies, ranging from conventional and independent companies to modern and well-organized retail companies to dominate markets and meet consumer needs (Danang, 2015: 1).
The activities undertaken by retail companies include the sale of various products to consumers to meet consumption needs, and distribution providers that connect between suppliers and consumers (Utami, 2014: 5). Changes in consumer tastes and retail development led to the establishment of various types of retail within a period of 20 years. As a result, it is difficult for us to determine the types of retail. This is because of the similarity of products sold in retails (Utami, 2014: 7). In order to determine the different types of retail, we differentiate from several ways such as the sales area, the unique code of each item, the price, the range of sales, and the type of retail store promotion as seen in Table 1 (Zentes, *et al.*, 2007: 14).
Sumber Kasih (SK) is a retail store with convenience store category (Zentes, *et al.*, 2007: 14). Located in Mimika district of Papua province with a building area of 700 m2 and a parking area of 150 m2, SK has a goal to become a company that can survive and continue to expand to other areas in Papua province.

Table 1. Category Retail Stores

	Conventional Supermarket	Supermarket	Hypermarket	Convenience Store	Hard Discounter
Trade Area	400-1,000	1,000-5,000	5,000-3,000	200-400	500-1,500
SKU	20,000-30,000	30,000-40,000	40,000-150,000	1,000-3,000	700-1,500
Types of products	Products of various brands and medium quality are varied	The products are complete with health products	The products are complete with health products	The products are of medium quality and sufficient	Products with low to medium variations, and rely on product brands
Percentage of Food (%)	75-90	60-80	60-70	90	80-90
Price	Competitive	Competitive	Competitive	Medium to high	Very low
Service	Good	Medium	Medium	Medium	Bad
Sales Reach	Nearby city or neighborhood	Special location or Community shopping	Special location or Community shopping	the nearest environment	the immediate environment and the direction of the main road
Promotion	Newspapers, brochures, shopping coupons	Newspapers, brochures, shopping coupons	Newspapers, brochures, shopping coupons	Promotion in the sales area	Newspapers, brochures, shopping coupons

Source: Zentez, *et al.*, (2007: 14).

The researcher intends to work with SK management to develop the company by improving the quality, capacity, and service range from the convenience store stage to the conventional supermarket stage as described in Table 1. SK changes from the convenience store stage to the conventional supermarket stage due to the desire to increase turnover. This method is expected to increase the company's profit, development potential from the broad side of SK's sales area, and SK capital availability.

In addition to opportunities, there are also obstacles that need to be addressed to support the development of retail SK. These constraints are the plan to increase the area of warehouses that have not been implemented, the development of the concept of the company to become a modern company through the implementation of new technology, limited human resources, and the efficiency of the use of funds to generate profits for the company SK. There are also external constraints such as the presence of competitors, and the scarcity and empty of goods in the Mimika market.

The problem of this research is the study of business development of SK store family in increasing SK store status from convenience store level to supermarket level. This study covers the market and marketing aspects, aspects of technology utilization, management and human resources aspects, and financial aspects.

LITERATURE REVIEW

In SK business development, the review of previous research is done by focusing on the retail business aspect. Research Rego, *et al.*, (2016) discusses the influence of creativity in the performance of a store. This study aims to determine the effect of store creativity in predicting the ability of store performance through store capacity. The study was conducted on a retail organization consisting of 160 stores and employing 1794 workers. This study classifies each store into groups and assesses their performance objectively. Data were collected through questionnaire presentation techniques. To prevent the risk of variation of the same method, creativity and store capacity are measured from worker data from different stores. The study found that the influence of store creativity in predicting the ability of store performance through store capacity. This research can be utilized as a review of aspects of management and human resources. Further implications for the business management of the research results are referred to as creative and environmental development that stimulates creativity and store performance. Establishment of this environment can be done by:

- Promote working conditions in a store that is friendly and has integrity or high morale.
- Support workers as individuals and as groups.
- Treating workers with respect and helping to develop the capabilities of individual workers.
- Provide the need for the store to function effectively.
- Determine and clarify in detail the process and purpose of the store

Guy and Bennison's (2006) study the advantages of developing a superstores retail business to companies and consumers. This qualitative research collects data through interview techniques on 32 retail companies that are developing their company in the UK. Interviews include costs, corporate profits, and enterprise development planning into a superstor. Out of 32 interviews, data were received from 17 respondents. There are 5 questions given in the interview, including:

- Check whether there are additional costs and efficiencies gained in developing a retail business with a superstore format.
- Check whether there are benefits to consumers in developing a retail business business with a superstore format.
- Check if there are local government rules that hinder the development of a retail business with a superstore format.
- Check if the owner of the retail company can compensate the development rules of the government.
- Checking whether government rules result in monopoly of the retail company's market.

The results of the study found that there are benefits to consumers when the company seeks to expand its business. This situation is suspected by the development of retail business: the greater competition makes the price of products sold can always be under control. The recommendations of the research from the point of view in the marketing aspect are:

- Business development should be done in an area that is easily accessible and can be supported by the local government.
- Conduct development innovations tailored to the needs of the store.
- Taking into account the development rules and regulations of the local government.
- Demonstrate awareness of ever-changing consumer needs.

Melisa's research (2012) discusses the effect of retail marketing mix on consumer buying decision in a supermarket. This study aims to analyze consumer purchasing decisions that are influenced between inventory, price, location, communication mix, and the appearance of a supermarket. The research was conducted using purposive sampling technique, by distributing questionnaires using Likert scale to 100 respondents. The results of the research can be used as a review in the marketing aspect, especially in marketing mix and SK management business development suggestions, the results are found as follows:

- The availability and completeness of the product may attract customers to re-purchase.
- Consumers will make a buyback if the price of the offered goods is competing or lower than the competitor, according to the quality of the customer desired, and the purchasing power of the consumer,
- Locations that are easily accessible by public transport and the availability of adequate parking space at self-service locations, will influence consumer buying decisions.
- Consumer repurchase decisions will increase with communication from supermarkets in the form of discounts and shopping points.

A large self-service atmosphere, bright lighting, comfortable room temperature, maintained hygiene, and organized and synchronized products can improve consumer's purchase decisions.

RESEARCH METHODS

There are three methods of data collection qualitative research in research development SK. The first method used is the qualitative interview method (Yin, 2011: 134) in the hope that the researcher can form a relation with the participant, the observer method of 'researcher as participant' (Creswell, 2009: 179) is used so that the researcher can interact with the events in operational SK (Robert Yin, 2011: 131), tearkhir method that will be used is documentation method with the aim of collecting data in the form of audio, visual, and other supporting documents so that the documentation can provide information that strengthen the result of interview and observation.

Table 2. Data Collection Methods for Each Aspect

Aspect	Data source	Data collection techniques	Results
Market and marketing aspect			
Retail mix	Primary, secondary	Interviews, observation, Documentation	The most suitable market segment for SK, the type of consumer targeted by SK, along with the SK image in the consumer.
Finacial aspect			
Investment costs	Primary, secondary	Observation, Documentation,	Business feasibility based on NPV, IRR, Payback period, and Profitability Index (PI) in development.
Loan interest rate	Secondary	Documentation	
Technical aspect			
Store location	Primary, secondary	Observation, documentation,	The feasibility of the location, the use of adequate operational retail tools within the conventional supermarket level, the delivery of good products, and the availability of skilled labor.
Layout settings	Primary, secondary	Interviews, observation, documentation	
Selection of technology	Primary, secondary	Observation, documentation,	
Product provision	Primary, secondary	Interviews, observation,	

		documentation	
Manpower experts	Primary, secondary	Observation, documentation,	
Management and operational aspect			
Organizational structure	Primary, secondary	Observation, documentation	Organizational structure suitable for SK, empirical analysis of each employee, and appropriate and efficient compensation
Job analysis	Primary, secondary	Interviews, documentation	
Employee compensation and motivation	Primary, secondary	Observation, documentation	

Source: primary data, 2017.

There are several research aspects such as market and marketing aspects, financial aspects, technical aspects, and management and organizational aspects. Market and marketing aspects include the target market, and the retail mix consisting of products of interest to consumers, cheaper prices than competitors, promotions through marketing sales, locations that are central to the activities of the Timika population, and services favored by consumers so as to attract customer loyalty. Terms of eligibility of market and marketing aspects of determining the formulation of Segmentation, Target and Position (STP) along with retail mix strategy established through STP.

The financial aspect is an aspect related to the company's financial condition in developing the project through Net Present Value (NPV), Internal Rate of Return (IRR), and Payback Period (PP). The financial aspect can be declared feasible if the NPV yield is greater than 0 and the IRR yield is greater than the interest on the loan.

The feasibility of technical aspects will be determined through the location of business development is feasible and feasible in the conventional supermarket criteria, efficient and functional SK Functioning Tools and equipment, Suppliers who are always ready to provide products, and the availability of skilled labor (Sulisyanto, 2010: 155).

Management and organizational aspects can be considered feasible if researchers can formulate appropriate organizational structures and compensation for SK workers, proper job analysis, and good employee management (Sulisyanto, 2010: 181).

FINDINGS

In the retail trade market in Timika, consumer consideration in choosing a product is always based on the product with the cheapest price, product quality, and expire time. There are 2 SK Competitors in the market, ie Omega Stores and Your Stores, each located across the street location SK. By conducting interviews and observations of SK and its competitors, STP analysis is run to form a marketing strategy for retail mix (Utami, 2014: 86).

- Segmenting

Market segmentation is done in the hope that SK can find the direction of its development into a more competitive and more profitable market. SK market segment is as follows:

Table 3. Market Segmentation

	Inside Timika	**Outside Timika**
Traditional Service	SK, Toko Omega, Toko Anda	SK, Toko Omega
Modern Service	SK	-

Source: primary data, 2017.

1. Targeting

SK market targets are consumers living in Timika city, Timika district areas, and consumers from districts around Timika district. Such as Agast, Yahukimo, and Kamoro. Many of reseller which bought things form SK were not form inside Timika, but come form districts surrounding Timika. As can be seen on Table 4 which list several districts around Timika with the type of buyer.

Table 4. Targeting Process

	Individual Buyer	Traders or Distributors
City of Timika	V	X
Asmat District	X	V
Deiyai County	X	V
Nduga District	X	V
Paniai District	X	V
Puncak Regency	X	V
Yahukimo District	X	V

Source: primary data, 2017.

Statement from interview with SK source indicates that some SK consumers who become target are traders or distributors in their respective areas and tend to come from districts adjacent to Timika.

- Positioning

SK positioning is aimed to form a company image that is easy to remember and favored by consumers.

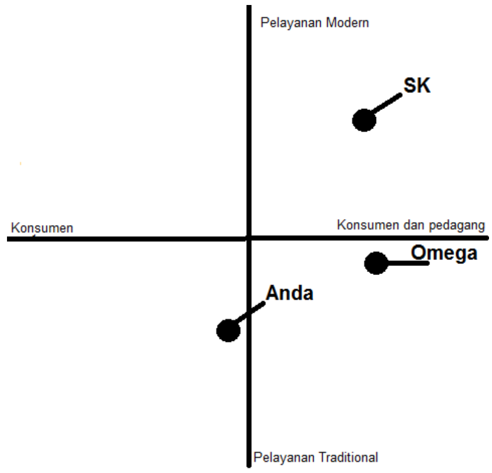

Figure 1 Positioning SK
Sourse: primary data. 2017.

Because these three stores have competitive prices, the position of SK in the market is emphasized on two aspects, namely service aspect and consumer type SK aspects. Under these conditions, SK's position is "Modern and affordable for all consumers".
The retail mix strategy is aimed at gaining marketing advantage over competitors in the Timika retail market. The application of marketing strategy based on STP analysis on each mix element can be seen in figure 2.

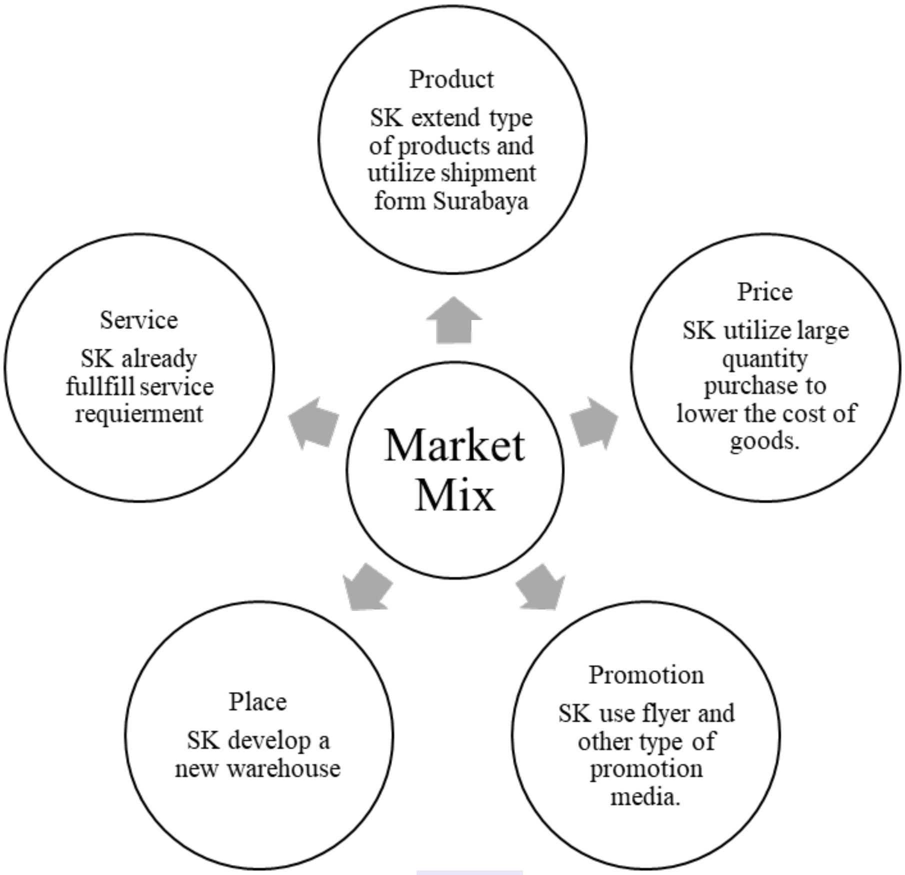

Figure 2 Retail Mix SK
Source: primary data, 2017.

Based on STP analysis and application of retail mix strategy, the most appropriate marketing strategy for SK is market penetration strategy (Utami, 95: 2014). The feasibility assessment of SK market and marketing aspects will be reviewed based on STP analysis and establishment of retail mix strategy established through STP. SK feasibility in market and marketing aspects can be seen in table 5.

Table 5. Feasibility Analysis of Market and Marketing Aspect SK

Provisions	Condition	Analysis
Has Determined the right STP for the Timika retail market	SK has determined STP	Feasible
Have a retail mix strategy that is formed based on STP analysis	SK already has a retail mix strategy	Feasible

Sourse: primary data, 2017.

Technical aspects of SK analysis focused on SK location and supply line, software and hardware equipment used in supporting SK operations. SK is located in Timika City on Hasanudin street no.88, Mimika, Papua. SK Have 10 employees at various levels of work, and operational equipment in the form of 2 computer cashier, 1 computer backoffice using SID-Retail software, 12 Cctv, and 1 cam recorder. The following is an analysis of the technical aspects based on the eligibility requirements.

- Location

In the SK location analysis, the selection of selected development sites remains at the currently used location. This election is based on several reasons, as follows:

- SK location is next to the main market of Timika Town.
- The location of the SK is located in the development of Timika's 'New Town'.
- SK location is very close to distributors of products sold by SK.
- Sufficient warehouse development land just behind SK building.

In order to meet the capacity of sales and storage, SK did addition of a warehouse area with a building area of 300 m2 just behind the main building SK. SK already has a total building area of 950m2 and has met the criteria of the Conventional Supermarket building area ranging from 400m2 - 1000m2 (Zentez et al, 2007: 14). Here is an overview of SK location on Google Map.

Figure 3. SK location
Source: Google Maps, 2017.

- Tools and Supporting Tools

At this time, there is equipment to support store operations in terms of adequate and efficient computer technology. The statement of the following interviews on the source can strengthen the results of the analysis of equipment and supporting equipment. "Until now, the same computer program we use is okay, we are here also have mastered its usage".

- Determination of Product Layout and Warehouse

The layout determination is attached to appendix 4 and using the grid layout design type along with the method of tacking arrangement with the aim of the product design and arrangement techniques can guide consumers around the shopping area to see the various products in large quantities on offer (Utami 2014: 278). The result of the determination of the layout under study can be reinforced by interviews with the source.

Figure 4. *Layout* SK
Source: Primary Data, 2017.

From the observations found SK has had a sufficient product setting and layout that has been laid out to make it easier for consumers to shop. The feasibility of technical and technological analysis can be seen in table 6.

Table 6. Feasibility Analysis of Technical Aspects

Description	Specification	**Analysis**
Compatible and feasible development sites with an area of 400-1000 m2	The location used is under construction	Feasible
Tools that support SK activities	Operational equipment is easy to get through online ordering	Feasible
Supplier who is ready to send the product	Supplier send the product	Feasible
Skilled workforce	A skilled workforce has been obtained	Feasible

Source: Primary Data, 2017.

Management and organizational aspect analysis is done with the purpose of ensuring business development can be implemented properly, efficiently, and already have adequate human resources.

- Organizational structure

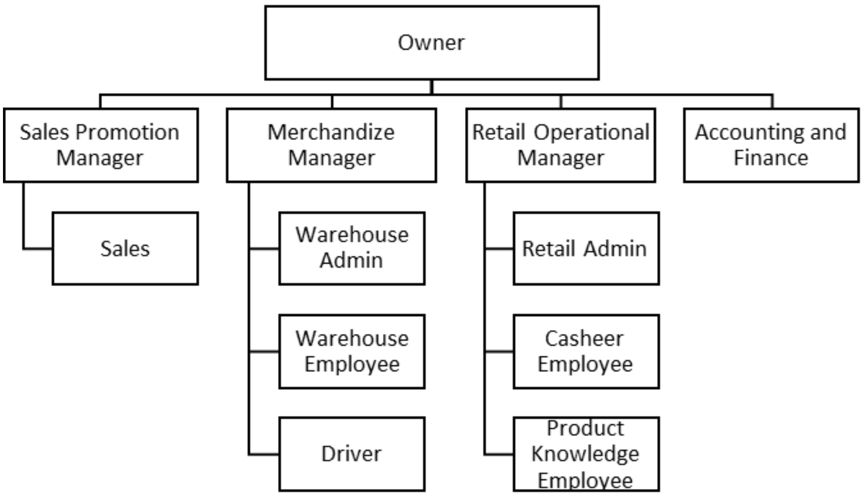

Figure 5. Organizational structure

- Job Analysis

The functions of each part of management as well as job descriptions and specifications operate efficiently.

- Compensation and Benefits

The compensation and employee benefits provided are set out in the Work Agreement and Worker Regulations. In it has been regulated on Regional Minimum Wage 2017 for Mimika regency amounting to Rp.3.098.538, - (Government Regulation No.78 year 2015), While THR (Allowance Hari Raya) given based on long employment of employees at least 1 year with the amount amounting to 1 times the salary of employees. The results of feasibility analysis of management and organization can be seen in table 7.

Table 7. Feasibility Analysis of Management and Organization Aspects

Description	Specification	Analysis
Organizational structure that has been formed	There has been an organizational structure since the founding of the company	Feasible
Analysis of work that has been formed	Job analysis has been implemented	Feasible
Company management system that has been formed	SK has employee management	Feasible

Source: Primary Data, 2017.

The financial aspect is analyzed with the objective of knowing business development can be funded and implemented. The first data used in financial calculations is the value of inflation in 2016 worth 3.02%. The second data used is employee salary data SK with standard UMR

(Regional Minimum Wage) 2017 Rp.3.098.538,-. The third data to be utilized is the interest rate of credit from BRI bank with a value of 9.75%. The last data used is the tax rate in accordance with the rules of the Directorate General of Taxation. With the data held in the financial analysis. SK's cash flow can be 10 years of functional warehouse can be calculated and seen in table 8.

Table 8. SK Cash Flow

Year-to-	SK Cash Flow
0	Rp. 517,493,732
1	Rp. 635,399,735
2	Rp. 768,411,055
3	Rp. 916,258,225
4	Rp. 1,080,485,295
5	Rp. 1,262,794,229
6	Rp. 1,465,059,422
7	Rp.1,689,345,558
8	Rp. 1,937,926,519
9	Rp. 2,213,306,410

Source: primary data, 2017.

To assess the feasibility of financial aspects of SK mining, it is necessary to calculate NPV, IRR, Payback Period, and Profitability Index.

Table 9. *Net Present Value* (NPV)

Year to	SK Cash Flow	Discount Cash Flow
0	(Rp. 2,000,000,000)	(Rp. 2.000.000.000)
1	Rp. 517,493,732	Rp. 471,520,484
2	Rp. 635,399,735	Rp. 527,518,836
3	Rp. 768,411,055	Rp. 581,272,822
4	Rp. 916,258,225	Rp. 631,538,411
5	Rp. 1,080,485,295	Rp. 678,572,438
6	Rp. 1.262,794,229	Rp. 722,612,408
7	Rp. 1,465.059,422	Rp. 763,877,182
8	Rp.1,689,345,558	Rp. 802,568,782
9	Rp. 1,937,926,519	Rp. 838,873,635
10	Rp. 2,213,306,410	Rp. 872,963,835
NPV	Rp.4,891,318,838	

Source: primary data, 2017.

Table 9 and shows the NPV value in the tenth year has reached a positive value of Rp. 4,891,318,838.

Table 10. ***Internal Rate of Return*** **(IRR)**

Year to	IRR
0	(Rp. 2.000.000.000)
1	Rp. 517,493,732
2	Rp. 635,399,735
3	Rp. 768,411,055
4	Rp. 916,258,225
5	Rp. 1,080.485,295
6	Rp. 1,262,794,229
7	Rp. 1,465,059,422
8	Rp.1,689,345,558
9	Rp. 1,937,926,519
10	Rp. 2,213,306,410
IRR	40%

Sourse: Primary Data (2017).

Table 10 shows the IRR value in the 10th year has reached a positive value of 40%.

Table 11. ***Payback Period*** **(PP)**

Year to	SK cash flow	Accumulation
0	(Rp. 2,000.000.000)	(Rp. 2,000,000.000)
1	Rp. 517,493,732	(Rp. 1,482,506.268)
2	Rp. 635,399,735	(Rp. 847,106,533)
3	Rp. 768,411,055	(Rp. 78,695,478)
4	Rp. 916,258,225	Rp. 837,562,747
5	Rp. 1,080,485,295	Rp.1,918,048,042
6	Rp. 1,262.794,229	Rp. 3,180,842,271
7	Rp. 1,465.059,422	Rp. 4,645,901,693
8	Rp.1,689.345,558	Rp. 6,335,247,251
9	Rp. 1,937.926,519	Rp. 8,273,173,770
10	Rp. 2,213.306,410	Rp. 10,486,480,180
	Payback	3,09

Source: primary data, 2017.

Table 11 shows the payback period at point 3.09 with the final value having reached a positive value of Rp. 837,562,747. The next SK development will be analyzed more deeply by using Profitability Index (PI) method in order to know the relation between capital cost and profit from development that will be implemented.

Table 12. Profitability Index (PI)

SK cash flow	Accumulation
Cash out	Rp. 2,000,000,000
PI	3,44

Sourse: primary data (2017).

In determining the feasibility of financial aspects, there are several criteria that must be met.

- NPV method

In the 10th year the value of NPV has reached a positive number of Rp. 4.891.318.838. So if viewed from the NPV, business development in the financial aspects of SK has been feasible.

- Method of Internal Rate of Return (IRR)

In the 10th year IRR value has reached 40%. So if viewed from the IRR, business development in the financial aspects of SK has been feasible.

- Payback Period (PP) Method

Payback period occurs in the third year. So if viewed from the PP, business development in the financial aspects of SK has been feasible.

- Method of Profitability Index (PI)

PI in the tenth year is at point 3.44. Thus the development of this project can be considered feasible because the point value is greater than 1.

CONCLUSIONS

Based on the results of the study of business feasibility study of SK store development from convenience store level to supermarket conventional level, the conclusion on each aspect is as follows:

- Research on market and marketing aspects is done through STP analysis and retail Mix indicates that the development direction and SK development strategy have been established and feasible to be implemented. Thus after the implementation of the development, then SK can meet the requirements of Conventional Supermarket criteria by adding product type, storage warehouse, and product promotion.
- Research on technical aspects shows the feasibility of the location of the SK located strategic location, easy to reach by the distributor, and has a building area after the development area of 950m2. In the technical aspects, it is necessary to add additional equipment in the warehouse and new cashier operations for SK and the skilled workforce. So that SK has met directly meet the criteria requirements of the Conventional Supermarket area and indirectly meet the requirements of the number of product types, services, cheaper product prices and product promotion personnel.
- On the management and organizational aspects, SK is declared feasible due to the establishment of an organized management system, complete regulations, clear job description, appropriate compensation, and benefits in accordance with government regulations. However, management and organizational aspects need to be developed and

complied with the company's development so that SK can operate optimally and effectively.

- In the financial aspect, it is necessary to report SK development cash flows using NPV, IRR, and Payback Period analyzes. This study finds an indication of decent SK development. In the 10th year the value of NPV has reached a positive number of Rp. 4,891,318,838, IRR value reaches 40%, and the PI value reaches 3.44 in the 10th year with the return of capital invested in the 3rd year.

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THE APPLICATION OF MODEL INFANT IMMUNIZATION MONITORING POST BIRTH-BASED WEB AND SMS GATEWAY

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ABSTRACT

The more advanced the development of information technology will bring extensive impact for any kind of fulfillment of human life without real fulfillment form except human life. The development of information technology also brings positive impact on the field of health information technology that was developed mainly in the activities of treatment and health therapy. This research aims to create an application that is able to access through the web and sms gateway to monitor and monitor the process of kontinyuitas immunization of infants on every post birth, especially in certain regions that are still hard adequate health services, with the availability of this application surely results achieved was the appearance of ease for the handling of immunization in infants especially for post-war birth mothers in obtaining their infant immunization services continuous range in the specified time. Forward with this application will be in getting the condition i.e., the decrease in the rate of infant mortality caused by ignorance of mothers in fulfilling the purposes of their infant immunization.

Keywords: immunization, birth, web and sms gateway

INTRODUCTION

Background Research

The development of smartphones has now mushroomed in the community greatly, ranging from small children up to adults often have activity with the name smarphone. At the end of 2017 is estimated to be approximately 84 million smartphone users in Indonesia. While the total penetration of pertumbuhanya reached 41.8 percent. The activity of people on any smartphone range of games up to business affairs. According to research Google along with TNS Australia found 71 percent of smartphone owners, in Indonesia makes that device as the main, including telecommunications equipment to access the internet. The process of the development of the world of digital technology has affected many areas. One of the central areas experience penetration of digitization technology is in the area of health. One of the influences that add to the health field is medium with a large number of emerging health applications that can be easily accessed via a smartphone or tablet device. For example, in developed countries currently process health examination the ear or hearing children have can be done using your smartphone. Through the device doctor can diagnose the infection and prepare the proper

treatment for his patients. Growing number of mobile applications in the health field will certainly ease the course of patient care.
One of the aspects in the eHealth Technology emphasized the use of the mobile device (mobile) for health services. With the use of mobile devices, such as Smartphones, medical services can reach better on areas, communities, and health practitioners that were previously restricted. Maternal and child health (MCH) in ground water has always been a strange problem that the situation never improved. Improving the quality of maternal and child health services is believed to be the social and political conditions require, law and culture that is conducive.
Based on Demographic and Health Survey Indonesia (SDKI) maternal mortality 2007 year in Indonesia are still at the number 228 per 100,000 live births. Despite numerous attempts of repair as well as handling has been done, but still needed to realize a wide range of support. KIA'S program aims to improve the degree of health maternal and child health in particular optimally. One of the essential elements to support these goals is the availability of data and information that is useful in planning, implementation, monitoring, and evaluation of the results of the health service. Most of the maternal and child health programs in health institutions are not yet supported by adequate information systems both in the recording, processing, and analysis as well as the interpretation and reporting.

LITERATURE REVIEW

The Role Of Immunization To Health Infants

In the article Carla (2018) explained that the development of the medical world that is increasingly sophisticated, the granting of immunization for infants should remain in effect despite giving away a baby make sampinya so cold. There are a lot of immunization to provide to infants to prevent diseases that harm the baby and provides many benefits for the baby itself. Below we've summarize the some the immunization should be given to a baby with full benefits and the granting of immunization time. Kinds and forms of immunization of infants who can string together into a form in the application of information technology is:

Mandatory Immunization

The main compulsory immunisations given to post-war baby birth can be specified as follows:

1. BCG vaccine can be provided when newborn and child time repeat the age of 5 years and 10 years with how to inject at the upper arm. This is very important to prevent the disease tuberculosis (TB) which attacked the lungs due to transmission via a splash of saliva when coughing, sneezing, talking, and respiratory.
2. Measles is a disease that Looks or transmitted through respiratory patients are on the mark with the onset of red spots and high body heat. A disease that can cause diarrhea, encephalitis, seizures due to high heat, and pneumonia is very dangerous for children and babies. The granting of these measles vaccine in children ages 9 do when up to 14 months and on repeat with additional vaccine MMR vaccine (Measles, Rubella/Measles, In Germany). Measles is a disease that Looks or transmitted through respiratory patients are on the mark with the onset of red spots and high body heat. A disease that can cause diarrhea, encephalitis, seizures due to high heat, and pneumonia is very dangerous for children and babies. The granting of these measles vaccine in children ages 9 do when up to 14 months and on repeat with additional vaccine MMR vaccine (Measles, Rubella/Measles, In Germany).
3. DPT vaccine can be given via an injection in the thigh in children aged 3 months to repeat every 5 years. The DPT itself is an abbreviation for Diphtheria, Tetanus, and Petutis the infectious via salivary spark when sneezing, talking or through towels, handkerchiefs, and Dinnerware this virus infected.

4. Hepatitis. This is a heavy disease due to an infectious virus through needle like syringes and needles tatto, can infectious through saliva, sweat, insects such as mosquitoes, and cuts the body of infected objects touched by hepatitis b. diseases that do not yet exist This medicine is very dangerous because its victims will only be given treatment to prevent complications. Administering hepatitis B vaccine it can be done since the baby to protect up to 96% in the past 5 years and can give additional power to extend vaccine lindungnya.
5. Administering the polio vaccine could in two ways, namely the OPV vaccine in doing with shed the vaccine through the mouth or in the oral vaccine and the second is IPV given via injection. These vaccines can be done since the age of 1 week and new baby in doing routine 1 year all children until the age of 5 years. Polio itself has the full name of the Poliomielitis attacked the nervous muscles to muscles become small and occur in paralysis for the sufferer, meskiun can heal, it still leaves the mark i.e. sufferers a limp all his life. The virus is transmitted through food or drink that is exposed to the polio virus and splashing saliva of people suffering from polio.

Additional Immunization

In addition to several types of immunization at the top, in maintaining the health of the baby is still a need for additional immunization, immunization in the form of not just the obligatory immunization should be given to the child or baby to us, there are also additional immunization must be in give to prevent many diseases like Hib vaccine, Influenza, MMR, PVC, Rota, and Varicella that has many health benefits for infants and children.

The Role Of Information Technology In The Field Of Immunization

Posyandu is an activity information system input, process, and output will be the data that exists in the basic data such as posyandu posyandu, posyandu services activities, data user and the attendant hospital. The hospital information system initially in the form of paper based need to be developed into a computerised based using the software. Computer-based Information System for the Posyandu once evaluated the results better than the manual or paper-based. It's just that this time, the development of information systems in UKBM (Efforts of community-based Health) new developed at the hospital which goal is to pregnant women, infants, children and toddlers as well as fertile age couples. Whereas, like other UKBM posbindu where the goal is a ripe old age that the number is growing also requires information systems that are not only pretty, but also manual developed into computer-based (Erlinawati, 2011).

The Benefits Of Immunization In Infants

According to Nainggolan (2013) are the benefits of immunization is so much functionality for the health and growth of the development of the our children in the future at a later. Because when the newborn is should get the vaccination immunization for infants. For that reason the importance we know will be various types of vaccination and immunization vaccination also benefits for infants toddlers fruit our hearts each. The purpose of the granting of the full basic immunization by the time baby will hopefully provide functionality as well as the benefits in terms of protecting the baby body immunity levels are still very vulnerable from a disease that could and can cause pain, disability or even the death of the baby. Immunization is is part of administering the vaccine (inactivated virus) into the body of someone to give immunity to a particular disease type. Immunization is an immune system that is given to humans with the purpose of protecting the individual from a disease that can harm the soul children-naka kita. That is what is meant by the definition as well as the understanding of immunization we give to the baby. The principle of granting of immunization in this case is to enter a germ that has weakened into a body that functions to ward off disease. The way of granting this immunization is through injections or oral (through the mouth). Through immunization, some diseases can disappear just as the smallpox disease in the year 1970. History has been noted, that immunization saves many generations and prolong one's life chances. In Indonesia, the immunization was introduced in 1956 began.

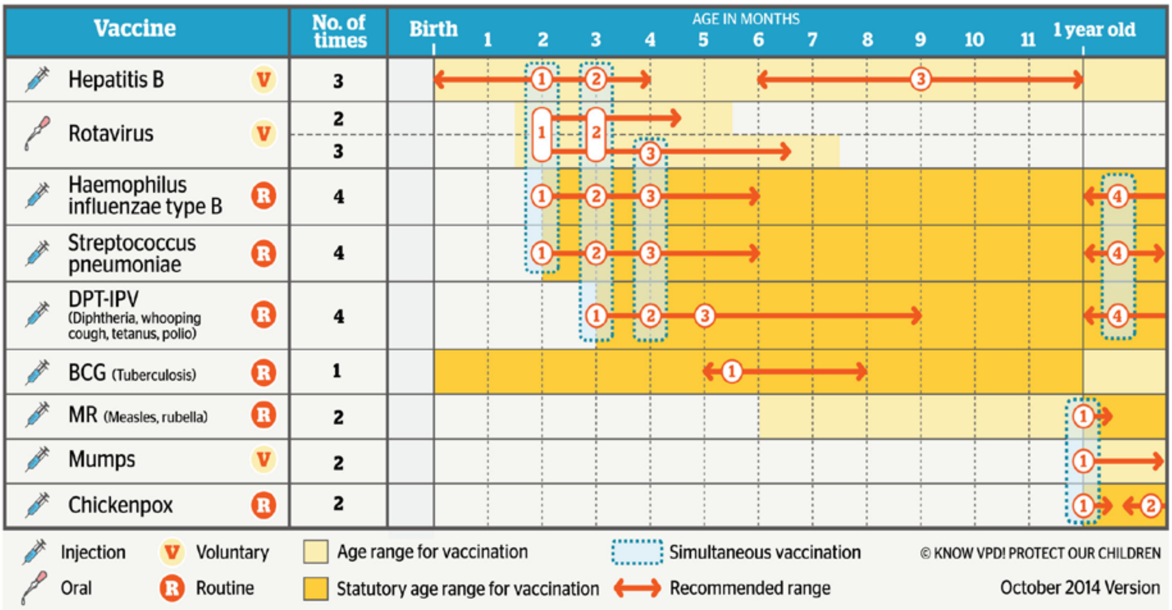

Figure 1. Sustainable Immunization Process
Source: Calyn G, Ostrowski M., Greene Margaret., (2011)

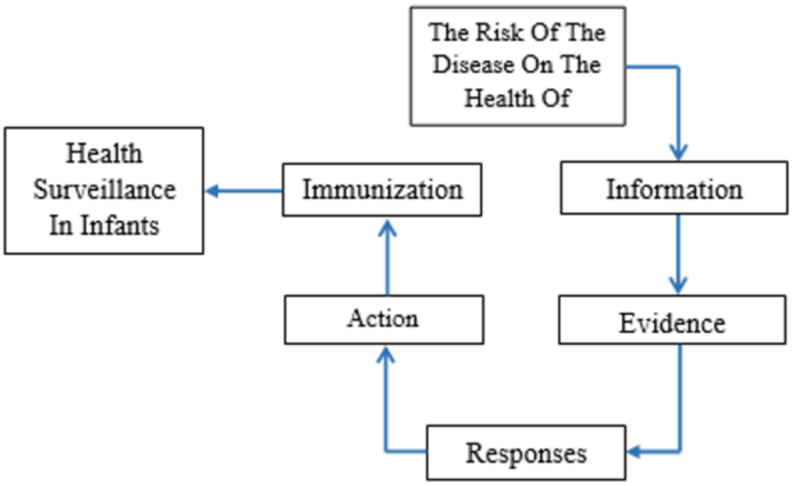

Figure 2. The Mechanism Of Monitoring Immunization In Infants Through Web & SMS Gateway Source: Lisnawati (2011). Generasi Sehat Melalui Imunisasi. Jakarta: Trans Info Media.

Immunization Activities Detection Post Birth

Dompas (2013) explains in his book, baby's protection activities related to immunization activities actually has to be done early as of zero day old baby up to the age of a certain boundaries with immunization activities, this was done until the baby was 9 (nine) months, known as the basic immunization. In Indonesia, the country where most of its area consists of plain countryside sometimes still not enough good health services are mainly related to the handling of the health of the baby in terms of immunization activities.

The Five Mandatory Immunization

According to the explanation Hakim (2014) immunization efforts in Indonesia have been conducted since the year 1970-80s in infants and children. Appropriate Government immunization programs, there are five types of immunization that must be given to infants aged 0-11 months, i.e. BCG, polio, hepatitis B, DPT, measles. As for the recommended immunization is MMR, Hib, typhoid, hepatitis A, varicella, pneumococcal, and PPV (IPD). Some of the benefits of immunization among other mandatory hepatitis B vaccine prevents infection with hepatitis B, BCG vaccine in order to avoid severe tuberculosis, DPT vaccine to prevent diphtheria, whooping cough (pertussis) and tetanus. As for the polio vaccine to avoid the disease polio. Mandatory immunization coverage, however, decreased in recent years compared to 10 years ago. For example, immunization coverage of DPT year 1997 nationwide achieve 100 percent or more, while the year 2008 coverage dropped to 91.6 percent. With the target of immunization of infants of around 5 million, 420,000 babies don't get vaccines DPT. These conditions led to a number of infectious diseases in children toddlers can not be resolved until there is no longer the case. For example, the number of measles cases year 2007 totalled 18,488 people. Polio comes up year 2005 after not found since 1995, despite successful national immunization after being eliminated.

Prevent Health Disorders In The Form Of Infection.

So far, the deaths of children under one year in Indonesia is very high. According to the Demographic and Health Survey Indonesia, infant mortality year 2007 was 34 per 1,000 live births. "Infant mortality in Indonesia the highest among the ASEAN countries," said Sri Hadinegoro, Chairman of the S Provision task force on immunization IDAI. About 75 percent of deaths of infants under 1 year due to acute respiratory tract infections (RESPIRATORY), perinatal complications (infants aged 0-28 days), and diarrhea. Therefore, efforts addressing the third leading cause of pain and death must take precedence. Many RESPIRATORY related diseases could be prevented by immunization, measles, pertussis, Hib, pneumococcal and. Hepatitis B immunization in infants can also prevent future liver cancer at the age of productive, because 90 percent of infants born of mothers with hepatitis B infection would be infected with a virus that, 95 percent of them develop into chronic and liver cancer. Administering vaccines can protect children from attacks of various infectious diseases that can cause death and disability. Immunization inducing immunological system of the body to form antibodies specific so that it can protect the body from the attack of the disease (team IDAI, 2014).

RESEARCH METHODS

Location Research

Research places located at Griya Husada hospital Surabaya, directly in the path of the host Fern II/110 Surabaya, media Ministry granted the hospital one is activity immunization in infants. The contribution we will provide is developing hospital services to areas that can be reached through the application of web-based information systems and the sms gateway to serve important information to moms post-birth in their infant immunization activities through a mobile device that is easily operated and used to get the correct information related immunization activities.

The Process Of Collecting Data And Samples.
Applications built to reach health services immunization in infants up to the age of nine months, so the mother who gave birth to a timeout will get accurate information on when their baby should get immunizations are scheduled are informed through web-based devices and sms gateway. Of course the data we collect is information on babies born and haven't even aged nine months to become the subject of research in the process of gathering research data.

Rapid Assessment Prosedure
Observational research evaluative in nature with the draft cross-sectional and quantitative and qualitative approach will be undertaken to support the achievement of the objectives of this research. Quantitative data that will be collected is related to the implementation of the system of maternal health, including the monitoring of input, process and output. Input related to resources and means of supporting infrastructure available. The process of with regards to how the maternal health surveillance system implemented. While the output related to the availability of data/information that is valid as a result of monitoring and utilization data for decision making. Qualitative data will also be collected to support and deepen the studies related to program performance and linkages to other sectors.

THE RESULTS OF THE RESEARCH AND THE DISCUSSION

The Application Of The Mechanism Of Early Warning To Immunization Of Infants

As explained earlier, that the main purpose of establishing this application is to detect early any kind of disturbance that may arise if the infant immunization is not done on a regular basis. With an application that can be run online at the mobile mobile device via sms gateway and path or use the web-based media then any kind of information can be received and distributed to mothers who have baby maximum until the age of nine months. The main outputs that will be generated through the implementation of this application is (Lisnawati, 2011).

1. Implementation of a monitoring activity of health immunization of infants who are able to generate output data that is valid for the clinic or hospital immunization providers.
2. Baby health monitoring activities that will be capable of detecting high risk baby's health problems early, in the region that are able to reach by web service clinics.
3. Data and informasiyang successfully collected from monitoring activities health disorders babies used for decision making by health care givers in anticipation of performing the required actions.

In order for this application to run successfully, then the clinic or hospital venue should do the phases of activity in its region in focus and periodically in the form of.

1. Implementation of the system of Early Warning of environmental puskermas in infant immunization or hospital providers.
2. Development and Maintenance System of Early Warning activities of infant immunization.
3. Dissemination system of Early Warning for the immunization of infants in Clinics or hospital providers.

Interested parties in the implementation of this application is actually puskermas or hospital in Surabaya, where territory when the application is implemented in a spearhead into the collecting data was the Organizer. Object data collection is the condition of the baby started born up to the age of nine months. Implementing data entry which became about everything related to the health of pregnant women is the appropriate experts or understand the medical world about the health of the baby. The data collected by them is about the number of babies aged 0-9 months, all types of illnesses suffered by babies baby birth or frequency. The process of collecting data on everything from the level of the RT, and RW up to the level of the village in the region of Surabaya. Through the charging of such data will be monitored and known early, the kind of health problems in infants such as what to get the handling of early. Because data through sms gateway will certainly save time and become much more quickly and efficiently. Output results data is conducted will provide a signal and input to the health center Kepanjen which can be used as consideration in making decisions about the handling of priority health problems in babies soon and this condition will provide emergency response speed on the grant of the Ministry of public health. So that the desired impact, health disorders will not lead to a dangerous condition for the condition of the babies as early as possible. The flow of data from field implementations done by health workers of clinics can be seen in Figure 2 above. All the data that has been collected in the main server can be important information for health centers and hospital organizers in monitor and improve health services usia0-9 months baby. The process of early detection, early warning systems could become a foothold for clinics in conducting early action before interference suffered by infants health is getting worse. With the presence of this application allows local governments in this regard health services can be more intensive in the monitor and trace the whereabouts of the baby who suffered health problems.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

1. The application of these applications bring benefits for the two sides, namely the parties concerned provide immunization, health centers or hospitals designated.
2. Application of early warning is very beneficial to moms who have babies and are still far from the reach of health services adequately.
3. Should the application of these models can be developed in many places, especially in serving the needs for the mother after childbirth and baby care in the healthily.
4. Community service will be the health needs of developing various types of application that facilitates the dissemination of information and data accurately all the time.

Recommendations.

1. Application of early warning of immunization services should continue to be developed to optimize the health service for the health of infants.
2. Any clinic or hospital designated, certainly have long-term interests against the application, necessitating an integrated national programme for mensukseskannya.
3. Application development and web-based early warning smsgateway can certainly be tried for other health services such as communities increasingly are met so that the BPJS would better service as the development of information technology services.

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EMPOWERMENT OF UMKM FOR KPM PKH TANAH KALI KEDINDING THROUGH BUSINESS COMMUNICATION BASED ON E-COMMERCE MARKETPLACE WEBSITE

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ABSTRACT

This research is about marketing strategies for Beneficiary Families from PKH or called KPM has various businesses in Surabaya through the E-Commerce Marketplace Website to achieve market growth growth. This study uses SWOT Analysis. The method used in this study is a qualitative approach. The technique used to collect data is open interviews, observation and documentation. Based on the research that has been done, there are three results that must be applied by SMEs for PKH KPM, first, the price through the E-commerce marketplace website is quite effective, product promotion through E-commerce marketplace website is more quickly known, the messaging facility through E market -commerce is preferred

Keywords: Ecommerce Marketplace Website, online promotion, SMEs, PKH Surabaya

INTRODUCTION

Surabaya is one of the big cities in Indonesia that still has a high poverty rate. Based on data from the Central Bureau of Statistics (BPS) Surabaya, the number of poor people in the city of Surabaya in 2009 as many as 171.200 people, in 2010 as many as 195,700 inhabitants, in 2011 as many as 183 300 people, in 2012 as many as 175.100 inhabitants, and in 2013 as many as 168.690 inhabitants. When viewed from the percentage of the poor population to the total population in Surabaya, the percentage of poor people in the city of Surabaya in 2009 amounted to 6.72%, in 2010 of 7.07%, in 2011 of 6.58%, in 2012 of 6.23%, in 2013 of 5.97 %.

Tanah Kali Kedinding is one of the villages in Kenjeran sub-district in Surabaya. Based on geographical conditions, the main potential of Tanah Kali Kedinding is the result of fisheries and trade around tourism objects in the Suramadu Bridge or in the Bulak Fish Market.

To overcome the poverty problem the Ministry of Social Affairs runs the PKH program in all of Indonesia by coordinating the Office of Social Affairs, the District Social Office and placing PKH Facilitators in each Kelurahan or Sub-district.

PKH (Family Hope Program) is a program of providing conditional social assistance to poor families who are designated as Beneficiary Families of PKH (KPM).

PKH Goals are:

1. Improve the standard of living of beneficiary families through access to education, health and social welfare services
2. Reducing the burden of expenditure and increasing the income of poor and vulnerable families
3. Creating changes in the behavior and independence of beneficiary families in accessing health and education services and social welfare
4. Reducing Poverty and Welfare

Total KPM (Family Beneficiaries of PKH) Tanah Kali Kedinding for Year 2018 amounted to 780 KPM PKH. The various KPM PKH jobs are as private sector employees, independent sales or trading and housewives.

UMKM or often called SMEs (Small and Medium Enterprises) are able to encourage KPM PKH to realize Business Independence so as to improve the family's economy

Based on the results of the observation, there can be identified problems in order to develop marketing efforts from KPM PKH Sales.

In general KPM PKH has limitations in the use of Information Technology such as Android Gadgets / HP, Internet, Whatsapp. While the demand for the need for the use of information technology has become increasingly urgent given the level of competition in local and regional markets, where every business actor has begun to be demanded to be able to present information quickly and accurately to its customers

Based on the background information described above, this study aims to analyze: "*EMPOWERMENT OF UMKM FOR KPM PKH TANAH KALI KEDINDING THROUGH BUSINESS COMMUNICATION BASED ON ECOMMERCE MARKETPLACE WEBSITE* ".

LITERATURE REVIEW

Previous Researches

Previous research that is being investigated is a research A conducted by Rosemary Stockdale and Craig Standing (2006) with the title “Classification Model to support SME e-commerce adoption initiatitives” Objective - to identify certain groups that are most beneficial from the application of e-commerce in Australian SMEs There are 5 classifications tested in this study namely:

1. Landlubbers
   Business groups that tend to be small with very few employees and the local market and
   do not intend to expand their business and there is no desire to own a computer.
2. Toe dippers
   Business groups that have basic computer needs and limited skills in using them. The perception that the internet is used when there is time like finance through online banking, computers are useful for invoicing and recording share ownership, e-mail
3. Paddlers
   Business groups are e-commerce participants and are sometimes registered in e-marketplace. They tend to have e-mail and internet connections, but are often hesitant about their use.
4. Waders
   Business groups marked by SMEs, for reasons of choice or because of pressure from trading partners,
5. Swimmers
   Business groups that feel the benefits of e-marketplace participation.

At the following conclusion. We identified five categories of SMEs, only two of which sought support to increase e-commerce use. These two categories are Landlubbers and Toe dippers because they have little motivation to use E-commerce.

Previous research has been carried out by Naruemon Choochinprakarn (2016) with the title "Adoption Of Electronic Commerce In Thai Travel Small And Medium Enterprises" and this paper aims to investigate the factors that influence the application of technology, organization, and environment-based (EEE) based frameworks expanded e-commerce and Internet Trade Adoption Model (eMICA) An online survey is used to collect data from Thai travel small and

medium enterprises (SMEs) that have a company website registered with the Thai Business Development Department and are members of the Thai Tourism Authority. There were 125 cases of data analyzed using multiple regression results revealed that:
1. only the intensity of competition that positively influences e-commerce promotion,
2. organizational benefits and readiness are found to be determinants of Ecommerce adoption such as providing information and services,

Previous research has been conducted by Albert Feisal Ismail, Wong Sue Tean, Mohd Fazli Mohd, Cheng Si Pei (2017) with the title "E-Commerce Adoption Among Retailing In Perspective Of Technological-Organizational-Environmental (Toe) Framework" The purpose of this study is to explore the factors that influence the adoption of e-Commerce among SMEs in Malaysia in the perspective of the technology-organization-environment (TOE) framework. Primary data has been obtained through questionnaires given to top management representatives (102 respondents) from random companies and random categories of products or services to be filled. The research location is a retail SME service industry because it stands for a large percentage of SME establishments in Malaysia, with up to 98.1% of the total SME formation. SPSS 20 is used for analysis. The study also shows important implications for e-Commerce platform vendors, especially software developers and technology consultants, as one of the results of data analysis shows that technology vendor support is not significant for e-Commerce adoption among retail SMEs in Malaysia. In conclusion, data were collected from 102 respondents from SME retailers in Malaysia, who had direct interaction with e-Commerce activities on their business. It was analyzed that the technological, organizational and environmental contexts have a positive direction in relation to e-Commerce adoption.

Conceptual Frameworks
Based on Turban, Lee, King, Chung (2000) in the book M.Suyanto (2003:11) E-commerce is a process of buying and selling or exchange of products, services and information through information networks including internet
According to TShim, Quershi, Siegel (2000) in the book M.Suyanto (2003:11), E-commerce is a new concept that is usually described as a process of buying and selling goods or services on the World Wide Web Internet
According to Darmawan (2014) E-commerce business-to-consumer (B2C) is a category of e-commerce that has retail transactions with buyers individual and often called e-tailing
According to Wheelen and Hunger (2012:176), SWOT is a technique or tool used by business companies in order to analyze strategic factors (strengths, weaknesses, opportunities and threats). Kotler and Armstrong define strengths as internal capabilities that may help the company to reach its objectives, weaknesses as internal limitations that may interfere with the company's ability to achieve its objectives, external factors that the company may be able to exploit to its advantage and threats as current and emerging external factors that may challenge the company's performance. The purpose of SWOT analysis is to explore the factors that are critical or irrelevant for business companies to achieve success. SWOT analysis assist marketers or business owners to focus their attention to strengths, weaknesses, opportunities and threats that are important to bring their companies to the next level.

RESEARCH METHODS
Herdiansyah (2010:9) explains qualitative research is a scientific research that aims to understand a phenomenon by bringing forward the process of interaction between researchers in-depth communication with the phenomenon under study. While Sugiyono (2010:15) conclude that qualitative research is used to examine the conditions in which the natural object of researchers is a key instrument. Data collection techniques performed by triangulation

(combined) with the data analysis is inductive / qualitative. The results of qualitative research more emphasis on meaning rather than generalizations (Sugiyono, 2010:15).

Research Time and Location

The research was conducted at the meeting of SMEs (Small and Medium Enterprises) KPM PKH group in Tanah Kali kedinding Surabaya and in Ewarong Arum Wangi This research was conducted in March 2018.

Informant Selection Method

According to Creswell (2003), qualitative research is needed to identify data collection parameters such as intentional selection of informant, document or visual material that can answer research questions. Based on Given (2008), qualitative research generally uses informants snowball technique where researchers will collect information according to research as much as possible that start from one informant continued with other informants suggested by informants before. Informants' criteria chosen by the researchers are newcomers, consumers or buyers, suppliers, competitors and substitute products.

The first informant is a Competitor who will market the same product in the SMEs (Small and Medium Enterprises). These informants will provide an overview of the threat of Competitor who will tighten competition in the market at the same time selling. The second informant chosen is the consumer or customer. The aim is to obtain their data, opinions or views about the types of products offered when shopping on the current KPM PKH ecommerce marketplace website **www.jualan-kpmpkhsurabaya.com** and to find out how much messaging services between customers are preferred.

Table 1. Sampling Method

No.	Informant	Population	Sampling Method	Sampling
1.	Competitor	5	Saturation Sampling	5
2	Customer	100	Non-proportionated	5

Data Collection Method

Methods of collecting data from every aspect can be described through data types, data sources and data collection techniques listed in the following table:

Table 2. Data Collection Method

No.	Indicator	Data Source	Data Type	Data Collection Techniques
1.	SWOT analysis	Primary, Secondary	Focus Group Discussion	Observation and Documentation
2	Analysis of pricing	Primary, Secondary	Ratio	Observation and Documentation
3	Analysis of online Promotion strategy	Primary, Secondary	Ratio	Observation and Documentation
4	Analysis of online booking delivery facilities strategy	Primary, Secondary	Ratio	Observation and Documentation

Research Instrument

The research instrument is a tool that is used by researchers in collecting data for these activities be neat, systematic and efficient. Instruments used in this research are interview guide (some list of questions submitted and explained to the parties associated with the object of study in order to obtain the information needed). Interview techniques used are open-ended interview question.

Data Verification

In a qualitative research, an investigation or information can be stated as valid if and only if the researcher's report is equivalent to the reality of the object studied. Validity is conformity between the measuring instrument with something to be measured, so that the measuring results obtained will represent the actual size dimensions and can be accounted for (Herdiansyah 2010:190)

According to Yin (2009), there are four kinds of tests to perform validation tests of the data, namely through the construct validity (construct validity), internal validity (internal validity), external validity (external validity) and reliability.

Data Analysis Method

Data analysis is going to be conducted by analyzing every aspect of the various issues related to these aspects. Aspects analyzed are aspects of pricing strategies, aspects of online promotional strategies on Ecommerce Marketplace Website **www.jualan-kpmpkhsurabaya.com**, the aspect of order delivery. facility strategy in the ecommerce website market Pricing strategies, online promotions and order delivery facilities are carried out by comparing the strategies has been used by the SMEs (Small and Medium Enterprises) KPM PKH Website Ecommerce Marketplace **www.jualan-kpmpkhsurabaya.com** with a strategy adopted by competitors. This comparison result is then used to implement a better strategy for the SMEs (Small and Medium Enterprises) KPM PKH Ecommerce Marketplace Website

Focus Group Discussion (FGD) will be formed in order to analyze the weights of internal and external factors. Focus Group Discussion (FGD) is a discussion that is carried out in a systematic and focused on a particular issue or problem. In this study, the internal and external factors in the analysis together in a focus group consisting of marketing manager, logistics manager and marketing director. With the focus group discussion, critical and constructive information can be collected quickly from participants who have a background different. Following FGD, the SWOT (strength, weakness, opportunity and threat) of the companies in further analysis using the IFAS (Internal Strategic Factors Analysis Summary) and EFAS (External Strategic Analysis Summary). Finally, the company determines the strategy to be chosen with the help of SWOT Matrix.

DATA ANALYSIS

Analysis of Pricing Strategy

Setting the selling price is very important in business continuity. If set correctly and in accordance with customer expectations and in accordance with the level of profit desired by SMEs (Small and Medium Enterprises) KPM PKH, will be very positive for the sustainability of a business. the selling price setting is also seen from the selling price of competitors

Analysis of Online Promotion Strategy

Online promotions should be made as attractive as possible to create consumer interest. The right online promotional strategy will be able to increase the sales of Ecommerce Marketplace Website SMEs (Small and Medium Enterprises) KPM PKH website which is expected to eventually increase profitability for SMEs KPM PKH Tanah kali Kedinding

the Ecommerce Marketplace Website **www.jualan-kpmpkhsurabaya.com** must be known by

Google to make it easier for consumers to search for the desired product so as to increase market share for SMEs KPM PKH Tanah Kali Kedinding

Analysis of Online booking delivery facilities strategy
Online Booking and Delivery Facility is all activities of SMEs (Small and Medium Enterprises) KPM PKH with the aim of making the product needed and desired by the consumer can be easily obtained at the time and place desired by consumer.

SWOT Analysis
Based on the ratings discussed through FGD, SWOT matrix for SMEs KPM PKH is described by the following figure.

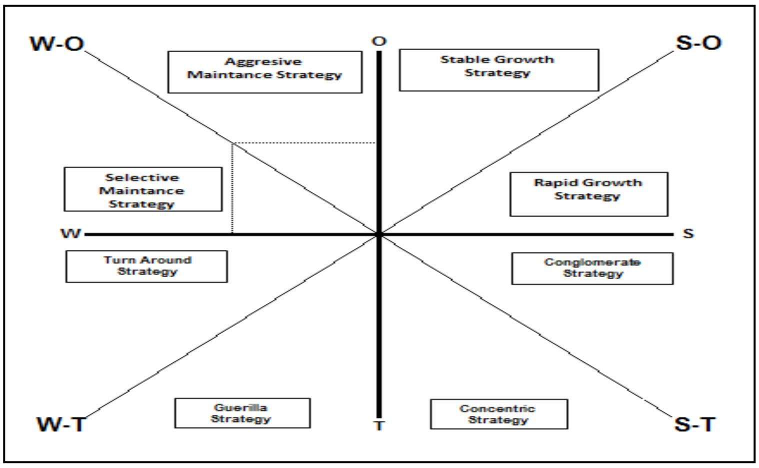

Figure 1. SWOT Matrix for SMEs KPM PKH

Based on the results of the SWOT analysis, SMEs KPM PKH Tanah Kali Kedinding is included in quadrant 1 which is the growth quadrant. Where the strategy that will be used by SMEs KPM PKH Tanah Kali Kedinding to develop Retail market share is a Rapid Growth Strategy. This strategy can be done by using company strengths to take advantage of opportunities

CONCLUSION & RECOMMENDATION
Research conducted in a thesis entitled Empowering UMKM for KPM PKH Tanah Kali Kedinding Through Business Communication based on website e-commerce marketplace to increase market share online is qualitative research. This study discusses the business environment of SMEs (Small and Medium Enterprises) for KPM PKH Tanah Kali Kedinding (SWOT) to determine pricing strategies, online promotions and Online Ordering Facilities to SMEs for KPM PKH Tanah Kali Kedinding.

From the results of research conducted then there are some suggestions that may be done in the future for research, especially in developing business SMEs for KPM PKH Tanah Kali Kedinding

1. Research focusing on public perception to shop online can be applied and suitable for SMEs for KPM PKH in Surabaya and All Indonesia.
2. With Ecommerce Marketplace Website for UMKM KPM PKH **www.jualan-kpmpkhsurabaya.com** well known by google with keyword: selling kpm, pkh

surabaya should be developed with other keywords in google.

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THE ROLE OF SERVICE MARKETING MIX ON DECISION OF PURCHASE OPEN TRIP TOUR PACKAGE (STUDY ON SMARTWAY INDONESIA TOURS'S CUSTOMER)

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ABSTRACT

This study aims to determine the effect of Service Marketing Mix on the decision of purchasing an open trip tour package on the customer of Smartway Indonesia Tours, a travel agency based in Malang city, Indonesia. The variables studied in this research are: Product (X_1), Promotion (X_2), People (X_3), Physical Evidence (X_4), Process (X_5), and purchasing decision of Bromo Sunrise open trip package to Smartway Indonesia Tours (Y)
. Sampling is done by using Slovin formula, with total population is 366 people of customer of open trip package of Bromo Sunrise July 1st, 2017 - September 30th, 2017. Then got 79 respondents who become sample of research. This research was conducted by using quantitative method of regression by doing F test, t test, multiple regression test and Classic Assumption test.
Based on the results of this study obtained the results that the Service Marketing Mix (Product, Promotion, People, Physical Evidence and Process) simultaneously significant effect on purchasing decision open trip package of Bromo Sunrise on Smartway Indonesia Tours. Physical evidence variable partially significant effect on purchasing decision open trip package of Bromo Sunrise. While Product, Promotion, People and Process partially no-significant effect on purchasing decision open trip package of Bromo Sunrise on Smartway Indonesia Tours.

Keyword : Service Marketing Mix, Buying decision, Travel agents.

INTRODUCTION

Open trip is a new package scheme on the Indonesian tourism industry sold by travel agents. Through this scheme, a solo traveler has a possibility to join with another traveler and do travel together by share-cost. With this share-cost system proved able to attract the attention of consumers in Indonesia because the price is cheaper if compared with private trip tour packages scheme. Among the many of travel agents who sell an open trip travel package scheme. Smartway Indonesia Tours (smartway.id) comes with the slogan "Open trip around Indonesia. Every day." Slogans appear because in the open trip travel package scheme, an agent travel usually only opens this scheme on certain dates only. However, Smartway Indonesia Tours made a new breakthrough by venturing to sell an open trip tour package every day on all destinations on sale.

Purchase decision process is a consumer behavior to determine the purchase of a product. In the science of marketing mentioned that consumer decisions to buy a product is influenced by elements of Marketing Mix, namely: Product, Price, Promotion, Place, People, Physical Evidence and Process (Lupiyoadi and Hamdani, 2008: 81). Marketing mix is a combination of variables that are expected to affect and create consumer satisfaction that can form a loyal consumer personality. All aspects are used in a structured and programmed manner clearly, and coordinated so that a company can run one of its own development functions as part of its marketing and self-introduction to the community, in order to run as effectively as possible. (Purnamasari, 2011: 67).

With this background, researcher is interested to lift the title "The role of Service Marketing Mix to the decision of purchasing an open trip tour package. Study on Smartway Indonesia Tours customer. "Although the analysis in the field of Marketing Mix has been done a lot, but the difference is the object of research conducted, namely the consumer package of open trip tours. There has never been an analysis that conducted research on the role of Service Marketing Mix on the purchase decision of open trip tour packages

LITERATURE REVIEW

A. Marketing Mix Theory

Marketing Mix on product merely includes 4P product, price, place and promotion. While in the field of services these four things are still not sufficient. Therefore, marketing experts add three more elements, namely: people, process, and physical evidence (Lupiyoadi and Hamdani, 2014: 81).

❖ *Product*

Product is goods or services offered and will be traded to consumers. Quality Consumers not only buy physically from the product but the benefits and value of the products offered. The advantages of service products lie in their quality that includes reliability, responsiveness, and empathy (Lupiyoadi and Hamdani 2014: 81).

2. *Price*

Price is the amount of money that must be issued by a consumer to get a product or service produced by a sales company. Price is an economic sacrifice made by consumers to obtain the desired product or service (Monroe, 2012: 45).

3. *Place*

Place or place is one element in the Marketing Mix that plays an important role in terms of distribution of goods and smooth flow of goods from producers to consumers. The distribution of goods from producer to consumer will be difficult to do without adequate distribution channels. Moreover, to be able to reach a broad market, the company needs a variety of intermediaries or distribution channels that can deliver the goods into the hands of consumers. The location of services used in supplying services to the intended customers is a key decision. The decision regarding the location of services to be used involves consideration of how the delivery of products / services to customers and where it will take place. Selection of a site location needs to consider the following: a. Close to industrial area or factory. b. Close to office location. c. Close to crowded or market locations. d. Close to residential location. (Kasmir, 2011: 166)

4. *Promotion*

Promotion is a marketing activity that seeks to disseminate information, influence or persuade, and remind the target market of a product so that consumers are willing to accept, buy and loyal to a product offered by a company. Promotion is one element in Marketing Mix that can not be ignored in the sales process. (Alma, 2010: 179)

5. *People*

The role of individuals as service providers is also one important factor that can affect the quality of services provided. To achieve good quality, staff training is required so that employees are able to provide satisfaction to the consumers (Lupiyoadi and Hamdani, 2014: 81).

6. *Physical Evidence*

Physical evidence or what is known as "physical evidence" is a thing that can affect consumer decisions to buy and use goods or services offered. This physical means is a thing that significantly affects the consumer's decision to buy and use the products offered services. (Lupiyoadi and Hamdani, 2014: 81).

7. *Process*

Process in marketing of goods / services related to services of goods / services provided. Market penetration ability by adding services provided. This is related to the added element of complexity (Lupiyoadi and Hamdani, 2014: 81).

B. Customer Purchase Decision Process

Consumer decision to buy a product will start with introduction of need, time, situation change, product concept, product consumption pattern, individual difference, marketing influence and information search both externally and internally. In addition, with the increasing number of competitors, the more choices for consumers to be able to choose products that fit with what the expectations. (Sumarwan, 2011: 361). According to Kotler and Keller, the buying decision process is a consumer behavior to determine the process of decision development in the purchase of a product goods / services. The process is a price-fixing problem consisting of five stages: problem recognition, information searching, evaluation, alternatives, purchasing decisions and post purchase. As for the stages of consumer purchase decisions are as follows:

1. Problem identification

At this stage consumers begin to identify problems with their internal behavior. Is the need for goods / services is urgent or just a desire. Whether the needs of these goods / services can be delayed purchase process, and so forth.

2. Search information

After passing the stage of the introduction of the problem, a consumer will go to the next stage of information seeking phase related products / services that will be purchased. At this stage a consumer will perform product identification.

3. Evaluation

At the alternative evaluation stage. A consumer will start looking for a comparison of a product / service that he or she has found before.

4. Buying decision

Product (X_1)

At this stage the consumer will decide and drop his choice to buy a product goods / services. To give a simple understanding about this study, the following models of analysis and expected results will be devised in the Figure 1.

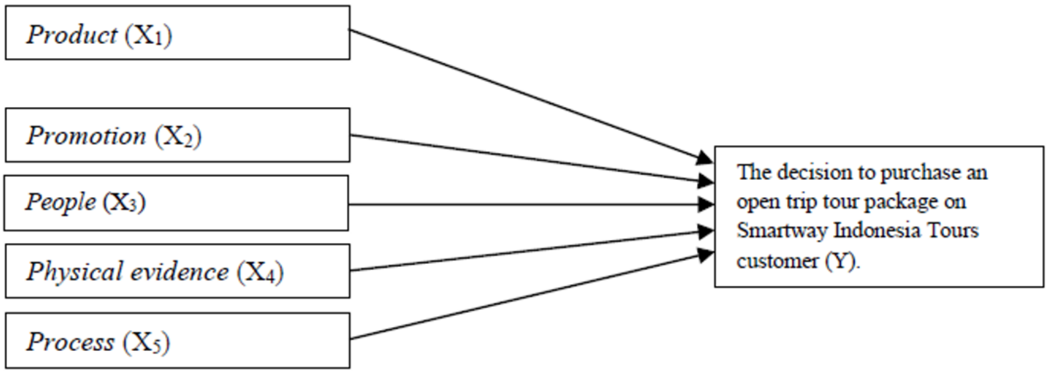

Figure 1: Analytical Model

C. Hypothesis

Based on the formulation of the problem, the purpose of research and the theoretical basis that has been discussed, the hypothesis to be tested in this study are: H1: Product (X1) affects package purchase decision open trip tour Bromo Sunrise consumer Smartway Indonesia Tours (Y). H2: Promotion (X2) has an effect on purchasing decision tour package open trip Bromo Sunrise consumer Smartway Indonesia Tours (Y). H3: People (X3) has an effect on packet purchasing decision open trip tour Bromo Sunrise consumer Smartway Indonesia Tours (Y). H4: Physical evidence (X4) affects decisions purchase of an open trip Bromo Sunrise consumer travel package Smartway Indonesia Tours (Y). H5: Process (X5) has an effect on purchasing decision Open Bromo Sunrise consumer travel packages Smartway Indonesia Tours (Y).

RESEARCH METHODS

In accordance with the problems and aims of this study. The research to be conducted includes the type of quantitative research. The analysis is used by causality test, that is to test the causal relationship between free variable Marketing Mix (5P) that is Product, Promotion, People, Physical Evidence and Process to dependent variable, that is decision of purchasing of Bromo Sunrise open trip tour package to Smartway Indonesia Tours customer. The population in this study is the consumers of open trip Bromo Sunrise travel packages on July 1, 2017 - September 30, 2017 which amounted to 366 people. The number of samples taken will be determined using the Slovin formula (Noor, 2011: 158). Based on the formulation of the saple-taking results obtained as many as 79 people.

The data in this study is primary data (data obtained from the questionnaire) and secondary data (data obtained from literature studies in the form of theories, journals, articles, internet, and previous research). The research data was collected from questionnaires containing questions that should be answered by consumers acting as respondents. Questionnaire question form is presented in the form of closed questions (Closed end items), which is a questionnaire where the questions written provided the answer of choice so that the respondents just choose one of the answers that have been provided. (Sukandarrumidi, 2010: 78:88).
The type of data obtained in this study is quantitative data type interval, using Likert scale. The research instrument was made in the form of questionnaires with questions using Likert scale.

Table 1. Likert Scale.

Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
POSITIF	5	4	3	2	1

Variables in this study include: a. Variable Free (X) consisting of Product (X_1), Promotion (X_2), People (X_3), Physical evidence (X_4), and Process (X_5). b. Dependent Variable (Y) is the decision of Bromo Sunrise open trip travel package purchase on Smartway Indonesia Tours
(Y) customer.
The analysis in this study used regression analysis, with the help of SPSS program. The validity test used is pearson correlation test. An instrument is said to be valid when the significant value of pearson correlation obtained from each question variable <0.05 (Noor, 2011: 169). The reliability test is done jointly on all questions. If the value of Cronbach alpha> 0.60 and the indicators have a Cronbach Alpha Item Deleted <Cronbach Alpha variable, then the question is reliable. The correlation coefficient (R) shows the strength of the linear relationship between the independent variable (X) and the dependent variable (Y), without indicating a causal relationship. The value of R is between -1 and +1. If the correlation coefficient is positive, then the direction of the relationship between the two variables is unidirectional. Conversely, if the correlation coefficient is negative, then the direction of the relationship between the two variables is opposite (Kuncoro, 2011: 9-10).
F test known as simultaneous significance test or simultaneous test, is used to show whether all independent variables contained in the model have an effect simultaneously on the dependent variable (Kuncoro, 2011: 219). The provisions of the F Test are: a. If the value is Sig. <0.05, then all the independent variables are Product (X1), Promotion (X2), People (X3), Physical Evidence (X4), and Process (X5) simultaneously have significant effect on the dependent variable that is the decision of Bromo Sunrise on Smartway Indonesia Tours (Y) customers. b. If the value is Sig. > 0.05, then all the independent variables ie Product (X1), Promotion (X2), People (X3), Physical evidence (X4), and Process (X5) simultaneously have no significant effect on the dependent variable ie the decision of Bromo open trip tour package Sunrise on Smartway Indonesia Tours (Y) customers.
Individual Significance Test (t test): a.If the sig value. in the test t <0.05 then the independent variables are Product (X1), Promotion (X2), People (X3), Physical Evidence (X4), and Process (X5) partially significant influence on the dependent variable is the decision of purchasing tour

package open trip Bromo Sunrise on Smartway Indonesia Tours (Y) customers. b. If the value is sig. in the test t> 0.05 then the independent variables partially no significant effect on the dependent variable is the decision of purchasing open trip Bromo Sunrise tour package on Smartway Indonesia Tours (Y) customer.
Classic Assumption Test: a. Normality Test (If the significance value is above 0.05 then the residual variable is normally distributed). b. Multicollinearity test (Multicollinearity not occur when VIF is less than 10 (Hsokoki, 2010: 206) c) Heterocedasticity test (If on all variable of Sig Value In t test <0.05, hence the heterokedastisity on the regression model. 0.05, hence no heterokedastisitas) D. Autocorrelation test (If the asymp value of 2-tailed sigp is smaller than

0.05 then there are symptoms of autocorrelation, vice versa) e Linearity test (Two variables are said to have a linear relationship if the sig value linearity <0.05. (Priyatno, 2013: 40).

FINDINGS

A. The Implementation of QWL in CV. Pribadi Tiga

1. The Validity Test

Table 2. Validity Test

No	Variable	Indicator	Pearson	Nilai Sig.	Explanation
1	Product (X_1)	$X_{1.1}$	0.801	0.000	Valid
		$X_{1.2}$	0.769	0.000	Valid
		$X_{1.3}$	0.762	0.000	Valid
2	Promotion (X_2)	$X_{2.1}$	0.857	0.000	Valid
		$X_{2.2}$	0.841	0.000	Valid
		$X_{2.3}$	0.872	0.000	Valid
3	People (X_3)	$X_{3.1}$	0.805	0.000	Valid
		$X_{3.2}$	0.848	0.000	Valid
		$X_{3.3}$	0.765	0.000	Valid
4	Physical Evidence (X4)	$X_{4.1}$	0.835	0.000	Valid
		$X_{4.2}$	0.772	0.000	Valid
		$X_{4.3}$	0.759	0.000	Valid
5	Proces (X_5)	$X_{5.1}$	0.808	0.000	Valid
		$X_{5.2}$	0.895	0.000	Valid
		$X_{5.3}$	0.863	0.000	Valid
6	Buying Decision (Y)	Y_1	0.675	0.000	Valid
		Y_2	0.625	0.000	Valid
		Y_3	0.762	0.000	Valid
		Y_4	0.687	0.000	Valid
		Y_5	0.807	0.000	Valid

Based on Table 2 it can be seen that the results of validity testing performed show all marketing mix indicators and purchase decisions are valid because all instruments have a sig value. <0.05.

2. The Reliability Test

Table 3. Reliability Test

No.	Variabel	Indikator	*Cronbach Alpha Item Deleted*	*Cronbach Alpha*	Explanation
1	Product (X_1)	X_{1-1}	0.565	0.670	Reliable
		X_{1-2}	0.548		Reliable
		X_{1-3}	0.613		Reliable
2	Promotion (X_2)	X_{2-1}	0.73	0.816	Reliable

			4		
		X_{2-2}	0.757		Reliable
		X_{2-3}	0.753		Reliabele
3	People (X_3)	X_{3-1}	0.722	0.724	Reliable
		X_{3-2}	0.525		Reliable
		X_{3-3}	0.656		Reliable
4	Physical Evidence (X_4)	X_{4-1}	0.640	0.683	Reliable
		X_{4-2}	0.573		Reliable
		X_{4-3}	0.570		Reliable
5	Process (X_5)	X_{5-1}	0.787	0.813	Reliable
		X_{5-2}	0.697		Reliable
		X_{5-3}	0.731		Reliable
6	Keputusan Pembelian (Y)	Y_1	0.712	0.750	Reliable
		Y_2	0.730		Reliable
		Y_3	0.674		Reliable
		Y_4	0.729		Reliable
		Y_5	0.679		Reliable

Based on Table 3 the results of the reliability test of all variables, namely Product (X1), Promotion (X2), People (X3), Physical Evidence (X4), and Process (X5) on the dependent variable purchase decision of Bromo Sunrise open trip tour on Smartway Indonesia Tours (Y) show reliable because all Cronbach Alpha variables> 0.6 and indicators have Cronbach Alpha Item Deleted ¬ <Cronbach Alpha variable. This means that all the questions as indicators of measuring instruments in this study reliable.

3. The F Test

Table 4. F Test

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.635	5	1.327	4.906	.001[a]
	Residual	19.745	73	.270		
	Total	26.380	78			

- Predictors: (Constant), Avr.X5, Avr.X2, Avr.X4, Avr.X1, Avr.X3
- Dependent Variable: Avr.Y

Based on Table 4 above can be seen that the value of significance value of F 0.001 <0.05 so it can be concluded that the independent variables are Product (X1), Promotion (X2), People (X3), Physical evidence (X4), and Process (X5) simultaneously significant effect on the dependent variable that is the decision to purchase an open trip tour package on Smartway Indonesia Tours (Y) customers.

4. The t Test

Table 5. t Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.176	.578		2.035	.046
	Avr.X1	.010	.124	.010	.081	.936
	Avr.X2	.151	.098	.185	1.532	.130
	Avr.X3	.076	.125	.077	.607	.546
	Avr.X4	.258	.113	.262	2.285	.025
	Avr.X5	.163	.101	.191	1.617	.110

1. Dependent Variable: Avr.Y

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.635	5	1.327	4.906	.001[a]
	Residual	19.745	73	.270		
	Total	26.380	78			

a. Predictors: (Constant), Avr.X5, Avr.X2, Avr.X4, Avr.X1, Avr.X3
b. Dependent Variable: Avr.Y

Based on Table 5 the following results are obtained:
a.Product Variable (X1) has significant value t greater than α (0.936> 0.05). This test shows that the variable X1 is partially no significant effect on the variable Y.
b.Promotion variable (X2) has significant value t greater than α (0.130> 0.05). This test shows that the variable X2 is partially no significant effect on the variable Y.
c.The People (X3) variable has a significant value t greater than α (0.546> 0.05). This test indicates that the variable X3 is partially no significant effect on the variable Y.
d.The Physical Evidence (X4) variable has significant t value greater than α (0.025 <0.05). This test shows that the variable X4 partially significant effect on the variable Y.
e.Process Variable (X5) has significant value t greater than α (0.110> 0.05). This test shows that the variable X2 is partially no significant effect on the variable Y.

5. The Correlation and Determination Coefficient Test

Table 6. The Correlation and Determination Coefficient Test

Model Summary

Model	R	R Square
1	.502[a]	.252

1. Predictors: (Constant), Avr.X5, Avr.X2, Avr.X4, Avr.X1, Avr.X3

Based on table 6 it can be seen that the value of the correlation coefficient (R) shows a positive value with the value of coefficient of determination (R2) of 0.252 or 25.2%. Thus it can be concluded that the independent variables (X1, X2, X3, X4, X5) are able to explain the dependent variable (purchase decision) of 25.2%. While the remaining 74.8% is explained by other variables not examined in this study.

6. Test multiple linear regression equations

Table 7. Test multiple linear regression equations

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.176	.578		2.035	.046

Avr.X1	.010	.124	.010	.081	.936
Avr.X2	.151	.098	.185	1.532	.130
Avr.X3	.076	.125	.077	.607	.546
Avr.X4	.258	.113	.262	2.285	.025
Avr.X5	.163	.101	.191	1.617	.110

1.Dependent Variable: Avr.Y

The above regression equation can be explained as follows:

1. Product variable regression coefficient (X1) is 0.010. Coefficient of positive value means there is a positive relationship between Product (X1) with the purchase decision (Y). If the quality of the product has increased then the purchase decision will increase as well.
1. The regression coefficient of Promotion variable (X2) is 0.151. Coefficient of positive value means there is a positive relationship between Promotion (X2) with the purchase decision (Y). If the quality of promotion has increased then the purchase decision will increase as well.
1. The regression coefficient of the People variable (X3) is 0.076. Coefficient of positive value means there is a positive relationship between People (X3) with the purchase decision (Y). If the quality of employees has increased then the purchase decision will increase as well.
1. The regression coefficient of Physical Evidence variable (X4) is 0.258. Coefficient of positive value means a positive relationship between Physical Evidence (X4) with the purchase decision (Y). If the quality of physical evidence increases then the purchase decision will increase as well.
1. The regression variable coefficient of Process (X5) is 0.163. Coefficient of positive value means there is a positive relationship between Process (X5) with the purchase decision (Y). If the quality of the process has increased then the purchase decision will increase as well..

❖ Classic Assumption Test

❖ **Normality Test**

Table 8. Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		79
Normal Parameters[a]	Mean	.0000000
	Std. Deviation	.50312512
Most Extreme Differences	Absolute	.108
	Positive	.108
	Negative	-.101
Kolmogorov-Smirnov Z		.956
Asymp. Sig. (2-tailed)		.320

a. Test distribution is Normal.

Based on table 8 above obtained the result of sig value. residual is 0.320> 0.05, it can be concluded that the residual distribution is normal

b. Multicollinearity Test

Table 9: Multicollinearity Test

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	1.176	.578		2.035	.046		
Avr.X1	.010	.124	.010	.081	.936	.644	1.553
Avr.X2	.151	.098	.185	1.532	.130	.700	1.428
Avr.X3	.076	.125	.077	.607	.546	.629	1.590
Avr.X4	.258	.113	.262	2.285	.025	.778	1.286
Avr.X5	.163	.101	.191	1.617	.110	.733	1.364

a. Dependent Variable: Avr.Y

Based on table 9 above can be seen that all independent variables have VIF value <10. Based on the results of the test can be concluded that there is no effect multikolinearitas between independent variables in the regression model of this study.

c. Heteroscedasticity Test

Table 10: HeteroscedasticityTest

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	.711	.377		1.885	.063		
Avr.X1	.020	.081	.036	.247	.805	.644	1.553
Avr.X2	.035	.064	.075	.542	.590	.700	1.428
Avr.X3	-.060	.082	-.108	-.738	.463	.629	1.590
Avr.X4	-	.074	-.053	-.403	.68	.778	1.286

Avr.X5	.030 -.044	.066	-.090	-.663	8 .509	.733	1.364

a. Dependent Variable: RES2

Based on table 10 above can be seen that the value of sig. for all variables X1, X2, X3, X4, X5> 0.05. Based on the test results, it can be concluded that the variables X1, X2, X3, X4, X5 did not occur heterokedastisitas on the regression model of this study.

d. Autocorrelation Test

Table 11: Autocorrelation Test
Runs Test

	Unstandardized Residual
Test Value[a]	.03374
Cases < Test Value	35
Cases >= Test Value	44
Total Cases	79
Number of Runs	36
Z	-.915
Asymp. Sig. (2-tailed)	.360

Based on table 11 above can be seen that the value of asymp. Significance of 0.360> 0.05. Based on the test results, it can be concluded that there is no autocorrelation in this study.

CONCLUSION

Based on the results of research and statistical analysis that has been done can be concluded as follows: 1. Product Variable (X1) has significant value t greater than α (0.936> 0.05). This test indicates that the product variable partially has no significant effect on the decision of Bromo Sunrise open trip travel package purchase on Smartway Indonesia Tours customer.
2. Promotion variable (X2) has significant value t greater than α (0.130> 0.05). This test indicates that partial promotion variable has no significant effect on the decision of Bromo Sunrise open trip travel package purchase on Smartway Indonesia Tours customer. 3. People variables (X3) have significant value t greater than α (0.546> 0.05). This test shows that the partial variable of people has no significant effect on the decision of Bromo Sunrise open trip package purchase on Smartway Indonesia Tours customer. 4. Variable Physical evidence (X4) has significant value t greater than α (0.025 <0.05). This test indicates that the physical evidence variable partially significant effect on the decision of Bromo Sunrise open trip travel package purchase on Smartway Indonesia Tours customer. 5. Process Variable (X5) has significant value t greater than α (0.110> 0.05). This test indicates that the variable process

partially has no significant effect on the purchase decision of Bromo Sunrise open trip tour package on Smartway Indonesia Tours customer.

Based on the findings in this research, there are several suggestions that can be done next, among others: 1. Consider suggestions in the managerial implementation sub-chapter for Smartway Indonesia Tours management. 2. Conduct advanced research on other packages using the appropriate method and increase the scope of the variables so that the data obtained can be more diverse and interesting.

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THE IMPLEMENTATION AND IMPACTS OF INTEGRATED MARKETING COMMUNICATION (IMC) ON MASTEROF MANAGEMENT STUDENTS' BUSINESS AT CIPUTRA UNIVERSITY

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ABSTRACT

The phenomenon of increased number of Indonesian young entrepreneurs has started to become a trend, where many of them are still university students. Ciputra University is one of universities that become a pioneer campus of entrepreneurship education, and all of its students are business people. The students are designed to be taught and nurtured to have their own business. In business world, marketing plays a very significant role; therefore this study aims to explain how Integrated Marketing Communication is applied by the students of Master of Management students at Ciputra University, Surabaya in their own business.This research is qualitative approach with exploratory case study design. Seven students are selected as respondents or sources of data, where all of them are currently running a start up or scale up business. Data collections are done through interview, observation and documentation. The stages of data analysis in this research are codification, data display, and conclusion. The results show that there are two informant models, in relation to IMC application in students' business, where one of them integrates all elements of media of IMC, while the other one integrates only some of the elements and media of IMC. Furthermore, the respondents also reveal that all stages of IMC implementation have been done by them. It is revealed that the positive impact of IMC implementation is related to brand equity and consumer behaviour change, while the negative impact of IMC implementation is turnover decrease.

Keywords: *Qualitative, Marketing Communications, IMC*

INTRODUCTION

The Telegraph, the British newspaper (Callander, 2014), finds that many start-up businesses are identically done by the productive ages. Research on the role of young people in entrepreneurship and economic improvement has been done by Manjusmita Dash and Kulveen Kaur (2012) in Orissa, India. Their research reveals that young people entrepreneurship in recent years has managed to boost economic competition and increase economic growth in the region. Business nowadays is no longer associated with a company run by an experienced mature person with his or her abilities and other supporting skills. Many young people, especially those who are under 30 years old, have become entrepreneurs.

According to Thomas W Zimmerer, entrepreneurship is an application of innovation and creativity to problem solving which takes advantage of various opportunities faced by others every day (Zimmerer, 1996). As viewed from the data of Statistics Indonesia on Indonesia's productive ages and today's start up trends, this has been one of the reasons for Ciputra University to become an institution with its excellence as a first university that runs entrepreneurship education, where this education is specifically designed for all students. Regardless of their major, all students will experience this education-based entrepreneurship. Most of the students of Master of Management (MM) at Ciputra University are a designed entrepreneur, where each student is guided to open a business or run an already establishing business.

According to Pisano point of view, despite the massive investment of time management and money, innovation remains a frustrating pursuit for entrepreneur. Technological advancements that continue to grow and the emergence of more dynamic economic advances of an industry demand a company to become more creative in finding ways to deliver messages of their products or services, to make the company able to deliver the intended message loud, clearly understood and accepted by their consumers. Therefore, one innovation that is needed is the promotion part where the existing marketing tools are used in such a way, mutually integrated to deliver the message well. This effort to integrate marketing tools is called integrated marketing communication (IMC). Kotler and Armstrong (2004) explain IMC as an activity that seeks to combine advertisement with other marketing communication tools such as public relations, direct marketing, and sales promotion as well as event sponsorship in order to cooperate together.

Some previous related researches, such as done by Lawrence (2015) and Suparto and Widhy (2014) assume that few small companies have implemented IMC due to the financial limitation to use communication media for promotion. This is because the media used in IMC implementation is only viewed as offline media.

In his book, Marketing Management, Philip Kotler defines media selection as follows: "Media selection is finding the most cost-effective media to deliver the desired number and type of exposures to the target audience" (Kotler, 2003). The selection of media conducted in IMC Integrated Marketing Communication can be in form of optimizing existing media, such as traditional media, field media, and digital media. Traditional media are like radio, TV advertising, outdoor advertising (Signage, billboards, bus benches, transit advertising, and vehicle wraps), In Store and POS Marketing, and Print & Direct Mail Marketing. Field media can be Street Team Marketing, Merchandising, Sampling & Demonstration, and Event Marketing. Meanwhile, Digital media are website, Search Engine Optimization or Search Engine Marketing, Social Media Marketing, Web and Banner Ad Marketing, SMS and Mobile Marketing, Email Marketing, and Blog Marketing. In addition to this, other important factors to be considered are media selection strategies, coverage or media coverage, communication context, and budget (Hackley, 2005).

Some Master of Management students at Ciputra University have also applied IMC in their business, especially in integrating marketing communication media that suit their needs to reach their target market. One of them is a manufacturing business run by Batch 12 student, Anisa Chaesariana, where she integrates all marketing communication media like advertising media, sales promotion, event marketing, public relations, direct marketing, interactive marketing (media online or digital), word of mouth, and personal selling. However, this research focuses on a phenomenon based on the findings of related researches that small companies cannot implement IMC due to financial limitation. The researchers want to discover how IMC is implemented by university students who are designed to run a business. The researchers want to study how IMC is applied and what are its impacts on Master of Management students' IMC at Ciputra University, Surabaya, where they integrate new media and traditional media through media selection which is in line with their business needs and budged owned.

This research aims to describe the implementation of IMC in Management Master Students' business at Ciputra University, Surabaya, and the impacts gained for their business from the IMC implementation. The main thinking framework used in research is the concept of IMC.

LITERATURE REVIEW

Previous researches

There are several previous researches related to this recent research. The first research is from Lawrence (2015) with aim to investigate the effect of IMC on the growth of SMEs in South Africa. Lawrence's research is quantitative, and reveals that the promotional tools used mostly are local advertisement and special offers; however, financial limitation is the main factor that affects the use of IMC in the SME sector, causing the failure of SMEs owners or managers to hire skilled people. It is also found that lack of skills and knowledge, with regard to marketing strategies, makes it difficult for SMEs to apply all IMC tools to increase their popularity and growth.

The second related research is conducted by Mapheto, Oni and Matiza (2014) under the title "The Utilization of Integrated Marketing Communication Strategies by Small Retailers in Mankweng, South Africa". This research is quantitative. The results reveal that small retails in Mankweng city use IMC as part of their marketing program, and there is a positive relationship between the use of IMCand profitability. The application of this research is on the recommendation made, which is "There must be a marketing strategy that will direct the marketing communications business. This will help small retailers to analyze their target consumers and focus their marketing messages to meet their target market needs."

The third research is "E-Integrated Marketing Communication and Its Impact on Consumers' Attitudes" conducted by Suleiman, As'ad and Ghadeer (2015) by using quantitative approach. Their research concludes that each channel under E-IMC influences customer attitudes toward electronic products. Through this research, what can be applied in the next research is that the selection and use of E-IMC can have a good impact on start-up business.

The fourth research is entitled "Social Media in an Alternative Marketing Communication Model" done by Castronovo and Huang (2012). Their research shows that successful IMC program can be resulted from combining traditional strategy such as word of mouth marketing (WOM) and alternative strategies such as relationship management, brand community, search engine optimization, viral marketing, guerrilla marketing, and event marketing.

The next research is entitled "The Implementation of Integrated Marketing Communication to Deliver Message of Promotion for Small Medium Enterprises in Indonesia" conducted by Santi Isnaini (2009). The results explained that financial limitations in marketing communication lead SMEs to often experience barriers in reaching wider consumer target.

Later, another previous research conducted by Tito Siswanto (2013) aims to explore the importance of social media used in small and medium enterprises as a marketing medium. The research reveals that social media used as Integrated Marketing Communication (IMC) is able to provide competitive advantage for SMEs.

Marketing Communications

According to Kotler, marketing communicationis a means used by companies in their efforts to inform, persuade, and remind consumers, both directly and indirectly, about the products and brands they sell (Kotler & Armstrong 2012: 498).

Integrated Marketing Communication (IMC)

According to Don Schultz and Heidi Schultz, marketing mix or known as IMC (Integrated Marketing Communication) is a strategic business process used to plan, develop, implement and evaluate coordinated, measurable, and persuasive brand communication programs for a certain period of time, with consumers, consumers, potential consumers, and other targets, as well as relevant observers inside and outside the company (Wenats, *et al.*, 2012: 9).

According to Shimp (2014:10), Integrated Marketing Communication is a communication process that requires planning, creation, integration and implementation of various forms of marketing communication (advertisement,sales promotion, publicity, release, events, etc.) which are delivered from time to time to target consumers of brands and potential consumers. Furthermore, he informs a framework to provide conceptual and schematic structure used to implement IMC, as shown in Figure 1.

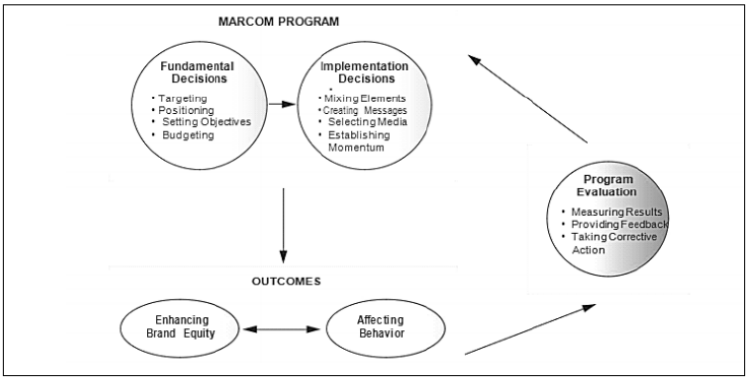

Figure 1. Marcom's Fundamental Decision
Source: Shimp (2014: 23)

Chitty, *et al.*, (2008) also state that the main purpose of IMC is to improve brand equity in order to encourage consumers to take profitable actions against brands, for instance, buying continuously or being loyal to the brand.

In a business process, IMC (Integrated Marketing Communication) plays role as a driving force to achieve a common perception in the whole business process and in cross departments. Thus, all decisions in the overall business process support company's goal, which is to create customer satisfaction and customer loyalty over company's brand (representation of value proposition) in order to achieve customer equity and brand equity. Estawara (2008) adds that the role of IMC is divided into two as follows:

1. Role of business: This role is related to the issue of production output in a business process. This is actually the primary role of IMC, which can also be said as an external role. The end result of this role is Primary Communication Outcomes (PCO), which changes consumers' actions, prospects even consumers themselves as an effort to create loyalty and satisfaction over the brand value through mutually beneficial interactions in the long run. The goal of this role is to create brand equity, therefore PCO basically supports business goals to earn profit and marketing outcomes, such as increased sales, market share and so forth. PCO is therefore a goal harmonization process.
2. Role of organization. This role is a supporting role in IMC or internal role. This role aims to support organizational performance in business processes. So, this supporting role includes input and production stages. The end result of this role is called Supporting Communication Outcomes (SCO), which changes actions of all parties related to the company's input and production processin its efforts to create organization effectiveness and efficiency in all its business functions, such as financial, production and operation to human resources functions in order to support and strengthen brand's value proposition.

According to Shimp (2014: 10-20), there are five key features of IMC related to the practice of Integrated Marketing Communicationand its philosophical foundation. These features are as follows:

1. Starting with consumers or potential buyers. The IMC process must start from the consumers or potential consumers, and then return to brand communicator in order to determine the most appropriate message and media to apply, inform, persuade and encourage both consumers and potential consumers to act positively on the brand communicated by its communicator.
2. Using all possible and appropriate marketing communication tools. Reflect the willingness of a brand communicator to use appropriate ranges of communication (i.e. touch points or contacts) to reach the target audience. The goal of IMC is to reach target audience effectively and efficiently by using the appropriate touch point (marketing communication mix).
3. Speaking in one voice. A comprehensive set of brand communication elements must be able to present and convey same message consistently across all different touch points or contacts. Marketing communication should speak in a single voice.
4. Building relationships. The success of marketing communication requires a strong relationship between brand and consumers. A successful relationship between consumers and brand will lead to repeat purchases, and ideally, brand loyalty.
5. Affecting behavior. The purpose of this is to influence target audience's behavior. This means that marketing communication must do more than merely affecting brand awareness or enhancing a customer's positive attitude toward the brand. However, a successful IMC requires the existence of communication efforts directed to encourage various forms of behavioral response, which is to move people to act.

According to Kotler and Armstrong (2012: 432), "Promotion mix or communication mix is a special blend of tools used by a company to convince communication value and build relationships with consumers".

1. Advertising. Advertising is the most popular promotional instrument. It is important to understand that no advertising medium is always the best, since the best media depends entirely on the advertiser's goals, creative needs, competitive challenges and available budgets (Shimp, 2014: 376).

2. Sales Promotion. According to Nickels et al. (2016: 461), Sales Promotionis "Sales Promotion is the promotional tool that stimulates consumer purchasing and dealer interest by means of short-term activities", while Kotler and Keller (2009: 219) state that sales promotion has some power as a promotional tool. Sales promotion often attracts people who like to switch brands, especially those who mainly look for cheaper prices, better value, or premiums. For those who do not like to try a brand, sales promotion can increase market share in a long-term. Sales promotion in markets with high similarity can result a high sales response in a short run. It can also change market share permanently in markets with high brand distinctions. In addition to brand switching, consumers can engage with stockpiling, make earlier buy, or purchase in additional quantities. Besides that, with sales promotions, manufacturers are helped in selling more than usual at official prices and applying programs to different segments of consumers. Service marketers also apply sales promotions to attract new consumers and cultivate loyalty. For its disadvantages, although sales promotion in high resemblance markets can result high sales response in a short time, it has few permanent benefits of a market preference in a long term sales can even fall after the promotion.
3. Public Relations or Publicity. Nurjaman and Khaerul Umam in their book Communication and Public Relations (2012: 104-105) quote John E. Marston from his book Modern Public Relations as follows, "Public relations is planned, persuasive communication designed to influence significant public". Therefore, public relation is a field that requires established planning in a management approach on specific targets. Kriyantono (2008: 41) explains that publicity is all activities undertaken to introduce companies and/or products to the public through mass media. In general, publicity is done without spending money since the news is fully controlled by media covering it, as described by Nickels et al., "Publicity is any information about an individual, product, or organization that is distributed to the public through the media and is not paid for or controlled by the seller". (Nickels et al., 2016: 460). Publicity also has flaws where the company has no media-related controls published by the media (Nickels et al., 2016: 461).
4. Personal Selling: Shimp (2010: 281) explains that personal selling is a form of individual communication where a salesperson deals with potential buyers and tries to influence them to buy their products or services.
5. Direct Selling. According to Kotler and Keller (2009:240), direct marketing is the use of direct channels to reach consumers and deliver goods and services to consumers without using marketing mediators.
6. Word of Mouth: this term is actually familiar and has long been used. People used to refer to word of mouth with term *gethok tular* (Javanese language), whose principles of use are as news, notices, invitations, and other information, which are widely disseminated by word of mouth or orally spread (Ali Hasan, 2010: 24). According to Harjadi (2008), there are several ways to create Word of Mouth Communication, one of which is a brand advocacy program that selects loyal consumers to act as brand representative.
7. Event and Experience: Event organization or participation is created as a means of marketing promotion and positive image building for the products and company itself. According to Belch (2009: 538), "Event marketing is a type of promotion where a company or brand is linked to an event or where a company or activity is promoting a product or service."
8. Interactive Marketing: Kotler and Keller (2012: 478), explain as follows, "Interactive marketing is online activity and program designed to, either directly or indirectly, engage consumers or potential consumers, raise awareness, improveimage, or create sales of products and services". The forms of interactive marketing are:

a. Email marketing. E-mail marketing has received a lot of attention lately. Some writings in the field of management emphasize the advantages of email marketing (Han &Reddy, 2000; Clarke, 2003). It is emphasized that e-mail marketing is an efficient way to communicate with target groups and generate high consumer response rates. Furthermore, e-mail marketing is out of reach, easy to implement and creates quick responses (Martin et.al, 2003).
b. According to Solis and Breakenridge (2009), social media is a form of information freedom and a shift of people's role in the process of reading and disseminating information supported by Web 2.0 technology.
c. Zarrella (2010: 3) argues that social media has many forms, yet for marketing purposeshas eight forms of social media, which are blog, microblog, social networks, media sharing sites, social news and bookmarking, review sites, forums and virtual worlds.
d. Cyber Public Relations. According to Onggo (2004: 1) E-PR, if described, can be interpreted as E in Electronic; "E" in E-PR is similar with "E" before the word "mail" or "commerce" which refers to internet electronic media. P stands for "Public", not onlyrefers to the public, but also to consumer market. Public also refers to various markets or public audiences. Internet media can make it easier for us to reach them faster or vice versa. R refers to "relationship", a relationship between market and business that must be maintained. This is the key of market confidence to succeed a business. Interestingly, through internet media this one-to-one relationship can be built in no time due to the interactive nature of the internet. This is different from conventional public. Onggo in his book Cyber Public Relations (2004), this cyber public relations strategy is to increase a company's brand in public, coveringofficial website, publicity of site finder, press release online, autoresponder in emails, E-newsletter, mailing list or forum on company website and company forum.

Consumer Behaviour

Marketing techniques recently are not only about promoted products and services, but also about their effects on consumers who receive many different marketing communications by other companies to market their ideas, products, or services on a daily basis. The effects that raise are changes in marketing communication activities of various companies. According to Schiffman and Kanuk (2008: 6), consumer behaviour is a process through which a person seeks, buys, uses, evaluates, and acts post-consumption of products, services and ideas that are expected to meet their needs. Thus, it can be said that consumer behaviour is a study about decision makers.

In marketing their innovation products, companies must also understand their consumers' characteristics in accepting and adopting their product. Schifmann and Kanuk(2008: 470) explain that before coming to a decision stage to use or refuse a certain product, a potential consumer experiences stages of new product adoption, which are Awareness, Interest, Evaluation Trial and Adoption.

Brand

American Marketing Association in Kotler (2009: 575) defines brands as names, terms, signs, symbols, or combinations of those things, which are intended to identify goods or services of a person that may have power to compete with similar products of different brands.

Kotler and Keller (2009: 142) define brand equity as products and services with value added. Brand equity can be reflected in the way consumers think, feel, and act in relation to brands, as well as price, market share, and profitability that the brand brings to the company.

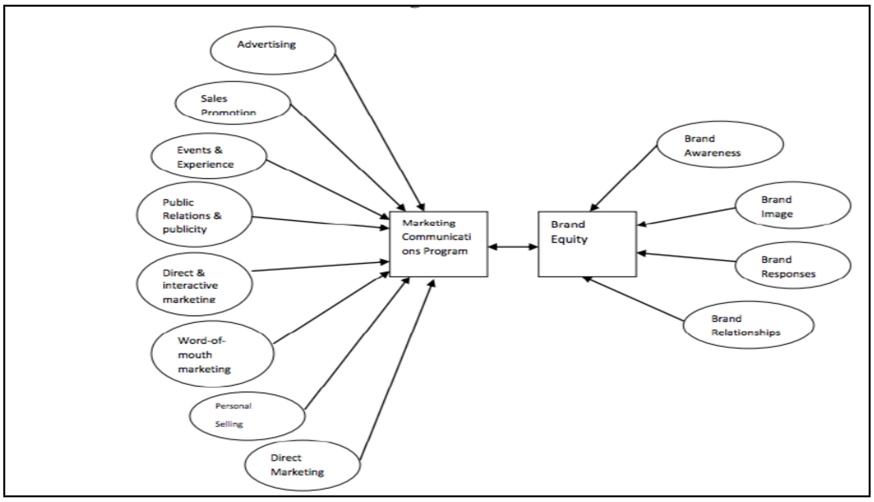

Figure 2. Integrated Marketing Communications to Build Brand Equity
Source: Kotler and Keller (2009: 175)

RESEARCH METHODS

This research was a case study supported by qualitative data. Case study is an intensive test using multiple sources of evidence against a single identity, bounded by space and time. In general, case studies are associated with a certain site (Kasali, 2008: 162). This research was limited to Master of Management students at Ciputra University in Surabaya, Batch 12. Therefore, the data obtained and analyzed explainonly about the implementation of Integrated Marketing Communication (IMC) from the students' perspectives as research subjects. This research was categorized in exploratory case study research, conducted to obtain a thorough analysis of a particular social phenomenon. In this research type, the researchers develop concepts and collect facts, yet do not test hypotheses (Yin, 2008). Basically, this research started from previous researches, since the results of these related researches reveal that financial limitation has become a social phenomenon that makes many small companies cannot implement this IMC. The researchers want to observe whether this similar phenomenon occur in Master of Management students at Ciputra University, where the students are designed to have their own business since they are university students.

The object of this research was the implementation and impact of Integrated Marketing Communication (IMC) on students' business, which was focused on integrated marketing communication mix. This research was conducted from April to early November 2017 at Ciputra University, Surabaya.

To get the data relevance for this study, the researchersselected the samples based on students' business, so Master of Management students at Ciputra University were selected as respondents through purposive sampling technique (Usman and Akbar, 2009). The informants act as resources of data and information must meet the criteria set. Seven students acted as respondents, where three students run scale-up business and four others run start-up business. The criteria for respondents are described below:

1. Student of Master of Management at Ciputra University, Batch 12;
2. Have been running the business for over two years;

3. Have a position within the company;
4. Running a start-up and scale up business.

There were primary and secondary data resources in this research. Primary data resource was interview, and secondary data resources were from references, internet, previous related researches, and journals. Data were gathered by interviewing respondents and other parties that are relevant to the focus of this research. The researchers did semi structured interview with interview guidelines to guide them in conducting the interview and focusing the researchers' questions (Sugiyono, 2012). During this semi structured interview, the researchers focused on the implementation and impacts of Integrated MarketingCommunication (IMC) on the respondents' business. Besides that, the researchers also conducted field observations and documentation which took place at the same time when the interview was conducted. Miles and Huberman's data analysis model (Miles & Huberman in Afrizal, 2014: 178) was adopted in this research which is data codification, data display, and conclusion drawing. Triangulation was used to validate the data in this research by digging specific information then comparing all the data gained from different resources (Gunawan, 2014:4) and Member Check.

Result and Discussion

Based on the results of interviews, field observation and analysis of IMC implementation on the students' business at Ciputra University, it is revealed thatthe resources applied IMC with planning stages covering SWOT analysis, targeting, positioning, budgeting and setting goals for the implementation of IMC activities. Later on, the respondents implemented elements mix and IMC media, then evaluated the implementation of IMC, and later observed the impacts obtained after implementing IMC. Table 1 shows the elements mix and IMC media applied by the respondents.

Table 1. Promotion Mix Analysis in IMC

IMC Promotion Elements	Application
Advertisement	a. Traditional advertising media such as newspaper ads, local TV and radio still became alternative for advertisements. b. Other forms of advertisements that are also effective, i.e., brochure, posters, banners, and sign boards; c. The most expensive advertisements were billboards, TV commercials, and newspapers advertisements.
Sales Promotion	a. Discount was the mostly chosen promotion tool by the respondents. b. Coupons and vouchers, integrated in brochure, were brought in exhibition and also effective to be distributed during soft launching. c. Bundling with different kinds of product was also done. d. Free trial was done, such as automotive drive test and fast cleaning for shoe maintenance service. e. Provided coffee sample. f. Gave warranty for several fashion products. g. Card membership. h. Database used for blast promotion.
Event and Experience	a. Held special online event for brand awareness via instagram. b. Held training for SMEs.
Public Relations or Publicity	a. Provided donations to orphans (activities or social relationships by companies). b. Created regular customer gathering events.

	c. Newspapers was the media that mostly published the marketing promotion. d. Engaged with journalists via Facebook page.
Direct Sales	Direct face-to-face marketing was mostly done as promotion channel for their business. Direct marketing was able to build continuous relationship with their customers, took form as direct marketing done by the owner to their customers and to their closest persons such as colleagues, classmates, and family. This form was actively done by the respondents.
Word of Mouth Marketing	a. Word of mouth marketing is a promotion arisen due to customers' satisfaction with the products or services they bought so they indirectly promoted the products and services to others to try. b. All respondents agreed that WOM is very effective. c. Created brand advocacy program as brand ambassador.
Personal Selling	a. Sales, marketing or consultant did the marketing. b. Personal marketing was done by participating in exhibitions in Surabaya, outside Java Island, and overseas. c. All respondents agreed that exhibition is very effective.
Interactive Marketing	a. Website was available yet not all respondents maximized it because of human resources limitation. b. Used social media such as Instagram, Facebook ads, and Line ads. c. YouTube was used to market the product or service. d. Google business was also used. e. E-commerce was used such as Lazada, Blibli, and others. f. Marketing email for promotion to other consumers outside Indonesia.

Source: Data Processed, 2017

Based on the interview results, the respondents also informed about the most effective media used for their business. From the results, all respondents agreed that online-based IMC implementation was the most effective media, therefore it is suggested in the future, many respondents will do advertising planning and communicate their business products using both paid and free digital media.

Furthermore, the interview results also revealed IMC implementation had positive impact for the respondents' brand equity, behaviour changes in form of their consumers' buying decision, and increasing number of followers of the company's social media accounts. However, this cannot be separated from IMC activities done by the respondents. On the other hand, IMC implementation also had negative impact on students' business, such as on their company turnover, strategies, and company image. Table 2 shows the analysis done by the researchers on the positive and negative impacts of each IMC element applied by the respondents.

Table 2. Positive and Negative Impacts of IMC Elements

No.	IMC Element	Positive Impact	Negative Impact
1	Advertising	a. Potential consumers and distributors came from radio media. b. Ciputra University provided free ads such as billboard. c. Banners were effective to reach potential consumers on the streets.	a. Banners needed installation permissions. b. Advertising tax was huge c. Procedure for advertisement on the road was complicated. If we have no permission and do not pay the tax, any form

		d. Sign board as store signpost was significant to direct people.	of advertisement will be withdrawn by the government. d. The cost of conventional advertising media was very high.
2	Sales Promotion	a. Attracted consumers' interest to buy the product through documentation activities that have been done. b. Sample or tester was efficient for the consumers to try the product. c. Deals such as discounts displayed on banners were effective. d. Free trial was used to allow consumers to try the product especially for those who are yet familiar with the brand. In addition to that, free trial was also used to directly show product or service quality that were offered or sold. e. Coupons were combined with brochures when distributed to consumers succeeded in bringing in new consumers. f. Discounts were very effective for the respondents' business.	Bundling sales promotion method still did not give direct impact for the respondents' business.
3	Event and Experience	Created a special event online, which indirectly helps companies to advertise through online media.	a. Strategy of corporate event was imitated by competitors. b. Training participants could open similar business.
4	Public Relations/Publicity	a. Raised the company's positive image from holding social activities. b. Customer gathering strengthened the relationships between companies and consumers. c. Received free news from the media through publications. d. Got free advertisement when media spread news about company event. e. Established good relationships with journalists.	a. Customer gathering conducted once or twice a month or two months required a large cost. b. It was not easy for a business to get published by the media. c. Publication had little effect on sales. d. Publication took long time.
5	Direct Sales	a. Consumers gained were from closest persons. b. Helped those who need the desirable or required products.	-

		c. A good way to establish a relationship between the owner and the consumer. d. Consumers got to know the product better from information provided by owner. e. Direct marketing was effective to get distributors. f. Direct marketing was appropriate if conducted in the beginning of running a business since consumers often buy the product based on their trust on the owners (closeness factor).	
6	Word of Mouth (WOM)	a. Many people knew about the company's products from other people. b. Consumers informed about the product to potential consumers without being paid (no cost). c. WOM was very important for the respondents (for students business).	WOM can also have negative impact because if the products do not meet consumer expectations, consumers can discuss it negatively with others.
7	Personal Selling	a. Sales teams such as sales, marketing, travel consultants were very helpful in increased sales. b. Participated in the exhibitions overseas increased number of consumers and buyers. c. Products were known by the consumers through exhibition inside and outside the overseas. d. The exhibition was very effective because increased company's opportunities to get potential buyers and distributors since all were gathered in a same event.	a. Salespeople did not have marketing skills. b. Salespeople had other job descriptions so they did not focus on their sales target. c. Participated in trade was costly. d. Exhibition was held outside the city and overseas.
8	Interactive Marketing	a. Endorsement and paid promotion as advertisement tools were effective to get potential consumers. b. Online media was a means to advertise with no cost. c. There are so many online media users recently. d. SEO such as Google business was helpful to inform the product and facilitate consumers' feedback. e. Consumers could identify the product easily when advertised	a. Lack of skilled human resources. b. Negative feedback from online media could harm company's image.

		through online media. f. Forms of IMC on online media were more creative because advertisement was flexible and hit the right targeted consumers. g. Interactive marketing also allowed companies to advertise nationally and internationally, so companies can reach wider target consumers from inside and outside the country to buy their product.	

Source: Data Processed, 2017

Conclusion

The discussions on the IMC implementation reveal two models related to the implementation of IMC in the student business. The first model shows that all elements and media of IMC are implemented on students' business, and the second model shows that only some of the IMC elements and media are integrated in students' business. The results also reveal that all stages of the IMC implementation have been implemented, starting from SWOT analysis, targeting, positioning and determining the goals of IMC. Determining message to be communicated mostly informs about the product or brand superiority. Evaluation is also useful to measure the results of IMC implementation and to decide corrective actions required. This research informs about the positive and negative impacts of IMC implementation. The positive impacts of IMC implementation arerelated to brand equity and consumer behavioural changes in deciding to buy the products, follow the company activities, and update information related on the products via online. As for the negative impacts of IMC implementation, it is known that the IMC implementation has negative impactson sales turnover decrease due to mistakes in selecting the IMC media and target market.

Suggestions

Some suggestions given by the researchers from this research which can be used as considerations for students as business owner are listed as follows: in this case that can be used as consideration for student business owners include:

1. Related to the elements and IMC media, it is expected that the results of this research can be used as a tool to help determine decision-making process regarding which of the elements and media of IMC that should be applied to students' business. Besides that, particularly for online media used widely by the students, they can see which online media can be used to do frequent information posts related to their brand and product for their consumers. They can also start to hold more creative special events in order to improve consumers' brand awareness and increase sales.
2. Related to the IMC implementation, students as business owners are supposed to firstly understand and determine their target market to make media selection process more effective and appropriate in order to reach the company's goal in implementing IMC. In addition to that, students as business owners can begin scheduling their IMC implementation in form of MS.EXCEL and organize the schedule with time and date of implementation, the end of activities, kinds of activities, budget planned, message to deliver, and final target of IMC activities.
3. For students as scale-up business owners, start doing many IMC activities with goal to achieve brand loyalty, since many scale-up businesses only implements IMC to achieve brand image and brand awareness.

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CASE STUDY CONDITION OF BUSINESS PLACE OF PMKL IN DEVELOPMENT OF B.E.S.T PROGRAM IN SURABAYA

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ABSTRACT

Research entitled "CASE STUDY CONDITION OF BUSINESS PLACE OF PMKL IN DEVELOPMENT OF B.E.S.T PROGRAM IN SURABAYA". This study aims to find out and study the behavior of PMKL Salam meeencanaan finance to develop the business. The type of research used in this research is to use descriptive qualitative research type. The method used is using case study research. Methods of data collection used in this study are interviews, observation, and literature review. Objects and samples in this study were five people who were both UMKM and PMKL at the gubeng area. The selection of objects based on purposive sampling method with linked selection based on accessibility between researchers and resource persons. The results in this study are that many actors of MSMEs do not have financial planning and financial report, as well as financial reserves in developing their business, which ultimately makes it an obstacle in the development of business.

Keywords: business development challenge, Business Place Condition, and street vendors.

INTRODUCTION

The Indonesian economy continues to grow, the growth is supported by the growth of MSMEs (micro, small and medium enterprises) which is the fundamental of the economy in Indonesia. This is evidenced by the data from DEPKOP (2015-2016), that 53.3% of Indonesia's GDP in 2015-2016 comes from MSMEs. The number of trade transactions that occurred on MSMEs business even reached 99% of national pedangan. UMKM according to Law Number 20 Year 2008 is defined as a productive business owned by individual and / or individual business entity fulfilling the criteria of Micro Business as stipulated in this Law, which is classified as MSME is a business with a maximum net worth of Rp 10 billion outside the land and buildings or have a maximum turnover of Rp 50 billion per year.

Table 1. Indonesia smes wconomic growth data

Indicator (satuan)	2011	2012	2013	2014	2015-2016
Total of MSMEs (unit)	53.823.732.00	55.206.444.00	56.534.592.00	57.895.721,00	58.687.382,00
Sum of MSMEs workers (person)	65.601.591,00	74.687.428,00	90.491.930,00	114.144.082,00	118.257.302,00
MSMEs export value (Rp billions)	363.200,44	791.597,40	1.099.301,10	1.536.918,80	1.587.625,60
MSMEs GDP SHARE (Rp billions)	39.277,07	80.846,52	140.363,84	182.112,70	190.248,56

sources : Depkop, 2015-2016.

The street vendors (PKL) themselves are part of MSMEs. Street vendors in Indonesia have some challenges in the development of their business. Some basic problems of street vendors in the development of their business are: marketing, capital, business development and business competitiveness, and business location (Kuncoro, 2009: 45). Well-organized street vendors can contribute to tourism, as a culinary tour. The same thing also conveyed by Alma (2011: 158) that culinary is important for various types of tourism, because everyone would need food. There are several problems caused by street vendors are: Slum, Traffic Congestion, and changing the function of the sidewalk (Indonesian Ministry of Environment, 2002:64).
Therefore the BEST program (clean, tasty, healthy, affordable) is socialized by APKLI. Clean in the real sense, it is expected that street vendors especially PMKL (street food traders) have a quality place of business and clean product quality, including since in the process of making and presenting the product must be clean. Delicious in the sense of a lot of interest because of its taste. Healthy in terms of healthy business places, healthy products, healthy sellers and buyers. Affordable, affordable locations in the sense of being easy to achieve and strategic, and affordable in terms of prices affordable to people's purchasing power.
Based on the translation of the problems that occur, the researchers conducted research to determine the opportunities and challenges in the business location of the business in the effort of MSMEs business development. In this research, the researcher hopes to be able to know the condition of opportunity and challenge of search, arrangement, and condition of business location becoming one of solution in business development of MSMEs and street vendors in surabaya. So hopefully, can be found model of location arrangement of business street vendors and other appropriate solutions in business development efforts undertaken by street vendors.

LITERATURE REVIEW

previous research

Previous research used as a reference in this study is a study by Sudaryanto, et al. (2014) entitled "Strategy of MSMEs Empowerment Facing the Asean Free Market". This prior research aims to know and analyze the strategies and capabilities of SMEs in improving the competitiveness of industries in order to face the Asean free trade through the channeling of credit and the provision of access to marketing information. In this prior study using a qualitative research model. Methods to collect data used in this study is to use interviews, observation, and study center. The results obtained in this previous research is to generate findings that the provision of information and market networks, ease of access to finance and assistance and capacity building of information technology are some strategies to improve the competitiveness of Indonesian MSMEs. Therefore, synergy between all parties, especially between the government and micro finance institutions is required. This prior research has relevance to this research because it has the same objective to analyze MSMEs in, besides this previous research also use the same kind of qualitative research used in this research.

Basic theoretical

Micro, Small and medium enterprises (MSMEs) is one area that provides a significant contribution in spurring economic growth in Indonesia. This is due to the absorption capacity of SMEs to a very large workforce and close to the small people (Kuncoro, 2009: 28).

According to Alma (2011: 157) there are five characteristics of street vendors, namely: Business activities, not well organized; Does not have a business license; Irregular in business activities, whether viewed from the place of business and working hours; Clustered on sidewalks, or on the edge of protocol roads, in centers where crowds are crowded; and, hawking his merchandise while shouting, sometimes running up to the consumer.

Some basic problems of street vendors in the development of their business are: marketing, capital, business development and business competitiveness, and business location (Kuncoro, 2009: 45). If the street vendors are left undeveloped, then there will be a buildup of the number of street vendors in Indonesia with various problems. The more number of street vendors with limited capital and knowledge, skills, and management will be more dangerous. Even the concerns of growing the number of illegal and illegal street vendors can cause bad issues, such as changing the function of public facilities, disrupting urban planning, decreasing production quality, unfair business competition. If the street vendors are eliminated, it will create poverty, unemployment, and high social disparities (Kuncoro, 2009: 55).

CONCEPTUAL FRAMEWORK

background

This study aims to find out and study the behavior of PMKL Salam meeencanaan finance to develop the business. The type of research used in this research is to use descriptive qualitative research type. The method used is using case study research.

problem formulation

whether the condition of the location of PMKL perpetrators business in Surabaya in accordance with the program B.E.S.T?

2.2. Theoretical basis
2.2.1. UMKM is one of the areas that make a significant contribution in spurring economic growth in Indonesia. This is due to the absorption capacity of SMEs to a very large workforce and close to the small people (Kuncoro, 2008: 28).
2.2.2.Strategy and challenges in the development of MSME According to Tiktik Sartika and Soejoedono (2002: 103) development strategies that can be done by SMEs, among others, is to conduct business partnerships, increase business capital, or by utilizing venture capital. Partnership according to Tiktik Sartika - Soejoedono (2002: 105) Partnership is a cooperative business relationship between various parties that are synergistic, voluntary, and based on the principle of mutual need, supporting and sating profitable with the accompaniment of the development and development of SMEs by big business. One form of business partnership involving SMEs and big business is production linkage
2.2.3. A street vendor (PKL) is any person or group of people conducting microeconomic business, operating on roadsides, public facilities, social facilities and other public places (ADRT APKLI, 2015).

2.1. Previous research
1. Sudaryanto, et al. (2014). Strategy of UMKM Empowerment Facing Asean Free Market.

DATA analysis

discussion

Conclusions and Suggestions

Figure 1. Conceptual thinking framework

Data Model to be collected

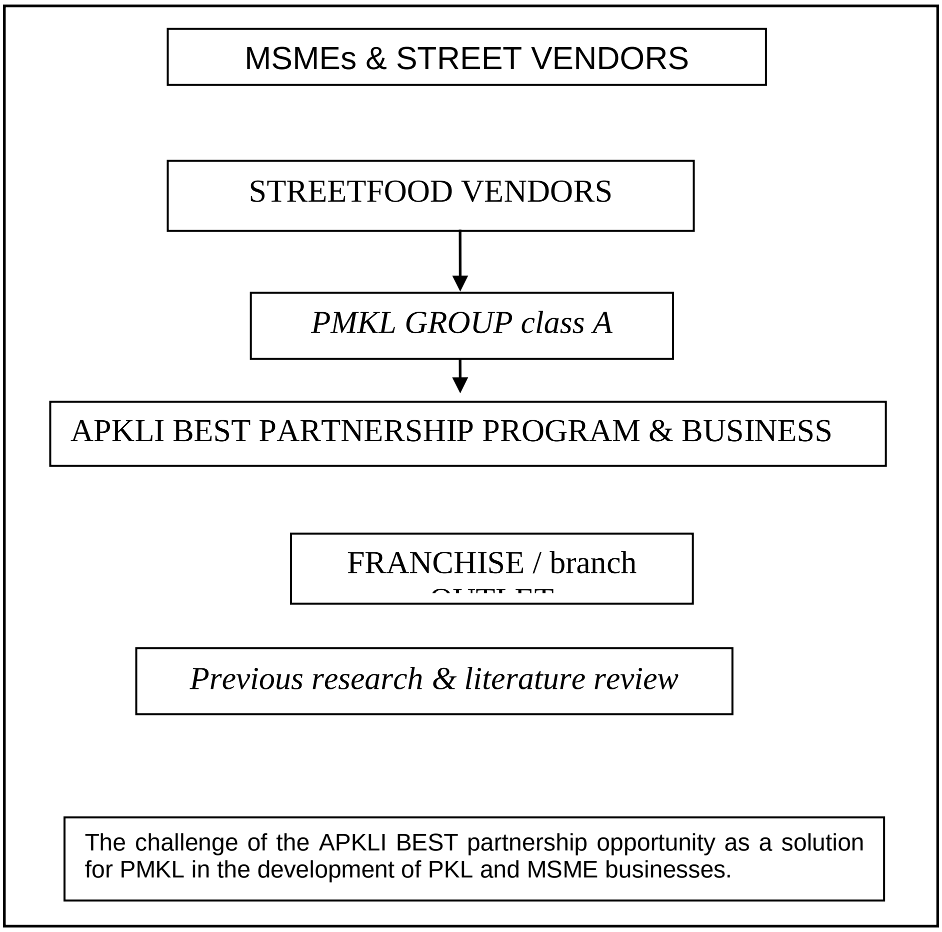

Figure 2. Schema Model Data to be obtained
Source: Processed Primary Data

RESEARCH METHODS

Types of research

The type of research used in this study is to use the type of case study research, which aims to describe the state of the object or problem in the study. According to Yin (2004: 18), case studies are a more appropriate strategy to be implemented when the subject of a research question concerns "How (How)" or "Why" is directed to a series of contemporary processes or events (the focus of research lies in contemporary phenomena).

Subjects and Objects of research

the subjects as informants in this research are the speakers who are also PMKL perpetrators who have been in business for more than 5 years, and the business has sales of at least 700 servings per day (PMKL class A).

Thus, the informants in this study are: PMKL IBU SUM. PMKL Pak Sujono, PMKL Omso, PMKL Triyono, and PMKL Asdreas. Which, as the classification of PMKL, the five informants can be categorized as PMKL class A, and they also try the location of Gubeng District.

Source and Data Types

The type of data required in this study is qualitative data. According to Kuncoro (2010: 145), qualitative data is data that can not be measured numerical scale.

This study uses primary and secondary data sources. The primary data sources in qualitative research according to lofland (1984: 47) in Moleong (2014: 157) are words and actions, the rest are additional data such as documents and others.

Method of collecting data

This research uses sampling with Purposive Sampling method (purposely). Where this study only provides opportunities to members of the population in accordance with certain considerations (Sugiyono, 2014: 122).

Data Analysis Method

According to Miles and Huberman in Sugiyono (2014: 404), Activities in the analysis of qualitative data conducted interactively and lasted continuously, so the data is saturated, data analysis activities carried out are:

1.Reduction of data, which summarizes, chooses the main points, focuses on the important thing, sought the theme and pattern;

2. Presentation of data, in the form of brief descriptions, charts, relationships between categories, flowcharts, and the like; And,

3. Conclusion or verification of conclusions based on results.

RESEARCH RESULT AND DISCUSSION

Data Analysis Research Results

The analysis was conducted based on the result of interview evaluation with the resource person, which then compared the result of the interview from the resource person. Then, the result of comparison between the resource persons is compared with the observation result and the result of literature study. The opinions evaluated from the resource persons, observation, and literature review will especially discuss on the topic of data and information on partnerships, branches / franchises, PMKL capital, plans and development challenges of PMKL.

The following is the presentation of the interview data with the resource persons on several data topics:

Nama :	Codding :
Alan Suryawijaya (reseacher)	AL
Mrs Sumarti (bu Sum)	SUM
Mr Sujono	PSJ
Mr Omso	POS
Mr Triyono	MTR
Mr Andreas	PAN
End of Recording	EOR
While eating	SMK

Figure 3. Codding

Source: Internal data of the researcher

Table 2. The observation result with the resource person discussed the location of the business

Narasumber :	Hasil observasi :	Kesimpulan :
SUM	- 2. small stall with 1 cart + table in tent + 1 outdoor table tent. with a total capacity of 12 people. (attachment to AAD - no.2) -16. Unfortunately, the location of the stall is in the river. so that the smell of the river sometimes smells. (attachment to AAD - no.16) - 22. very range of getting upset. but if you have a permanent place it might be better. and very confident that it can be developed better and bigger. (attachment to AAD - no.22)	places that are less representative, vulnerable to displacement, tires still pay rent substitutes for environmental, hygiene, and security contributions to the neighborhood neighbors.
PSJ	- 2. a small warung with 1 cart + table in a tent + mat to sit in the second row. With a capacity of 15-20 people in total. (ABD attachment - no.2) -14. Feeding supplies are washed with running water and soap. it's just a shame the location of the stall is on the road. and a position that sits close to the ditch and is as high as the government garbage box. so that unpleasant odors sometimes smell. (ABD attachment - no.14)	small place, less representative and less healthy. if there is a project, it will definitely get upset.
POS	- 2. sales with motorbike cooking stalls with aluminum glass windows. (ACD attachment - no.2) - 22. very mobile, and the sale is also in place that does not violate pedestrian rights. but vulnerable to stop selling when it rains. (ACD attachment - no. 22)	mobile business location. but does not have a permanent place.
MTR	- 2. permanent food stalls lease the bottom of the boarding house. with table 8 with a number of 16 long chairs that can hold up to 64 people. (attachment ADD - no.2) -23. the rental place is permanent, spacious and clean. only the system is still renting with boarding houses. it is feared that rental prices will continue to increase or can be dealt with by the profit sharing mechanism. (attachment ADD - no. 23)	stalls have been permanently rented, but the rental price is high.
PAN	- 2. rental shop under a small building used by a used motorcycle workshop. with a capacity of 6 tables with seats around 24 seats. (attachment AED - no.2) -21. already have a permanent rental place, but it is feared that rental prices continue to increase, and the place is very small and dirty. (attachment AED - no.21)	stalls have been permanently rented, but business locations are less healthy.

Sumber: Observation data from resource persons in attachments of AAC, ABC, ACC, ADC, and AEC were processed.

STUDY and DISCUSSION :

A. INTERVIEWEE SUM :

> *"actually his wish was like that, my husband's brother actually I planned to open a branch for him, rather than unemployed here.(SUM, Attachment AAB-2-42)"*
>
> *"there is no capital, later if the capital has been collected and enough, then I will open another branch (SUM, Attachment AAB-2-44)"*

From the Interview piece it is seen that the SUM informant has a high desire to open a business branch. However, SUM informants also have not enough confidence to open branches, one of the reasons is the reason for the capital. However, when the researcher tries to find out more about another option, a partnership with profit sharing, in which the business actor simply pays for the share of each portion sold to landowners and equipment providers. As per the researcher's assumption, the answer from the resource person is happy to receive the option of profit sharing cooperation. This shows that indeed the option of cooperation can be a solution for capital and doubt or loss of capital. So the risk of capital loss can be minimized.

B. Interviewee PSJ :

> *"actually also want to have my own branch, but unfortunately, no one is helping me, I need extra worker or helper. but I don't know anymore ... (PSJ, Attachment ABB-4-77)"*
>
> *"In fact, you're just not ready for the system. keep it up, keep it up, keep it up .....(PSJ, Attachment ABB-3-63)"*

From a snippet of interviews with PSJ's resource persons it is clear that the PSJ Resource Person has a desire to open a branch, but does not have the energy and trust people. In addition, the PSJ resource person also feels unable to run his business in more than 1 different place on a rice basis. As well as added concerns PSJ Resources will risk losses and if the cooperation how financial transparency. Behind that, it also shows that PSJ's resource persons also have the desire to open a branch, but are not prepared to risk the loss and dishonesty of others who will run the business.

C. INTERVIEWEE POS :

> *"I have five branches, my son, I sell sales as well, my sister, my sister's wife also sells me. not useful if not employed.."*
>
> *"No, later for recapitulation with employees becomes difficult. better by hiring your own relatives. but yes, my biggest child is still not perfect if it is for the raw materials."*
>
> *"in fact my wish is that if I can, while I'm selling it, I also want to find a place to sell permanently. then my wife will take care of the place.."*

From the results of the interview snippet shows that from this resource POS indicates that already have duplication of similar businesses up to 5 businesses. But the business is run by relatives, children, and relatives independently. this actually can not be said a branch, because the source did not receive the benefits both material and non-material from the duplication of his business. However, the Resource Person also pointed out that the POS Resource Personnel has the view that the results of the sales if employed by employees will be a new problem, so the POS Interviewer prefers to submit duplication of his efforts to his brothers.

In addition, the resource person also has a desire to open a permanent establishment, in addition to this kelilingan business, which will be run by the wife of this resource POS. This indicates that the resource person is aware of the importance of opening a branch. And already do duplicate and multiply effort.

D. *INTERVIEWEE MTR :*

> *"Not yet. still can't manage. like this, I'm confused. (MTR, Attachment ADB-1-22)"*
>
> *"Expensive mas modale. just like this is pretty good. No need to invest much more. (MTR, Attachment ADB-1-24)"*

"never…. MTR, Attachment ADB-1-28)"

"How do you cooperate? the branch is correct. But not now. " (MTR, Attachment ADB-2-36)

From the interview piece it appears that the MTR Speaker has the view and the desire to do the opening plan of the branch, but the MTR Resource Person feels that they do not have the ability to arrange the branch opening mechanism. In addition, the MTR Resource Person also felt that he did not yet have the ability to exercise control when opening branches. In addition, the resource person also admitted that he was not ready to prepare capital for the opening of branches. However, it is more appropriate to say that it is not due to inability to fund or have no intention to open a branch, but the resource person does not have the courage to open a branch, and for now the resource person is reluctant to spend more to make the branch opening.

E. INTERVIEWEE PAN :

"my wife wants to open a branch in the rungkut area. my father's house, where there is a lot of factories in the market. It's pretty good if it's there. " (PAN, Attachment AEB-3-60)

"Sek mas, sitok sitok sek mas. I don't regulate here. After all, there is also no capital for me." (PAN, Attachment AEB-3-62)

From the results of the interview cut it appears that the resource person obviously already has the desire to open a branch. It even has a plan and target location to be targeted when opening branches later. In addition, the resource person has also done the calculation of target market who want to be targeted as their potential customers. But for now it appears that the resource person has not had any preparation for opening the branch. the lack of perception is seen from the lack of siapan ranging from labor, capital, system, site preparation, and so forth. In addition, the issue of capital is felt by this PAN informant to open a branch.

From all the interview results with the resource persons, it is seen that almost all informants already have a view to do the opening plan of the branch. Intentions, wishes, calculations have been considered by almost all sources. But of all these thoughts, many of the informants have not had the courage to open a branch. In addition, many of the non-perceptions experienced by the resource persons, which mainly are the lack of preparedness from the capital side and the branch opening system. both from trust, recipes, and so forth.

CONCLUSION AND RESEARCH SUGGESTION

Conclusion

Based on the formulation of the problems described and the results of research discussed in this study, it can be concluded that the location of the business is now being undertaken by resource persons in this study already there are starting to realize the cleanliness, but there are also PMKL who do not have a hygienic place, there are those selling sibbles in their businesses, and most of them have constraints in the business location of business ownership and business location selection.

Research Suggestion

This research uses qualitative research by conducting interviews. Further research can use quantitative research to prove that capital and location factor is not an obstacle in opening branch in effort of business development supported by statistic calculation.

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ANALYSIS OF SERVICE MARKETING MIX (7-P) IN DECIDING TO BUY AT SUMBER REJEKI PHARMACY

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ABSTRACT

This study aims to determine the effect of service marketing mix (7-p) in deciding to buy at Sumber Rejeki pharmacy. This is a quantitative study with 532 customer population of the people who ever visited Sumber Rejeki pharmacy more than once. The data collection was held on June, August, September, and November. There were 350 respondents collected using purposive sampling technique and cut down to 100 respondents. The instrument of this study is a questionnaire with Likert Scale. There are eight variables for this study; i.e. seven independent variables (price, product, promotion, place, people, physical evidence, process) and one dependent variable (decision of buying). Furthermore, the data process uses 16th version of SPSS (Statistical Package fo Social Science) program. The findings are concluded that service marketing mix simultan and have positive significant effect and only price, place, and process have partial and have positive significant effect in deciding to buy at Sumber Rejeki pharmacy

Keywords: price, product, promotion, place, people, physical evidence, process, Decision of Buying.

INTRODUCTION

Purchase decision is a behavior that consumer do before purchasing a product. When a consumer is aware of the risk that may be faced, it can affect the consumer's decision to make a purchase. Likewise, the influence of the closest people greatly affects psychologically consumer purchasing decisions (Tjahjono, Semuel, Karina, 2013). Purchase decision consisting of five stages, namely: problem recognition, information retrieval, alternative evaluation, purchasing decisions, and post-purchase (Kotler and Keller, 2009: 207).

In the service business there are seven elements of service marketing mix, namely: Product, Price, Promotion, Place, People, Physical Evidence and Process (Lupiyoadi and Hamdani, 2008: 81). Service marketing mix is a combination of variables that are expected to be able to influence and create customer satisfaction, so that consumers become loyal to buy products or services offered. All aspects are used in a structured and programmed manner in a clear and coordinated way, so the company can carry out one of its self-development functions as part of its marketing and recognition of the community as effectively as possible (Purnamasari, 2011).

Pharmacy is a pharmaceutical service facility that deals directly with the community. Each pharmacy is managed by one pharmacist as the person in charge and can be assisted by a companion pharmacist. An increase in the number of pharmacies in Indonesia that have been locked up until 2015 based on the database of the Directorate General of Food and Drug and Medical Devices at the Ministry of Health has reached 25,339 and drug stores totaling 8,599 outlets. 3 regions that have the most pharmacy outlets are West Java (4,141), East Java (3,673) and Central Java (3,467). The largest number of drug stores is in West Java, followed by North Sumatra and Aceh. The province of South Sulawesi itself is ranked ninth with the number of 675 pharmacy outlets and the eighth for the number of drug stores, namely 377 outlets. The number is spread throughout the districts in South Sulawesi with the following details of the distribution:

Table 1. Pharmacy Recapitulation Data in South Sulawesi 2015

District / city	Number of pharmacy outlets	Number of drug store outlets
Bantaeng	9	20
Barru	13	32
Bone	36	16
Bulukumba	24	11
Enrekang	5	11
Gowa	47	17
Jeneponto	17	7
Kota Palopo	37	14
Luwu, Luwu Utara, Timur	48	46
Maros	28	18
Pangkep	24	18
Pinrang	9	51
Tana Toraja	13	9
Selayar	8	6
Sidrap	25	42
Sinjai	12	14
Soppeng	12	14
Takalar	4	4
Wajo	17	18
Makassar City	**252**	–
Pare-Pare City	**34**	**9**

According to Rachmat Gunawan as the owner of Sumber Rejeki Farma Pharmacy and provider of various kinds of medicines ranging from general or generic drugs (over the counter) to external drugs or hard drugs that must use a doctor's prescription, Sumber Rejeki Pharmacy also provides consulting services on patient diseases.

Table 2. Last Five Years Turnover

Year	Turnover
2012	1,6 M
2013	2,0 M
2014	1,9 M
2015	1,2 M
2016	1,8 M

Table 2 shows that the amount of turnover of Pharmacy has fluctuated. From the results of the preliminary interview with the Pharmacy owner on May 21, 2017 at 11:00 p.m. to 24:05, it was explained that the decrease in turnover was due to:

1. Products are mostly the same as those sold by competitors (Product)
2. Number of competitors selling below the highest retail price (Price)

3. When owners as endorsers often leave the city (Promotion and People)
4. Transfer of pharmacies to less strategic places (Place)
5. Poorly disposed pharmacy layout (Physical Evidence)
6. Reducing the number of employees who make service slow and consumer complaints regarding service (Process)

This study aims to determine the effect of product, price, promotion, place, people, physical evidence and process on consumer purchasing decisions at Sumber Rejeki Pharmacy.

RESEARCH METHODS

Sampling and Data

The sampling technique used in this study was purposive sampling. The amount used to get the sample is:

a. Number of customers based on customer database : 532
b. Customers outside the city : 89

The number of samples available is (532-89) = 443

By using the Slovin Formula, the number of samples that should be used as much as:

$$n = \frac{532}{1 + 532\,(0.09)\,2} = 100.2 \approx 100 \text{ customers}$$

Thus the sample to be taken in this study is 100 customers. The criteria used are:

a. Male and female, aged 17 years to 60 years.
b. Have come to the Sumber Rejeki Pharmacy at least once.

In this research, data will be extracted from the samples using:

1. Questionnaire where respondents are asked to fill in the questions listed in the questionnaire.
2. Observation by observing customer behavior when filling out the questionnaire.

Research Variable

This study uses independent variables and dependent variables. The independent variable is the variable that influences or causes changes or the emergence of related variables, while the dependent variable is the variable that results from the existence of independent variables (sugiyono, 2012: 39).

The variables in this study include:

a. Independent variable (x) consisting of product, price, promotion, place, people, physical evidence and process.
b. The bound variable (y) is the consumer purchasing decision.

RESULT AND DISCUSSION

Validity Test

Based on the results of the validity test, it shows that all marketing mix indicators and purchasing decisions are valid because all instruments have sig. values < 0.05.

Reliability Test

Based on the results of reliability testing, all marketing mix research variables, and purchasing decisions are said to be reliable because all variables have Cronbach's Alpha > 0.6.

Normality Test

The results of significance testing in the Kolmogorov-Smirnov test is 0.579. This value exceeds 0.05 and shows the residual value that is normally distributed and the resulting regression model is deemed feasible to be used in decision making.

Multicollinearity Test

According to Slamet (2009: 206), research that has a tolerance value greater than 0.1 or VIF of a variable was smaller than 10, the regression model is declared free of Multicollinearity. On research data, the variables of internal factors and external factors with the marketing mix media have a tolerance value > 0.1 and VIF value <10. Thus, it can be concluded that this study is free from the assumption of Multicollinearity.

Heterocedastisity Test

On research data, it is known that each independent variable has a significant value greater than 0.05. Therefore, it can be said that there is no deviation from heterocedastisity in the independent variables.

Autocorrelation Test

Based on the research data, the value of Durbin Watson is 2,058, then we will compare it with the significance value of 0, 05, the number of samples N = 100, the number of independent variables 7 (k = 7) and the result is 1,826. The value of Durbin Watson 2,058 is greater than 1,826 and smaller than (4 - 1,826 = 2,174). Thus, in this study the autocorrelation test was free.

Linearity Test

Based on research data, significant value on price, product, promotion, place, people, physical evidence, process is 0,000, which means that the relationship is linear and shows that variable price, product, promotion, place, people, physical evidence, process are linear patterned process against consumer purchasing decisions.

Multiple Linear Regression Analysis

On research data, the results obtained are as follows:

a. Regression coefficient of Price (X1) has a positive value of 0.300, indicating that the quality of the price has increased and the purchase decision will increase as well.
b. Regression coefficient of Product (X2) has a positive value of 0.127, indicating that the quality of the product has increased and the purchase decision will increase as well.
c. Regression coefficient of Promotion (X3) has a negative value of 0.106, but the value becomes meaningless because the sig value of the variable is greater than 0.05, so the promotion variable (X3) cannot have a significant effect on the purchasing decision variable (Y).
d. Regression coefficient of Place (X4) has a positive value of 0.188, indicating the quality of the place has increased and the purchase decision will increase as well.
e. Regression coefficient of People (X5) has a positive value of 0.040, indicating the quality of employees has increased and the purchase decision will also increase.
f. Regression coefficient of Physical evidence (X6) has a positive value of 0.064, indicating the quality of physical evidence has increased and the purchase decision will also increase.
g. Regression coefficient of process (X7) has a positive value of 0.300, indicating the quality of the process has increased and the purchase decision will increase as well.

Simultaneous Hypothesis Test (F Test)

On research data, the significance value of F test is 0,000 <0,05. Thus, it can be concluded that the mega marketing mix variable simultaneously has a significant effect on the variables of purchase decisions.

Partial Test (T Test)

a. Results of hypothesis testing variable price (X1)
The level of significance on the variable X1 is 0.004 <0.05. Thus, it can be concluded that the price factor partially has a significant effect on purchasing decision variables.

b. Results of hypothesis testing of product variables (X2)
The significance level value on the variable X2 is 0,250> 0,05. Thus, it can be concluded that the product variable partially does not significantly influence the purchasing decision variable.

c. Results of the promotion variable hypothesis test (X3)
The level of significance on the variable X3 is 0.258> 0.05. Thus, it can be concluded that the partial promotion factor does not significantly influence the purchasing decision variables.

d. Results of hypothesis testing place variable (X4)
The level of significance on the X4 variable is 0.023 <0.05. Thus, it can be concluded that the place variable partially has a significant effect on purchasing decision variables.

e. Results of testing the variable hypothesis of people (X5)
The level of significance on the X5 variable is 0.666> 0.05. Thus, it can be concluded that the people factor partially does not have a significant effect on purchasing decision variables.

f. Hypothesis test results for physical evidence (X6)
The level of significance on the variable X6 is 0.468> 0.05. Thus, it can be concluded that the physical evidence variable partially does not significantly influence the purchase decision variables.

g. Results of the hypothesis test variable process (X7)
The level of significance on the X7 variable is 0.002 <0.05. Thus, it can be concluded that the process variables partially have a significant effect on purchasing decision variables.

Determination Coefficient Test

The coefficient of determination (R^2) in this study was 0.656 or 65.6%. Thus, it can be concluded that the independent variables (internal factors and external factors with the media marketing mix) can explain the dependent variable (purchasing decision) by 65.6%. Meanwhile, the remaining 34.4% is explained by other variables not examined in this study.

Managerial Implications

Based on research conducted at Sehat Pharmacy, the level of influence of service quality factors and consumer loyalty obtained is 61.093%, this is related to statements about the existence of information, good service, friendly employees, fast service, comfortable waiting room, influence from family and environment, so based on that, respondents have the same tendency in making purchasing decisions at Healthy Pharmacies based on service quality and customer loyalty.

CONCLUSION

Based on the results of data analysis and discussion in this study, the following conclusions are obtained:

a. Price (X1), Product (X2), Promotion (X3), Place (X4), People (X5), Physical Evidence (X6), Process (X7) simultaneously have a significant effect on purchasing decisions (Y).
b. Price (X1) partially has a significant effect on purchasing decisions (Y).
c. Product (X2) partially has no significant effect on purchasing decisions (Y).
d. Promotion (X3) partially has no significant effect on purchasing decisions (Y).
e. Place (X4) partially has a significant effect on purchasing decisions (Y).
f. People (X5) partially has no significant effect on purchasing decisions (Y).
g. Physical Evidence (X6) partially has no significant effect on the purchase decision (Y).
h. Process (X7) partially has a significant effect on purchasing decisions (Y).

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IDENTIFICATION OF FACTORS INFLUENCE PURCHASE INTENTION TOWARDS CUSTOMERS OF CV. AURORA TIGA SINERGI

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ABSTRACT

This study aims to determine the factors that affect the purchase intention towards customers of CV. Aurora Tiga Sinergi. Company used as object in this research is company sales cattle feed product under the brand Livepro. This research uses qualitative method with data collection technique through semi-structured interview. Interviews were conducted with four informants consisting of two customers, one marketing expert and one corporate facilitator. Documentation is done with audio recording and photo, and for the validity and reliability of this research data is tested by member check method. The result shows that there are five factors affecting purchase intention of Livepro, including price, product quality, promotion media, customer service, and network.

Keywords: *Purchase Intention, Factors, Cattle Feed,*

INTRODUCTION

Cattle's meat is one of the most important commodity for daily necessities that the demand will always be exist continuously in the market. This type of commodity is not affected by any kind of trend since it is a daily-consuming goods. Cottle & Kahn (2014) stated that beef consumption in some countries has increased in recent decades despite its low base, as the result of improved living standards and revenues in terms of the global trade. The demand of cattle's meat leads to the large potential of livestock industry in Indonesia, especially for cattle breeding and fattening. Based on Directorate General of Livestock and Animal Health Resources (http://disnak.jatimprov.go.id/web/), population of beef cattle in East Java has been increased constantly for the last five years. With the increase in cattle population, the needs of cattle feed availability also increases automatically.

CV. Aurora Tiga Sinergi is a trading company runs in livestock industry that specifically sells a cattle feed product called as Livepro. This product has several advantages that basically meets the market expectation. First, the price sets at the lowest level compared to other competitors. There are only two products in the market that offers low-cost cattle feed which is Livepro and Yellowfeed, meanwhile others set the price between Rp. 3200 until Rp. 3900. Second advantages, Livepro contains coffee skin that makes it less smell rather than other products, and also makes the feces of the cattle less smell as well. Third, Livepro is more durable than any other cattle feed products, it can lasts up to six months in storage while other similar products only last for two months. Last but not least, Livepro brings a brand new concept which is complete feed product. When other companies are only offer a product with specific substance independently such as protein concentrate, vitamins, and fibers, Livepro has already contains a complete nutrition following cattle's daily needs. The raw protein of Livepro shows an average percentage that beef cattle can absorb, as well as the raw fibers amount which will supports the digested level of the cattle. Meanwhile, the amount of raw fat and minerals is quiet low in order to maximize the meat weight and maintain the cattle's productivity. Livepro keeps the balance of its nutrition so it will not be necessary for customers to buy extra specific substances or even cut the grass off in order to fulfil the cattle's daily nutrition. Other feed products available in the market have unbalance nutrition details. In protein concentrate products, the amount of raw protein are quiet extreme between 10-20 percent, meanwhile the fibers are very low. Even though protein plays an important role to beef cattle's fattening, it will not be able to absorbs the protein effectively since the fibers affect the digested level of the cattle significantly. "Nutrition is the most important determinant of growth rate, and accurate ration formulation for energy, protein, minerals, and trace elements is important" (Bazeley & Hayton, 2014).

Until today, CV. Aurora Tiga Sinergi has made several sales from customers. However, even though the company assumes that the product has met customer's expectation the purchase amount is quiet random and unpredictable. Even with extra services given such as free tester, discount, and quality-monitoring. Aurora Tiga Sinergi is still unable to reach the sales target and kept falling. There was a single sale happened in January amount of 1,5 ton. However there was no sales for the next two months, as the next sales start in April. Sales by same customer done continuously from April until July which was seven ton a week or 28 ton a month. Several sales also done between April to July randomly. The most massive scale of sales happened between April to July because basically those periods were closed to annual Islamic culture Eidul Adha which held in September. It is common that the sales going massively 4-6 months before Eidul Adha as customers focus on finishing their cattle's fattening program. However the data shown in Figure 1.3 that the sales happened between April to September was quiet random, even there was no sales happened in August. This is the main issue that CV. Aurora Tiga Sinergi face today. This data shown the opposite result from the market demands generally and creates a paradox.

Peter & Olson (2013) stated that the core process of customer decision making is integrated process used for combine knowledge to evaluate two or more alternative behavior and to choose one of them, then the result of those integrated process is a choice which cognitively shows behavioral intention or a decision plan to do one or more behavior. Based on the main issue described, this study was arranged to analyze the reason behind customer's interests as well as the factors influence their purchase intention. This study was conducted in order to boost the sales of Livepro product in the future. This research is arranged in order to understand and explain what factors influence the purchase intention toward customers of CV. Aurora Tiga Sinergi.

LITERATURE REVIEW

Purchase Intention

According to Assael (2001) in Rifai et al. (2016), purchase intention is a behavior that appears as a response to an object, or is also a purchase interest that indicates a customer's desire to make a purchase. It is customers who are looking for information about the product (Abdurrahman, 2015). There is a real difference between actual purchase and purchase intention. That is, actual purchases are actually purchases made by customers while purchase intention is the intention of making a purchase in the future. Although actual purchases will not necessarily be made on future occasions, but measurement of purchase intention is generally done to maximize the prediction of the actual purchase.

Purchase intention is a process affected by many aspects both externally and internally. Factors affecting purchase intention can be improved by taking into account the following factors, among others, psychological factors which are the driving factors that come from within the customer which is the motivation, perception, knowledge and attitude. In fact, Wu and Chang (2016) found that integration of multichannel which consists of process consistency, business ties, and transparency of service significantly affect the purchase intention. Based on the descriptions above, it can be concluded that the definition of purchase intention is the desire or the tendency of customers to a product or service before it becomes the purchase decision.

Factors affecting Purchase Intention

Customer's purchase intention is actually a process between alternative evaluation and purchase decision (Kotler and Keller, 2016). The discussion of purchase intention is so wide that researchers tend to pursue their research into more specific and focused topics, to facilitate discussion not to widen. In result, factors affecting purchase intention are also very broad and conditional in accordance with the type of object observed. There are so many aspects affecting purchase intention internally and externally. The conclusion according to Mirabi et al. (2015) stated that there are x factors that affect customer's purchase intention which is brand name, product quality, and advertising. Purchase intention can be improved by taking into account factors, among other factors are perceived value, customer's knowledge, and celebrity endorsement (Younus, 2015).

Factors affecting purchase intention

There are several indicators related to purchase intention as a guide or benchmark. According to Ferdinand in Mulyana (2016) there are four indicators of purchase intention, namely:

1. Transactional intention, which is the tendency of people to buy products.
2. Referential intention, which is the tendency of people to reference products or services to others.
3. Preferential intention, which is interest that describes a person's primary preference for a product or service.
4. Explorative intention, which is interest describes that a person will always seek information about the chosen product and also information that supports the positive characteristics of that product or service.

RESEARCH METHODS

Research Design

This research uses qualitative method. Qualitative research is a type of research whose findings are not obtained through statistical procedures or other forms of calculation and aim to express the symptoms in a holistic-contextual manner through the collection of natural data by using the researcher as a key instrument (Sugiarto, 2017). Qualitative research through several critical-scientific thinking stages, which captures the facts happened in the field after researcher started to think inductively, for later analyzing and arranging the theorize based on the observation (Bungin, 2015). Qualitative research in this study is descriptive, due to the research problem which is about consideration of purchase intention towards prospective customers of CV. Aurora Tiga Sinergi to cattle feed product.

Research Object and Research Subjects

The object of this research is CV. Aurora Tiga Sinergi, and the purpose of this research is to help CV. Aurora Tiga Sinergi to understand the factors affecting purchase intention of its customers in order to improve the marketing strategy in the future. Informants are individuals who become sources of data collection through interviews that have been prepared by researchers. Informants in this study consist of prospective buyer and someone who has bought Livepro products, as well as marketing strategy expert.

Table 1. Subject Criteria

Informant	Criteria	Reason
Facilitator	• Lecturer in Ciputra University • Minimum degree of Magister • Has been teaching CV. Aurora Tiga Sinergi for minimum 1 semester	To explore the factors that canceled the purchase intention
Customer	• Has bought Livepro at least twice	To explore the factors that positively affect the purchase intention
Marketing Strategy Expert	• Minimum degree of Magister • Own a company that has operated at least one year • Run a company in a livestock industry	To ensure that argument fits the existing theory and reality in the field based in experience

Source: Processed Data

Data Collection Method

In this study, the researcher use interview data collection method. Interviews are a method used to obtain information directly, profoundly and individually. Interviews addressed to people who meet the criteria of informants. Semi-structured interview is a type of interview that new idea freely added during the interview take place, yet still need to organize guiding questions before it begins in order to control the flow of conversation so it will not shift to opinion that irrelevant to the topic. It makes it unique among interview methods for the degree of relevancy it provides the topic while remaining responsive to the participant (McIntosh & Morse, 2015). According to Silverman (2016), Documentation is necessary in order to provide realistic proof about the research documents, and also to carry crucial contents, images, words, and patterns. The researcher will use photos, interview transcripts, and audio recordings to archive the interview session.

Validity ensure whether the observation and interpretation are measured correctly (Silverman, 2016). The research can be considered as unsuccessful if it has a low rate of validity. In qualitative research, the data can be said to be valid if there is no difference between what is reported with what actually happened and can be said if the researcher reliability can prove that the whole series of research process is really done. Validity in this research will use member check method. Member checking (also referred to as informant feedback, respondent validation, member validation, or dependability checking) involves the researcher presenting data transcripts or data interpretations to all or some participants for comment (Varpio et al., 2017). Reliability is the consistency of the analytical procedures, including accounting for personal and research method biases that may have influenced the findings (Noble & Smith, 2015). Reliability in this research using informant statement transcript, audio recordings, and photo evidence to each informant.

DATA ANALYSIS AND DISCUSSION

Company Profile

CV. Aurora Tiga Sinergi is a company runs in livestock industry and focus on animal feed product. Product currently under development are animal feeds specifically formulated for ruminant animals such as beef cattle and goats. The vision of this company is to make

Indonesia as a self-sufficient country of meat through the independence of feed production. The company's mission is to become one of the best livestock feed suppliers in Indonesia, establish cooperation with various big farms in Indonesia and become a manufacturing company capable of producing large scale of animal feed.

The product offered called as Livepro. This product is an innovation in the market of animal feed, which is more simple and profitable for farmers or distributors. If cattle feed generally still requires additional materials such as forages, concentrates, and other complementary substances in addition to fulfill the daily nutrients of livestock, unlike the case with this product. Without the need to mix any ingredients, Livepro has already contains a complete and balanced nutrition, according to the needs of the cattle at a low price. Other advantage Livepro offered is long durability which is can sustain up to six months in the storage.

The company was founded by three students of Universitas Ciputra, namely Jodie Winanda, Tyko Cantya Nugratama, and Riau Salim in 2016. CV. Aurora Tiga Sinergi experiencing some obstacles in business, one of which is the factor of purchase intention by customers. This is marked by the downward trend in monthly sales and Livepro's sales uncertainty over the past few months.

Profile of Informant

There are four informants for this research, consist of two customers of CV. Aurora Tiga Sinergi which has bought Livepro product several times, one facilitator or advisor of CV. Aurora Tiga Sinergi, and one marketing expert in livestock industry, which is also a person who has experience as a breeder as well. Interviews were conducted to Livepro customers to obtain data of purchase intention directly from target markets that understood the advantages and disadvantages of Livepro and its correlation to the needs of farmers. While the interview was conducted to expert to obtain data of purchase intention from a view that has understood the theory and practice in the field on the academic perspective. As for the facilitator, the interview was conducted to get a perspective of customer’s purchase intention from the advisor who has monitored the company for the past one year. The label is applied in order to make the process of taking statement easier from the interview transcript, by using the first letter of the informant’s name.

Price

According to Lamb in Adiputra (2016) price is what should be given by the consumer (buyer) in order to get a product. Three of the four informants stated that price was the first important aspect affecting the purchase intention of Livepro customers. They stated that in the industry of agricultural, farming, breeding, and livestock, price is highly sensitive to the market, because this sector plays in the first position of supply chain which is cattle meat. Therefore, people psychologically tend to find the cheapest option of cattle feed offered in the market, after that then they will look into other aspects such as product quality, brand, etc. Another informant also stated that price is one of the most important factors in the livestock sector, especially animal feed products, only the priority is being overtaken by another major factor that is the personal proximity of the seller and buyer. According to Kotler and Armstrong (2015) the higher price of goods or services the lower decision to buy, otherwise if the price offered is low then the purchase decision will increase. Based on data analysis, informants state that the price is the most important factor that greatly affects the purchase intention of customer. This is the reason why breeders tend to use organic feed as they find agricultural waste and try to mixed them up by themselves. Using agricultural waste will lower the feed expense, but this method has two weaknesses which is the first one is that the quality of the feed will unstandardized and unpredictable. It is also has a risk to cattle’s health because the ingredients come from agricultural waste, and the availability of those ingredients are unpredictable as well. Second weaknesses is that the breeders will lose most of their time and energy to only to find and mixed these ingredients, so the effort will not be worth with the result.

Product Quality

According to Kotler and Keller (2016), product quality is the ability of a product to demonstrate its function, including overall durability, reliability, accuracy, convenience, operation and product reparation, as well as other product attributes. In this case, the four informants agree that the quality is also one of the main factors that affect customer purchase intention in Livepro product. Many farmers change products simply because the products they use have a quality that always fluctuates. Price and quality are a series that depend on each other. Price compliance with the quality obtained is a consideration for informants to buy this product. It has been proven based on the analysis that the market sector tends to be sensitive to the quality of feed and its compliance with the price offered. Informants stated that the cattle feed will be considered as a good quality product if it contributes in cattle's fattening process and result. They do not understand about the data of nutrition, instead they judge only from the result. If that product makes the cattle fatter in short period of time, then it is considered as a product with good quality.

Basically, the content that contributed in fattening process is raw protein level. The fat content is also contributes, but the high level of fat content will lower the quality of cattle's meat. So when customers said that they want a product that can boost the time of fattening process, it means that the protein content needs to increase. But, company also needs to consider about the TDN content (Total Digestible Nutrient). Because although the protein content is significantly high, it will not affect the cattle if the TDN level is low. TDN level shows percentage of nutrient absorbed by the cattle. For example, if the product has 60% of TDN, it means that from all 100% feed nutrition, the cattle can absorbs 60% to its body for fattening process, and the 40% will turn out as a feces. So, the product is considered as high quality product if it has high protein content while balanced with the TDN level.

Promotion Media

Elements of promotion according to Kotler and Armstrong (2015) are advertising, sales promotion, personal selling, public relations, direct marketing, events and experiences, interactive promotion, and word of mouth marketing. Based on the results of data analysis, the majority of informants stated that the most influential promotion media on Livepro and other similar products in the market is word of mouth that is promotion that utilizes people talk, electronic communication involving experience in purchasing product or service. In the livestock industry, especially cattle feed, the implementation of word of mouth is a reference from fellow breeders. The majority of farmers have a network of groups called paguyuban. When one or a few breeders have tried a cattle feed product and satisfied, there will be conversations where that breeder will recommend the cattle feed product to other colleagues. Other medias that might be useful in this market are physical tools such as brochures or advertisement in newspaper, as well as simple electronic media such as facebook and whatsapp.

The segment of this sector are mostly people at age 30 or above. This is the reason why social networks such as Instagram and Twitter are not match with them, or E-commerce platforms such as Bukalapak, Tokopedia, OLX, etc. The only online platform they used is Facebook, while the only online media is Whatsapp. They prefer to more actively and directly contact with the people through some communities or paguyuban. This is also the reason why the most effective marketing method is through word of mouth or reference from people in those communities.

Findings of Other Factors

In the process of collecting data, researcher found two new finding factors that affect customer purchase intention. The first new finding is customer service. According to Kashmir (2013), service is given as an action or actions of a person or organization to provide satisfaction to the customer. The form of service provided by the seller to the buyer turned out to give a significant influence on the increase of their purchase intention in the cattle feed product, including the way of speaking, the speed of responding and the suitability of the demand with product given, the accuracy of delivery, and other things related to work professionalism and ethics. A good customer service will provide a customer satisfaction to make him feel comfortable with the seller, so the selling process will be more easily accepted. Currently CV. Aurora Tiga Sinergi does not have good customer service quality, because the company assumes that in the livestock industry, customer service is not a factor to consider. The effort made is only a response in accordance with the demand. Even shipping process are sometimes not in accordance with the agreement. Usually due to some technical issues so the delivery time has to be delayed for 1-2 days. Based on data analysis, it can be seen that customer service is one of the most important factors that can influence customer purchase intention, so company needs to consider and develop strategies to improve the quality of its customer service. This can be done by estimating the delayed delivery time, providing warranty and indemnity if the received feed is not match with the demand, providing other forms of satisfaction such as customer discounts and any prize form as to maintain company's after-sales relationship. When the customer service provided is appropriate or even exceeds the customer's expectation, their satisfaction level will increase, which significantly affecting their trust on the company that impact on customer loyalty, so that there will be personal closeness with the customer who will indirectly contribute in the company of doing word of mouth marketing to the his/her network. Loyal customers will also tend to be difficult to switch brands even though there are better options in the market in terms of price and quality.

The second new finding is a network or a relation, proximity seller with buyers personally so that it can affect customer purchase intention. According to Achrol and Kotler (1999) in Nguyen et al. (2016), during the last decades marketing theories that applied networking approach have gained ground in the academic world. This factor is related to the first factor that is customer service. When the service we provide is satisfactory, it will create a trust in the customer and a sense of comfort, then this is what will eventually turn into a personal proximity factor to form a network or relationship. Network or personal relation is also the beginning of applying word of mouth method, because this method is applicable only if a customer get satisfied with the product and then directly promote into a group of people or communities. Breeders tend to be more trusting to their colleagues, and references from friends rather than to see other promotional media such as brochures or electronic media. The majority of them are people who do not understand about technical matters in detail such as nutritional content, lab results, and percentage of absorption. Customers tend to judge on the results that can be seen directly, which means the result of the fattening process in the form of increase in the weight of the cattle itself. When a fellow breeder in a community or paguyuban tries a cattle feed product and has an appropriate or even above expectations, then the other partner will automatically follow the reference. Therefore, even though the price is the first factor into consideration to buy. However, once the customer tries and gets the quality that matches their expectations, then the factor that will affects the purchase intention of his fellow breeders is the real result of this customer or the reference he gave to the community.

CONCLUSION

Conclusion

This research has a purpose to identify factors that influence purchase intention towards customers of CV. Aurora Tiga Sinergi to Livepro product. Based on the results of data analysis and discussion, the following conclusions can be drawn:

1. The price offered by Livepro is in accordance with existing market conditions, where the customer is quite sensitive to price and this aspect is the main factor affecting purchase intention. However, although Livepro sets the lowest price in the market this product also needs to increase its nutritional content to match the price offered.
2. Second factor that affects customer's purchase intention is product Quality. Based on aspect of product quality, Livepro has excellent nutritional balance so customers do not need to add other nutritional sources. However, Livepro's low protein is a consideration for customers to their purchase intention. So the protein content of Livepro should be increased while still balanced with TDN or absorption level.
3. Promotion media is also one of the factors that affect customer purchase intention. Ease of access and type of media are very impactful to them. Currently the media used CV. Aurora Tiga Sinergi to promote Livepro only use online media such as facebook. Therefore the CV. Aurora Tiga Sinergi need to improve strategy through word of mouth technique by joining community or paguyuban and spreading Livepro verbally.
4. There are two aspects that are new findings, these are customer service and network. Currently customer service provided by CV. Aurora Tiga Sinergi is very common and the company has not been too concerned about this aspect, so it is necessary to improve the quality of its services such as the way of responding customers, the speed of providing information, and the punctuality of delivery process. For network aspect, currently CV. Aurora Tiga Sinergi only join the group through the online media on facebook, therefore the company needs to join in a real breeder community to expand the network towards customers.

Suggestion and Limitation

Based on the results of data analysis and discussion, the researcher realize that this study still needs to be explored more widely and processed more comprehensively. Time constraints also lead to less extensive and deep research. This study is an identification to determine what factors affect the purchase intention of customers for Livepro cattle feed product. Furthermore it is suggested to expand the research topic to the sales strategy that must be done, and increase the number of informants to get more specific results.

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SERVANT LEADERSHIP APPROACH TO IMPROVE PERFORMANCE IN HIGHER EDUCATION

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ABSTRACT

The influence of globalization is also felt in the world of education, especially universities, where with the existence of education law that allows foreign universities to operate in Indonesia, disguising competitors is not only from local universities but also foreign universities, so to be able to compete it is necessary to improve performance from the university and one of the factors that need to be considered is the existence of an effective leader.
Leadership is the art of influencing others to discuss the vision of a leader who has experienced a paradigm shift, from traditional leadership approaches to servant leadership approaches, which means initially more to the authority of a leader to be a leader who serves and empowers followers. The servant leadership approach is certainly different from the transformational leadership approach when viewed from several aspects such as: the role of a leader and the role of followers. Leadership Servant emphasizes more on moral and social justice so that it is more suitable to be applied to educational institutions because it is an institution that cares more about the conditions of social justice, because in universities the followers are mature professionally so that it is easier to harmonize and understand the interrelationships in an effort to achieve common goals. When viewed from the professional autonomy level and involvement in management, the type of organization in higher education can be divided into four parts, namely: bureaucratic, collegial, managerial and entrepreneurial. So as to be able to improve the performance of these types of organizations, it requires a leadership approach that emphasizes empowering followers.

Key words: servant leadership, Higher education, role of leader

INTRODUCTION

The influence of globalization on communication, information and technological development has changed the pattern of information flow faster. An open market system with intense competition is faced by all countries in the world, the key to success in winning the competition lies in the mastery of technology, and reliable human resources. The above description only shows how big the challenges must be faced now and in the future and how important the role of higher education is in producing reliable, highly capable academic and professional personnel who can increase productivity and efficiency in production in order to have high competitiveness.
Global competition occurs in all sectors, this also occurs in the education sector with the operation of several foreign universities in Indonesia in accordance with the Education Act No. 12/2012 concerning Higher Education article 90. In addition, information about the ranking of

the world's best universities according to www.cnnindonesia.com on June 21, 2018 was quite surprising because Indonesia University only reached 292, Gajah Mada University ranked 391, and the Institute of Technology Bandung ranked 359 while Singapore's state university National University of Singapore managed to reach 11th, and University Malaya ranked 87th. To map the quality and potential of universities in Indonesia, the Ministry of Research and Technology held a university ranking using a method of assessment from four components, namely the quality of Human Resources (HR), institutional quality; the quality of student activities as well as the quality of research and scientific publications.

For this reason, all universities in Indonesia try to be the best by increasing their performance in these four components, for that college requires an appropriate leader to improve performance such as research conducted by Ogbonna and Harris (2000), which states that leadership style has an influence to improve performance. From the background above, the purpose of this study is to discuss the servant leadership approach that can improve performance in higher education

Leadership From Various Approaches

Leadership (Kauzes, 1995) is explained as the art of directing others to want to achieve the goals that have been set, because of that the approach arises from the concept of leadership. The leadership concept approach according to Yulk (1994), can be categorized into several, namely, this approach approach emphasizes the personal attributes of a leader, meaning that a leader is born and naturally has certain characteristics and is not owned by others. Behavior approach, which is studying aspects that are carried out by a leader in work. The power-influence approach, the leader's process influences between followers, the situational approach, is that different behavioral patterns will be effective in different situations, charismatic approaches, namely why the following of certain leaders are willing to make extraordinary efforts and make personal sacrifice to achieve the goals or mission of the group.

When considered, these leadership concept approaches have a leader-centered perspective with an implicit assumption that causality has a single direction (the leader acts and followers react). Therefore, the leadership Servant approach appears which is more suppressing follower-centric, namely having a tendency to serve first and then leading (Crippen, 2006: Sendjaya and Sarros, 2002: Pekerti and Sendjaya, 2010).

Servant Leadership Approach

The servant leadership approach begins with ideas and ideas from Greenleaf (e.g., 1970, 1972, 1974, 1996) and then develops rapidly and to date there are no definite indicators of servant leadership. Leadership servants are indicated that first of all is the desire of a leader to serve his followers first and for those needs then he becomes a leader, and not vice versa (Akuchie, 1993; Farling et al., 1999; Graham, 1991; Polleys, 2002; Sendjaya & Sarros, 2002).

The difference between transformational leadership and servant leadership lies in a paradigm shift from the power of a leader based on authority to empowering followers. Servant leadership is very emphasized on service because leaders who serve and do not focus on their own self-interest are more easily accepted (Dambe and Moorad, 2008). So the servant leadership approach emphasizes that a leader is following the wishes of his followers (Robbins, 2005) determines his vision and serves his followers (Sergiovanni, 2006). For that servant leadership emphasizes more on moral and social justice so that it is more appropriate to be applied to educational institutions because it is an institution that cares more about the conditions of social justice (Yukl, 2006). In Table 1 we can see the difference between servant leadership and transformational leadership from various aspects.

Table. 1 Comparing Servant Leadership and Transformational leadership

Aspect	Servant Leadership Theory	Transformational Leadership Theory
Nature of Theory	Normative	Normative
Role of Leader	To serve followers	To inspire followers to pursue organizational goals
Role of Follower	To become wiser, freer, more autonomous	To pursue organizational goals
Moral component	Explicit	Unspecified
Outcome expected	Follower satisfaction development, and commitment to service, societal betterment	Goal congruence increased effort satisfaction and productivity organizational gain
Individual level	Desire to serve	Desire to lead
Interpersonal Level	Leaders serve Follower	Leaders inspire followers
Group level	Leaders serve group to meet member needs	Leader unite group to pursue group goals
Organizational level	Leader prepare organization to serve community	Leader inspire follower to pursue organization goal
Social level	Leader leaves a positive legacy for the betterment society	Leader inspire nation or society to pursue articulated group

Source: Barbuto and Wheeler (2006)

Servant Leadership and Higher Education Performance.

After considering the comparison between servant leadership and transformational leadership, then as with other leadership research, there is no confirmation of effective servant leadership research (Northouse, 2010; Yukl, 2010). Meanwhile, according to Wheeler (2012), servant leadership approach is very suitable with universities because this organization has a culture to provide services, has individual and collective responsibilities to have a positive and strong ethical relationship. This was confirmed by Hunter (2004) which states that servant leadership has a strong leadership principle in the world.

Higher education is a different organization because it combines elements found in organizations in general such as: goals, culture, structure, hierarchy and stakeholders (Bolman and Gallos, 2011) and combines with values, goals, tasks, employees, governance, technology and history (Altbach et al., 2001; Thelin, 2004), this has led universities to be well managed by their resources and functions because their members are professionals who dedicate themselves to the interests of science (McCaffery, 2010)

Based on the characteristics of the college, Birnbaum (1988) distinguishes into four forms, namely bureaucracy, political, collegial, and anarchical with descriptions as in Ttable 2.

Table 2 Four Organisational Forms of Universities

Organisational form	Descriptions
Bureaucratic	The structure and decision making are rational
Political	Power and resources are competed for among academics
Collegial	Power and values are shared in a community of equal.

Anarchical	Meaning is yet to be found in a community of autonomous actor.

Sources: Birnbaum (1988)

While the opinion of Farham (1999) distinguishes organizational types from two aspects, namely: degree of professional anatomy of academics and degree of participation of academic in management into four types of types of organizations such as Figure 1

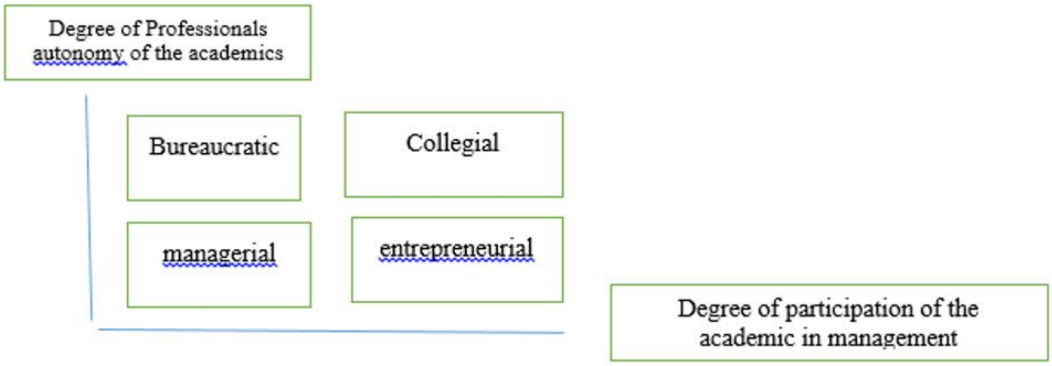

Figure 1. **Farnham's (1999) Organizational Type of University**

Universities as institutions engaged in services provide services to stake holders consisting of academicians such as students, lecturers, education staff, parents of students and also the community and the government, of course have high responsibility and commitment to provide the best service, (Covey, 2004). According to Page and Wong (2000), a leader with a servant leadership approach will make a good contribution to improve the performance of the organization and become a healthy organization in accordance with what is expected by its followers.

Servant Leadership Dimension

Dimension findings from Barbuto and Wheeler (2006) who conducted research using respondents stated that there are 5 dimensions that can be used, namely: Altruistic calling, emotional healing, wisdom, persuasive mapping and organizational stewardship

Altruistic calling

Altruistic calling is that a leader must serve his followers first rather than for his own sake, this means that a good leader must be able to fulfill the wishes of his followers. A leader in a college must be able to fulfill the wishes of the academic community consisting of lecturers, students, alumni and other stakeholders. Of course each part of the academic community has different interests. For this reason, a leader is needed who can prioritize the interests of his followers rather than self-interest so that all elements of the leadership feel satisfied and perform well.

Emotional healing

A leader is required to be a good listener and has the ability to listen to complaints and suggestions from his followers. A leader is required to be able to create an atmosphere where followers will feel comfortable in delivering complaints from work and probable conditions that are being experienced. Thus the followers will feel helped because they have been able to convey their complaints and get a good response from their leaders who will do their work well and improve their performance.

Wisdom
A leader is also required to be able to combine his knowledge and benefits practically in his environment

Persuasive mapping
A leader is required to be able to think about plans ahead of his organization and also describe the opportunities that exist, so that it will encourage followers to achieve the expected goals

Organizational stewardship
A leader must also be able to contribute to the surrounding community through community development programs.

Discussion
Higher education performance is assessed from four components, namely the quality of Human Resources (HR), institutional quality; the quality of student activities as well as the quality of research and scientific publications.
The quality of human resources is the most important thing to support the performance of universities. A college can be said to have good quality if the lecturers who teach have competence in their fields. With the enactment of Law No. 14 concerning Teachers and Lecturers as of January 1, 2016 lecturers who teach undergraduate programs must have a minimum academic degree is S2 is expected to be able to improve the quality of its human resources. At present the competition to get lecturers who have competencies is very heavy, this is due to the limited human resources who are willing to become lecturers. Lecturers as the most important asset for universities, so that a leader in a college must be able to maintain properly so that the person does not move to another university. The character of the lecturers is having a good level of education so they have a need to be appreciated. For that we need leaders who are able to create a comfortable working atmosphere where the lecturers can channel their competencies well.
Institutional quality, which is in accordance with indicators from the National Accreditation Agency that to be said that universities have good institutional quality are: have governance that can guarantee the realization of the vision of the college, the character of the leader, operational system and quality assurance. To be able to have good institutional quality, a leader is needed to give his followers the opportunity to create according to their competence
Student activities are also very dependent on a leader from the university, if he can inspire and understand what is expected by students, student activities will also develop well.
The number of lecturers' research publications is also an indicator of the success of higher education. If a leader is able to map well the direction and vision of a university, it will be a motivating factor for lecturers to conduct research and publish in reputable journals.

Conclusion
To win the competition, universities must improve their performance through four indicators, namely improving human resources, improving governance, increasing student activities and increasing publications. For this reason, universities need leaders who use the servant leadership approach, because this approach has a culture to provide services, individual and collective responsibility and have a strong and positive ethical relationship.

Higher education which is one of the determinants of its performance is measured from human resources which are the biggest assets are professionals who dedicate to the interests of science (lecturers) then must have a leader who serves that is a leader who seeks to prioritize the interests of its members compared to his personal interests.

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HEALTHCARE SERVICE QUALITY ON SATISFACTION AND WORD-OF-MOUTH OF FAMILIES OF PATIENTS

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ABSTRACT

This study aims to understand the influence of healthcare service quality towards satisfaction and word-of-mouth of mental disorder patients' family. The research used non probability sampling to collect the data of 100 respondents by accidental sampling. The result of the measurement shows that healthcare service quality has a significant effect to satistafaction, but not significant to word-of-mouth. The satisfaction then becomes the mediator variable between service quality and word-of-mouth among the family of the mental disoder patients. This study found that satisfaction has the significant influence towards the word-of-mouth among the families of mental disorder patients in the Public Hospital within Ajatapareng Region.

Keywords: Healtcare, Service Quality, satisfaction, word of mouth, families of patients

INTRODUCTION

Hospitals as health care institutions that are capital intensive and human resources need a good corporate culture to make available resources effectively and efficiently to achieve the stated goals. In the future, the main key to the success of the hospital is to lie in two main areas, namely the utilization of resources, especially human resources effectively and efficiently, and the satisfaction of the hospital service users (patients and families). In line with the development and competition of existing hospitals, ultimately customer satisfaction alone is not enough. This is because the good service quality of the hospital will create satisfaction in the service user of a hospital.

Dabri *et.al.* (2014) in his research explains, the hospital is one of the health care facilities for the community where health is a necessity for all layers. The hospital is a health service unit that provides outpatient and inpatient services. Hospital service requires a quality assessment aspect to the satisfaction of anyone who uses it. Satisfaction with service is common to everyone, both patients and the patient's family.

LITERATURE REVIEW

Health Services

Service quality is described as the disagreement between the real service that customers receive and the services that customers perceive (Parasuraman and Zeithaml, 1998). Service quality is a multi-dimensional construct according to customer ratings of the interaction between service suppliers and customer with the respected service (Zeithaml and Bitner, 1996). In using healthcare services, people may have different purposes, such as prevention of illness, prior medical examination or preventive behavior, getting diagnosis and imperative action (illness behavior), and treating the disease (Kasl and Cobb, 1966).

Satisfaction refers to customers's level of enjoyment after comparing the real performance or the perceived results and the expected performance (Kotler and Keller, 2012: 470) and customer satisfaction is the feeling of pleasure or disappointment generated from customers' identification on the perceived performance of products and the desired ones (Kotler and Keller, 2012: 128). Thus, the results of interaction between expectations and experience after using the services or services provided is called either satisfaction or dissatisfaction.

Word of mouth is related to service quality as an information of a product from a user to others which sometimes has greater influence than formal advertising or marketing (Solomon, 2011: 424). The categories of word of mouth are organic and amplified word of mouth (Sernovitz, 2006: 6).

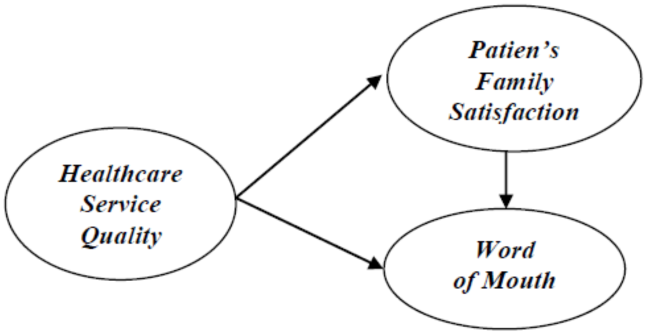

Figure 1
Conceptual framework of research

Hypothesis Development

Grounded to the theory of Parasuraman et al. (1998:12), the customer satisfaction leads to company's profit and when a service can meet or even exceed their expectation, the customers will be satisfied, so, the study raised a hypothesis as follows:

H1: Healthcare service quality influences satisfaction of mental disorder patients' family.

Service quality as one of variables that affects word of mouth and service quality can positively affects the customers' intention to establish word of mouth (Harrison and Walker, 2001: 60). The higher perception of service quality than expectation the more positive word of mouth will be. If services quality offered is lower than the customers' expectation, the negative word of mouth will apparent. However, the dissemination of negative information is very intensive among people. Chao-Chan (2011: 4873) who showed the positive impact of hospital service quality towards the word of mouth among the patients and patient's family and satisfaction can affect the word of mouth (Kitapci *et al.*, 2014:161). Those previous studies strengthen the second hyphothesis below:

H2 : Healthcare service quality influences word of mental disorder patients'family

Customer satisfaction gives the positive impact on the willingness of consumers to recommend products or companies to others or positive word of mouth (Tjiptono, 2008: 44) and word of mouth is the most important variable to influence in converting a non user of product or service (Hanson, 2000: 277). So, the third hyphothesis is formulated below:

H3 : Satisfaction influences word of mouth of mental disorder patients' family

RESEARCH METHODS
The numbers of patients in mental disorder treatment in Public Hospital Ajatapareng Region were 2,430 patients and the population of this study 100 people as the family members of the patients using Slovin formula. Accidental sampling technique was used to collect data and structural Equation Modelling was used to analyze and answer the hypothesis..

Research Results
The respondents taken as data were family members of the patients in the Public Hospital within Ajatapareng Region collected by non probability sampling (accidental sampling). The characteristics of 100 respondents were differentiated by age, gender, education, and treatment period. Most of the respondents' ages were between 45-50 years old (45% of participants) consist of 68 females and 32 males. Most of the respondents' education background (57%) were senior high schools. The period of mental disorder patients' treatment considered in this study was mostly less than 1 month (41%).
Having known the value of coefficient of each variable of the next stage is to test the hypothesis by using CR value (Critical Ratio) and its probability. Parameter of existence of partial influence can be known based on CR value (Critical Ratio). To determine whether exogenous variables are influenced by endogenous variables and endogenous variables on endogenous variables, it is used to compare CR (Critical Ratio) calculation > 1,96 or-CR arithmetic <-1,96 then exogenous variable influence to endogen or endogenous variable against endogenous variables, or can also be seen from the level of significant $\alpha = 0.05$. If the significance value of 0.05 then there exogenous variables influence on endogenous variables.

Table 1. Hypothesis Testing

Hubungan Kausalitas			**Std. Estimate**	**SE**	**CR**	***P value***
Healthcare service quality	→	Satisfaction	0,501	0,144	4,205	0,000
Healthcare service quality	→	*Word-of-mouth*	0,010	0,200	0,063	0,950
Satisfaction	→	*Word-of-mouth*	0,487	0,221	2,429	0,015

Discussions

The first result of the data analysis using causality test showed that healthcare service quality had a significant effect on satisfaction of family of mental disorder patients in the Public Hospital within Ajatapareng Region. Parasuraman et al., (1988) also stated that when the provided services are able to meet or exceed customer expectations the customer is satisfied. Thus, hospitals had to increase the quality of service to customers. The higher quality of services will create consumers' intention and behavior that benefits a company. In contrast, when consumers are not provided with good services and feel dissatisfied, so they will not buy and the company cannot get the profit (Zeithaml et al., 2002). The better healthcare service quality, the higher the respondents' satisfaction. The quality of service expected by consumers is the service excellence level that consumers receive. When the services provided exceed the expectations of consumers, the quality of services provided will get an ideal perception of the consumers who receive the service.

The failure of service quality to influence word of mouth among mental disorder patients' families in the Public Hospital within Ajatapareng Region is the next result. Healthcare service quality and word of mouth, both are in high level of descriptive result. So, the influence of increasing healthcare service quality is not significant towards word-of-mouth.

The families feel disturbed if they have to share about the service for mental disorder patients. Especially, if the patients are part of their families. This study found the problems of culture were about the status of the patients' family among Bugis communities. They will get embarrassment if their word of mouth on such healthcare services are shared. Therefore, the family will never share their positive word-of-mouth to others, no matter how satisfactorily the service they had received. It can be said that the destruction of positive word of mouth can be from the social status, even on the good service quality in case of mental disorder patients' treatment in the Public Hospital in Ajatapareng Region. While based on Harrison and Walker (2001), a variable that influences word of mouth was service quality and hospital service qualities affected word of mouth of patients and their families positively (Chao-Chan, 2011), the result of this study is different and contrast.

Third, the research hypothesis shows that satisfaction affects word-of-mouth families of psychiatric patients at the Ajatappareng Regional General Hospital can be accepted. If the satisfaction of the patient's family is higher, the intention of the customers' behavioral tendencies that will benefit the hospital. If the satisfaction felt by the patient's family is lower, it can harm the hospital but when the patient's family felt the service quality meets the expectation, it can generate satisfaction which was ultimately seen in the patient's family behavior by saying positive things about the hospital to others.

Conclusion

This study concludes although the service quality of the healthcare influences patient's family's satisfaction, but it failed to influence their word-of-mouth. It implies the importance of improvement on the tangible facilities or aspects in healthcare service quality at the hospital. Besides, the adequate supports for the patients in the hospital should be provided according to the patients' needs. The friendliness and politeness of the officers at hospital is very important and the cleanliness of the environment not only in the treatment room but also in waiting room should be considered important as well. Furthermore, this research bring a practical implication that word-of mouth can be developed through healthcare service quality and cost perception that is mediated with satisfaction.

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DESIGN OF BLUE OCEAN STRATEGY FOR PT. SINARBALI BINAKARYA

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ABSTRACT

The research is conducted with the aim to design a new model management strategy called Blue Ocean Strategy Model for construction industrial company. This model is expected to be as a solution for the problems faced by industrial construction services in 2017, such as: intense competition and the earning for stagnant companies.
The company studied in this research is PT. Sinarbali Binakarya (PT. SBBK), along with the coverage of the industry data issued within period of 2017. Data collection method using primary and secondary data. Primary and secondary analysis data using 5 Forces Model Porter, PESTLE Analysis and SWOT. Meanwhile, for the strategy formulation phase analysis using the Blue Ocean Strategy tools, from principle 1 to 4, which are: Strategy Canvas, 4 Action Framework, and ERRC Grid.
The results show that the initial proposed S-T strategy has a gap differ with the PT. Sinarbali Binakarya Current Strategy. At Current Strategy used by PT. Sinarbali Binakarya, has indication of Red Ocean Strategy (ROS), characterized with: competition in existing markets and using the same strategy with other construction service companies. PT. SBBK condition when compared to 1st and 2nd construction services industry, showing that the company is in the Red Ocean Zone. The formation of a new element curve based on the analysis result, generating 7 additional new innovation for the company, which are: Construction activities programming, Design planning, Project manager commitment to the goals, Project team motivation, Project manager technical capabilities and control systems, definition of work and its field.
The result of re-formulating new strategy as a synthesis of TO strategy and BOS Strategy Canvas, generating 11 (eleven) items New Strategies for PT. SBBK, the 11 (eleven) item New Strategies comply with the Blue Ocean Strategy.
As conclusion, this research results a New Strategy Model that is different from the Current Strategy of the company. The New Strategy Model has expectation to push out PT. SBK from the Red Ocean Zone into the Blue Ocean.

Keyword: Blue Ocean Strategy, Industrial Construction Service, SWOT

INTRODUCTION

The construction service industry is an industry that includes all parties involved with the construction process including professional staff, construction executors and also suppliers who jointly meet the needs in construction. Construction services are services that produce physical infrastructure and facilities. These services include study activities, preparation of technical / design plans, implementation and supervision and maintenance. Considering that physical infrastructure and facilities are the foundation of the country's growth, sectors in national development, construction services also play a role as providers of employment, the construction services are important in national development. The rise of construction projects in Indonesia's major cities today has triggered many new construction companies to emerge, this has led to increased competition in the construction industry. Increased competition is felt to occur in many infrastructure projects in the country.

PT. Sinarbali Binakarya is one of the companies in the construction sector, especially in road and bridge construction as the core business. PT. Sinarbali Binakarya was founded in 1997 by Ir. Wayan Mahardika as Owner and President Director. The establishment of this company originated from the owner working as a private sub-contractor of a BUMN construction company. The main business of PT. Sinarbali Binakarya is a contractor that produces asphalt hotmix, concrete readymix, precast concrete and paving blocks in various specifications according to the needs of consumers. Consumers from PT. Sinarbali Binakarya majority government comes from the Public Works Service, BUMN, private companies, and individuals. Along with the development of the construction industry throughout Indonesia, the government made the Infrastructure sector a priority in the development of government in the era of President Joko Widodo, many emerging new construction companies from year to year. PT. Sinarbali Binakarya has felt that competition complex and tight. This causes the company to begin to realize the many competitors that appear to be a threat and challenge for the company. Construction Company. The number of companies in the construction sector, especially in the Province of Bali, experienced an increase from 2010 to 2016. Competitiveness of the company PT. Sinarbali Binakarya with a strategy that has been carried out by the company is good enough, so the existence of the company continues until now. But the existence of the company which shows the total turnover of the company from 2013 to 2016 experienced a stagnant increase. Even businesses in the future era will face more challenges because consumers need services that are more high-quality and low-cost. and the level of competition between contractors is increasing from year to year. Problems that arise in PT. Sinarbali Binakarya is a stagnation in operating income in recent years, this is due to the many new competitor competitors that emerged with the price slashing strategy regardless of the quality of the work. When bidding on the project, they bid at a low price without considering the aspects of cost, quality, time well, while PT. Sinarbali Binakarya with years of experience in the construction field is more careful and applies risk management in each project it will follow, so that the emergence of this new competitor competitor can be a threat to the business continuity of PT. Sinarbali Binakarya. Based on the description of business competition that has been implemented by PT. Sinarbali Binakarya, the researchers are interested in studying a strategy that makes the company superior and successful in business competition. The tight competition is a strong reason to use the Blue Ocean Strategy (BOS) approach. BOS is a business strategy used to find new space in business that can improve process efficiency and performance. In the theory of Blue Ocean Strategy created by Professor W. Chan Kim and Renee Mauborgne stated that the way to win stiff competition in the Red Ocean zone is to look for a blue ocean or Blue Ocean, which emphasizes the creation of market space that has no competitors, focus on growing demand and moving away from competition. It is expected that the implementation of this strategy can improve the competitiveness of companies by using high technology in the work process, entering a new market with high entry barriers supported by HR and technology that have special qualifications. The concept of the Blue Ocean Strategy theory is to determine in advance the SWOT of PT. Sinarbali Binakarya that will be in the process of becoming a Key Success

Factor. According to Duncan (2007: 142), analyzing the internal and external environment is important in the strategy planning process. Internal environmental factors within the company can usually be classified as Strength (S) or Weakness (W), and the external environment of the company can be classified as Opportunities (O) or Threat (T). The results of the business analysis resulting from the BOS will be adjusted to the business activities that exist in the company, it is expected to support management strategies in achieving the company's goals in the face of existing competition.

LITERATURE REVIEW

As a reference for this study, the author uses several similar studies that are used as references, as follows:

The first research used as a reference was carried out by Wang Zhao and Yang Jinwei (2012) in "Application of Blue Ocean Strategy to Chinese 3G Mobile Telecom Industry.", Said the Blue Ocean Strategy application could be applied to the China Mobile Telecom industry.

The second study was "A blue ocean strategy explanation of the IMAX Move to Hollywood" by Hilary M. Becker (2014). This study discusses the steps from IMAX from the education film market to the Hollywood film market and evaluates the Blue Ocean Strategy framework. The author observes that the growth and development of the home entertainment industry creates changes in market dynamics and attracts audiences away from educational entertainment such as museums and zoos, which were initially targeted by the IMAX market. IMAX makes an important step to enter the Hollywood film market. The author has interpreted this step using the BOS framework and tools such as the Six Paths Framework, ERRC Framework, and canvas strategies and concludes that with this strategic step IMAX did create a blue ocean with a satisfying market and financial results.

The third research is "Designing the Blue Ocean Strategy model at PT. Saptaindra Sejati - Adaro Energy Group "by Tengku Shahindra (2013). This study aims to design a Blue Ocean Strategy model at PT. Saptaindra Sejati which aims to provide strategic direction for corporate management.

The fourth research "Blue Ocean Strategy Evaluation on Television Stations" by Asima Oktavia Sitanggang (2012). The purpose of this study is to describe market structure, market conduct, and performance in the Indonesian television broadcasting market.

The fifth study "Blue Ocean Strategy Approach to Improving Drug Service Strategies at K-24 Pharmacy (K-24 Antapani Pharmacy Case Study)". This study aims to create a new corporate strategy design that meets the three characteristics of blue ocean strategy in creating market space that is not contested, namely focus, divergence, and an enchanting motto.

The conclusion of the above research is to provide strategic direction for company management by implementing Blue Ocean Strategy, and to develop Blue Ocean Strategy, tools such as BOS framework, Framework, ERRC Framework and canvas strategy are needed. From the results of Sitanggang research, described the structure, market conduct, and performance of the market.

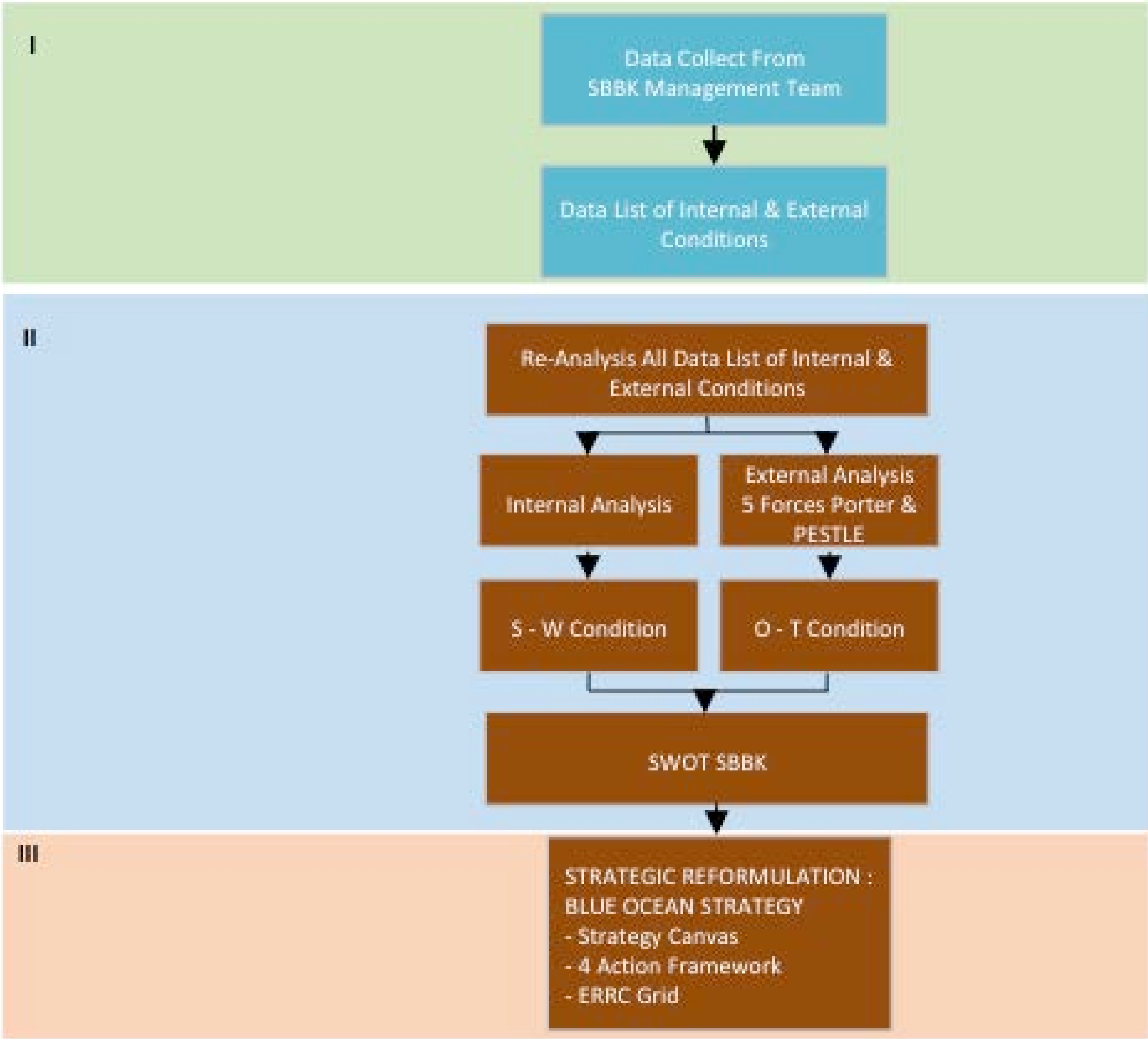

Figure 1. Analytical Framework

The above analytical framework can be explained through the following discussion topics:

Part I

In this section is the initial data analysis in the form of PT. Sinarbali Binakarya and its industrial scope are the construction services industry, including analysis of external conditions, analysis of internal conditions of the company. Because before formulating Blue Ocean Strategy which is the initial stage of strategic management, companies must know and understand correctly where they are and what they are. Is it true in the red ocean or already in the blue ocean without realizing it? Most companies today misinterpret their own positions and conditions. In this section all management data in the form of external (macro and industrial) and internal (SWOT) analysis including the identification of any key success factors that currently apply in the industry will be the material for analysis of the authors in part II.

Part II

In this section all data on the condition of the company will be re-tested in descriptive analysis - qualitative using 5 Forces Models, and PESTLE Analysis to produce the SWOT Strategy of PT. SBBK

Part III

In this section, the formulation of the Blue Ocean Strategy began using three analytical tools: canvas strategy, four-step framework, and also ERRC scheme. In doing this formulation also must follow the Blue Ocean Strategy number one to four which is the principle of strategy formulation.

In this section will be obtained the Key Success Factor from PT. Sinarbali Binakarya and which will be identified which must be eliminated, reduced, enhanced and created. Several factors that determine the success of the Blue Ocean Strategy formulation are:

a. The selected respondents have a broad understanding of the internal and external conditions of the company, so they are able to provide input or input data based on the BOS analysis and concept tools.

b. The flow of the analysis process runs systematically, starting from the formation of TOWS Strategy, Canvas Strategy, 4 Actions Framework, ERRC Grid, and TOWS Strategy synthesis with New Strategy Canvas.

c. Internal and external condition data are factual to analyze, meaning that the data is the most up-to-date and up-to-date data.

RESEARCH METHODS

Research design

This research will be a type of strategic design. This research is directed to arrive at managerial strategy decision design in a company that is supported by clear and logical analysis and argumentation. The decision of the managerial strategy in this study is in the scope of Strategic Business which is Blue Ocean Strategy. That way the approach used by this research to extract information data in the field is a qualitative approach and research.

Object and Time of Research

The object of this research will be PT. Sinarbali Binakarya, one of the companies engaged in the construction sector specifically in the Road and Bridge infrastructure construction services as the core business that is run, headquartered in Bali. The selection of the object of this research was carried out intentionally (purposive) based on consideration of the ability of personnel, costs, resources, and time owned by the author. In addition, the understanding that the author has about the internal conditions of the company and its industry can facilitate the depth of analysis and accuracy of recommendations produced.

When the research will be conducted starting in May 2017. After that, the thesis writing process is continued.

Research Subject

In this study we use interview methods and sampling methods. The method is a method with sample collection involving all members of the population as research samples. This method aims to be able to obtain data effectively and accurately in accordance with the requirements needed, so that the data obtained is truly accurate and useful. In this study we will conduct an interview to Mr. Ir. Wayan Mahardika as the owner and President Director of PT. Sinarbali Binakarya, Mr. Wahyu Nayaka as Operational Manager of PT. Sinarbali Binakarya, Mr. Nyoman Budi Muliawan as Marketing Manager of PT. Sinarbali Binakarya, and Mrs. Putu Laksmi Hendarti Giri as Finance Manager of PT. Sinarbali Binakarya.

Based on the interview with the company above, it can be reformed with the Canvas Strategy of PT. SBBK: Clear it: 1. The excessive amount of daily workforce in it burdens the company's operating costs (sustainability, quality of project operations). 2. The centralized workshop concept for repairs and maintenance is now converted into a Mobile workshop, in order to be able to reduce waiting times for operational efficiency, maintenance and repair of tools (sustainability, operational quality of the project) Increase: 3. Product knowledge of new precast concrete materials circulating in the market (competitiveness, growth). 4. Competence of employees at PT. SBBK needs to be improved to be able to be done well and excel in competing with competitors. 5. Market penetration into precast concrete segments (growth, sustainability). Reduce: 6. Reduce weekly meetings for time efficiency (profitability, operational quality of the project). 7. Reduce manual jobs that are already competitive (competitiveness). Create: 8. Creating a reward and remuneration system that brings pride in the results of operations or operational benefits (profitability, growth, competitiveness). 9. The use of the GPS system is applied to the dump truck fleet and heavy equipment to be able to carry out operations and increase productivity and reduce fuel leakage (profitability, sustainability, competitiveness) Collaborate with consultants to develop new product innovations (profitability, growth, competitiveness). 11. Creating relationships with concrete material and technology research centers (growth, sustainability).

CONCLUSION

Based on the results of the research and discussion that has been done about Blue Ocean Strategy Model at PT. Sinarbali Binakarya , the conclusion is as follows:

1. Based on the results of the analysis, it was concluded that 10 (ten) Key Success Factors at PT. Sinarbali Binakarya is:

a. The amount of daily workforce is ineffective, weighing on the company's operating costs. (sustainability, project operational quality).

b. The concept of a centralized workshop for repair and maintenance is now converted into a Mobile workshop, with a low investment cost, namely storing operational vehicles, able to reduce waiting times for operational efficiency, maintenance and tool repair (sustainability, project operational quality)

c. Product knowledge of new precast concrete materials that are circulating in the market (competitiveness, growth).

d. Market penetration into precast concrete segments (growth, sustainability).

e. Reduce weekly meetings for time efficiency (profitability, project operational quality).

f. Reducing manual jobs that have many competitors (competitiveness).

g. Creating a reward and remuneration system that is directly linked to the achievement of project outcome pride and operational efficiency (profitability, growth, competitiveness).

h. Using the GPS system needs to be applied to the dump truck fleet and heavy equipment in order to be able to perform operational efficiency and increase productivity and reduce leakage, especially fuel (profitability, sustainability, competitiveness)

i. Collaborate with consultant planners to develop new product innovations (profitability, growth, competitiveness).

j. Creating relationships with centers of concrete material and technology research (growth, sustainability).

2. Identification of PT. SBBK from the part that must be eliminated and reduce the factors of business failure and customer value that must be created are as follows:

1. Eliminated:

a. The amount of daily labor that is too much burden on the company's operational costs is replaced by subcontractors.

b. The concept of a centralized workshop for repair and maintenance is now converted into a mobile workshop with investment costs that are minimal, only operational car workshops, so as to reduce waiting time for operational efficiency, maintenance and repair of equipment.
2. Reduced / Reduced:
a. Reduce weekly meetings for time efficiency (profitability, project operational quality).
b. Reducing manual jobs that have many competitors (competitiveness).
2. Enhanced / Raise:
a. Product knowledge of new precast concrete materials that are circulating in the market (competitiveness, growth).
b. Market penetration into precast concrete segments (growth, sustainability).
3. Created / Create:
- Collaboration with planner consultants to develop new product innovations. (profitability, growth, competitiveness)
- Relations with concrete material and technology research centers. (profitability, growth, competitiveness)

Based on the data and research results and conclusions made, the suggestions given are as follows: 1. Advice for companies: a. The results of this study should be used as a tool in determining the decision making for the company's operations so that it can support the objectives of the establishment of the company. b. The company should implement a strategy from the results of the Four Action Framework analysis of Key Success Factors that have been identified in PT Strategy Canvas. SBBK, because there are fundamental differences that need to be improved between PT. SBBK and 2 (two) competitors, namely on the factors of Profitability, Growth, and Competitiveness. 2. Suggestions for further research: a. Need for further research on Blue Ocean Strategy modeling studies that have been discussed by researchers to get more perfect results and conclusions. For example designing a new Strategy Canvas that has been analyzed through 4 Action Frameworks and ERRC Grid. b. Further research is needed to identify new value elements obtained from the new Strategy Canvas. c. Subsequent research should carry out a more complete and valid data collection process, so that the data obtained can better reflect real conditions and each analysis is carried out more accurately.

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FEASIBILITY STUDY OF UD RM SPAREPART BUSINESS PROJECT DEVELOPMENT IN BALI

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ABSTRACT

This study aims at the feasibility aspect of the business development of truck spare parts from UD RM at Bali based on market and marketing aspect, technical and technological aspect, legal aspect, human resource management aspect, and financial aspect. For data analysis technique, this study employs Five Forces Model analysis, STP, Marketing Mix, Net Present Value (NPV) analysis, Internal Rate of Return (IRR) analysis, and Payback Period (PP) analysis. Based on market and marketing aspect, technical and technological aspect, legal aspect, human resource management aspect, this study found that the development of business development of truck spare parts at Bali are declared feasible to be establish. Based on financial aspect, the result of Net Present value (NPV) was Rp 2.146.894.086, the result of Internal Rate of Return (IRR) was 76,99%, and the result of Payback Period (PP) was 1 year 8 months. Based on the feasibility assessment on the financial aspect, this business is declared feasible to be establish. Therefore, based on the aforementioned aspects in this study, this business is declared feasible to be establish.

Keywords: business development, feasibility study, Truck spare parts.

INTRODUCTION

The development of the Indonesian economy in the eyes of the world today is much better compared with a few years ago. This can be proved by the increasing of people's purchasing power and also increase the income of society per capita although still in small scale. This can be seen in Table 1 which shows data of per capita national income that continues to increase from year to year. In addition, indications that Indonesia's economy is moving up are improved commodity prices and dynamic activity in many sectors of the economy.

Tabel 1. Indonesian Per Capita Income

Rincian	2011	2012	2013	2014	2015**
Pendapatan Nasional Per Kapita (ribu rupiah)	24.659	26.527	28.891	31.360	33.000
Jumlah penduduk pertengahan tahun (juta orang)	242	245	249	252	256

The improving economy in Indonesia began to cause the emergence of several new companies, one of which is a company engaged in the field of transportation. Thus, the production of trucks from year to year also increasingly to meet market demand. In Table 2 it can be seen that every year there is an increase of truck production in Indonesia. By looking at the data in table 2, it can be concluded that spare part business in Indonesia still has a good prospect. Moreover with the lack of strict regulations in Indonesia regarding the age of vehicles that may operate and there are still many trucks carrying heavier loads than the standard that has been set to make the condition of trucks more quickly damaged and automatically provide opportunities for entrepreneurs spare parts to increase sales turnover.

Tabel 2. Development of Truck Production Amount

Year	2008	2009	2010	2011	2012	2013
Truck	4.452.343	4.498.171	4.687.789	4.958.738	5.286.061	5.615.494

By looking at the opportunity of spare parts business in Indonesia, UD RM was established in 1996. UD RM is a family company engaged in trading of truck spare parts. The business of UD RM sparepart in 1996 until now has a good enough development, therefore the business owner of UD RM wants to expand its business by opening a branch in Bali, precisely in at 44 Kebo Iwa, Ubung Kaja, North Denpasar. This location was chosen because it is close to Cokroaminoto main road which is one of the major streets in Denpasar. Any migrants will go through Cokroaminoto road if they want to go to Denpasar. Another reason to choose this location because it is close to the loading and unloading terminal truck, namely Jl. Cargo is better known as the pasar pisang. This is where the mechanic or driver does the truck repair. In addition, Bali is also an eastern Indonesian transportation route (NTT, NTB, Sumba, Flores, Kupang). Branches in Bali are expected to shorten delivery routes for prospective customers coming from Eastern Indonesia because UD RM plans to expand its business to eastern Indonesia. Nevertheless, an analysis of the feasibility of sparepart business development in Bali is required. The analysis will consist of several aspects, including: market and marketing aspects, technical and technological aspects, legal aspects, human resource management aspects, and financial aspects.

Business Feasibility Study

According to Suliyanto (2015) states that business feasibility study is a study that aims to analyze and decide whether a business idea worthy to be implemented or not. A business idea is declared eligible to be implemented if the idea can bring greater benefits to all stakeholders than the negative impact.

The purpose of business analysis is to determine the level of profit that can be achieved through investment in a project, avoiding waste of resources, ie avoid the implementation of unprofitable activities, make an assessment of investment opportunities that can choose the most beneficial alternative activities, and determining investment priorities.

Sampling Method

In this research, the sampling method used is purposive sampling. Purposive Sampling is a technique of determining the sample with certain considerations. The use of this method aims to obtain samples that can assist research in order to obtain results close to the truth.

Collecting Data Method

At the time of data collection, data source is an important factor that must be considered. According Sugiyono (2014: 62) data sources are divided into two, namely primary data sources and secondary data sources. Here is an explanation of primary and secondary data sources.

- Primary Data Source

The primary data source is a data source that directly provides data collection. Primary data sources from this study were obtained from interviews with spare part company owners, sales from one spare part company, and customers from one spare parts company in Bali.

- Secondary Data Source

  Secondary data sources are data sources that do not directly provide data to data collectors, such as through other people or other documents. Sources of secondary data used in this study are reports from a company, literature study, and from literature relevant to this research.

In this research the data collection method will be done by interviewing observation, and documentation. Interview will be done on admin from UD RM itself, Manager of one spare part shop in Bali, sales counter one sparepart shop in bali, and one customer from sparepart shop in Bali. Observation will be done by observing the surrounding conditions such as the location around the place of business and also sparepart shop business activity in Bali. While the documentation is also required to find information about the strengths and weaknesses of the company, as well as legal requirements that must be met to establish a business.

Data Validity

Triangulation is one data collection technique, triangulation is a data collection technique that combines data from various data collection techniques and data sources that have been obtained. So if the researcher uses triangulation technique in collecting data, then the researcher at the same time to test the credibility of data that researchers have obtained from various techniques of data collection and various data sources (Sugiyono, 2014).

In this study after the researcher got the data then the researcher will use triangulation technique of source, among others by giving some question, then the researcher compare information from other informant, and compare the information that have been obtained from informant with secondary data which have been obtained and make conclusion.

Findings

Market and Marketing Aspects

Research on market and marketing aspect in the development of UD RM spare parts business aims to understand the strengths and weaknesses of the company, able to determine segmentation, targeting, and positioning the company well, understand the market potential, the intensity of competition in business. In addition, in this study also aims to analyze what strategies should be applied to dominate the sparepart market in Bali. UD RM is expected to dominate the market in Bali to truck Hino, Nissan, and Mitsubishi.

Five Forces Analysis

Five Forces Model is a method for analyzing industry and developing business strategy or competition environment. According to the Five Forces Model, An industry is appealing when a combination of five forces demonstrates promising profitability. Riky, Mustamu (2014: 2) explains that the five forces are threats of New entrants, Supplier Bargaining Power of Supplier, Bargaining Power of Buyers, Threats of Substitute Products, Competitive Rivalry Within the Industry.

Threat of New Entrants

In spare parts business, new competitors will not be too much because to open new business must have special knowledge. In addition, most of the purchasing staff do not understand about the machine so they only depend on the seller. If the seller does not have good knowledge, they will give the wrong spare parts. If this happens, the buyers will not return to buy spare parts in the company. Almost all of trucks in Indonesia whose spare parts have been replaced with other truck spare parts, so the sellers are required to memorize various forms of spare parts in order to provide good service.

Bergaining Power of Suppliers

In the spare part business is quite a lot of suppliers who sell similar goods so that spare part business is also not dependent with one of the suppliers. There are some customers who like a particular brand and quite difficult to divert to another brand, but still possible to divert to another brand because most of the buyers need fast goods so that the truck can be used. In addition, the store owner can choose what brand to sell so that the bargaining power of suppliers in this spare part business is low.

Bergaining Power of Buyers

The buyer's bargaining power in the spare parts business is moderate because even though the buyer can move from one supplier to another easily, but they really need the services and knowledge possessed by the owner of UD RM so as not to get any mistake in buying the product. Considering that most buyers are not people who understand the goods.

Threat of Subtitute Products

Spare parts business is flexible because in spare parts business actually sold not only spare parts products but services from business owners in providing the right spare parts, suggestions for improvement, even for replacement - turnover spare parts in order to minimize expenditure in repair. Thus, the threat of subtitute products on spare part business is low.

Competitive Rivalry Within the Industry

The level of competition in spare parts industry in Bali is still not too tight, if compared with Surabaya. In addition, not many people understand the spare parts so that the possibility of competition only with the old company and in the end the level of competition in the business spare parts will not be so tight.

Market Segmentation

Based on the observation that has been done can be seen that some customers of sparepart shops are coming from Bali and also come from outside Bali (Lombok, NTT, Kupang). In addition, customers from some spare part stores are either direct users or other stores that do not have certain goods. According to Suliyanto (2010: 93-95) the purpose of market segmentation is to make it easier for the company to serve the various needs and wants of the market. Thus, the market segmentation can be seen in Table 3.

Tabel 3. Segmentation Sparepart business market in Bali

	Bali	Outside Bali
User	**1**	2
Other Stores	**3**	4

Targeting

Targeting can be defined as the activity of determining the target market, which is the act of choosing one or more segments to achieve. Targeting analysis is the activities of each segment and selecting the target segments (Suliyanto, 2010: 93-95). The target market chosen by UD RM is at number 1 and 3, ie direct users and other spare parts shop in Bali considering the competition in Bali and still not tight and sparepart shop in Bali is always crowded. However, it is not possible for further developments to also target users directly outside Bali.

Positioning

Positioning is an image that forms in the mind of a consumer of a company or product name. Positioning is how a product in the eyes of consumers differentiates it from competing products (Kotler and Armstrong, 2010: 217). Positioning to be achieved by UD RM on the development of his business in Bali is the same as the positioning that has been formed on his business in Surabaya. UD RM would like to be known as a spare part company with the best service in Bali. By wanting to achieve such a positioning, then the tag line company set up "Solution of Your Truck Spareparts".

Marketing Mix

With the formation of STP analysis, marketing marketing mix strategy is needed in terms of Product, Price, Promotion, Place, People, Process, and Physical Evidance for UD RM shaping can cover wide retail market. The following will explain the strategies to be used to win the competition in Bali.

- Product
  In Bali market, UD RM will start providing products at low prices considering that customers in Bali are quite sensitive with the price. In addition, UD RM will also provide second goods for Bali branch, considering that in Bali there are still many who do not have second goods, whereas second goods have better quality than new goods at this time.
- Price
  The determination of the selling price will be adjusted with some spare part company around because market conditions are quite price sensitive.
- Promotion
  The promotional system to be used by UD RM in Bali is by using a salesman, this is done to accelerate the process of introduction with prospective customers.
- Place
  The place of business to be used is located at Kebo Iwa 44, Ubung Kaja village, North Denpasar. This location was chosen because it is close to Cokroaminoto main road which is one of the major streets in Denpasar. Any migrants will go through Cokroaminoto road if they want to go to Denpasar. Another reason to choose this location because it is close to the terminal loading and unloading truck, namely Cargo street is better known as the banana market. This is where the mechanic or driver does the truck repair.
- People
  People are the main asset in a service business such as UD RM, although this business actually sells spare parts but the customer needs more leads to the services and knowledge owned by the business owner. Thus, in choosing an employee, UD RM has the criteria to be able to read and write and have a strong willingness to learn.
- Process
  The services that will be provided to customers in Bali will be equated with the services provided by customers in Surabaya. Considering UD RM is an old company for spare parts business and very understand about spare parts then it can provide some services in accordance with customer needs. To maintain the quality of service, UD RM will always do the training on the employees so that employees can deliver the goods correctly.
- Physical Evidance
  In its consideration to build trust from consumers, storage cabinets can be seen by customers when purchasing goods. In addition, the storage layout was arranged from small products such as lamps, oil seals, and other small spare parts are placed on the outside to the larger sparepart deeper. This is done so that customers who come to see the stock of goods owned.

Technical and Technological Aspects

Technical aspect analysis in UD RM is focused on location, layout of building and technology needed in company operation. The development location plan for open branch selected by UD RM is on Kebo Iwa 44, Ubung Kaja village, North Denpasar. This location was chosen because it is close to Cokroaminoto main road which is one of the major streets in Denpasar. Any migrants will go through Cokroaminoto road if they want to go to Denpasar. Another reason to choose this location because it is close to the terminal loading and unloading truck, namely Cargo Street is better known as pasar pisang. This is where the mechanic or driver repair their tuck.

For the layout of the building there is no specific criteria needed to establish a spare part company, but the layout looks from the front need to be considered to build trust from customers. The method of storing goods applied is first in first out. This storage method is chosen to reduce the risk of product damage, especially for rubber products. The equipment required to support operations also does not require special equipment.

Legal Aspects

In this legal aspect will be discussed about all the requirements that must be met to establish a company in terms of law. In this case will be discussed the requirement to establish a company incorporated UD. Some of the requirements that must be met are Corporate Domicile Certificate (SKDP), NPWP, SIUP, TDP, Hinder Ordinate (HO).

Aspects of Human Resource Management

Analysis of human resources management aspect is done with the purpose of ensuring the business development can be implemented well, efficient, and have adequate human resources. In this aspect analysis of human resource management there are two parts that need to be studied, namely organizational structure and job analysis.

The organizational structure that will be used in this business is a functional organizational structure. The organizational structure applied by UD RM requires 5 people, namely: one business owner, one manager, one salesman, one warehouse, and one person delivery.

- The business owner at UD RM will have the duty to supervise or control every activity that takes place. In addition, the business owner will also be authorized in managing the company's finances and is entitled to know all reports and transactions that occur.
- Manager is responsible for any operational activities that occur on UD RM and assist the owner task.
- Salesman Duty to find new customers as well as build good relationships with old customers. In addition, if necessary to make delivery of goods to the consumer then the sales are also obliged to assist the delivery process.
- The warehouse is responsible for ensuring the amount of stock of goods in the warehouse is the same as that written on the system. In addition, warehouse employees are also tasked to get goods in accordance with customer needs and also help ease the manager's job.
- Delivery has the main task of delivering goods that have been purchased by customers. It is also obliged to assist warehouse and manager employees if necessary.

Financial Aspects

This financial aspect will discuss the feasibility of developing this business financially whether it can be implemented and provide benefits or not. The financial feasibility calculation will be based on Net Present Value, IRR (Internal Rate Of Return), and PP (Payback Period)..

- Net Present Value
  On Pessimistic assumptions : NPV = 2.146.894.086
  On the Moderate assumption : NPV = 4.381.849.809
  On Optimistic assumptions : NPV = 6.616.805.532
- Payback Period
  On Pessimistic assumptions : PP = 1.61
  On the Moderate assumption : PP = 0.82
  On Optimistic assumptions : PP = 0.61
- Internal Rate of Return
  On Pessimistic assumptions : IRR = 76.99%
  On the Moderate assumption : IRR = 158.68%
  On Optimistic assumptions : IRR = 243.45%

From the financial aspect can be stated that the development of business project sparepart UD RM is feasible to run.

Discussion

Tabel 4. Managerial Implications

Before Research	After Research
Market and Marketing Aspects	
The condition of sparepart business competition in Bali is not yet known, the company STP has not been established yet, and the strategy to win the market in Bali has not been determined yet.	- Observe the shortcomings and strengths of competitors and the habits of spare part customers in Bali. - Determining Market Segmentation. - Focus on direct users as well as small shops in Bali. - Observe sales work so that customer recognition process runs quickly and efficiently. - Provide good service to keep customers loyalty.
Technical and Technological Aspects	
Location has been determined, but the layout of the building for storage and also the system of goods storage and delivery has not been determined.	- Determine the layout of buildings and goods storage systems to be efficient. - Complementing the technology needs for the company's operations to run properly. - Determine the delivery system and cooperate with the expedition.
Legal Aspects	
The required legal requirements are not yet known.	- Looking for information requirements that must be met to take care of NPWP, SIUP, TDP, and HO - Fulfill every necessary requirement - Apply for the maintenance of any required permits.
Human Resource Management Aspects	
The organizational structure, the number of employees required, and the payroll system to be applied have not been determined.	- Determine the organizational structure to be formed. - Determine criteria of eligible employees to occupy their respective positions. - Determine the payroll system to be applied. - Opening job openings and starting to do selection.
Financial Aspects	
Financial planning and sales targets	Calculate the velocity of the company's

to be achieved have not been determined	money and determine the sales targets to be achieved so that the company generates profits as desired.

Conclusion

Based on the analysis of several aspects of the research entitled "Feasibility Study of Business Development Sparepart UD RM in Bali", obtained the following conclusion :

1. Based on the analysis on the market and marketing aspects shows that barriers for new entrants to spare parts in Bali are high for new entrants, suppliers have low bargaining power, buyers or customers have moderate bargaining power, threats from replacement products is low, and competition levels in the industry is also still low. The selected consumer targets are direct users and other company located in Bali. In addition, the strategy to be used to enter the market in Bali has also been determined so, in the market and marketing aspects can be declared feasible.
2. On the technical and technological aspects there are no specific criteria. For the required building area will be seen based on building area at Surabaya branch and UD RM already have business place which has wide warehouse wider than warehouse area in Surabaya. For business location is also strategic because it is located not far to the main road and close to the location of loading and unloading truck. In addition to the technology to be used for the company's operations is also a common thing that can be met easily, so that based on technical and technological aspects of business development projects is declared feasible.
3. Based on the legal aspect, the business entity to be used is the Trading Business (UD). For the requirements required to set up a business have been prepared. Thus, based on the legal aspects of the business development project is declared feasible.
4. Based on the aspect of human resource management, UD RM has determined the organizational structure that will be applied to its business. In addition, every job that will be done by each position is also determined. Therefore, according to the aspect of human resource management this business development project is declared feasible.
5. In the financial aspect, the feasibility indicators used are Net Present Value (NPV), Internal Rate of Return (IRR), Payback Period (PP) with pessimistic, moderate, and optimistic scenario. Of all indicators with a pessimistic scenario, moderate, or optimistic business finance declared eligible. Therefore, based on the financial aspect of the business development project is declared feasible.
6. Based on all aspects that have been analyzed, saprepart business development project in Bali feasible to be implemented.

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DESIGN THINKING AS A TOOL TO CREATE A BUSINESS OPPORTUNITY

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ABSTRACT

This paper aim to prove that design thinking can be used as a tool to create business opportunities. Informants used in this study are footwear craftsmen who have followed the training of design thinking. Data collection was done by observation and unfocused group. Stages of analysis are performed by observation, brainstorming, making a prototype, test of market and product strength and execution.The results of this paper is proving that the design thinking process can be used as a tool to create business opportunities.

Keywords: Business Opportunity, Observation, Brainstorming, Prototype, Test of Market and Product Strength, and Execution

INTRODUCTION

Ministry of Trade of Indonesia in the book of Development Plan of creative economy of Indonesia 2025 (2009) stated creative industry contribute only 5.67% of Gross Domestic Product (GDP) in 2006. But ten years later in 2016, creative economic contribution to GDP reached 7.55 percent or 922.58 trillion (Septyaningsih, 2018). This is an expected reality, given that creative industries will become the foundation of the nation's progress amid the depletion of natural resources.

In this creative or conceptual era is dominated by the role of the creator. The process of educating people is based on an understanding to appear the uniqueness of itselves through creative works.

Creative industry is as an Industry that exploits creativity, skill and individual talents to create welfare and employment opportunity through creativity. This understanding, emphasizes the individual creative power is as a source of added value in the economy.

At the corporate level included in the creative industry, decision issues are increasingly complex. Starting from the determination of the design of footwear, brand determination, footwear packaging, footwear sale price determination and distribution channel determination to market footwear and choosing the form of footwear innovation that needs to be developed is a hard decisions to be taken company.

Decision-making is a science that focuses on alternative evaluation processes for alternative selection processes and finding the best solution. Design is a tool for solving unpredictable problems. In such conditions, the design can be used to find a solution. Does not stop just to improve the current state. The design process can generate the latest solution leap and create new circumstances. The purpose of research to prove design thinking as a tool to create a business opportunities.

LITERATURE REVIEW

THE DEVELOPMENT OF DESIGN THINKING

Design thinking emerges from the exploration of theory and practice in various disciplines and sciences to address the needs of innovation, technology and strategy. Initial views and references on design thinking date from the 1950s and 1960s, although in architectural and engineering contexts. The new approach to solving complex problems is rooted in the thinking that was applied to World War II. This event has a profound effect on strategic thinking in the modern world and fundamentally changing the way it applies to management, production and industrial design.

1960s: Efforts Towards Scientist Design

Understanding every aspect of the design and development of science beyond the design field was influenced by the process and methodology of the 1960s related to how the design functions. Nigel Cross (2001) seeks to create scientist design and bring the field of design into the goal of rational science. Cross highlights the statement of the radical technology expert Buckminster Fuller which refers to the decade of design science. Fuller called it a revolution of design science based on science, technology and rationalism to address human and environmental problems that are believed to be unresolved with politics and economics.

Horst Ritter a design theorist incorporates the term Wicked Problems in the design. Wicked problems are very complex and multi-dimensional problems in the mid-1960s. Ritter writes and talks widely about problem-solving subjects in design. In particular, Rittel focuses on applying design methodologies to address wicked problem issues and how to influence the work of many current design and academic practitioners. Wicked problem is at the heart of design thinking because it is this problem that requires a collaborative methodology that involves a deep understanding of humans.

The Developments in the 1970s

Herbert A. Simon (1969) who first mentions design as a science or way of thinking. This idea was also raised by Robert H. McKim (1973).

Simon has contributed many ideas that are now regarded as design thinking principles i.e. rapid prototyping and testing through observation as a concept that forms the core of many designs and entrepreneurial processes. This stage is also one of the main phases of a typical design thinking process. To understand it, the system must be built and its behavior observed. Much of his work is focused on the development of artificial intelligence and what forms of human thought can be synthesized.

McKim focuses more of its energy on the impact of visual thinking on the understanding of things and the ability to solve problems. Kim also explains various aspects of visual thinking and design methods to solve problems by emphasizing the incorporation of left-brain and right-brain thinking to produce more holistic solutions.

The Developments in the 1980s

In 1982, Nigel Cross discussed about the nature of problem solving of the designer. Cross (1982) compares the problem solving of designers with non-designers related to its problem solution developed in everyday life.

Professor Bryan Lawson studied the insights collected from a series of tests with comparative methods used by scientists and architects when trying to solve the same ambiguous problem. The tests conducted at the graduate students of architecture (designers) and science (scientists). Each group was given a problem related to the arrangement of colored blocks. Students must adhere to a set of rules and some of them are unknown to students.

Lawson realized that scientists tend to systematically explore every possible combination of blocks to formulate hypotheses about the basic rules that must be followed to produce the optimal block arrangement. In other words, scientists are problem-solver that focus on the problem. On the other hand, designers tend to quickly create multiple colored blocks arrangements, then tested to see if the arrangements have matched the requirements of the problem. Designers are problem-solver that focus on solution, generating a large number of solutions and eliminating unsuccessful ones. A problem-solving method that focuses on solutions that found by Cross as a core concept of how designers solve the problems.
According to Cross, the main feature of design activity is its reliance on producing a satisfactory solution that is fast enough rather than prolonged problem analysis. Simon calls it as a satisfying process rather than optimizing and produce one of what might be satisfying solutions rather than generating one hypothetically optimal solution. This strategy has been observed in other design behavior studies, including architects, urban designers and engineers.

The Developments in the 1987

Peter Rowe (1987) focuses more on the way of architectural designers approach their tasks through inquiry lenses. Rowe explains the basic structure and focus of inquiry that is directly related to the somewhat personal moment from looking for part of the designer for the purpose of creating or build the urban buildings and artifacts.
As seen, the development of Design thinking as a subject makes travel through various areas of specialization from time to time. Thinkers in this field explore the cognitive process in their own field and then becomes something that moves into their own scope.

The Development of The 1990s to The Present

In 1991, IDEO was formed and show a design process that was modeled on a work developed at Stanford Design School. IDEO is widely accepted as one of the companies that brings design thinking to the mainstream, developing terminology, stages and toolkits that customers can understand for years. This method keeps those who are not educated in the design methodology to quickly and easily become process-oriented.
In 1992, Richard Buchanan discussed the origins of Design Thinking. In this article was discussed how science develop over time began Renaissance and formalized in specialization. The process they use becomes disconnected from each other. Furthermore, Buchanan explains that Design Thinking has been formed as a means to integrate this very specialized field of knowledge, so that they can apply together for new problems encountered from a holistic perspective.
In 2005, Design Thinking was taught at Stanford School of Design or d.school. D.school is known as Hasso Plattner Institute of Design. It has made development, teaching and implementing it as one of the main goals.
Today, design thinking moves faster, with pioneers like IDEO and d.school who formalize for others to follow. Other prestigious universities, business schools and forward-thinking companies have adopted this methodology to varying degrees. Sometimes it is necessary to reinterpret it to fit a particular context or their brand values. IDEO sees design thinking as a creative problem solving process.
It is seen that the design principles contribute significantly in increasing the success rate of innovation. Even design-oriented companies like Apple, IBM and Coca-Cola have delivered outstanding performance in the last 10 years by reaching 219% in the S & P 500 (Pal, Prince, 2016).
With a design perspective as a problem solving process, the discussion begins with looking at the early model problem solving from John D. Sterman using an event-oriented or result oriented approach in Figure 1.

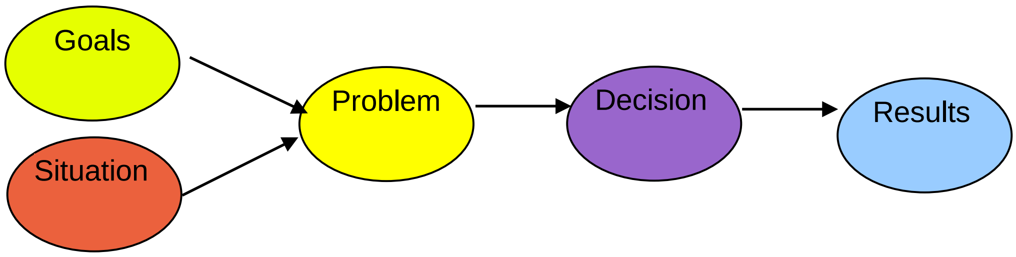

Figure 1. ***Event Oriented Problem Solving***

Figure 1 shows that the problem arises because there is a gap between the desired goals with the situation encountered. The problem occurs because the desired is solving the right problem right. For example, in developing the product concept, the problem is expressed in the product opportunity gap (POG).

This POG is an opportunity that every innovator must look for. POG is a concept independent and has not explained what kind of product will be produced. The next challenge is the process of finding alternative solutions, choosing the best solutions, and implementations that will ultimately provide results. Techniques that can be used to generate creative thinking include: brainstorming, creative wordplay, multi-media sketching and fantasy director.

This process is not easy. When, faced with a problem, people are often lazy to find alternative solutions. They make only one alternative that is claimed to be the best solution. Making hasty decisions in ambiguity at the decision-making stage will cause to a crude solution. This is where ambiguity landscape can be misleading (Febransyah, 2005).

This is a traditional model of the design process that is viewed as an open loop process. In fact, the interpretation of a problem may vary. Depending on the designer's point of view. Donald Schon said that design is a "reshaping process" and the situation that comes up "talk back" constantly. Thus, the problem will conical and the solution sharpen. This thinking leads to a closed loop problem solving process.

RESEARCH METHODS

The type of research is a case study. The informants are a footwear craftsman who have attended the training by using purposive random sampling as a sampling technique.

The data collection techniques are used as following. First, BEHAVIORAL MAPPING is photographing people in space like waiting room in the mall with duration of two or three days. Second, CONSUMER TRIPS is to track all interactions with consumers until they have a product, service or space. Third, JURNAL CAMERA is asking consumers to keep a visual diary of their activities and impressions relating to the use of the product. Fourth, INTERVIEW EXTREME USERS is talking to people who really know or do not know anything about a product or service and evaluate the experience when they use it. The storytelling method is a common method used by persuading people to tell personal stories about their experiences using the product. Fifth, UNFOCUS GROUPS is an interview with various groups of people to explore ideas such as about sandals. For that, collected artists, bodybuilders, podiatrists and a shoe fetishist.

Stages of the design thinking process follows:

a. Observation stage
b. The brainstorming stage
c. Prototyping stage
d. Testing stage
e. Execution stage

RESULTS AND DISCUSSION

This footwear model development program aims to produce new products in potential market segments as business opportunities. Another goal is to learn the process of making footwear that fits the target market of adolescents to early adulthood (ages 15 - 30 years). Given this market potential reaches 50 percent of the total national market. This footwear model development program follows the design thinking model.

a. Observation Stage

The observation stage starts from the SMEs study to the modern market to view the consumer profile, design trends, view the image of people when using the product, shop and when they hit the numbers on handphone in some shopping centers in Surabaya such as Surabaya Plaza, Tunjungan Plaza and Ciputra Word Mall. Surabaya Plaza is used to get an idea of the trend of footwear design favored by middle class consumers. Tunjungan Plaza is used to get an idea of the footwear design trends favored by upper-middle-class consumers and at Ciputra World Mall to get a picture of the trend of footwear design favored by upper-class consumers.

b. The Brainstorming Stage

After getting the customer insight and trend of footwear design from the observation stage, they started to design the footwear design concept. The brainstorming stage to generate many ideas through throwing one idea and followed by throwing other ideas. This stage lasts no more than an hour.

The rules are tight with glued to the wall. First, put off judging others' ideas and do not underestimate the idea. Second, build any idea, not "but," or just "add". Third, encourage the wild idea that most out of the box because the it can be the key to the solution. Fourth, go for quantity so the new idea can appear as much as possible. A good session can generate ideas up to 100 ideas in 60 minutes. Fifth, be visual using yellow, red and blue markers to write on large paper with size as 30 inch and Post it as 25 inch that placed on the wall. Sixth, keep focus on the topic by always keeping the discussion in line with the goals. Seventh, one speaker at a time, unobtrusive, no disregard, no respect and no rudeness.

c. Prototyping Stage

At this stage, they work to help everyone visualize possible solutions models, quick to make decisions and innovate. Before making a prototype, they are invited to select the materials needed in PT. Karya Mitra. After selecting some materials then the prototype is made.

Prototipe High *Fidelity*

Figure 2. Footwear Prototype

The resulting prototype has distinctive features with the design of vest shoes using materials or accessories such as leather, TPR soles and Zipper. After the prototype is completed, the next stage is the testing process. The testing process is done by first identifying the key questions to be answered through the prototype test to save time and get many ideas simultaneously.

d. Testing Stage

The prototype test stage is performed by inviting the expert. The input from the expert as following.

Figure 3. Testing Stage

Its suggestions of improvement is no need to use the ribbon and zipper is not death bolted. Color of zipper is preferably gold. For the stick should be reversed. Line and upper back should be pulled so as not to make a bend so that the foot does not hurt. The trick, line should be smaller than the upper. The bottom should be torn.

To get an overview of the market response then do the market test and test of the power against the design of the prototype. The results of strength tests conducted by the Indonesian Footwear Industry and Development Center showed from the standard pass the strength test of 3, the strength of this prototype is only 1.35.

Test market done twice. First at the Leather and Fashion Shoe Exhibition (SKF) in Jakarta, Local Innovation Product Exhibition (PPUD Expo) in Surabaya and second at Crafina Exhibition. The first market test results in SKF and PPUD Expo showed good and excellent comments as much as 47.73 percent. The input of expert and first market test ware used to improve the design and strength of the second phase prototype.

The second market test result at Crafina Exhibition shows good or excellent comments on all aspects of the model by 55, 88 percent. Some suggestions to consider are the model of footwear marketing channels, improvement of skills to serve buyers, product displays and "do & do not" at the exhibition.

The iterative prototype process and its improvement is a trial and error cycle that must be skipped in searching for the best product concept. The process is not linear as a sequential step. It means every step can be repeated, can return at an early stage, before going into the final stage.
A successful prototype through testing stage will enter at the implementation stage. After the production phase, the design team will design the marketing strategy. The use of an innovative design work requires changes in behavior. Therefore, innovative design marketing becomes an important key.

e. Execution Stage
Execution ability is needed to realize a design becomes truly materialized into a product or service. This ability will be better if hiring workers from various countries. Disciplines should be diverse. Expertise in engineering consists of: mechanics consists of: electricity, biomedical, software, aerospace, and manufacturing. Many experts in materials science, computer aided design, robotics, computer science, special effects films, prints, industrial interactions, graphics and Web information, fashion and automotive design, business, communications, linguistics, sociology, ergonomics, cognitive psychology, biomechanics, art, ethnology, management consulting, statistics, medicine, and zoology.

6. CONCLUSION
Design thinking will give birth to business opportunities by directing SME actors to optimize every potential into innovation. Human-centered innovation, based on technological and organizational capacity as well as on financial capacity. Innovation becomes easy, practical and can be done over and over through the process of observation, brainstorming, prototyping, testing and execution.

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ONLINE MARKETING STRATEGY DESIGN THROUGH BENCHMARKING EVALUATION IN RADIN FASHION BUSINESS

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ABSTRACT

Radin is a fashion company founded in August 2013 in Surabaya. The company offers bags and handicrafts made from leather and combined with Indonesian craft materials. The purpose of this research is to design the marketing strategy for Radin based on their online sales through a benchmarking evaluation. This research is conducted using descriptive qualitative research method. The five informats interviewed in this study include the owners of benchmark companies that have been running for at least five years and shareholders of Radin. Interview, observasion and documentation are used as data collection methods. Triangulation is used to test validity and reliability of the research data.
The result of this study is a new marketing strategy formula Radin's online sales by means of a benchmark evaluation. Based on the analysis of the interviews with benchmark companies, it can be said the the strategy used by the benchmark companies is an aspect of E-marketing mix. E-marketing mix consists of product, price, place and promotion. This research suggests a new promotion strategy for Radin, which is product strategy, the company should add more variants, such as handbags, strap camera, gloves, wallet. Promotion can be improved by creating a website that will enable the company to send newsletters to consumers containing the latest information and e-coupons. Radin will also make sales through Market place to introduce Radin brand to the wider community. Price, Pricing that will be used is fixed using cost based pricing and value based pricing, but Radin will add competitor based pricing that is to see the price of competitors as a comparison to determine the cost of Radin products. Promotion, fix Facebook Fan Page first, then do online advertising through Facebook Ads to attract many visitors to Facebook Fan Page. In addition to Facebook Ads, Radin will also perform Instagram Ads. In addition, the next promotion that will be made is the endorsement to the endorser in accordance with the character Radin in order to present the brand image of Radin.

Keywords: Benchmark, Marketing Strategy, Marketing, E-Marketing Mix.

INTRODUCTION

One of the growing creative industries is the fashion industry. Tourism Minister Arief Yahya said that the potential of creative industries in Indonesia including the fashion industry to produce Gross Domestic Product (GDP) of 7% with a value of Rp 650 billion. In the current era of globalization, the development of the Internet is increasingly widespread. Through research conducted by the Association of Internet Service Providers Indonesia (APJII) the number of

internet users is increasing every year. The growth of internet users makes many companies that are in the fashion industry doing business with online-based. Serfiani, Purnomo and Hariyani explained that the prospect of online business or e-commerce in Indonesia is very smart because it is supported by the growth of the national economy, which is middle class population, the number of internet users, the increasingly popular use of smart phones, government arrangements, , fast and cheap (Serfiani, Purnomo, & Hariyani, 2013: 269).
Radin is a business in the industrial sector that manufactures bags which was established on August 1, 2013. The company uses traditional materials such as woven fabric, weaving, songket, batik to bamboo and wood. The basic materials and combinations of premium quality, Radin has medium to upper market target. Radin's sales system is through online and offline. To go online, Radin uses social media like Fanpage (www.facebook.com/RADINBAG), Instagram (@radincraft), Twitter (@radincraft) and Tumblr (www.tumblr.com/radincraft) as a sales medium. Offline sales are done by attending several exhibitions, such as Sunday Market, Inacraft, Matrade, Wanderlust and others. However, online sales do not work well online as long as it does not compensate for the turnover of offline sales revenue made through exhibition activities, which is a problem for the Radin’s company.

LITERATURE REVIEW

Previous Research

The first study written by (Wahana, Suyanto, & Amborowati, 2014) aims to measure which are the effective uses of social media that have been used as the basis of online business. Conducting descriptive method. With the subject of research using online business. The analysis of the research is a SWOT analysis and a low cost strategy with different indicators from the consumer and business side. The results of the study show that online business has implemented social media for its business up to 104%.
Further research by (Ribani, Fauzi, & Sunarti, 2015) aims to identify and explain the process of developing e-business in strategic products and businesses to succeed in e-business in the effort to achieve products or services conducted by Akademi Bisnis Online Indonesia in Surabaya . The type of research used is qualitative research. Technique of data retrieval is done by using data to get data or information directly to object which is object of research, which can give data or information related to research problem. The results of the study indicate that the development of information and technology encourages entrepreneurs to market products and ways so that consumers can easily know the products owned company to consumers.
Next research, was written by (Paul & Devie, 2014) which aims to determine whether there is an influence on benchmarking on competitive advantage and firm performance. Samples used are company managers in Surabaya. The hypothesis in this study was tested using Structural Equation Modeling (SEM) using Partial Least Square (PLS). Benchmarking used in this study is explained by using five stages of benchmarking namely plan, search, observe, analyze, and adapt. The competitive advantage used in this research is explained by using price, quality, delivery dependable, product innovation, and time to market. The results of these studies indicate that there is a significant positive benchmarking effect on competitive advantage.
Subsequent research was written by (Hong, Hong, Spirit, & Park, 2012) aimed at reviewing the main part of the literature on benchmarking practice to achieve a better perspective in the flow of benchmarking research. The study examines the benchmarking literature and presents a framework that demonstrates the benchmarking patterns of emerging companies and discusses research published in the "Benchmarking: An International Journal" and other articles related to benchmarking practices. The results of the research show that benchmarking is an important strategic tool for a business.

THEORETICAL FRAMEWORK

Online Business

Online Business or e-commerce is defined as the exchange of goods or services through the internet or other electronic media which includes communications, transactions and settlement of payment mechanisms in accordance with the basic principles applicable to traditional trades where buyers and sellers exchange goods or services with payment media in the form of money without meeting directly between the seller and the buyer (Serfiani, Purnomo, & Hariyani, 2013).

Marketing Strategy

Tull and Kahle define marketing strategy as a fundamental tool planned to achieve a company's goals by developing sustainable competitive advantage through markets (Pranoto, Hapsari, & Prianto, 2015). The main focus of marketing strategy is to effectively allocate and coordinate marketing resources and activities to achieve the goals of an enterprise in a specific market product (Mullins, Walker, & Boyd, 2013: 43).

E-Marketing Mix

E-Marketing Mix according to Strauss and Frost there are four aspects, namely (Strauss & Frost, 2012):

Product (Offer)

Product is a benefit that can meet the needs of an organization or consumer and for those who are willing to exchange money or other items in accordance with the value possessed by a product.

Price (Value)

Price is the nominal amount or money charged for a product or service.

Place (Distribution)

Place is a place or location to market a product or service owned by a company.

Promotion (Communication)

Promotion is an activity undertaken by the company to communicate the value of the product owned to the target market that has been determined.

Benchmarking

Benchmarking is a learning process to find a better way of doing things. The main philosophy of benchmarking is the ability to recognize the shortcomings of oneself and recognize that one is doing a better job. Benchmarking activities are often conducted on companies that are in one industry (Lussier, 2012).

Benchmarking Wheel

There are five stages of benchmarking process commonly referred to as benchmarking wheel (Paul & Devie, 2013): Plan, Search, Observe, Analyze, Adapt.

SWOT Analysis

Galavan (2014) says that, SWOT analysis (Strenghts, Weakness, Opportunities and Threats) is an analysis used to determine the right strategy to apply firms based on public circumstances and markets, where opportunities and threats are used to identify the company's external environment and compare it with strengths and weaknesses obtained through internal environmental analysis.

RESEARCH METHODS

Types of research

The research used qualitative research with case study method using descriptive qualitative research, because the problem studied is case study about Radin company and describes the right marketing strategy for Radin through benchmarking evaluation.

Research Subject

Subjects in this study can be referred to as informants. The sampling technique used is purposive sampling, that is sampling technique of data source based on certain consideration (Sugiyono, 2013: 368). The subject of this study is the informant who knows about the social situation under study. Research subjects used in research that is the informant owners of companies engaged in the fashion industry as a benchmark company, informant company owner Radin, an informant who is expert in the field of online marketing strategy.

In order to get the right data it is necessary to determine informants who have competence and in accordance with data needs (purposive). Therefore, subjects who meet the above criteria are required to enable the data to be obtained.

Data Collection Method

This research is a qualitative research using descriptive analysis of the results of data collection from exploration at source. Data collection techniques in this study include:

Interview

Interviews will be conducted semi-structured including in-depth interview categories. This study, interviews were conducted for benchmark companies, project partners and online-based marketing strategy experts to explore deeper information about appropriate marketing strategies for Radin's business.

Observation

Researchers conducted observations with unstructured. Unstructured observation is an observation that is not systematically prepared on what to observe, making the focus of the study will evolve during observation activities. Observations were made to collect data from research subjects by looking at what was important and interesting during the benchmark company's evaluation process, analyzing and drawing conclusions.

Documentation

According Sugiyono (2013: 396), the documentation is a complement of the use of observation and interview methods in qualitative research. Researchers use documentation techniques to collect internal company data consisting of transcript interviews and photos.

Validity and Reliability

Validity according to Neuman is the suitability between the measuring instrument and something to be measured, so that the measured result can represent the actual size dimensions and can be accounted for (Herdiansyah, 2010, p. 190). Validity used in this research is triangulation method that is data collection technique which is combining various data collecting technique and also existing data source.

Neuman explained that reliability is consistent, when measuring a thing in the same or relative condition over and over again, it will get the same or relatively similar results between the first measurement with the next, or the results obtained between one researcher with another researcher is relatively the same or is not much different so that raises a similar point of view that leads to confidence in the results of the research (Herdiansyah, 2010, p.184-185).

Data Analysis Method

Data analysis in qualitative research is the selection of important data, presenting data and drawing conclusions Miles and Huberman in Afrizal (2014: 174). This data analysis method resulted in three stages in analyzing data ie data reduction, data presentation and conclusion (Ghony et.al, 2012). The steps taken to analyze the data are as follows:

Data Reduction

Data that researchers have gathered from observational sources and interviews will group researchers and discard unnecessary data. The member check process is performed to find data relevant to the data process in the data reduction stage.

Presentation Data

The data that have been grouped and have been checked will be selected again by the researchers based on data required and in accordance with this research. Researchers will present the data in the form of tables that have been divided into several categories to make it easier to understand.

Drawing Conclusions

Withdrawals will be made when the researcher can provide the right strategy that can be applied to online sales. Evaluation used in this research is Radin compilation can respond and apply appropriate strategy.

Stages of Data Analysis

In this study required the data to be processed. Researchers obtain data based on the steps - the steps below:

1. Selection of appropriate informants by tailoring the research topic.
2. Make an appointment to the informant to conduct the interview.
3. Conducting interviews with informants in accordance with the selection criteria.
4. Observe the behavior or gestures of the informant during the interview process.
5. Reduce data that has been collected from interview and observation process.
6. Conducting member check on interview result.
7. Conduct processing of interview results that are tailored to the opinion of the informant through the evaluation of the company.
8. Formulate conclusions from interviews with informants.

DISCUSSION

There are four aspects of E-Marketing Mix, product / service, pricing / valuation, place / distribution and promotion / integrated communicating mix (Strauss & Frost, 2012).

Product

Table 1. Product

Company	Variant Product	Rejected Product	Detail Information
Radin	Combination of leather with traditional Indonesian materials (slingbags, tote bag, clutches)	Yes	Yes
Vernee Leather	Leather (backpacks, slingbags, handbags, wallets, bracelets, camera straps, gloves)	Yes	Yes
Noesa Satu	Combination leather with woven bags (handbags, hats, camera straps, strap bags, apparels)	Yes	Yes
Revolt Industry	Leather (wallet, bracelet, tag id, belt, gloves)	Yes	Yes

Source: Data processed, 2017

Can be seen if Radin only produce some kind of product only, that is slingbags, tote bag and clutches. From a benchmarking point of view, the product is influenced by purchasing decisions and consumer tastes (Morissan, 2010). The statement that the product is influenced by purchasing decisions as well as consumers can be seen from the statement of the benchmark company owner who explained that at the beginning of building their company only has some type of bag products only, but as the company grows and consumer demand and needs increase, then they make the addition of variants product. Even the benchmark company, Verne Leather is currently not only producing it but penetrated into other models such as wallets, bracelets,

gloves, strap cameras and much more product development is done. Noesa One also made the addition of product model variants such as hats, apparels, camera straps along with increasing consumer demand. Revolt Industry adds products such as key wallets, gloves and laptop bags.
Benchmark companies such as Verner Leather, Noesa One and Revolt Industry provide specific information about each product such as product photos, product names, specifications, pricing, dimensions on Web sites, Instagram and Facebook. Radin has also provided detailed information on specific product description owned by the company in online media such as Instagram and Facebook. It is part of the attributes that include the specifications, qualities and features of the product. In addition to attributes, it is also labeling or product labels that identify brands, materials from products and usage instructions (Strauss & Frost, 2012).
Support service is an important component in value propotition). Support services provided by benchmark companies to consumers by providing a warranty in the form of replacement of products if the product reaches the hands of disabled consumers. Benchmark companies also provide services to consumers to ask for more information about the desired product, but will be answered on business hours or can ask through the comment field located on the benchmark company's Web site.
Price
Price is the nominal amount or money charged for a product or service.

Table 2

Company	Price	How to Set the Price
Radin	Rp75.000 – Rp1.500.000	*Cost-based pricing, value-based pricing,*
Verne Leather	Rp50.000 – Rp2.000.000	*Cost-based pricing, value-based pricing.*
Noesa Satu	Rp100.000 – Rp2.000.000	*Cost-based pricing, value-based pricing, competitor-based pricing.*
Revolt Industry	Rp75.000 – Rp1.500.000	*Cost-based pricing, value-based pricing,*

Source: Data processed, 2017

Shows a comparison of pricing and how to set it between Radin and benchmark companies. There are three types of pricing strategies, namely cost based pricing, value based pricing and competitor based pricing (Wahyudi, 2015).
Radin and the three benchmark companies, set prices using cost based pricing that is by calculating the cost incurred to make the product is then calculated the appropriate selling price for the product that has been produced. On the other hand, there are some products that are established with value based pricing that is applied to consumers who customize the product for this price determination not only based on the cost incurred during production, but the company also weighs the value of the product. While Noesa One sets the price of competitor based pricing by weighing the price set by competitors to sell the product.

Place

Place or distribution channel according to Kotler and Armstrong (2012, p.62) ie choosing and managing the trading channels used to distribute products or services and to serve the target market and develop distribution systems for physical product delivery and commerce.

Table 3

Company	Media Online Sales	Delivery Service
Radin	*Instagram, Facebook, Line, Twitter*	JNE.
Verne Leather	*Instagram, Facebook, Line, Web site. Market place.*	JNE, cargo via land, air, sea.

Noesa Satu	*Instragram, Facebook, Web site, Market place.*	JNE.
Revolt Industry	*Instagram, Facebook, Web site.*	JNE.

Source: Data processed, 2017

Can be seen if the four companies use social media that is Instagram, Facebook, and Line in the sale of their company products. Radin has not used the sales medium through the web site as it has done by the three benchmark companies and the sales through the market place is done by Verne Leather and Noesa One.
Radin and the three benchmark companies are online-based companies, so for consumers who make purchases of products must use a delivery service to receive goods that have been purchased. The four companies use JNE delivery services, because JNE is one of the delivery services that have tracking feature that allows consumers to obtain information about the delivery of products purchased. Meanwhile, Verne Leather also uses shipping services via land, air and sea cargo for large quantities of shipment because the cost incurred is also not as big as other shipping services if in large quantities.

Promotion

Promotion is a variety of ways to inform, persuade and remind consumers directly or indirectly about a product or brand being sold (Kotler and Keller, 2012).

Table 4

Company	Promotion Media
Radin	*Instagram, Facebook, Line, endorsement, clearence sale.*
Verne Leather	*Instagram, Facebook Ads, Line, Market Place, endorsement, Web site, news letter, give away, e-coupon, clearance sale.*
Noesa Satu	*Instagram, Facebook Ads, Google Ads, Line, Market Place, endorsement, Web site, news letter, give away, e-coupon, newsletter, clearance sale.*
Revolt Industry	*Instagram Ads, Facebook, Line, Google Ads, Web site,news letter, give away, e-coupon, clearence sale.*

Source: Data processed, 2017

The three benchmark companies, they've done online advertising through Facebook Ads and Google Ads that help the three companies to introduce the benchmark company brand to the public, but Radin has never done online advertising.
Radin, Verne Leather and Revolt Industry also conduct sales promotion activities in the form of clearence sale. This promotional activity serves to spend the stock of collections of products that have been old but not yet sold in order to avoid stockpiling too much. Radin also provides a discount of 10 percent for subsequent purchases to consumers who upload their photos using Radin products on Instagram. This is done so that consumers help introduce the company's product Radin to followers they have in Instagram.
Radin has never done a contest for consumers in the form of a give away as the three benchmark companies do. This activity is one of the promotional activities that can quickly introduce the company brand to the community.
Radin does not own and use the web site to conduct promotional activities as has been done by the three benchmark companies. The four companies have done promotion on social media such as Instagram, Facebook and endorsement. According to the statement of one benchmark company that is owner of Noesa One, endorsement is the most influential promotional activities on the sale of products in the online business because endorsement can show branding and image of a company when using endorses that character in accordance with the company.

CONCLUSION

The results obtained from this research is Radin will add product variants such as handbags, strap camera, gloves, wallet. Radin must also create a Web site in order to conduct promotional activities through the newsletter so that it can always provide the latest information to consumers and provide promotions in the form of e-coupon to consumers. In addition Radin will also make sales through Market place to introduce Radin brand to the wider community.

Other promotions that will be used is to fix Facebook Fan Page first, then do online advertising through Facebook Ads to attract many visitors to Facebook Fan Page. In addition to Facebook Ads, Radin will also perform Instagram Ads. In addition, the next promotion that will be made is the endorsement to the endorser in accordance with the character Radin agat can present the brand image of Radin.

The fixed price determination is to use cost based pricing and value based pricing, but Radin will add competitor based pricing that is to see competitors' prices as a comparison to determine the cost of Radin products.

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LEARNING ANALYSIS OF SEVEN CHARACTER OF ENTREPRENEUR IN CORPORATE ENTREPRENEURSHIP GUILD CIPUTRA UNIVERSITY

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ABSTRACT

Ciputra University is a private educational institution established in 2006. Based on entrepreneurship curriculum for all students. At Ciputra University, there are seven entrepreneur characters called as seven spirit of entrepreneur. The characters consists of passion, persistent, independent, opportunity creation, creativity and innovation, calculated risk taking and high ethical standards. In addition to developing a managed business, Ciputra University also provides a curriculum for students who really want to become a professional in a company commonly referred to as corporate entrepreneurs. The curriculum of corporate entrepreneurship is in the fourth semester. Learning undertaken by students during semester four is ikigai, arrange a dream job, determine dream company, undergo hack a ton, and designing career pyramid. Learning in every subject at Ciputra University cannot be separated from seven spirit of entrepreneur. The problem that arises when people hear corporate entrepreneurship is the question of whether entrepreneurial character learning has been embedded even to the guild of corporate entrepreneurship. This research was conducted qualitatively with semi structured interview method to seven students. Researchers use member check as a method for data validity in this study. The result of this research shows that the character of passion, persistence, independent, creativity and innovation, high ethical standard and calculated risk taking are six spirit that formed on corporate entrepreneurship student. The character of opportunity creation is less formed in the self of corporate entrepreneur student.

Key words: corporate entrepreneur, intrapreneur, entrepreneurship

INTRODUCTION

Ciputra University is a private educational institution established in 2006. Ciputra University has the advantage of entrepreneurship curriculum for all students. In addition to developing a managed business, Ciputra University also provides a curriculum for students who really want to become a professional in a company. This curriculum is named corporate entrepreneurship guild. Corporate entrepreneurship guild at Ciputra University was founded because of the tendency of the alumni that after graduating not directly into entrepreneurship, but work as an employee first in the company of others.

Corporate entrepreneurship guild was established by Ciputra University curriculum team based on the tendency of several alumni of Ciputra University to work in other company before opening their own business. Lessons learned by the students during the fourth semester are IKIGAI, composing dream job, determining dream company, undergoing hack aton, and designing career pyramid. IKIGAI is a learning process taken from Japan where students do self exploration. The module from IKIGAI contains questions that explore each student like what they like, hobbies, weaknesses, self-advantages and others. Through this process also students usually have a buried passion unearthed. Dream Job is a process where students are invited to determine the dream job they want to be in later. Through this process, students become more confident in choosing a field of work because it is helped by data explored through IKIGAI process. Dream Job also helps students in determining what they want later. Dream Company is a process whereby students are encouraged to determine the company they are working for. During this process, students seek as much information about the companies they want. This process is also very helpful through the data obtained during the process of IKIGAI and dream job for the determination of the company. Hack A Ton is a process whereby students go directly into business in the real world. During this process, students will be divided into groups for work or internship for a while at the cooperating company. Students are encouraged to apply the sciences they have gained during lectures into real business situations. The career pyramid can be said to be a summary of all previous learning. The process of designing career pyramids encourages students to have clear planning in the careers they will pursue. In addition to designing their careers in the future, students are also encouraged to build a pyramid of study, where they can design as well when they want to continue their studies to the next level. The design of pyramids teaches students not only to have one plan but to have several plans at once.
At Ciputra University, there are seven entrepreneur characters called as seven spirit of entrepreneur. The characters consist of passion, persistent, independent, opportunity creation, creativity and innovation, calculated risk taking and high ethical standards. Learning on every subject at Ciputra University can not be separated from the seven characters. The problem that arises when people hear corporate entrepreneurship is the question of whether entrepreneurial character learning has been embedded even to the guild of corporate entrepreneurship. Therefore the researcher is interested to conduct research entitled "ANALYSIS OF LEARNING SEVEN CHARACTER OF ENTREPRENEUR IN CORPORATE ENTREPRENEURSHIP GUILD UNIVERSITY CIPUTRA."

LITERATURE REVIEW

Theoretical basis

Entrepreneur (Entrepreneur)

According to Suhardi (2012), entrepreneurs are proficient in carrying out skills and processing resources around them by taking different steps with others in order to produce something more useful. Definition of entrepreneur by Joewono (2013), entrepreneur is a person who has a passion to develop new business by utilizing the resources around him to be more useful. Kodrat and Christina (2015), mentioned in her book that the growth of the number of entrepreneurs in a country can improve the economy rate in that country. The ideal size for a country to say its healthy economy if it has an entrepreneurial more than 2% of the total population (Imawan, 2015).

Intrapreneurship (Intrapreneur)

According to Pinchot in Parker (2009), intrapreneurship is an activity to develop new business within an existing company to seek new opportunities and create more value in a company.

Kolchin and Hyclak (1987) suggest that intrapreneurship has been defined as the introduction of new processes or adaptations of existing processes.
According to Kazanjian, et al. (2002), intrapreneurship is essentially an individual activity, while corporate entrepreneurship is done at the organizational level. Jong and Wenneker (2008), stated that there are three things that define intrapreneurship. First, intrapreneurs are proactive individuals strong desire to act. They are people who are very initiative at work even sometimes they can work without asking permission and ignore the negative reaction from the environment to their ideas. Second, their proactive attitudes focused on pursuing an opportunity regardless of current resources. Third, intrapreneurs sometimes pursue something that can be said 'new' or 'innovative'. Covin and Slevin (1986, 1991) stated that within corporate entrepreneurship or intrapraneurship at the organizational level there are three characteristics that confirm the previous research: proactive, innovative, and risk-taking.

Entrepreneur Character (7 Spirit of Entrepreneur)
According to Wahyudi (2012), an entrepreneur has a clear characteristic that distinguishes themselves against others who are not entrepreneurs. According to Ciputra (2011), there are seven characters that an entrepreneur must have to help the success of the business they run. Here are the definitions and indicators of each character: passion, persistent, independent, opportunity creation, creativity and innovation, calculated risk taker, and high ethical standards:

Passion
Passion can be characterized by having enthusiasm and love for what is done (Wahyudi, 2012). Passion is also a strong sense of passion, passion and emotion when someone does something (Suharti and Sirine, 2012). There are several indicators of passion, among others:
1. Feel happy when doing the activity (Wahyudi, 2012)
2. Have enthusiasm and love for the activities done (Wahyudi, 2012)
3. Lack of feeling depressed during the activity (Suharti and Sirine, 2012)

Persistent
According to Wahyudi (2012), Persistent is a persistent attitude, diligent and not easily disconnected spirit in an effort to achieve the original goal. Meanwhile, according to Clancy (2011), persistent can be said as persistence and not easily give up facing difficult circumstances. There are several persistent indicators, including:
1. Do not give up when circumstances are difficult (Clancy, 2011)
2. Can rise again after failure (Ciputra, 2011)
3. Keep doing real business despite facing obstacles (Sharma and parashar, 2010)
4. Have perseverance, tenacious and commitment to the initial goal is achieved (Kasmis, 2011)

Independent
According to Wahyudi (2012), independent or independent is an attitude that allows one to act alone without depending on others continuously. Soegoto (2014) also mentioned that an entrepreneur can not depend on others continuously and must be independent in order to learn to make decisions There are several independent indicators, among others:
1. Can take decisions without interference and influence from others (Wahyudi, 2012)
2. Can manage the company itself without interference oang-people outside the company (Soegoto, 2014)
3. Not continuously dependent on others (Winardi, 2010)

Opportunity Creation

Opportunity Creation is the ability to identify and evaluate and manage ideas to be an unexpected business opportunity by others (Wahyudi, 2012). The character of opportunity creation is necessary so that one can see something that seems ordinary can be changed to be beneficial for both yourself and others (Hills, 2011). There are several indicators of opportunity creation, among others:

1. Can see profitable opportunities, which are not seen by others (Ciputra, 2009) (Ciputra, 2011)
2. Can provide solutions to problems that exist around the business (Wahyudi, 2012)
3. Can create acceptable ideas based on opportunities or problems that exist (Ambadar et al, 2010)

Creativity and Innovation

The characteristics of a person are said to be creative and innovative when having a great curiosity, a strong imagination, able to bring up the original idea and make it happen. (Wahyudi, 2012). Creativity and Innovation are ideas, thoughts, and concepts that are still in the mind, manifested in the form of objects, goods, or services that can be used in real and practical ways (Kao in Frinces, 2011). There are several indicators for creativity and innovation, between other:

1. Creating a new process or method (Fontana, et al, 2011)
2. Can provide value or new value to the community (Fontana et al, 2011)
3. Can create and implement creative ideas that have a positive impact (Wahyudi, 2012) (Wijatno, 2010)

Calculated Risk Taking

Calculated risk taking is a combination of risk planning and risk calculation so that it can prepare alternatives if it fails (Harefa and Siadari, 2010). There are several calculated risk taker indicators, among others:

1. Courage to take calculated risks (Fahmi, 2013).
2. Learn from experiences that have to take the step forward as well as to minimize risk (Harefa and Siadari, 2010)
3. Can identify the possibilities that will occur for the actions performed (Fahmi, 2010)
4. Can manage and minimize risk (Morris et al, 2010)

High Ethical Standard

According to Arijanto (2011) ethics comes from the Greek language "ethos" which means custom or habit. According to Gani (2011), ethics is a decency or science of how one should live to be accepted by others well.

RESEARCH METHODS

According Sugiyono (2012), method or research approach is a scientific way to obtain data with a specific purpose and usefulness. Explained research approach consists of three types of approach qualitatively, quantitatively, and a combination of approaches qualitatively and quantitatively (Sugiyono, 2012). This research will use qualitative approach with the aim to explore entrepreneur character in Ciputra University Corporate Entrepreneurship guild student. According to Moleong (2013), the definition of qualitative methods is the income of data descriptively through words in writing or orally from the observed persons. The approach taken is directed to the background and the individual as a whole or holistic. Therefore, it is not permissible to isolate individuals or organizations into a variable or hypothesis but rather as part of a wholeness.

Method of collecting data

Data collection method that will be done in this research is by interview method. According to Moleong (2013), interview method is a conversation with certain intentions. In this research method researchers and resource persons met face to face to get oral information the main purpose of obtaining data that can help explain the problem of research. Interviews were conducted to obtain direct data from research subjects focusing on the analysis of entrepreneur character. The types of interviews that will be executed are semi-structured interviews or focused interviews. Questions in semi-structured interviews may be submitted not according to the initial order depending on the conditions in the field. This type of interview is conducted to collect similar information and usually the interview time is faster (Daymon, 2008).

Validity of data

The validity of the data to be used in this research is the member check method. According Sugiyono (2013), member check is the process of checking the data obtained by researchers to the data provider, to find out how far the data obtained is in accordance with what is given by the informant or source. The data obtained can be said to be valid if the data found by the researchers agreed by the source. Validity will be supported with a written recording (transcript). The results of interviews with resource persons will be returned to the resource persons for approval whether it is appropriate or not with which they convey.

Data analysis method

Data analysis method used by researcher is qualitative method. The method of analysis is used in accordance with the stages of Miles and Herman in Sugiyono (2013). The process of data analysis performed is as follows: data reduction, data presentation, data comparison, conditions and conclusions

Profile of Informant

The following is the profile of the informants interviewed in this study.

Table 1. Research Informant

No	Name	Department	Code Name
1	Giovanni Julia	IBM	I1-GJ
2	Belvina Angelina	IBM	I2-BA
3	Smara Sekar Ayu	IBM	I3-SSA
4	Jeffrey Ernesto	ACC	I4-JE
5	Howen Homan	IBM	I5-HH
6	Amanda Teonata	PSY	I6-AT
7	Alicia	ACC	I7-A

Source: Data processed

Informants in this study amounted to seven students from corporate entrepreneurship guild who have undergone a series of learning in the fourth semester of Ciputra University. Sample selection technique used in this research is purposive sampling. Criteria for selection of informants for this study there are some like firstly the informants are students of Ciputra University batch 2015. Secondly, informants have joined the guild corporate entrepreneurship in the even semester of the academic year 2016/2017. Third, the informant is a student who has completed all series of learning in guild corporate entrepreneurship. Fourth, the informant is an active student in the classroom and field learning.

DISCUSSION

Based on data analysis, passion character is the most entrepreneur character formed during learning in corporate entrepreneurship. Passion characters can be characterized by having enthusiasm and love for what they do (Wahyudi, 2012). Passion is also a strong sense of passion, passion, and emotion when someone does something (Suharti and Sirine, 2012). According to Gani (2011), the ideals without passion like a vehicle without gasoline because passion is the fuel that burn the spirit, motivation, emotion, strength, and our ability to do something. During the learning in corporate entrepreneurship, the character of passion is unearthed once the student learning ikigai. During the learning of ikigai, students are taught to explore their potential such as through their own talents, favorite things, student ideals, and strengths. Students' opinions when following the learning of ikigai, many passions that they previously did not know owned were seen when following this lesson. After the students know the passion they have, the advantages and disadvantages obtained through learning ikigai then students are assigned to build their dream job and dream company. There are students who told me when he first entered the accounting department, he just thought would be an ordinary accountant when graduated. But after following the learning ikigai, unearthed work that is in accordance with his passion is to become an auditor. So when building dream job and dream company has been very focused where and what work he wants. Passion characters are very helpful to students when learning to build a career pyramid. The results of learning ikigai, dream job, and dream company is the material to form a career pyramid from students. When students build a career pyramid, they reflect on the results that will be written based on the results of the process they previously underwent. A career pyramid is created to help students build priority scales in the careers they want to live in later. The contents of the career pyramid made by students are the job they most want at the very top to the very least possible. In addition to work, they can also create a company that wanted later. The third thing that can be made into a career pyramid is a dream university where if they are after graduation they want to continue their studies to the next level first. Seeing the passion character formed in almost all the learning stages, it can be said that the character of passion is the most formed character during learning in corporate entrepreneurship.

The second character formed during learning in corporate entrepreneurship is creativity and innovation. The characteristics of people said to be creative and innovative is when having a great curiosity, a strong imagination, able to bring the orginal idea and make it happen (Wahyudi, 2012). Menurt Ciputra (2011), creativity and innovation is the ability to add value to a product or service. John Kao in Frinces (2011) says that creativity and innovation are ideas, thoughts, and concepts that are still in the mind, manifested in the form of goods, objects, or services that can be used in a real and practical way. Character of creativity and innovation began to form first started learning ikigai because learning not only explore the potentials themselves but also encourage students to be creative and innovative in doing the task so that the results are not mediocre. Students tell when they are doing the work, they are not required to work with design or decoration, but the sense of giving the best makes them think creatively to make the task. There are other students who told me that because he felt he was not smart in designing tasks, then he thinks creatively how to get the job done but also have the design. In addition to the stage ikigai, learning stages that according to the students to form creative and innovative thoughts is the stage of hack aton. At the stage of hack aton, the student is in real working condition. Students work with Ciputra World and Ciputra Waterpark. Students tell when they follow this lesson, they are asked to do some things like direct survey to the location, see the problems and needs of the companies that work with them. After getting the problem to be solved, students will be encouraged to create a solution design which will then be presented to the company. Certainly in this creative and innovative step is needed to be able to design new solutions that can help the company. The third stage in which the character of creativity and innovation is formed is when the career pyramid stage. The reason why students feel at this stage the character of creativity and innovation is formed is that when composing this career pyramid, they must think creatively about the priority order of work and company they want.

The third character formed during learning in corporate entrepreneurship is persistent. Persistent character is persistent attitude, diligent, and not easy to break the spirit in an effort to achieve the original goal (Wahyudi, 2012). Meanwhile, according to Clancy (2011), persistent can be said as persistence and not easily give up facing difficult circumstances. Persistent characters first formed when students work on dream jobs and dream companies. At this stage, students are encouraged to provide some of the work and dream companies they want. Of course to get a job and get into the company is not easy. So the students instill in themselves the nature of not giving up in order to reach the goals they want. One student told me that the first dream he wanted was to become a flight attendant, but because there were biological constraints (height less meet), he could not reach his dream. But he did not want to be discouraged, he changed his dream to become staff or crew onshore from one of the airlines for the dream to work in the aviation world. The next stage of learning that becomes the place of persistent character formation is hack aton. When students undergo the internship process at the company, there are some obstacles that can cause students to break up. An example is given by the story of one of the students who said when he conducted a market survey at Ciputra World, it is not uncommon when it has not asked questions of response from visitors who come already negative. In fact quite often directly rejected. Students realize that this incident is not to be a stumbling block that makes them stop to try but as a stepping stone that can be used by students to be able to get a better dream in the future. Likewise, in Ciputra Waterpark, students see that the problem can be solved as long as the students do not retreat and discourage before trying to improve. The third stage in which persistent character forms is the career pyramid. When students compose their career pyramids, there is a resemblance to dream jobs and dream companies where they have to give their dream jobs and companies. The visible difference is in the career pyramid, the students must arrange their dreams on a priority scale. This encourages students not to give up easily, because students learn that if the work they are most craving is not achieved they can still work on the next scale. Seeing from the story above can be said that the character persistent very formed during learning in corporate entrepreneurship.

The fourth character formed during learning in corporate entrepreneurship is independent. According to Wahyudi (2012), independent or independent is an attitude that allows one to act alone without depending on others continuously. Soegoto (2014) also mentioned that an entrepreneur can not depend on others continuously and must be independent in order to learn to make decisions. Independent character first formed when learning dream job and dream company. The reason why independent is formed when dream job and dream company is because building dreams that can not be rollicking but individual nature. Students have a story when building their dreams students understand that when undergoing their own. The student also recalled that while working on this stage, the students thought for the future where the students had to be independent. This resolution is obtained when he reflects on his personal life and he decides that when he graduates he must be independent from parents. The nature of independence is also formed because many of the tasks in corporate entrepreneurship is individual so inevitably the students have to do their own tasks. Another stage that forms an independent character is when students create a career pyramid. This stage is very encouraging students to form an independent character because in this stage the students really think about the future of their careers. This learning makes students think that when after they graduate, all will return to themselves each. During this process the students also reflect on whether they are ready to be independent when they have graduated. Their career life after graduation is in their hands.

The fifth character formed during learning in corporate entrepreneurship is calculated risk taker. Calculated risk taker character is a combination of risk planning and risk calculation in order to be able to prepare alternatives if it fails (Harefa and Siadari, 2010). According to Wahyudi (2012), an entrepreneur must always take into account the possibility of success and failure in the implementation of activities to achieve its goals and able to decide to keep moving if the possibility of failure is not too large According to Morris et al (2012), an entrepreneur must be able to calculate the risks in order to minimize whose name is a failure in business. Calculated risk taker characters first formed when students underwent hack a ton learning. As students go directly into the real world of work, there are many choices they will take when setting up events to help the companies that work together. This is told by one of the students working with Ciputra World, when students want to create a race event, there are many risks that can occur such as the soaring preparation costs, the possibility of participant quota not being met, and also the event did not run well due to technical problems. These things are taken into consideration by the students when taking into account the risks of the event. Along with the preparation of the event, calculated risk taker characters will be increasingly formed.

The sixth character formed during learning in corporate entrepreneurship is the high ethical standard. According to Arijanto (2011) ethics comes from the Greek language "ethos" which means custom or habit. According to Gani (2011), ethics is a decency or science of how one should live to be accepted by others well. Character high ethical standard formed first time when students follow the learning hack a ton. The formation of high ethical standards character is encouraged by the apprenticeship in cooperation with companies that already have their own standards. The process of cooperation with companies demands professionalism and high ethical standards. Students tell when this hacking a ton, the company asked for high standards in ideas that triggered by students. Even when creating events, students learn to have good ethics not only to their friends, peers, but also to other parties who are also involved in the event.

Character that is less formed during learning in corporate entrepreneurship is opportunity creation. The opportunity character is the ability to identify and evaluate and manage ideas to be unpredictable business opportunities by others (Wahyudi, 2012). The character of opportunity creation is necessary so that one can see something that seems ordinary can be changed to be beneficial for both yourself and others (Hills, 2011). The opportunity character is also triggered by Ciputra (2009) which says that an entrepreneur must be able to convert waste or junk into gold. The character of opportunity creation is deemed less formed by the students due to the less likely learning conditions. Students tell the story during the course of the learning, the students have tried to be able to find the opportunities required by the company but usually have been told by the company their own needs. This problem is one of the things that make students feel able to form the character of opportunity creation. Students also tell stories during learning aton hack can actually learn to shape this character, but because it is still in guidance and help from the lecturers also so that this character has not felt really formed. Learning in corporate entrepreneurship actually encourages students to form the character of opportunity creation but because the circumstances make students feel less formed. Steps that can be done to overcome this problem is by one way by giving understanding that when the idea is rejected does not mean the character of opportunity creation is limited. But the rejection can be a place to look for more opportunities with more challenging circumstances.

Managerial Implications

Managerial implications in this study were obtained from the inputs and expectations of students. Here are some of the managerial implications that have been summarized into one.

Table 2. Managerial Implications

Implications	Benefits
Entrepreneurs company partners can be selected more open.	The learning process can run better so that the entrepreneur's character can be formed especially the opportunity creation because students are able to see the opportunities that are needed by the company.
Establish an integrated career center and collaborate with many national and multinational companies.	Career Center helps students to dig more passion in themselves because there are many choices and information that can be considered by students
The process of making dream jobs can be consulted with lecturers	Consultation with lecturers can make students more excavated again and lecturers can motivate students to continue to develop themselves.
The process of hack a ton or internship can be made very individual where the student plunges individually.	The process of individual hack a ton can help students in shaping persistent, independent, calculated risk taker and high ethical standards characters because students will really face the problems that occur personally.
More company visit to big companies.	Company visit can be used by students as a means to form the character of opportunity creation when looking at the state of business in the real world. Characters that can be formed also when the company visit is creativity and innnovation because looking at the ideas that already exist in the market can help materials preparation student plans.
Cooperating with several departments of Ciputra University that require an internship to be able to join the guild of corporate entrepreneurship in the fourth semester.	This program aims to be able to equip the children when they want to apprentice has a more mature and entrepreneurial mindset. Majors that can join are Hotel and Toursim Business majors.
Established a community of corporate entrepreneurs who can help each other.	This community can be used as a forum between guild members of corporate entrepreneurs can help each other and also this community can also be entered by some companies to become a container company looking for potential intrapreneur.

Source: Data Processed

CONCLUSION

Based on the results of a study titled "ANALYSIS OF LEARNING SEVEN CHARACTER OF ENTREPRENEURSHIP ON GUILD CORPORATE ENTREPRENEURSHIP UNIVERSITY CIPUTRA", there are several conclusions that can be drawn:

The entrepreneurship character that is formed during the learning in guild corporate entrepreneurship is passion, persistent, independent, creativity and innovation, calculated risk taking, and high ethical standard.

The entrepreneurial character that less formed during learning in the guild of corporate entrepreneurship is the character of opportunity creation. This can happen because the demand from the cooperating company does not allow students to explore more opportunities.
The most entrenched stage of entrepreneurship is the stage of hack a ton where students go directly into the real business world. During the hack a ton phase, students are grouped together to help two companies working together with corporate entrepreneurship guilds.

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THE ANALYSIS OF FACTORS AFFECTING EMPLOYEE PERFORMANCE OF MAYSTER SURABAYA SHOES CARE SERVICES

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ABSTRACT

This study aims to determine the factors that affect employee performance Mayster shoe care services. The service industry is a sector that contributes greatly to the improvement of the Indonesian economy. Every company strives to optimize and manage its human resources well. The management of human resources in a company is important because employees will help the company to realize the goals of a company. Internal issues among Mayster employees are for example the attitude of mutual recrimination if there is a mistake in carrying out the operational process steps that have been established. This situation creates conflict in the midst of employees. Qualitative descriptive method is used to determine what factors affect employee performance. This study uses 5 informants consisting of 2 Mayster employees, 2 Mayster owners and 1 human resources expert. This study found that: 1) Personal factors such as knowledge, skills, ability, confidence, motivation and work commitment influenced performance; 2) Leadership factors such as leader quality, support, passion, direction, and direction given by the Mayster owner affect employee performance; 3) Group factors such as support, enthusiasm, trust and cohesiveness among employees affect the performance of Mayster employees; and 4) System factors consisting of systems, facilities, and organizational culture affect employee performance.

Keywords: *Employee Performance, Human Resources.*

INTRODUCTION

The service industry is a sector that greatly contributes to the improvement of the Indonesian economy. A business certainly requires a workforce that can contribute to the company through the achievement of the company's vision and mission. Every company seeks to optimize its human resources through good governance. Therefore, companies need to pay attention to their tasks to achieve organizational goals. This research takes the object of Mayster Shoe Care Services. Mayster is a premium shoe care company based in Surabaya. Mayster stands in 2014 and enters its 3rd year in May 2017. Based on interviews with some outsourced employees, problems in the field are among others the desires of business owners that require continual improvement in the company. This situation leads to complaints of employees who are not openly expressed in the company's meeting forum. Business owners seek to increase productivity through increased employee burdens and narrow work completion deadlines. However, this policy is not accompanied by an increase in compensation. Based on the above description of the background, this study took the title "Analysis of Factors Affecting Employee Performance Mayster Care Services Surabaya".

LITERATURE REVIEW

Young (2014) in his research entitled "Factors Influencing Employee's Performance: A Study on the Islamic Banks in Indonesia" analyzed the factors affecting employee performance at Bank Islam. The variables of this research are job stress, motivation, and communication and employee performance. Using the quantitative method as an approach, the research uses multiple linear regression method to analyze the data. The results of this study indicate that job stress, motivation and communication effect on employee performance.

Fu (2014) in research entitled "The Impact of Caring Climate, Job Satisfaction, and Organizational Commitment on Job Performance of Employees in a China's Insurance Company" examines the direct and indirect effects of awareness, job satisfaction, and organizational commitment and employee performance insurance companies in China. Variables used in this study are concern, china, work performance, job satisfaction and organizational commitment. SEM method is used to analyze data. The study involved a population of 476 employees. The results of this study indicate that awareness, work performance, job satisfaction and organizational commitment have a direct influence on employee performance.

THEORETICAL BASIS

Mangkunegara in Faridatun (2014) explains that the word performance of job performance or actual performance refers to the work of an employee both in quality and quantity in performing his duties in accordance with the responsibilities given to him. According to Jackson in Aryani (2015) employee performance is related to how much they contribute to the organization including: Output Quantity, Output Quality, Output Period, Attendance and Cooperation Levels of all employees. Performance appraisals can be a major source of information and feedback for employees. These factors are key development for future employees. When supervisors identify weaknesses, potential and training needs through performance appraisals, they can notify employees of the employee's progress, discuss what skills are required and implement a performance development plan (Aryani, 2015).

Hasibuan (2012: 152) suggests Maslow's theory (1943), Maslow's Need Hierarchy Theory/A Theory of Human Motivation or Theory Maslow's Requirement Hierarchy. Maslow's Hierarchy of Needs is inspired by Human Science Theory by Elton Mayo. The hierarchy of needs follows the plural theory of a worker because of the impulse to meet the various needs. Maslow argues, one's needs are hierarchized.

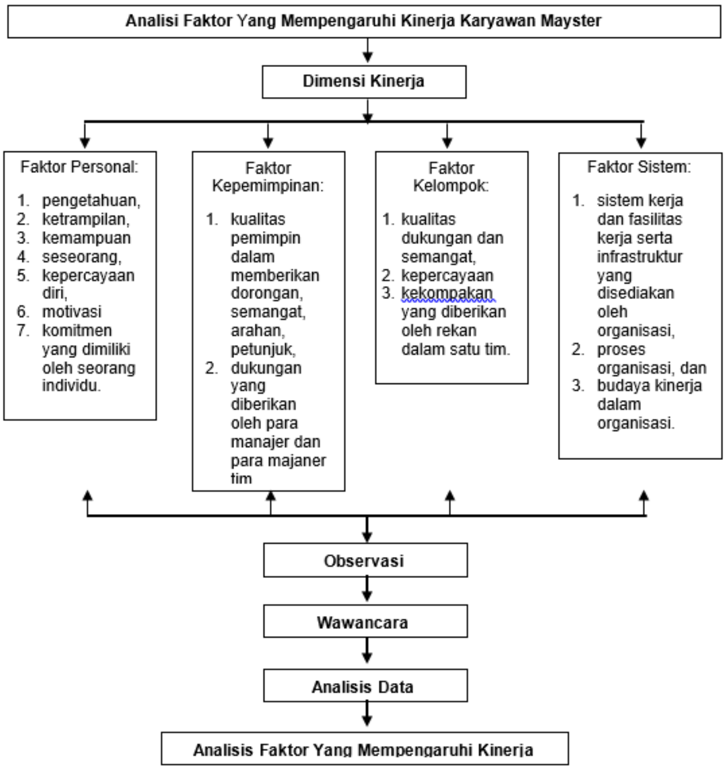

Figure 1. Model Analysis
Source: Primary Data, 2018.

RESEARCH METHODS

RESEARCH APPROACH

Using a qualitative approach, this descriptive study collects data through corporate documentation techniques and interviews.

PLACE AND TIME OF RESEARCH

Place of study covers Surabaya area. This is because Mayster store is in Surabaya area. The study took place from March 2017 to June 2017.

METHODS TAKE SAMPLES

This research uses purposive sampling. Samples that will be used as research materials are employees Mayster, Mayster owner, and experts in the field of Manpower.

METHOD OF COLLECTING DATA

According to Kuncoro (2013) personal interviews are interviews conducted between researchers with informants who are directed to obtain relevant information. Data collection techniques are observation and structured interviews.

VALIDITY AND RELIABILITY

According Sugiyono (2014) research results can be said to be valid if there is similarity between the data with the state of the object under study in the field. According Sugiyono (2014), a study is said to be reliable if others can repeat or replicate the research process. **The** research reliability test is supported by semi-structured interviewing techniques as a data source. It aims to enable auditors to audit data research reports.

DATA ANALYSIS
Researchers conducted data analysis with Miles & Huberman model in Burhan (2015: 92), among others: data collection, data reduction, data presentation, and conclusion

RESULT AND DISCUSSION OF DATA
PERSONAL FACTORS
Knowledge
Knowledge in the mastery of product or product knowledge is very important to know by the employees. Otherwise, the employee does not know how to offer product knowledge to the customer.

"I do not because in Mayster is not just a shoe washing service, too. So if customer pengin know shoe care, we give advice gimna how to ngerawat shoes. We do not just nyuci aja but love of knowledge about taking care of shoes. "(D-1, F-I, F3)
"Oh influential mbak, because if we do not apply Mayster menu itself will affect the same performance ya." (D-3, K-I, K3)

Fahmi (Mayster employee) mentions that knowledge of the products/services offered and knowledge of taking care of shoes is very important. Kevin confirmed that product/service knowledge affects performance: if employees do not remember the menu, then how can they offer other services.
Prima who is the owner of Mayster explains that knowledge about services affects performance. If you do not remember, customers are not sure to use Mayster services. As a result, employee performance will decrease. Saras, owner of Mayster, says it's highly unlikely that employees can offer and convince customers if they can not remember the menu. Experts in the field of human resources, namely Mr. Alexander W. mention that if the inability to master the product knowledge is fatal. Product knowledge in the form of tangible and intangible products.

Skills
Skills are indicators of personal factors of employees. Employees can have some skills because of talent. They can also master it because they learn certain skills constantly.

"Yes really very influential for example for detailing" (D-1, F-I, F4)
"Oh mbak effect because it can be our own inisitif kayak komplen resolve how according to the menu or provision Mayster gimna." (D-3, K-I, K4)
Fahmi mentioned that skills are very influential in performance such as detailing.

Detailing is a skill in washing. Skills in responding to complaints also need to be mastered by employees. This is because customers have different complaints. Prima explains that different employee skills will not be an obstacle. All employees follow the same training and learning according to their skills. Saras also confirmed that skills through Mayster training make skill between employees equal. This situation will not make a gap. Mr. Alex gave a statement that every employee has their own job desk and target. They perform tasks according to their job desk and target. Performance can be measured by how well employees complete the job desk or target. Every employee should be able to have the skills to make customers buy a product or service.

Ability

Ability is the same as skill: every employee must have certain ability according to company's SOP. Employee skills include both personal and external capabilities taught by the company.
Kevin, Mayster's employee, states that the most important ability to work is to serve customers or communicate well. Prima and Saras equally agree that the ability of each employee can be improved through training. Alex mentioned that the ability should be measured by job desk and target set by the company. This performance can be measured through target and employee job desk. Manager or CEO must know why an employee has decreased performance or cannot achieve the target set by the company.

Confidence

Confidence in working within a service company is necessary. If employees are not confident in serving or doing work, then they will not be able to meet their targets. As a result, their performance will decrease.

"If from there we need hours of flying as well, from the beginning we need meticulous and confident. So we go directly to direct washing we do not have to wash immediately clean, we need practice and thorough in every treatment we do. "(D-1, F-I, F6)
"Mayster implements SOPs that should result in maintenance in accordance with SOPs. So if we ourselves have not ngerjain as taught, will be maximized to do better. Of course work according to SOP will definitely affect the performance. "(D-3, K-I, K5)

Fahmi mentioned that in shoe care or serving customers must have confidence in the bomb. They must also be careful in doing shoe care. Research makes them good results when doing a washing. Kevin mentioned that employees must work according to SOP. Confidence affects employee performance.
Prima explains that confidence needs to be owned by employees. If employees are not confident in doing maintenance, they will not be able to work optimally. Saras supported the statement. Confidence makes employees can do a good job. Alex describes that employee confidence must be accompanied by employee confidence. For example, before employees offer such services, they must have used the product/service before. Employees must be confident and confident that the services they offer are good.

Motivation

Motivation to make employees in doing the job to be excited so that it will affect the performance they achieve

"Learning, learning, learning aja" (D-1, F-I, F7)

"First make experience, continue to study independently and not depend on my parents" (D-3, K-I, K6)
"Very influential mbak because the motivation itself makes the spirit of work" (D-3, K-I, K7)

Fahmi mentioned that his motivation in working is to learn to continue to produce maximum results. Kevin mentioned that he has the motivation to add experience and independence so he does not rely on parents.
Saras states that every employee has the motivation to work to work optimally. Prima also describes that the motivation between employees have similarities that both want to find experience, and learn independently from parents. If they do not work optimally, they will not be able to perform well. According to Mr. Alex, employee motivation in work can be seen from employee answers when given the question "What are you paying for?". From the answers of the employees can be found anything that makes them motivated so it will make them eager to work.

Commitment
Commitment relates to employee responsibilities with job description when starting work in a company.

"If from our personal Mayster nyelesainnya 3 days, so 2 days. His commitment to complete deadlines on time. "(D-2, F-I, F8)
"We have to commit in accordance with the contract and job desk we receive. So if we do not work according to job desk will affect our performance. "(D-3, K-I, K8)

Fahmi and Kevin describe the same thing that must be responsible and committed to meet the job description that has been given. By fulfilling the job description, their performance becomes better.
Alex explained that commitment has a close relationship with motivation. Both commitment and motivation are very influential on the quality of employee performance. Prima describes the commitment in the work of responsibility to fulfill all job description. If they do not work well and do not match the initial commitment, their performance will go down,

LEADERSHIP FACTOR
Leaders are very important role in an organization/Leader to be an example for all employees, a driver, encouragement and motivator for employees in carrying out their work.

"With the commission keep the spirit to all employees. Just so. "(D-2, F-I, F9)
"It's good because ngasihnya kayak already drop by ketoko, see the results, continue if it is all wrong often love my meal. So love the spirit. "(D-3, K-I, K9)

Fahmi explained that the existence of commission and spirit of the leader make employees become more enthusiastic in working. Kevin also said that the commission in the form of rewards or food given the owner after doing the control of the store and see all the work is terribly meaningful. It makes employees feel valued and happy. As a result, they are eager to work.
Saras provides encouragement and enthusiasm during meetings, or while it is controlling to see the employee's personal performance. Giving attention keeps employees happy in performing all tasks. Referrals and directions by the owner are given during small meetings and large

meetings. During the meeting they discussed the problems of late. After the direction or direction of the boss, his work is increasing.
Alex defines the difference between leader and leader. A good leader is a leader who is recognized by the employee. Leaders who can be recognized, trusted, will make them respected. The leader must have a familial character. The direction and direction of a leader should be simple and clear. Clear and simple directives make employees understand and avoid a rigid misconception or mindset.

GROUP FACTORS
Quality Support And Spirit
Support and encouragement among employees in a group is very important in a company. The support and encouragement of partners can be a factor that leads to better employee performance compared to the lack of support and encouragement from their partners.

"We every problem there can not be brought to work. If there is a problem and can not control it later it will be very influential, "(D-2, F-I, F11)
"What is certain to help each other, so make all the responsibilities not shared one person. So very influential for my performance mbak. "(D-4, K-I, K11)

Fahmi mentioned that the work partner usually gives support and encouragement. It is important for employees to see the nature of their partners. If there is a problem outside of work, it is important to solve the problem first. This is done to keep professionalism working. Kevin also outlined that support and encouragement can be in the form of providing help in work.
Prima in the interview said that the relationship between the partner part-time work and the employees of the consignment partner is very influential in the performance of the employees. Saras in the interview also mentioned that support and passion can make employees become more leverage in work.

Cohesiveness and Trust

> *"Trust is built every day. Although we only work part-time, but we also have to build kinship so we can say so well so we can solve the problem well in kinship. "(D-2, F-I, F12)*
> *"Mutually backup and remind each other. The partner is very influential in the work. "(D-4, K-I, K12)*

Trust and cohesiveness among employees is necessary. Fahmi mentioned that although only a part-time partner, the employee must build kinship. Cohesiveness and trust can be done through mutual back-ups and reminders.
Prima describes that cohesiveness and cooperation among employees is important and affect the performance of employees. Cohesiveness needs to be built by employees. If all employees are compact, problems can be solved directly. Saras mentions the same thing: if employees trust each other then work will become easier to work on. As a result the performance of employees to be better.
Alex mentioned that the support and passion in a group is very influential. Many companies rarely measure employee performance satisfaction and customer satisfaction. Trust and cohesiveness absolutely affect the performance of employees.

SYSTEM FACTORS
Work system

"If from my own if perl dah not fit fit, then we report. We must first confirm to the manager to be replaced. If you already do not use it must be very influential for performance. "(D-2, F-I, F14)
"It is very influential because if a washing equipment there is already using will make the old job selesei and can make our performance down." (D-4, K-I, K13)

Fahmi mentioned that the existing system on Mayster is good, but must first confirm to the manager for the replacement of washing equipment if the equipment is not feasible to use must be very influential for performance. Kevin also mentions the same thing: worn out washers make work difficult to do quickly. This situation can make the performance of employees to be down.
Systems and facilities are good but they still have to be improved. Saras mentions that work will be maximized if the facility is good.
Mr. Alex mentions that employees do not want a convoluted work system. The facilities provided by the company according to the grade of each employee: the higher the employee grade, the more rewards can be obtained.

Organizational Process
"The process in the organization is good and structured, but there are still some that need attention." (D-2, F-I, F15)
"In the organization, the process of becoming more skilled in doing the treatment has to be a lot of practice." (D-4, K-I, K14)

The Mayster employee explained that Mayster's organizational process is good and structured. However, there are several issues to be considered. Prima and Saras mention that if there are obstacles in the process of organization or wrong treatment, the problem becomes the responsibility of the employee. This affects performance.
Mr. Alex describes that the system must be synchronized so as to produce a process that is not convoluted. It is important to consider the balance between responsibility and authority.

Organizational Performance Culture

> *"Timeliness is very necessary, opening hours must be in accordance with the existing system. If it takes 30 minutes before it's ready. "(D-2, F-I, F16)*
> *"Discipline, timely, deadlines already applied. That certainly does not upset the customer. So educate me to be on time to continue working according to deadlines. "(D-4, K-I, K15)*

Fahmi considers that the organizational culture formed in Mayster is timeliness or discipline. Kevin says that that discipline, punctuality and work deadlines become a Mayster organizational culture.

Prima and Saras mentioned that Mayster's organizational culture is discipline, hard work, diligence, kinship, and high initiative. Indeed not all Mayster employees know the Mayster culture. The disciplined and timely culture will make their performance even better.

Alex mentioned that culture is created by top management, culture has emerged within the company. Do not let the leader order something that he himself did not do, do not get disciplined just for the employee but the owner does not. Create a culture that is most comfortable, but not as arbitrary. Flexible but have an integrity.

CONCLUSIONS AND SUGGESTIONS

CONCLUSION

Based on the results of research conducted through interviews, the conclusions in this study are as follows:

1. Mayster Employees, Owners Mayster and HR experts stated that personal factors in the form of knowledge, skills, abilities, confidence, motivation and commitment of employees in the work influenced the performance they produce. If there are any personal employee issues, then their performance will certainly decrease.
2. Mayster employees, Mayster Owners and HR experts state that leadership factors such as leader quality, support, passion, direction, and guidance provided by the Mayster owner greatly affect employee performance.
3. Mayster employees, Mayster Owners and HR experts stated that group factors such as support, enthusiasm, trust and cohesiveness among employees affect the performance of Mayster employees.
4. Mayster Employees, Mayster Owners and HR experts state that system factors comprising systems, facilities, and organizational culture affect employee performance.

SUGGESTION

Based on the results of research and conclusions that have been done, researchers can provide suggestions as follows:

1. for the company. Mayster must keep an employee performance evaluation at the end of each month to determine the level of increase or decrease in performance in certain months and categories, so that managers and owners can provide solutions to the decline in employee performance that occurs continuously.
2. for the next researcher. For further research it is advisable to use quantitative methods to examine the factors that affect employee performance.

RESEARCH LIMITATIONS

In this study there are limitations of research related to the interpretation of the researcher about the meaning implied in the interview so that the tendency to bias still exists. The results of this study cannot be generalized to other companies.

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FACTORS AFFECTING PURCHASE BEHAVIOR FURNITURE IN INSTAGRAM (STUDY ON IFURNHOLIC CONSUMERS)

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ABSTRACT

Online purchases are currently an attractive choice amidst individual activities. People need to be careful and cautious when choosing and buying furniture. Purchasing furniture online makes consumers able to make perceptions based on images without seeing the physical furniture itself. This study uses the Ifurnholic Instagram account as an object in research. Ifurnholic is an Instagram account used to sell furniture with high sales turnover. The sale of furniture by Ifurnholic has a rapid development because it can sell 1000 furniture boxes at a price of one million. The researcher is interested in studying the factors that influence buying behavior on Ifurnholic Instagram. The purpose of this study is to determine the effect of behavioral attitudes significant on Infurnholic customer intentions, significant subjective norm influences on Infurnholic customer intentions and the significant influence of perceived behavior behavior on Infurnholic customer intentions. This study uses a quantitative approach. After having a set of classification schemes, the researcher measures the size or distribution of these traits among certain group members. The behavioral controls that Infurnholic's customers have are right because they have behavioral control to decide for themselves which products are good and which are not.

Keywords: Theory Planned Behavior, Furniture Online, Purchasing Behavior

INTRODUCTION

According to the data from the State Ministry of Communication and Information processed by the Indonesian Internet Service Providers Association (APJII) it is known that in Indonesia today internet users in Indonesia in 2010 reach 54.68% of the total population of Indonesia (Sumber APJII, 2017). In general, social media is defined as an online media that supports social interaction. Social media uses Web-based technology that transforms communication into interactive dialogue (Khairuni, 2016). Instagram is one of the social media applications that provide attractive services by showing various photos. One of the interesting features of Instagram is that photos on Instagram have a square shape and are similar to Kodak Instamatic and Polaroid. The image ratio on Instagram is very different from the general photo ratio of 16: 9 as is usually used by cellphone cameras (Salbino, 2014).

Theory planned behavior (TPB) is an alternative approach to understanding planned consumer decision making (Ajzen, 2015). Behavioral plan theory explains several factors that influence buying behavior such as behavioral attitude, subjective norm, perceived behavioral control, intention purchase. The latter means buying behavior, process or activity that is carried out by someone when searching, choosing, buying, using, and evaluating a product or service to meet their needs and desires (Gabriel & Kolapo, 2015). This study uses the Ifurnholic Instagram account as an object in research. Ifurnholic is an Instagram account used to sell furniture with high sales turnover. The sale of furniture by Ifurnholic has a rapid development because the company can sell 1000 boxes of furniture at a price of one million. Turban, *et al.*, (2004) describes the risks faced by consumers online. The first risk is the incompatibility of the product ordered with the image displayed. Online purchases are currently an attractive choice because of the busyness of individuals. On the other hand, to choose and buy furniture, consumers must be prudent and careful. Based on the description above, researchers are interested in studying the factors that influence buying behavior on Instagram Ifurnholic. The title of the research is "Factors that influence the buying behavior of furniture on Instagram (Study on Ifurnholic consumers)"

LITERATURE REVIEW

PREVIOUS STUDIES

Research by Furaiji, *et al.*, (2012) with the title An Empirical Study of the factors Influencing Consumer Behavior in the Electric Market Appliques is to determine the factors that influence consumer preferences and behavior in the electric equipment market in Iraq. The data used to analyze the factors that influence the consumer purchasing decision making process are obtained through a questionnaire. The research analysis technique is multiple linear regressions. This study shows that, social factors, physical factors, and marketing mix elements are strongly related to consumer buying behavior. This analysis makes it possible to find consumer decision-making rules. The results of this study can be used to help producers and retailers in understanding consumer behavior and increase customer satisfaction.

Wang (2014) conducted a study with the title Consumers' Purchase intentions of Shoes: Theory of Planned Behavior and Desires Attributes. This study aims to identify factors that influence consumer purchasing decisions. Wang's research data collection technique was obtained through a questionnaire involving 450 consumers from three different sales centers. The analysis technique is the Independent T-Test through the SPSS 17.0 application. Wang's research found that consumers who had higher buying intentions had better attitudes, subjective norms, and behavioral control compared to consumers who had a lower interest in buying. Based on this, the attitude, norms and control of consumer behavior can have an influence on purchase intentions.

LITERATURE REVIEW

Peter & Olson explained that behavioral intention is a plan to do one or more behaviors or commonly referred to as a decision plan (Eryadi & Yuliani, 2016). In the buying process, buying interest can be interpreted as a plan to make purchases in a product. Behavioral Attitude or attitude is defined as a state of mental readiness that is how individuals react or behave towards certain objects. Attitudes are often based on the intention to do or not do something. Attitude is a psychological tendency which is expressed by evaluating various specific entities through various measures such as feelings of liking or dislike (Kotler, 2016). Subjective norms (SN) are opinions that are close/important to individuals and who influences them in making their decisions. Subjective norms can influence behavior indirectly to shape attitudes (Kim & Han, 2010). Perceived behavioral control is an individual's perception of the difficulties of carrying out certain behaviors (Ajzen, 2015).

Perceived behavior control (BC) refers to an individual's perception of possible difficulties when performing behavior. The new mass media has several characteristics that are different from the previous mass media. New media is more individualized, more diversified and more interactive. One example of new media is the existence of the internet (Morissan, 2014).

Instagram is an online social media base where the participants can easily communicate by sharing pictures and photos. Instagram was discovered on October 6, 2010. Instagram means an application in a smartphone that contains photos and videos and is linked to social elements to share photos and videos. Instagram owners let others see photos and videos posted, like or comment on (Monocolumn, 2012 in Goenawan, 2015).

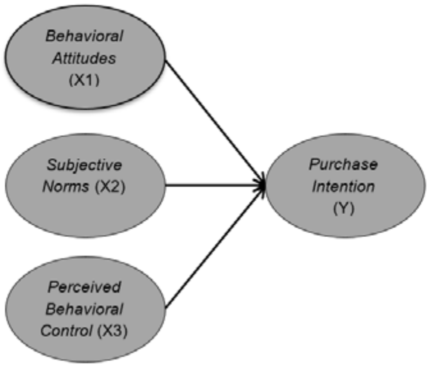

Figure 1 Analysis Model
Source: Primary Data, 2018.

Based on the formulation of the problem and the framework of this research, the authors formulate the following hypothesis:

H1: Behavioral Attitudes significantly influence Purchase Intention
H2: Subjective Norm has a significant effect on Purchase Intention
H3: Perceived Behavior Control has a significant effect on Purchase Intention

RESEARCH METHODS

RESEARCH APPROACH

This study uses a quantitative approach, namely research that presents a further stage of observation. This type of research includes causal research.

PLACE AND TIME OF RESEARCH

The research was conducted in Surabaya took two months which took place from April 2018 to May 2018.

SAMPLE DETERMINATION METHOD

The population of this study is 475,000 Ifurnhollic Instagram followers at this time. This study has 3 independent variables and 1 dependent variable. Meanwhile, this study uses 80 samples.

SAMPLE TECHNIQUES

Data were collected through surveys on respondents using a questionnaire. The questionnaire consists of a set of questions formulated so that respondents record their answers openly and provide several alternative answers (Silalahi, 2012). In this study, the research instrument uses a Likert scale with a range of five: strongly agree, agree, neutral or doubtful or doubt, disagree, and strongly disagree.

DEFINITION AND MEASUREMENT OF VARIABLES

Table 1 Definition and Measurement of Variables

Variable	Indicators
Behavioral Attitude (X1) is a psychological tendency expressed by evaluating certain entities through various measures in the form of likes or not (Kotler, 2016).	1. Interesting 2. Important 3. Usability 4. Fun 5. Suitability with business 6. Good idea 7. Good for me 8. Spending free time
Subjective norm (X2) is an opinion felt by others that is close/important to the individual and influences his decision making. (Kim & Han, 2010)	1. Family perception 2. Friends 3. Other community members 4. Intensity of purchases made
Perceived behavioral control (X3) is an individual's perception of possible difficulties that can be faced when performing certain behaviors (Shin & Hancer, 2016)	1. Control owned 2. Willingness to do something 3. Authority in doing something 4. Perceptions held about something
Purchase Intention (Y) is a plan to do one or more behaviors or commonly referred to as a decision plan (Eryadi & Yuliani, 2016).	1. Product Information 2. Desire 3. Interested 4. Purpose of purchase

Source: Primary Data, 2018.

VALIDITY AND RELIABILITY TEST

The questionnaire is said to be valid (legitimate) if the questions in the questionnaire are able to express what is measured (Santoso, 2012: 271). After the r value (correlation coefficient) between the indicator and the total indicator is obtained, the next step is to compare the results of the calculation value with the r value in the crisis value table and at the significance level of 0.05 with the decision making criteria. The questionnaire can be said to be reliable (reliable) if someone's answer to the question is consistent or stable over time (Santoso, 2012: 271). The reliability test of this study uses the Alpha Cronbach approach with decision-making criteria.

DATA ANALYSIS

Multiple Linear Regression

The multiple linear regression model in this study was compiled using unstandardized regression coefficient B (for simultaneous influence analysis) and standardized beta (for partial influence analysis). The multiple linear regression formula is as follows (Hartono, 2013): $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$

Classic assumption test

Normality test

The normality test is done to find out whether the residual is normally distributed or not. Data is said to be normally distributed if the significant value is greater than 0.05. Tests performed to see normality are using the Kolmogorov-Smirnov test.

Multicollinearity Test
A good regression model should not have an independent variable correlation. Multicollinearity test is done by looking at the value of tolerance and VIF (Variance Inflation Factor) through SPSS software. If the tolerance number is greater than 0.10 and has a VIF value of less than 10, then it is concluded that the data does not occur Multicollinearity (Soewito, 2013).

Heterocedasticity test
Heteroscedasticity test is a condition where there is a variance inequality of residuals for all observations in the regression model. The method of testing heteroscedasticity of this study is the Glejser test. The Glejser test is carried out through the regression results of the independent variable of the absolute residual value. The provisions used are not heteroscedasticity if the significant value of the t test obtained is more than 0.05.

Autocorrelation Test
Autocorrelation test is used to determine whether or not there is a deviation from the classic autocorrelation assumption, namely the correlation that occurs between residuals in an observation with other observations in the regression model. If there is autocorrelation, the equation becomes unfit for use as a prediction. Whether or not autocorrelation is detected using the Durbin-Watson test, if the Durbin-Watson value is between du <Durbin Watson <4-du, autocorrelation does not occur.

Linearity test
This test is conducted to determine whether the independent variable has a linear or non-linear influence on the dependent variable. If the linearity test results state that the regression line is linear, then the linear regression model can be used to analyze data. Linearity test is done by the Test for linearity contained in SPSS software. The decision making criteria use the price of the significance coefficient. If the significance value of linearity is less than 5%, then the relationship between variables is linear.

Hypothesis testing
Decision making with provisions 1) If the significance value according to the calculation results is greater than the value of the level of significance, H0 is accepted and H1 is rejected. 2) If the significance value according to the calculation results is smaller than the level of significance value, then H0 is rejected and H1 is accepted.
Decision Making F Test is 1) If the significance value according to the calculation results is greater than the value of the level of significance, H0 is accepted and H1 is rejected. 2) If the significance value according to the calculation results is smaller than the level of significance value, then H0 is rejected and H1 is accepted.
The coefficient of determination is used to show the magnitude of the contribution of variable X to variable Y. The value of R^2 is between 0 and 1 which means that if $R^2 = 1$, it means that the independent variable is able to explain the dependent variable 100% and the model approach used is appropriate. If $R^2 = 0$, it means that the independent variable is unable to explain the dependent variable. The higher the R^2 value and or the closer to 1, the better the model used

FINDINGS AND DISCUSSIONS
A GENERAL DESCRIPTION OF THE COMPANY
Ifurnholic is an Instagram account used to sell furniture with high sales turnover. The sale of furniture by Ifurnholic has a rapid development because it can sell 1000 furniture boxes at a

price of one million. Various furniture equipment for sale in Ifurnholic include cabinets, tables, chairs, beds, shelves, makeup, and many others.

RESEARCH RESULT

Test Validity and Reliability

Table 2 Test of Behavioral Attitude Validity (X1)

Question Item	*Pearson Correlation*	*Pearson Correlation significance*	**Description.**
I think making an ifurnholic purchase on Instagram is interesting	0.755	0.000	Valid
I think making an ifurnholic purchase on Instagram is very important	0.769	0.000	
I think Instagram has many uses, one of which can make infurnholic purchases on Instagram	0.771	0.000	
I'm happy to buy infurnholic on Instagram	0.696	0.000	
Purchasing infurnholic on Instagram suits my business	0.798	0.000	Valid
I made an infurnholic purchase on Instagram a good idea	0.804	0.000	
Infurnholic sold on Instagram is good for me	0.706	0.000	
I did a look at Infurnholic on Instagram to fill my free time	0.672	0.000	

Source: Primary Data, 2018.

Based on the results of the validity test in Table 5.8, it is known that the Pearson correlation significance value of each statement representing the Behavioral Attitude variable (X1) has a value less than the critical value used, which is 0.05 (α = 5%). These results indicate that each statement used to explain the Behavioral Attitude variable (X1) is a valid statement.

Table 3 Subjective Norm Validity Test (X2)

Question Item	*Pearson Correlatio n*	*Pearson Correlatio n significanc e*	**Descriptio n.**
My family's perception of infurnholic purchases on Instagram is good	0.735	0.000	Valid
I bought infurnholic on Instagram recommendations from friends	0.728	0.000	
People around my house often make infurnholic purchases on Instagram	0.808	0.000	
I often make infurnholic purchases on Instagram	0.655	0.000	

Source: Primary Data, 2018.

Based on the results of the validity test shown in Table 5.9, it is known that the pearson correlation significance value indicated by each statement representing the Subjective Norm variable (X2) has a value less than the critical value used, i.e. 0.05 (α = 5%) . It can be concluded that each statement used to explain the Subjective Norm (X2) variable is a valid statement

Tabel 4 Uji Validitas *Perceived Behavioral Control (X3)*

Question Item	***Pearson Correlation***	***Pearson Correlation significance***	**Description.**
I have control to make infurnholic purchases on Instagram	0.811	0.000	Valid
I have the willingness to buy infurnholic on Instagram	0.788	0.000	
I have the authority to make infurnholic purchases on Instagram	0.745	0.000	
I have a good perception of infurnholic on Instagram	0.651	0.000	

Source: Primary Data, 2018.

Based on the results of the validity test shown in Table 5.10, it is known that the pearson correlation significance value indicated by each statement representing the Perceived Behavioral Control (X3) variable has a value less than the critical value used, i.e. 0.05 (α = 5%) It can be concluded that each statement used to explain the Perceived Behavioral Control (X3) variable is a valid statement.

Table 5 Purchase Intention (Y) Validity Test

Question Item	***Pearson Correlation***	***Pearson Correlation significance***	**Description.**
After getting various information about infurnholic on Instagram, made me want to buy	0.674	0.000	Valid
I will try to buy infurnholic on Instagram	0.738	0.000	
I am interested in buying furniture on Instagram	0.732	0.000	
I want to know more details related to Infurnholic purchases on Instagram	0.655	0.000	

Source: Primary Data, 2018.

Based on the results of the validity test shown in Table 5.11, it is known that the pearson correlation significance value indicated by each statement representing the Purchase Intention (Y) variable has a value less than the critical value used, i.e. 0.05 (α = 5%) . It can be concluded that each statement used to explain the Purchase Intention (Y) variable is a valid statement.

Tabel 6 Uji Reliabilitas Penelitian

Variable	**Cronbach Alpha Values**	**Description**
Behavioral Attitude (X1)	0.886	Reliable
Subjective Norm (X2)	0.708	Reliable
Perceived Behavioral Control (X3)	0.741	Reliable
Purchase Intention (Y)	0.644	Reliable

Source: Primary Data, 2018.

Referring to the results of the validity and reliability tests that have been explained in each statement in Behavioral Attitude (X1), Subjective Norm (X2), Perceived Behavioral Control

(X3), and Purchase Intention (Y) variables, it is known that all statements used in this study has fulfilled the requirements of validity and reliability. Statements in this study can be further analyzed.

Multiple Linear Regression Analysis

Table 7 Analysis of Multiple Linear Regression

Independent Variable	Regression Coefficient
Constant	0.582
Behavioral Attitude (X1)	0.177
Subjective Norm (X2)	0.205
Perceived Behavioral Control (X3)	0.533

Source: Primary Data, 2018.

Based on table 5.13 the regression equation is obtained as follows:

$$Y = 0{,}582 + 0{,}177X1 + 0{,}205X2 + 0{,}533X3$$

In accordance with the regression equation that has been formed can be explained that:
1. A constant value of 0.582 indicates the amount of purchase intention (Y) is not influenced by behavioral attitude (X1), subjective norm (X2), and perceived behavioral control (X3). That is, if purchase intention (Y) is not influenced by behavioral attitude (X1), subjective norm (X2), and perceived behavioral control (X3) equals zero, then purchase intention (Y) is 0.582.
2. Behavioral attitude (X1) regression coefficient value of 0.177 indicates a positive directional influence on behavioral attitude (X1) on purchase intention (Y). This means that if the behavioral attitude (X1) increases by one unit, then the purchase intention (Y) will increase by 0.177, with the assumption of subjective norm (X2) and perceived behavioral control (X3) is fixed.
3. The subjective norm (X2) regression coefficient value is 0.205. This shows the subjective norm (X2) gives a positive directional effect on purchase intention (Y). This means that if the subjective norm (X2) rises by one unit, then the purchase intention (Y) will increase by 0.205 with the assumption that the amount of behavioral attitude (X1) and perceived behavioral control (X3) are fixed.
4. The regression coefficient value of perceived behavioral control (X3) of 0.533 shows that perceived behavioral control (X3) has a positive directional effect on purchase intention (Y). If perceived behavioral control (X3) increases by one unit, then purchase intention (Y) will increase by 0.533 with the assumption that the amount of behavioral attitude (X1) and subjective norm (X2) are fixed.

Table 8 t test

Independent Variable	Regression Coefficient	*Standard of Error*	t_{hitung}	Sig. Values (0,05)
Behavioral Attitude (X1)	0.177	0.064	2.748	0.007
Subjective Norm (X2)	0.205	0.054	3.780	0.000
Perceived Behavioral Control (X3)	0.533	0.066	8.103	0.000

Source: Primary Data, 2018.

1. Based on the results of the t test it can be seen that partially the Behavioral Attitudes variable (X1) has a positive and significant effect on Purchase Intention (Y). This is because the

Behavioral Attitudes variable has a t-statistic value of 2.748 with a significance level of 0.007 which is less than 0.05.
2. Based on the results of the t test it can be seen that partially the Subjective Norm variable (X2) has a positive and significant effect on Purchase Intention (Y). This is because the Subjective Norm variable has a t-statistics value of 3.780 with a significance level of 0.000 which is less than 0.05.
3. Based on the results of the t test it can be seen that partially the Perceived Behavior Control variable (X3) has a positive and significant effect on Purchase Intention (Y) because because the Perceived Behavior Control variable has a t-statistic value of 8.103 with a significance level of 0.000 which is less than 0. 05.

Tabel 9 F test

Model	***Mean Square***	**Sig**
Regression	7.919	0.000
Residual	0.044	

Source: Primary Data, 2018.

Based on Anova test, the calculated F value is 181.124. The significance value is 0,000 or less than 0.05. Thus it can be concluded that the suitability of variables can be explained by the Purchase Intention (Y) variable can be explained by Behavioral Attitudes (X1), Subjective Norm (X2), Perceived Behavior Control (X3) variables significantly influence the Purchase Intention (Y). Based on the table above, the significance value according to the calculation results is smaller than the level of significance value, then H0 is rejected and H1 is accepted.

Table 10 Determination Coefficients

Model	**R**	**R Square**
1	0.918	0.843

Source: Primary Data, 2018.

Based on the table above can be seen the magnitude of R2 is equal to 0.843 which means that 84.3% of Purchase Intention (Y) variables can be explained by Behavioral Attitudes (X1), Subjective Norm (X2), Perceived Behavior Control (X3) variables, while the remaining 15.7% is explained by other variables outside the model examined in this study. In addition, the R2 value is 0.843 or close to the number 1. This illustrates that the equation model built is good enough.

Classic Assumption Test

Table 11 Normality Test

	Unstandardized Residual
N	105
Kolmogorov Smirnov	1.055
Asymp.Sig	0.215

Source: Primary Data, 2018.

The results of the normality test showed the Kolmogorov Smirnov 1.055 value with a significant 0.215, where the value was greater than 0.05. So it can be concluded that the residuals are normally distributed.

Tabel 12 Multicollinearity Test

Independent Variable	VIF	*Tolerance*
***Behavioral Attitudes* (X1)**	3.543	0.282
***Subjective Norm* (X2)**	2.065	0.484
***Perceived Behavioral Control* (X3)**	3.287	0.304

Source: Primary Data, 2018.

Based on Table 5.18 above, the tolerance value X1 is 0.282, X2 is 0.484 and X3 is 0.304. When viewed from the value of tolerance, those variables are free from multicollinearity. The VIF X1 value is 3.543, X2 is 2.065 and X3 is 3.287. Based on the results of the multicollinearity test shows the tolerance value ≥ 0.10 or VIF ≤ 10. This means that the VIF value of each variable <10, the independent variable is free from multicollinearity

Table 13 Test of Heteroscedasticity

Model		Unstandardized Coefficients		Standardized Coefficients	t	Significance
		B	Std. Error	Beta		
	(Constant)	0.227	0.082		2.764	0.007
1	Behavioral Attitudes	-0.020	0.037	-0.099	-0.533	0.595
2	Subjective Norm	0.032	0.031	0.146	1.033	0.304
3	Perceived Behavior Control	-0.030	0.038	-0.138	-0.776	0.440

Source: Primary Data, 2018.

Based on the results of the gletjer test the significance value is more than 0.05. This indicates that the data in this study has met the heteroscedasticity test. Therefore, it can proceed to testing the next classical assumption, namely testing the assumption of autocorrelation.

Tabel 14 Autocorrelation Test

Model	Durbin Watson	du	4-du
1	2.016	1.7617	2.2383

Source: Primary Data, 2018.

This autocorrelation test was carried out using the Durbin Watson Test method. Based on the table above, the durbin-watson value of 2.016 is between 1.7617 and 2.2383. This means that there is no autocorrelation in the research data.

Table 15 Linearity Behavioral Attitudes Test on Purchase Intention

			df	F	Sig.
Purchase Intention * Behavioral Attitudes	Between Groups	(Combined)	20	10.929	0.000
		Linearity	1	208.433	0.000
		Deviation from Linearity	19	0.534	0.939
	Within Groups		84		
	Total		104		

Source: Primary Data, 2018.

Based on Table 5.20, it is known that the relationship between Behavioral Attitudes to Purchase Intention has a significant effect of linearity <0.05 so it can be stated that there is a linear relationship between Behavioral Attitudes and Purchase Intention.

Table 16 Subjective Norm Linearity Test for Purchase Intention

			df	F	Sig.
Purchase Intention * Subjective Norm	Between Groups	(Combined)	11	17.265	0.000
		Linearity	1	156.589	0.000
		Deviation from Linearity	10	3.336	0.001
	Within Groups		93		
	Total		104		

Source: Primary Data, 2018.

Based on the Table 5.21, it can be seen that the relationship between the Subjective Norm to Purchase Intention has a significant value of linearity <0.05 so it can be stated that there is a linear relationship between the Subjective Norm and Purchase Intention.

Table 17 Perceived Behavior Control Linearity Test of Purchase Intention

			df	F	Sig.
Purchase Intention * *Perceived Behavior Control*	Between Groups	(Combined)	10	38.940	0.000
		Linearity	1	382.766	0.000
		Deviation from Linearity	9	0.737	0.674
	Within Groups		94		
	Total		104		

Source: Primary Data, 2018.

Based on Table 5.22, it can be seen that the relationship that occurs between Perceived Behavior Control on Purchase Intention has a significant value of linearity <0.05. It can be stated that there is a linear relationship between Perceived Behavior Control and Purchase Intention.

THE EFFECT OF INTER VARIABLE

Based on the results of hypothesis testing shows that the purchase intention has a t-statistic value of 2.748 with a significance level of 0.007 which is less than 0.05. So it can be concluded that behavioral attitudes (X1) have a positive and significant effect on purchase intention (Y).

The results of this study are consistent with research conducted by Prasastyo (2015) which shows that behavioral attitudes have a significant effect on purchase intention. Because attitude can make individuals have thoughts and tendencies in themselves related to an object that is expressed with a feeling of likes or dislikes so that the purchase intention or purchase intention arises.

Based on the results of testing the hypothesis shows that the purchase intention has a t-statistics value of 3.780 with a significance level of 0.000 which is less than 0.05. It can be concluded that the subjective norm variable (X2) has a positive and significant effect on purchase intention (Y). The results of this study are in accordance with the research conducted by Wang, *et al.*, (2015) which shows that subjective norms have a significant effect on purchase intention. Consumer perceptions of the social pressures they derive from the social environment affect them on purchasing decisions. The desire to buy from Infurnholic consumers can arise due to several factors, one of which is due to recommendations from friends. Recommendations from friends make consumers more confident to buy furniture products from Infurnholic. They have the intention to buy these products.

Based on the results of hypothesis testing shows that the purchase intention has a t-statistic value of 8.103 with a significance level of 0.000 which is less than 0.05. It can be concluded that the perceived behavioral control (X3) variable has a positive and significant effect on purchase intention (Y). Perceived behavioral control has two aspects, namely how much the individual feels has control over behavior and how individuals feel they have the confidence to do or not do a behavior. The higher the control that an individual feels in making a purchase, the stronger the individual's behavior drives.

Table 18. Implikasi manajerial

Before Research	After Research
Subjective Norm.	
I think Instagram has many uses, one of which can make infurnholic purchases on Instagram	Instagram as an image-based social media, prioritizes visual communication. Then on every picture of uploaded furniture must be as attractive as possible. With Furniture photo shoot with certain themes and interesting Caption will make a positive netizen response.
I did a look at Infurnholic on Instagram to fill my free time	Need a more interesting concept on every post picture furniture. To attract more followers and consumers for Stalking on the Ifurnholic Instagram account. In the Research Results, the indicator "Filling your free time" gets a low score, this means netizens are less interested in stalking the Ifurnholic account. Like making a dramatic post, with an interesting and sequential storyline connecting in the next caption. This will make netizens curious to wait for the next Ifurnholic post.
Infurnholic sold on Instagram is good for me	Interactive to consumers needs to be done to get good feedback, consumers need to be assured that the furniture they choose is good for them. Trying to answer coment or greet customers in the private massage feature
Perceived Behavioral Control	
My family's perception of infurnholic purchases on Instagram is good	The results of the study showed that family perceptions, close friends, and other members of the community regarding furniture to be purchased influenced the purchasing decision. Therefore it is necessary to hold frequent exhibitions, open booths at bazaar events, to introduce more Ifurnholic products to the public. To be able to see the physical directly (offline).

	Ifurnholic customers also get influence from people around the house who have bought Ifurnholic products. So it is very important to pay attention to maintaining the quality of Ifurnholic products. This is used by customers to see directly the product to be purchased
People around my house often make infurnholic purchases on Instagram	Interactive with consumers via Instagram chat or promos through images posted to foster a good influence on Ifurnholic products. Make aftersales service with Whatsapp or email application service that contains update information directly to the customer's personal massage.
Perceived Bahavioral Control	
I have a good perception of ifurnholic on Instagram	The trust that the community has given by Ifurnholic must always be taken care of. From image quality on Instagram, Feedback to customer comments until the product sent must satisfy the customer. This makes the perception of Ifurnholic always good in society.
Purchase Intention	
I am interested in buying furniture on Instagram	Grow emotional ties with consumers through images on the Ifurnholic Instagram account. Making a really different concept about the promotion of its products, which can stimulate consumers to reply / comment on posting the promo. If consumers are more interested in the content presented, then consumers will increase their loyalty.
After getting various information about infurnholic on Instagram, made me want to buy	Picture information which is complete with the size of furniture and use must be considered more. To add information that can. for consumers. Posting pictures with detailed sizes of furniture and discounted prices will make the customer satisfied to know the product details.

CONCLUSIONS AND SUGGESTIONS

CONCLUSION

This study concludes 1) behavioral attitude has a significant effect on Infurnholic customer purchase intention. 2) subjective norms have a significant influence on Infurnholic customer purchase intention. 3) perceived behavioral control has a significant influence on Infurnholic customer purchase intention.

SUGGESTIONS

The suggestions for this research are as follows: 1) Control of Infurnholic customers' behavior is right, this is because customers can decide for themselves which products are good and which are not. 2) This research must also be refined by further research. Improvements include adding respondents. This is because the population of the Ifurnholic Instagram account continues to grow rapidly. In addition, the area for distributing questionnaires needs to be expanded to get better research results.

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