

The Efforts of Increasing the Number of Consumers Reviewing From the Aspect of Business Competition in Pt. Duta Tangkas Utama (DTU) Pondok Batu Central Tapanuli Regency

KAHARUDDIN¹, ROSMITA AMBARITA², FAUZIAH NUR SIMAMORA³

STIE Al WASHLIYAH SIBOLGA
simamorakaharuddin63@gmail.com
STIE Al WASHLIYAH SIBOLGA
rosa_ambar@yahoo.com
STIE Al WASHLIYAH SIBOLGA
Fauziahnur95@gmail.com

Abstract

This study aims to determine the effect of business competition (competitive) on the increase in the number of consumers at PT. Duta Tangkas Utama (DTU) Pondok Batu, Central Tapanuli Regency by drawing the hypothesis that there is an effect of business competition (competitive) on the increase in the number of consumers at PT. Duta Tangkas Utama (DTU) Pondok Batu, Central Tapanuli Regency.

The results showed a positive relationship between business competition (competitive) with an increase in the number of consumers at PT. Duta Tangkas Utama (DTU) Pondok Batu, Central Tapanuli Regency, is 0.24 (24%), so that if it is interpreted on a value scale it can be categorized as low. The regression equation obtained is $Y = 28.03 + 0.24 X$ which shows the effect of business competition (competitive) on the increase in the number of consumers. The results of the *t* test indicate that the proposed hypothesis is accepted as true, where $t \text{ count } 1.9995 > t \text{ table } 1.9980$ which means that the variable increase in the number of consumers will increase by the regression coefficient/slop (0.24) if the business competition variable (competitive) is added to the one unit.

While the coefficient of determination is known that business competition (competitive) only plays a role of 5.87% to the increase in the number of consumers at PT. Duta Tangkas Utama (DTU) Pondok Batu, Central Tapanuli Regency and the remaining 94.13% is influenced by other factors not examined.

Keywords: Business competition (competitive), increasing, number of consumers

Date of Submission: 20-12-2021

Date of Acceptance: 04-01-2022

I. Introduction

In the era of globalization, there are more and more products or services that compete in one market due to market openness. Companies that want to survive must have more value that makes the company different from other companies. The added value offered will further provide stability to consumers and potential customers to transact or encourage old consumers to transact again.

Companies that can survive are companies that have the ability to continuously improve competitiveness (competitiveness). The company's (competitive) business competition is the company's advantage and strength in achieving long-term goals for strategic market planning. The company's competitive returns are long-term and cumulative. Customers who feel a competitive advantage will be loyal and repurchase the company's products/services and recommend positive things about the company to other customers. Companies that are able to compete in the market are companies that can provide quality products or services. Companies are required to continue to make improvements, especially in the quality of their services. This is so that all goods or services offered will have a good place in the eyes of the public as consumers and potential consumers. Because consumers in choosing goods and services are based on motivation which will affect the type and taste of the goods and services they buy.

The ice bar industry is an industry that combines products and services. In the capture fisheries industry market, the products sold are in the form of quality resistance of ice bars which are sent according to the delivery schedule with all existing facilities, while the services sold are the hospitality and skills of the company's staff/employees in serving their customers. The development of ice bars can be seen with the increasing number of ice factories in Central Tapanuli Regency and specifically the sales area in Sibolga City.

The increase in the number of ice factories resulted in business competition. This can be observed in the ice factory business which offers various kinds of facilities and tries to provide services and increase business competition (competitive).

Every company must set the right price in order to be successful in marketing a product or service. The price is closely related to the facilities provided. A consumer will not pay more if the facilities he gets are not worth the money he spends. Companies that set prices too high with poor facilities and services will cause the company's business competition to decline.

PT. Duta Tangkas Utama (DTU) is located in Pondok Batu in the Nusantara Fisheries Port area, this company has a short reach in terms of shipping ice bars to consumers who are in the Nusantara Fisheries Port area and to Tangkahan fish located in the South Sibolga and Sibolga Sambas sub-districts which is the center of the capture fisheries industry. By understanding the business competition (competitive) owned by the company and accepted by consumers, it has an effect on increasing the number of consumers.

Based on the description above, the authors are interested in conducting research on efforts to increase the number of consumers in terms of business competition (competitive) at PT. Duta Tangkas Utama (DTU) Pondok Batu, Central Tapanuli Regency.

II. Review Of Literature And Hypotheses

Consumers are an important factor in companies, because with consumers, companies can sell, market and offer their products. In the Constitution No. 8 of 1999; LN Year 1999 No. 42 explaining about consumer protection states that the definition of consumer (Article 1 point 2) is as follows: " *Every person who uses goods and services available in the community, both for the benefit of himself, his family, other people and other living creatures and not for trade.* "

Consumer Role

According to Tjiptono (2005:41) the role of consumers consists of the following:

Users , are people who actually (actually) consume or use the product or get the benefits of the product or service purchased.

- a. *Payer* , is the person who funds or finances the purchase.
- b. *Buyer* , is a person who participates in procuring products from the market.

Consumer Types

The types and behaviors of consumers according to Tjiptono (2005:41) are as follows:

- a. End consumers or household consumers
- b. Business consumers (also called organizational consumers, industrial consumers, or intermediate consumers)

Consumer Buying Interest

Consumer buying interest is something obtained from the learning process and thought processes that form a perception. Buying interest according to Oliver (2006: 78) is to create a motivation that continues to be recorded in his mind and becomes a very strong desire which in the end when a consumer has to fulfill his needs will actualize what is in his mind.

Consumer Purchase Interest Indicator

According to Ferdinand (2002:129), buying interest can be identified through several indicators, namely transactional interest, referential interest, preferential interest, and exploratory interest. Zyman (2000:126) states that competition in the context of marketing is a situation where companies in certain product or service markets will show their respective advantages, with or without being bound by certain regulations in order to reach their customers. Porter (2005: 134) states that continuous competitive advantage is an advantage that has no time limit, in contrast to a momentary competitive advantage. So sustainable competitive advantage is an advantage that has a very long period of time.

Marketing strategy

A marketing strategy is an "action plan" that marketing managers want to follow. This action plan is based on an analysis of the company's situation and objectives. There are 2 (two) types of factors (variables) faced by marketing managers in their planning strategies, namely *controllable* factors and *uncontrollable* factors .

Companies are required to be able to formulate and create an appropriate competitive strategy to be able to beat rivals in competence. One of the five competitive advantages that can be used to excel in business competition is product quality. A product is said to be of high quality if the product can meet the needs and exceed consumer expectations, and meet the dimensions of quality in terms of performance, features, reliability, conformance, durability, service ability.), aesthetics (aesthetics), and perceived quality (perceived quality).

While the dimensions of quality for services can be measured from: direct evidence (tangibles), empathy (empathy), reliability (reliability), responsiveness (responsiveness), and assurance (assurance).

Strategies that can be done to improve the quality of the company's products are through product research and development, product life cycle observations, total quality management, product attributes and product differentiation. The purpose of quality improvement is to keep products in demand, purchased and consumed by consumers so that the company's goals to exist, grow, and develop can be achieved.

III. Methods

The research design used is descriptive correlational research design, which describes and provides an explanation of the relationship between variable X (*independent*) as the independent variable and variable Y (*dependent*) as the *dependent* variable. Where the independent variable is business competition (competitive) and the dependent variable is the number of consumers.

The location of the study was on PT. Duta Tangkas Utama (DTU) and at the Tangkahan Sibolga location having its address at the Sibolga Nusantara Fisheries Port Jln. Gatot Subroto Pondok Batu, Central Tapanuli Regency.

The population in this study were all consumers in Pondok Batu, Central Tapanuli Regency and Sibolga as many as 65 consisting of 20 tangkahan and 45 individual consumers. The samples in this study were 65 (ten) consumers.

The research instruments used are:

a. Questionnaires

This technique is done by distributing a list of questions to all respondents. The number of questions is adjusted to the predetermined indicators, so each question consists of 5 answer options using a Likert scale.

b. Observation (Observation)

Is a direct observation of the company to obtain data - data and practical experience obtained by the author.

c. Interview (*Interview*)

To conduct direct interviews with all subjects who were sampled in the study. Data like this is called primary data.

Technique of data collection

The data and information presented are primary and secondary data, namely:

a. Library Research (*Library Research*)

Library research is research conducted by reviewing literature books and other sources that are relevant to the research, whether it is in the library or elsewhere in order to obtain a foundation that supports thesis writing.

b. *Field Research* (*Field Research*)

Field research is research that is directly carried out at the PT. Duta Tangkas Utama (DTU) Pondok Batu and consumers related to research, including:

a. Questionnaire. This technique is done by distributing a list of questions to all respondents.

b. Observation, namely direct observation at the office to obtain data - data and practical experience obtained by the author.

c. Interviews, namely holding direct interviews with the subjects who were the samples in the study. Data like this is called primary data.

IV. Results And Discussion

Duta Tangkas Utama ice factory was established by Mr. H. Ir. Kasmir Batubara as the owner with founding deed number 2 dated February 1, 1991 by notary Hj. Zahara Pohan, SH in Jakarta. The deed of establishment of a legal entity has been approved by the Minister of Justice of the Republic of Indonesia, dated October 11, 1994, number: C215275 HT.01.01.th.94, and has been operating since 1996 with a business license number: 333/T/Industri/2,000 dated June 6 2,000.

In the first year of operation this company had a production capacity of $\pm 1,200$ sticks per day. Along with the development of technology and the company's success rate from year to year, now production has reached $\pm 2,700$ sticks per day. In carrying out its operations, PT. DTU, absorbs labor from the community around the factory to work as respondents, this is intended to foster a sense of belonging in the respondents. Thus the respondents took part in maintaining the factory because they were in the environment where the level was as a respondent. Until now, the Duta Tangkas Utama ice factory still produces ice bars to serve the needs of fishermen and ship fish out of town.

Respondents Descriptive Analysis

The instrument used in this study was a questionnaire, based on the tabulation of the results of the questionnaire, a general description of the characteristics of the respondents was obtained. The characteristics of

the respondents in this study were based on gender, last education and age, while the data analysis of respondents at PT. Duta Tangkas Utama which is classified according to the level of education of employees, age level, and gender can be seen in tables 2, 3, 4 below:

Table 2. Respondent Data PT. Main Tangkas Ambassador by education

No	Educational level	Amount	Percentage
1	S-1 education	4 people	6 %
2	Diploma III Education	9 people	14%
3	High school education	52 People	80%
Amount		65 People	100%

Source: PT. The Ultimate Agile Ambassador, 2020

From the data in table 2 above, it can be seen that respondents with an undergraduate education level of 4 people (6%) and respondents with a Diploma level of education as many as 9 people (14%). respondents with high school education level 52 people (80%).

Table 3. Data of respondents PT. Main Agile Ambassadors by age

No	Age	Amount	Percentage
1	20 - 25Years	13 people	20%
2	26 - 40 Years	35 People	54%
3	Over 40 Years	17 people	26%
Amount		65 People	100%

Source: PT. The Ultimate Agile Ambassador, 2020

From the data in table 3 above, it can be seen that the respondents with an age range of 20 to 25 years are far less than those in the age range of 26 to 40 years and above 40 years with a comparison of 20% with 54% and 26%.

Table 4. Data of Respondents PT. Main Agile Ambassadors by gender

No	Gender	Amount	Percentage
1	Man	56 People	86%
2	Woman	9 people	14%
Amount		65 People	100%

Source: PT. The Ultimate Agile Ambassador, 2020

From the data in table 4 above, it can be seen that there are more male respondents than female respondents, namely 86% compared to 14%.

Data Analysis Results

Data analysis is a process of describing the findings obtained from the respondents' answers to be studied. In this study the data analyzed about business competition (competitive) to the increase in the number of consumers at PT. Main Agencies Ambassador. The data analyzed is data developed from interviews and questionnaires, for certain things that are not clearly carried out through interview observations. The author conducted research on the relationship of business competition (competitive) to the increase in the number of consumer employees at PT. Duta Tangkas Utama, through the method:

Data analysis through observation

To see directly the situation and the actual situation as comparison data with the information obtained from this study. Furthermore, the results of the observations made by the author during the research are that the activities carried out by employees are systemized and professional so that they can increase competitiveness (competitiveness) in the market. The factory is located in the area of the archipelago's fishing port where in that area there is a fishing port and other tangkahans, so it is very close to the market. The number of consumers in the area is busy both as fish catching entrepreneurs and fish delivery businesses. There are no competitors in this area, only outside, namely PT. Putra Ali Sentosa and PT. Fertile Blooming Eternally.

Data analysis through interviews

The data obtained through interviews are:

1) The business competition variable (competitive) applied by PT. Main Agencies Ambassador.

In the application of business competition (competitive) as a consumer attraction is to improve the quality of the product of ice sticks. Besides the affordable price, and the position close to the activities of the capture fishing industry. The factory capacity is 2700 sticks per day, the price of ice bars produced by PT. Duta Tangkas Utama and other competing companies are limited by the association of Sibolga and Central Tapanuli ice bar producers and others to a maximum of Rp. 16,000/stem. To determine the price of ice bars, each producer varies, including the terms of payment. The price of a stick at PT. Duta Tangkas Utama is multi-storey with a range between Rp. 13,000 – Rp. 14,000,-. Rp. 13,000, if the payment is cash and a minimum of 100 sticks. Rp. 13,500, is the price if the payment is due for 1 month and a minimum of 100 sticks, the price is Rp. 14,000, if the payment is due in 1 month and the purchase is under 50 to 100 sticks. While the price of ice bars competitors such as PT. Sure Rp. 13,000 cash, PT. Dawn Blooms Eternal Rp. 13,000 -13,500, PT. Indah Abadi Mela Rp. 13,000,- - 13,500 and PT. Prima Mina Nusantara set a price of Rp. 13,500 -14,000,-.

The price applied by the ice bar producers in Sibolga and Central Tapanuli is almost the same and is below the maximum price set by the association close to the market. Location of PT. Duta Tangkas Utama (DTU), which is not slum, is located in the industrial area of the archipelago's fishing port, the activity of loading ice bars is close to the dock and unloading fish from the ship is directly packed by the fish sender and then the expedition is accepted for shipping purposes. This activity is the competitiveness of PT. Duta Tangkas Utama to its market in the Pondok Batu Fishing Port area, Central Tapanuli Regency.

Variable increase in the number of consumers.

An increasing the number of consumers at PT. Duta Tangkas Utama can be seen from the declining sales realization . After the decision of the Minister of Fisheries No. 02 of 2015 concerning the prohibition of trawling in all Indonesian waters, so that many ships stop their activities, especially fishing trawlers With many fishing trawlers discontinuing their activities, the market share is getting smaller so that the competition is getting tougher, marked by several ice factories stopping operations, as a result the market balance will be back coupled with changing the function of fish trawls to be trawling malong.

Table 5. Increasing Number of Consumers and Demand for Ice Batang Pada PT. Duta Tangkas Utama

No	Year	Number of Consumers	Number of Requests (bar)	Total Sales (Rp)	Information
1	2017	108	553,329	6,639,948,000	-
2	2018	75	492,284	5,907,408,000	(61,045)
3	2019	80	436,239	6,107,346,000	(56,045)

Source: PT. Main Agile Ambassador (2020)

From the data in table 5, it can be explained that the increase in the number of consumers decreased by 32 consumers for 2018 and in 2019 the number of consumers increased by 5 consumers, as well as total demand and sales for 2018 there was a decrease of 61,045 cigarettes and for 2019 a decrease of 56,045 cigarettes. While the total sales turnover for 2018 decreased by Rp. 732,540,000, - and in 2019 there was an increase of Rp. 199.938.000,-. This is because the selling price per stick has increased from the prices in 2017 and 2018 of Rp. 12,000 per stick while for 2019 the price is Rp. 14,000, resulting in a sales turnover even though total demand declined that year.

Correlation coefficient

To find out whether there is a correlation between business competition (competitive) (variable X) and an increase in the number of consumers (variable Y), the values from the table above can be entered into the following formula :

$$\begin{aligned}
 r_{xy} &= \frac{n \sum xy - (\sum x)(\sum y)}{\sqrt{\{n\sum x^2 - (\sum x)^2\} \cdot \{n\sum y^2 - (\sum y)^2\}}} \\
 &= \frac{65(92.048) - (2483)(2406)}{\sqrt{\{65(95441) - (2483)^2\} \cdot \{65(89.614) - (2406)^2\}}} \\
 &= \frac{5.983.120 - 5.974.098}{\sqrt{(38.376)(36.074)}} \\
 &= \frac{9.022}{\sqrt{1.384.375.824}} \\
 &= \frac{9.022}{37.207,20} \\
 &= 0,24
 \end{aligned}$$

From the calculation above, it can be seen that there is a positive relationship between business competition (competitive) and an increase in the number of consumers by 0.24. To be able to give an interpretation of the strength of the relationship, the guidelines in the following table can be used:

Table 6. Level of interpretation of r value

The value of r	Interpretation
Between 0.800 to 1.00	Tall
Between 0.600 to 0.800	Enough
Between 0.400 to 0.600	Slightly Low
Between 0.200 to 0.400	Low
Between 0.000 to 0.200	Very low (not correlated)

Source: Suharsimi Arikunto (2006:245)

Based on table 6, the correlation coefficient found is 0.24 including the low category. So there is a low and positive relationship between the influence of business competition (competitive) with an increase in the number of consumers at PT. Main Agencies Ambassador.

Simple Linearity Regression

Furthermore, to determine the linearity relationship can be proven by a simple linear regression formula as follows:

$$\begin{aligned}
 Y &= a + b(X) \\
 b &= \frac{n(\sum xy) - (\sum x)(\sum y)}{n(\sum x^2) - (\sum x)^2} \\
 b &= \frac{65(92.048) - (2483)(2406)}{65(95.441) - 2483^2} \\
 &= \frac{5.983.120 - 5.974.098}{6.203.665 - 6.165.289} \\
 &= 9022 / 38376 \\
 &= 0,24 \\
 a &= (\sum y - b\sum x) / n \\
 &= \frac{2406 - (0,24)(2483)}{65} \\
 &= 1822, 25 / 65 \\
 &= 28,03
 \end{aligned}$$

From the calculation above, the following regression equation can be obtained : $Y = 28.03 + 0.24 X$, this means that the effect on the dependent variable (increase in the number of consumers) is determined by the independent variable (competition of business (competitive)) with a regression coefficient by 0.24 or 24%, where if one unit of variable X (competitiveness) or a certain value is added, it will increase the Y variable (Increase in the number of consumers) by a regression coefficient of 0.24 or multiplied by that particular value.

Coefficient of Determination

Furthermore, to determine the magnitude of the effect of business competition (competitive) on the increase in the number of consumers at PT. Duta Tangkas Utama can be done using the coefficient of determination formula (r^2) as follows:

$$\begin{aligned} \text{KD} &= r^2 \times 100\% \\ &= 0.24^2 \times 100\% \\ &= 5.87\% \end{aligned}$$

From the calculation above it can be obtained a coefficient of determination of 5.87%, this means that what occurs in the variation of the dependent variable (Increase in the number of consumers) 5.87% is determined by the independent variable (competition of business (competitive)) and the rest is 94.13% determined by other factors not discussed by the author.

Hypothesis Testing (-t Test)

To test whether the correlation coefficient obtained is significant or not, it is necessary to test the hypothesis using the formula:

$$\begin{aligned} t &= \frac{r\sqrt{(n-1)}}{\sqrt{1-r^2}} \\ &= \frac{0,24\sqrt{(65-1)}}{\sqrt{1-(0,24)^2}} \\ &= \frac{1,9398}{\sqrt{0,9412}} \\ &= 1,9398 / 0,9701 \\ &= 1,9995 \end{aligned}$$

From the above calculation, then the t value is compared with the t table value. To find out whether the proposed hypothesis is rejected or accepted, it can be known in the following ways: Comparing the calculated t value with the t table value with the following conditions:

- a. If t count is greater than t table, then the alternative hypothesis (H_a) is accepted.
- b. If the value of t count is less than t table, then the alternative hypothesis (H_a) is rejected.

After being compared, the results show that the t-count value is greater than the t-table value or $1.9995 > 1.9980$. Because the t-count value is greater than the t-table value, the alternative hypothesis (H_a) is accepted.

V. Conclusion

Based on the description from the results of the research on the effect of business competition (competitive) in increasing the number of consumers at PT. Duta Tangkas Utama (DTU), it can be concluded as follows

1. Based on the correlation coefficient obtained by 0.24, it can be said that there is a low and positive relationship of 0.24 between the application of business competition (competitive) to the increase in the number of consumers at PT. Main Agencies Ambassador.
2. The regression equation obtained $Y = 28.03 + 0.24 X$ which shows the effect of business competition (competitive) in increasing the increase in the number of consumers will increase by a coefficient (0.24) if the business competition variable (competitive) is added by one unit.
3. Based on the t-test conducted on the proposed hypothesis, it can be accepted, where t-count is greater than t-table, namely $1.9995 > 1.9980$, which means that there is an effect of business competition (competitive) on the increase in the number of consumers at PT. Main Agencies Ambassador.
4. Based on the analysis of the coefficient of determination obtained by $0.587 = 5.87\%$, this means that the model's ability to explain variations in the increase in the number of consumers by the business competition variable (competitive) is 5.87% at PT. Duta Tangkas Utama, while the rest are explained by other variables that are not included in the model of 94.13%.

Reference

- [1]. Arikunto, S. (2010) Research procedure a practical approach. *Jakarta: Rineka Cipta*, 152
- [2]. Day and Wensley. 2008. *Marketing Strategy And Program First Edition First Printing*. Yogyakarta: Andi Offset.
- [3]. Ferdinand, Augusty. 2000. Structural Equation Modelling in Management Research. Magister Programme University Diponegoro. Semarang
- [4]. Sugiyono, J. (2008). Statistics for research.
- [5]. Oliver, R. L. (2006). Customer satisfaction research. *The handbook of marketing research: Uses, misuses, and future advances, 1*.
- [6]. Porter, M. E. (2005). *Estrategia y ventaja competitiva*. Deusto.
- [7]. Sugiyono. 2017. Quantitative, Qualitative, and R&D Research Methods. Bandung : Alfabeta, CV.
- [8]. SHOR, Mikhael; OLIVER, Richard L. Price discrimination through online couponing: Impact on likelihood of purchase and profitability. *Journal of Economic Psychology*, 2006, 27.3: 423-440.

- [9]. Triandewi, E., & Tjiptono, F. (2013). Consumer intention to buy original brands versus counterfeits. *International Journal of Marketing Studies*, 5(2), 23.
- [10]. Zyman, S., Leonard-Barton, D., & Sway, W. C. (1999). *The end of marketing as we know it* (p. 272). New York: HarperBusiness.

KAHARUDDIN, et. al. "The Efforts of Increasing the Number of Consumers Reviewing From the Aspect of Business Competition in Pt. Duta Tangkas Utama (DTU) Pondok Batu Central Tapanuli Regency." *IOSR Journal of Business and Management (IOSR-JBM)*, 24(01), 2022, pp. 39-46.