Market Potentials Analysis of Frozen Seafood in Surabaya by Market Segmentation

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ABSTRACT

Indonesian Government has continued to encourage the community to increase fish consumption in order to reduce dependency on the beef and chicken consumption. Until now recorded that the domestic market has been able to absorb 85 percent of production volume of processed fishery, but the orientation of the manufacturers of processed foods is still on exports because they considered the potential of foreign markets are much more profitable than the domestic market. Many processed foods or frozenfoods sold in the market dominated by chicken meat. Therefore need to know about the wishes of the community of frozen seafoods. So this research conduct to know the potential domestic's market on frozen seafoods in Surabaya. The result gives three factors that formed as the market segment identifier: i.e. factor quality products material referred to is quality of "Halal", factor packaging as well as the type and heavy. Based on these factors formed two segments; the first segment is a segment with consumers despite all factors, the second segment with the consumers that concerned all of factors. And the team recommended marketing strategy aiming for consumers of segment 2.

KEYWORDS: frozen seafoods, Halal, market, segment.

1. INTRODUCTION

Seafoods has good nutrient content for consumption, along with this Indonesian Government has continued to encourage the community to increase fish consumption in order to reduce dependency on the beef and chicken consumption.Surabayaas a citythat located on the seashore, has a potential of marine products such as frozen seafoods.This does not preclude prossed to producing a result of the sea with the great capacity, the overflowing result of the sea can be consumed directly or by process it as frozen seafoods.

Until now chicken meat is still dominated processed foods,in order to increase consumption of seafood especially fish it is necessary to findout the desire of people about processed seafood's with an affordable price. It is very interesting to research where the result of the sea was distributed and in what form. Therefore, research is conducted by market segmentation to arrange marketing strategy. The segmentation analysis can help to identify a market in terms of desire, purchasing power, purchasing behavior and purchasing habits.

2.   MATERIALS AND METHODS

2.1. Source of data

Thedata on this research is the primary data obtained through surveys. The responden of this survey arerespondentwho bought frozen seafood at super markets in Surabaya listed on Table 1.

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Table1 The Place of Survey

Place	Number of Respondent
Carrefour BG Junction	30
Giant Arief Rahman Hakim	15
Giant Margorejo	36
Superindo Plaza Surabaya	17
Hypermart Royal Plaza	17
Hero Tunjungan Plaza	15

2.2. Research Variables

Variables of this research are perception and interest variables.

- Perception variables are the variable explain about Consumer opinion, both in terms of products, the prices etc. By using a likert scale of measurement 1 to 5 (irrelevant to very appropriate) such on Tabel 2.

TableError! No text of specified style in document.**.**Perception Variables

Code	The Thing into consideration
D1	Price according the quality
D2	Flavors offered
D3	Product types and variety
D4	Net weight variation
D5	Quality products offered
D6	Packaging wrapping
D7	Quality guarantee (Halal certification)

- Interest variables includes about how importance the consumers consider these things in Table 3 when will buy frozen seafood. By using a likert scale of measurement 1 to 5 (not very important to very important)

Table3 TheInterest Variables

Code	The Thing into consideration of Frozen seafoods
E1	More healthy
E2	"Halal" certified
E3	The Ingredient
E4	Popularity of brands
E5	Eco-friendly product packaging materials
E6	There is a date expires
E7	Fast food
E8	Can be stored for a long time

Mmethods of analysis used here are correspondence, analysis, factor and cluster analysis and Gap Analysis.

Correspondence analysis used for the result types and the preference of frozen food, the analysis factor to find the factors for clustering the respondent and then find the market segment . While the gaps analysis used to know the relation between ssatisfaction and interests on frozen seafood products.

3. RESULTS

Figure 1 shown the correspondence between types and preference of frozen foods.
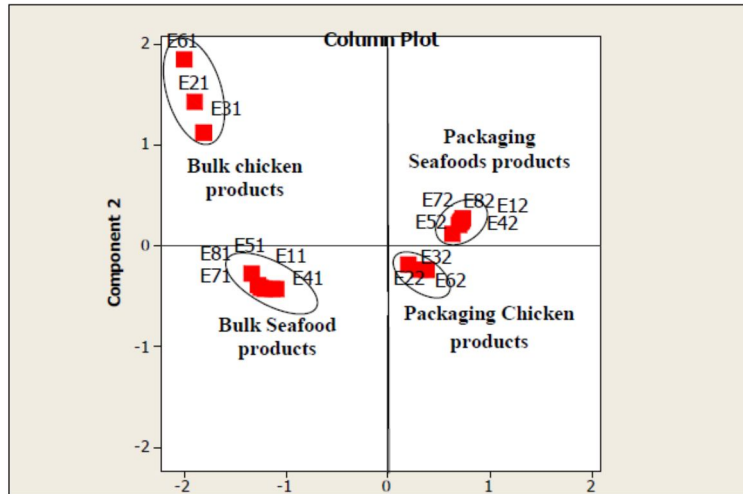
E11:   Preference of More Healthy not important
E12:   Preference of More Healthy important
E21:   Preference of "Halal" Certified not important
E22:   Preference of "Halal" Certified important
E31:   Preference of Ingredient product not important
E32:   Preference of Ingredient product important
E41:   Preferenceof Popularityof Brands not important
E42:   Preference of Popularityof Brands important
          Preference of   Eco-friendly product packaging materials   not
E51:   important
          Preference   of   Eco-friendly   product   packaging   materials
E52:   important
E61:   Preference of There is a date expires not important
E62:   Preference of There is a date expires important
E71:   Preference of Fast food not important
E72:   Preference of Fast food important
E81:   Preference of can be stored for a long time not important
E82:   Preference of can be stored for a long time important

Figure 1 The Correspondence of Types and Preference of frozen food

The result of factor analysis given below is make a grouping the interest indicators. Table 4 show the 3 cumulative eigen value is 81.34% ; it means that the indicators can be explained by those three factors formed.

Table 4 The Result of Factor Analysis

Component	Total Eigen value	Prosentase of Variance	Cumulative
1	4.140	59.136	59.136
2	0.867	12.388	71.524
3	0.564	8.064	81.344

The factor analysis give a result of the consumer interests grouping indicators on frozen seafoods, formed three factors.

Table 5 shown that the first factor consist of four indicators, the second factor two indicators and the last factor consist of one indicator.
-    The indicators of first factor are Indicator D1 (Price according the quality), D2 (The flavours offered), D5 (The quality products offered) and D7 (Quality guarantee : "Halal" Certification)

- The indicators of second factor are Indicator D3(Product types and variety) and D4 (Net weight variation)
- The indicators of third factor is IndicatorD6 (Packaging).

TableError! No text of specified style in document.**.**Loading Factor

Indicators	1	2	3
D2	0.865	0.312	0.073
D5	0.858	0.027	0.353
D1	0.742	0.485	0.070
D7	0.606	0.365	0.290
D4	0.369	0.784	0.138
D3	0.143	0.780	0.383
D6	0.244	0.314	0.884

These three factors then named each : First Factoras Product Quality factor, Second FactorasTypes and Weight factor and the third factor as Packaging factor.

The cluster analysis used to make a group of respondent by the proximities about those factors after consuming the frozen seafoods. There formed two groups; the first group cosist of 22 respondent and other group about 78 respondent.

Table6. Final Cluster Center

	Cluster/Group	
	1	2
Factor 1	-0.45767(NI)	0.12909(I)
Factor 2	-0.58899(NI)	0.16613(I)
Factor 3	-1.65527(NI)	0.46687(I)

NI : not Important, I : Important

Table6showed that the respondent on the first cluster/group assume that the quality, weight and packaging factors are not important,but not so in the second groups. The respondent very concern about those three factors.

The gapanalysis to analyst the gap between the satisfaction and the interest of the perception variables on frozen seafood. By this analysis can be seen the position of perception indicators into four quadrant.
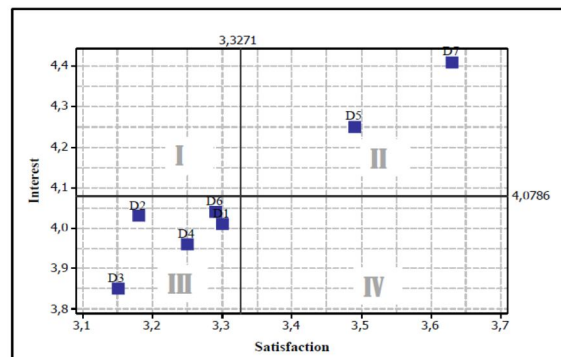
D1	Price according the quality
D2	Flavors offered
D3	Product types and variety
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FigureError! No text of specified style in document.**.**GAP of Frozen Seafood

Figure 2 shown the gap of frozen seafoods. There's no indicators on the quadrant I, it doesn't mine because there are no priority for improving indicators. Two indicators in quadrant II show that these indicators have high interest and high satisfaction on frozen seafood, and the indicators are Quality product and Quality guarantee must be maintained. The indicators in quadrant III are Price according the quality, Flavors offered, Product types and variety, Net weight variation and Packaging wrapping, not to be came a priority but still need to improved for added value. There's no product in the quadrant IV, it'smean there are no indicators considered excessively.

The gap analysis give the result that the respondent very concern on the product quality and the quality guarantee ("Halal" certification) while the price, flavour, weight and packaging are not the main focus in purchasing frozen seafoods.

4. DISCUSSION

The result above given three factors of marking segment for analysing market segmentation and perform two target market segments with difference characteristics.

The first segment is a segment where *not concern* about Product Quality factor, Types and Weight factor and Packaging factor.The second segment is a segment *very concern* with those three factors and is confirmed by the result of gap analysis that respondent very concern on the product quality and the quality guarantee ("Halal" certification).

5. CONCLUSION

The market potential for frozen seafood in Surabaya is a second segment with the market segment concern about Product Quality factor, Types and Weight factor and Packaging factor.

6. ACKNOWLEDGEMENT

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