The Conceptual Idea of Strategy to Increase Sales of Traditional Wet Cakes in Gunungkidul Regency

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Abstract

Traditional food is one of the characteristics of a region. The marketing of traditional cakes is often done using traditional methods. Wet cakes are cakes with a soft, moist, and tender texture. These cakes are usually made for traditional ceremonies, rituals, or celebrations, as well as for daily snacks. This article aims to provide advice and input to traditional wet cake MSME actors to improve their sales. The methods used are literature study and interviews with business owners. The problem framework offered to increase sales includes product innovation, brand usage and registration, marketing development through promotion, and packaging improvement. MSME actors of traditional wet cakes can coordinate with relevant organizations such as Directorate General of Intellectual Property for trademarks, Health Office for Food and Beverage Business Licensing (PIRT), Industry, Cooperatives, SMEs, and Manpower Gunungkidul Regency Office for packaging, MSME communities, and partnerships with souvenir shops regarding marketing and promotion, as well as conducting product innovation trials to enrich product variations.

Keywords: Gunungkidul; Sales; Strategy; Wet Cakes

Introduction

Indonesia consists of various regions, diverse ethnic groups that have various characteristics including in their traditional foods. Traditional food is a cultural heritage of a region and strengthens the identity and food sovereignty of the community (García-Barrón et al., 2021). With a very large number, there are more than 5,300 traditional culinary delights that are the original foods of the Indonesian nation (Parantika & Jenica, 2022). Traditional food is defined as products that are often consumed or associated with customs/celebrations and/or specific seasons, usually passed down to the next generation, made using specific methods according to gastronomic heritage, with little or no processing/manipulation, distinguished and known for their sensory characteristics, and associated with a particular region or country (García-Barrón et al., 2021; Guerrero et al., 2009). Culinary or traditional food is often also referred to as market snacks/Jajana Pasar (Andriani et al., 2021). Currently, traditional food has become one of the attractions for tourism and provides a unique experience for tourists (Wicaksono & Fatimah P.L, 2021). Over the past decade, the increasing interest in traditional food has become a major concern.
for consumers, food producers, and governments worldwide (Barska & Wojciechowska-Solis, 2018). Even culinary delights are made into a separate tourism with the culinary tourism slogan and appear in official agendas, such as the Kampoeng Tempo Doelo Festival and the Bukittinggi Food Festival in Jakarta, the Sate and Soto Nusantara Festival in West Sumatra, the Bakso and Mie Nusantara Festival in Tangerang, the Teluk Jailolo Culinary Festival in North Maluku, and the Rujak Uleg Festival in Surabaya (Angelin, 2020).

Gunungkidul is a regency that is currently developing its tourism sector, ranging from beach tourism, caves, village tourism, to special interest tourism (Saputri & Widyaningsih, 2020). The abundance of interesting tourist spots will lead to an increase in tourist visits to the area (Putra & Desi, 2021). Gunungkidul receives more tourists every year (has a positive trend). Based on data from the Performance Report of Government Agencies (LKjIP) published by the Dinas Pariwisata Gunungkidul Regency dan BPS Gunungkidul Regency, the trend of the number of tourists entering in the last 6 years until the end of 2023, as listed in Table 1. The potential of Gunungkidul can be utilized for culinary development, as food expenditure is the highest contributor to tourist expenditure, reaching one-third of the total expenditure (HALL, 2003). This is in line with the changing trend of tourists who are willing to come to an area to enjoy the local specialties, even willing to pay a high price for them (Rismiyanto & Danangdjojo, 2015).

<table>
<thead>
<tr>
<th>Year</th>
<th>Tourists</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3,040,095</td>
</tr>
<tr>
<td>2019</td>
<td>3,267,497</td>
</tr>
<tr>
<td>2020</td>
<td>1,981,599</td>
</tr>
<tr>
<td>2021</td>
<td>1,937,635</td>
</tr>
<tr>
<td>2022</td>
<td>3,106,772</td>
</tr>
<tr>
<td>2023</td>
<td>3,447,743</td>
</tr>
</tbody>
</table>

One type of traditional snack is “kue basah” or wet cakes (Karlita et al., 2022). Wet cakes is a type of cake that has a soft, moist, and tender texture (Anisa et al., 2022). These cakes are usually made for traditional ceremonies, rituals, celebrations, and daily snacks (Pamungkas et al., 2023). Nowadays, most people are more familiar with modern snacks than traditional ones (Karlita et al., 2022). The main challenge for developing traditional wet cake into food souvenirs is their short shelf life (Anisa et al., 2022), and similar to other SMEs, marketing is a challenge (Hafsa, 2004). Additionally, to support the success of traditional food, community support is needed because people tend to prefer internationally marketed and networked food products (Wilk, 1999; Blakey, 2012 in Harsana & Triwidayati, 2020).

The emergence of various tourist villages in Gunungkidul has made local food increasingly known to both local and international tourists (Saputri & Widyaningsih, 2020). Like other regions, traditional wet cakes in Gunungkidul has the potential to be developed into culinary tourism and souvenirs, including "Apem Java Cake," "Lapis Cake," and "Apem Conthong Cake" (corn-based cakes wrapped like trumpets). These cakes have been developed as commercial products and are regularly present at traditional ceremonies/events. When they become commercial products, the methods used are still traditional methods, packaging is in the form of plain plastic or cardboard, the brand is still the owner's name, and it has not been registered with the Directorate General of Intellectual Property Rights of the Ministry of Law and Human Rights. Marketing is still limited to the surrounding area. According to data from https://jogjaki.jogjaprov.go.id/, Intellectual Property Rights data on business actors in Gunungkidul Regency are only 190, far behind other districts and cities, as summarized in Table 2.
Table 2. Intellectual Property Rights Data for Business Actors

<table>
<thead>
<tr>
<th>Regency/City</th>
<th>IP Business Actors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yogyakarta</td>
<td>1.175</td>
</tr>
<tr>
<td>Sleman</td>
<td>1.494</td>
</tr>
<tr>
<td>Bantul</td>
<td>1.112</td>
</tr>
<tr>
<td>Kulonprogo</td>
<td>242</td>
</tr>
<tr>
<td>Gunungkidul</td>
<td>190</td>
</tr>
</tbody>
</table>

One of the original sources of revenue in Gunungkidul Regency is the tourism sector. However, this situation is not accompanied by an improvement in the quality of the culinary subsector. According to the Tourism Profile Book of Gunungkidul Regency (2022), the food subsector only contributes 27.3% to the creative industry and needs to improve its product quality to meet international standards. With the favorable tourism conditions in Gunungkidul, traditional wet cakes can seize the opportunity to emerge as one of the tourist's preferred culinary souvenirs, thus reaching new customers. Considering this, development is needed so that these traditional wet cakes products from SMEs can have higher market value.

**Methods and Materials**

Information gathering was conducted through literature review and interviews with several UMKM Wet Cake business owners. This type of research used a descriptive method and focused on the current conditions. According to the time dimension used, this research is a cross-sectional study because it was conducted within one research period. Based on Mulyadi (2015), the solution to UMKM competition is branding and packaging. Sunarti et al (2018), conveyed the concept of problem-solving for home industries, including procurement of materials, procurement of tools, marketing, and packaging. Meanwhile, according to Rina Wijayanti et al (2020) product innovation is one of the proposed solutions to increase UMKM sales. Based on the interview results, business owners did not encounter obstacles to obtaining materials and tools due to relatively easy access. Therefore, the proposed problem-solving concept for traditional Wet Cake UMKM businesses is as follows:

a. **Product Innovation**

Innovation in products can pave the way to gain competitive advantages and enhance customer value, which can be transformational, substantial, or incremental (Cravens & Piercy, 2009). With monotonous products and flavors, customers have no other choices and do not experience anything different in enjoying traditional wet cakes. Product innovation can influence a person's purchasing decision; the better the innovation, the more it increases people's curiosity to decide to buy a product (Tika et al., 2022). Although it is a crucial factor for UMKM, small businesses actually face difficulties in implementation (Games & Ramadhani, 2022) because it requires new knowledge, discoveries, and creativity (Urbancova, 2013). Freezing the product can also be used to expand the reach of wet cake products to various regions with long travel times, thus slowing down the food decay process and preventing the growth of microorganisms (Zhao et al., 2021).

b. **Brands/Merk/Trademark**

Brands are something that can distinguish a product, allowing customers to immediately recognize it upon interaction. For buyers, brands are useful in reducing the effort in searching for desired products, minimizing errors in purchasing, and providing assurance of quality as expected. Meanwhile, for sellers, brands serve as tools to introduce the products produced and the effectiveness of promotions.
(Cravens & Piercy, 2009). Local brands can influence consumer interest in purchasing products (Fabella et al., 2023)

c. Marketing/Promotion

Marketing is the activity carried out to ensure that a product is sold and accepted by consumers. Many companies use various methods to market their products, including using social media, e-commerce, or traditional methods. A product that is considered superior cannot be maximally sold if it does not have an effective sales promotion strategy (Andriani et al., 2021)

d. Packaging

Packaging is one of the parts that can directly interact with consumers through sight and touch. Packaging can influence consumers to decide how much of the planned quantity of goods to buy, so it is necessary to pay attention to packaging elements such as color, size, convenience, information labels, protection of contents, and whether it will add costs or not (Cravens & Piercy, 2009). Good packaging will encourage consumers to purchase a product (Persada, 2018)

Result and Discussion

Traditional wet cakes in Gunungkidul are typically marketed by being consigned to traditional food vendors, sold from home, or based on orders. Usually, these cakes already have loyal customers and a well-known name. Existing cake products do not need to be replaced to retain these loyal customers, but there is a need for business development to expand the market, increase economic value because currently they are still sold at relatively low prices to match the purchasing power of the surrounding community, and to become the choice of souvenirs for tourists entering Gunungkidul, with various solutions offered.

a. Product Innovation

Innovation in traditional wet cake products is necessary to enhance the quality of the business. Because innovation will be a good solution for the sustainability of a business, innovation is something certain and is no longer just an option (Games & Ramadhani, 2022). Currently, the majority of traditional wet cakes still maintain their traditional products in terms of taste and shape, so they cannot reach cross-generational business segments and only on certain occasions. Innovation in the form of flavor variations is not to replace existing products because they already have loyal customers. The innovation solutions offered include:

1) Addition of products with different flavors. By studying products such as pukis badran, various flavors of bakpia, and various flavors of cake, traditional wet cakes (such as apem cake, lapis cake, and apem conthong cake) can be given different flavors, such as jackfruit, palm sugar, chocolate, durian, choco chips, matcha, raisin, nuts, and oreo. These added flavors can be in the form of toppings or additional flavors in the batter

2) Crisp and crunchy texture. The wet cakes currently produced still use the traditional soft texture from the skin to the inside. The innovation involves a crisp and crunchy texture only on the outer layer (skin) while the inside remains soft and fluffy. According to Kevindra Soemantri, a writer and culinary editor, food can be considered delicious if it can be perceived by many senses (Hastanto, 2021). Thus, with the addition of a crisp and crunchy texture on the skin layer along with various flavors and soft fillings, three senses are involved: the sense of hearing when hearing the crunch, the sense of taste when tasting various flavors, and the sense of touch when feeling the soft texture. To achieve this texture, you can use wheat flour with low to moderate protein content and add a little extra baking time to make the skin crispy

3) Freezing food. Frozen food has become one of the lifestyles of modern society today (Kristiandi et al., 2022; Rahardjo, 2016). The advantage of frozen food is that it can be stored for a long time and can serve as a food reserve that can withstand certain conditions (Kristiandi et al., 2022; Putri
To freeze wet cakes, business owners need to add another ingredient, namely breadcrumbs, especially for foods that can be fried. The addition of breadcrumbs is used as a coating between the cakes to prevent them from sticking when frozen (Mudasirah & Anas, 2022) and because of their ability to absorb water (Nurani, 2011).

Improving product variations by manufacturers can enhance consumers' positive perception of the manufacturer (Kurniawan Njoto, 2016).

b. Brands/Merch/Trademark

Most traditional wet cake MSME products are mainly known based on their makers and have not been registered as trademarks with the Directorate General of Intellectual Property. Trademarks are crucial as they serve as identity, a means of promotion, an assurance of quality, a reflection of innovation, and a means of market management (Persada, 2018). Trademarks also serve as a legal basis for business owners in case others misuse their name or products. Based on this, for traditional wet cakes that already have loyal customers and are to be further developed, the solution is to register their trademark with the Directorate General of Intellectual Property. The requirements for trademark registration are relatively easy because wet cakes and various flavors have become public property, and even for MSMEs, there are facilitations in the registration process. According to the Letter of the Director of Trademarks and Geographical Indications Number HKI.4-TI-04.01 year 2023 about Applications for Trademark Registration with Micro and Small Business Facilities, in order to provide facilities in the form of ease to MSMEs to obtain trademark protection which ultimately is expected to contribute positively to the growth of the Indonesian economy, the requirements for trademark registration as Micro and Small Enterprises with different costs from general applications are only a Recommendation Letter or Certificate Letter as micro and small enterprises that can be obtained from the Industry and Trade Office, Cooperatives and SMEs Office, or Tourism and Creative Economy Office, which include:

1) The identity consists of the organization's name, position and unit, as well as the authorized officials to sign the certificate
2) The identity including the name and address of the Trademark Applicant

The requirement is to obtain a minimum 50% registration fee reduction and to comply with Article 3 Section (3) of the Minister of Law and Human Rights Regulation Number 67 of 2016 about Trademark Registration, which is:

1) Evidence of having paid the Application Fee
2) The brand label consists of three sheets, each measuring 2 x 2 cm (two by two centimeters) at the smallest and 9 x 9 cm (nine by nine centimeters) at the largest
3) The statement letter indicating ownership of the brand
4) Power of attorney in cases where the application is submitted through a proxy; and/or
5) Proof of priority if using the Priority Right, along with the Indonesian translation

Meanwhile, to obtain a Recommendation Letter or Certificate as a micro and small business, no fee is required, which must be completed are:

1) Request letter according to the format accompanied by applicant's contact information
2) Copy of ID card (KTP)
3) Copy of Business Registration Number (NIB)
4) Product picture

By having a brand, the product becomes more memorable and recognizable, making it easier for consumers to make repeat purchases (Mulyadi, 2015). The proposed brand to be used and registered is:
1) Using the owner's name because it is already known, for example, "Apem Java Ibu Waginem," or
2) Using a distinct name that is easier to remember, for example, "Lapis Sewu," where "Sewu" means a thousand (many), hoping for high daily sales. "Apem Ginuk-Ginuk," where "Ginuk-Ginuk" refers to a chubby and adorable person, akin to the round and soft apem. Pronounced twice ("Ginuk-Ginuk"), aiming for repeat purchases, ideally at least twice. "Apem Conthong Numani," implying not satisfied with just once, thus encouraging customers to buy repeatedly.

c. Marketing/Promotion

Doubt or lack of understanding regarding marketing often leads UMKM owners to only market within familiar territories or wait for incoming orders. More creative owners have been marketing their products through social media and online food delivery services. Traditional UMKM wet cakes in Gunungkidul are marketed in traditional markets or at food stall kiosks through consignment, where they are entrusted to several cake vendors and payment is made when the vendor closes or the products are sold (Andriani et al., 2021) and they utilize ordering methods if there are residents hosting traditional ceremonies. Although there are already many wet cake products sold in the market, increasing public awareness could potentially boost sales. Marketing strategies such as word of mouth, direct face-to-face interaction with potential buyers, or utilizing social media platforms are steps toward increasing sales volume (Rusdi, 2019). Marketing solutions are not meant to replace what is already being done in the market and through orders, but to add marketing/promotion methods to the product innovations. The offered solutions are as follows:

1) Social Media

Social media can be used to disseminate product information, so that the products can be better known by the entire community of Gunungkidul or even wider to areas outside the district and province. With the current high level of technological development, it is time to enhance marketing through social media platforms. Instagram and Facebook are social media sites that can be utilized because, as reported on dataIndonesia.id, aside from WhatsApp with 191 million active social media users, the most popular and widely used social media platforms in Indonesia are Facebook and Instagram (Mahdi, 2022). These social media platforms are filled with content such as product photos, prices, flavor information, and ordering procedures. UMKM owners usually do not have many employees, or the current employees are elderly and not tech-savvy, so they can optimize the role of children or relatives as social media operators because they are more tech-savvy.

2) Online Motorcycle Taxis

The presence of online motorcycle taxis such as Gojek and Grab can be utilized because they have food ordering features. The reach of online motorcycle taxis, which has reached the sub-district level, is a missed opportunity if not utilized. By becoming partners with online motorcycle taxis, consumers or potential customers who want to buy products at certain times but are hindered by location, weather, or laziness can still easily access them. According to Sunarti et al. (2018), the requirements for registering as a partner with online motorcycle taxis include photocopies of valid identification cards (KTP), photocopies of bank books, photos of the location along with the location map (using Google Maps), and photocopies of Taxpayer Identification Number (NPWP).

3) Partnership Development

After innovating into a viable souvenir product, the solution for traditional cake SMEs is to collaborate with local souvenir shops in the areas spread across Gunungkidul to expand the market. Central souvenir shops usually have partnerships with travel agencies to boost sales, so tour groups will make a stop at these shops (Fardani et al., 2019). By being featured in souvenir shops, traditional cake SME products have the opportunity to be known to visitors from outside the area and benefit from word-of-mouth marketing from tourists who have purchased them. Another step that can be a solution is to join existing SME communities in Gunungkidul to obtain various marketing and networking opportunities
The Conceptual Idea of Strategy to Increase Sales of Traditional Wet Cakes in Gunungkidul Regency

(Khayyana et al., 2022). In Gunungkidul, there are several SME communities including BUMN houses, mountain rice communities, gunusa communities, and SME Focus.

4) Food and Beverage Business Licensing (PIRT) Registration

Today, people are increasingly concerned about the cleanliness of food and the raw materials used to prepare it. To address this issue, the solution offered is the registration of PIRT (Household Industry Products) numbers, which are numbers that can be obtained from the Health Office as an assurance that the products produced are hygienic and fit for consumption (Sunarti et al., 2018). The PIRT service at the Gunungkidul District Health Office is free of charge, with administrative requirements as quoted on the page https://dinkes.gunungkidulkab.go.id/spp-irt/ as follows:

a) Filling out and completing the form, which includes owner data, production procedures, product lists, site maps, RT/RW/Village letters for non-residents of Gunungkidul, and the PIRT registration application form
b) Copy of ID card (KTP)
c) Business License Number and Micro Small Business License (OSS)
d) Two colored photos sized 4×6
e) Label certification for food and beverage products
f) Location map

The next stage that needs to be considered is:

a) Attending Training/Seminar on Food Safety (PKP) provided by the Health Office
b) After passing the PKP, the next step is facility inspection
c) Obtaining a PIRT certificate if it meets the minimum eligibility requirements for Production Facilities at level I or II

The selling value is a crucial factor for buyers when selecting and deciding to purchase an item (Purnama Sari & Lydia Irena, 2021) as reflected by the presence of the PIRT number because consumers feel safer to consume it (Fahira & Yasin, 2022). By paying attention to this aspect, new customers who previously hesitated due to concerns about the healthiness of traditional cakes produced by MSMEs can be obtained.

d. Packaging

In addition to serving as product protection, packaging also serves as a promotional tool to consumers (Cravens & Piercy, 2009). In the digital era, packaging design plays a significant role in marketing (Purnama Sari & Lydia Irena, 2021). The packaging of traditional cakes produced by MSMEs currently uses transparent plastic for sale in markets and cardboard for orders due to limited market segments, indicating that the new packaging serves as product protection and overlooks marketing aspects. While this packaging may still be effective for sales in the market where buyers are local residents familiar with the product, it's essential to consider packaging for business development to enter the souvenir market. The proposed solution is packaging containing 10 pieces of cakes with various flavors, including original, jackfruit, palm sugar, chocolate, durian, choco chips, matcha, raisins, peanuts, and oreo, with each flavor separated by dividers or packed in small plastic for each flavor to prevent mixing. Offering different flavors in one package is a successful method to maintain customer interest and keep the product selling well in the market (Wijaya & Maghfiroh, 2018). The packaging should pay attention to attractive colors, brand name, PIRT number, ingredient composition, expiration date, size, and nutritional content. To gain knowledge about product packaging, MSMEs can participate in training sessions frequently organized by the Industry, Cooperatives, MSMEs, and Manpower Office of Gunungkidul Regency.
Conclusion

In order to increase the sales of traditional cakes produced by MSMEs in the digital era and amidst a society that is increasingly knowledgeable and curious about various things, strategies are needed to attract interest or influence potential customers by:

- a. Introducing product innovations so that the community has plenty of options to fulfill their desires
- b. The use of a brand registered with the Directorate General of Intellectual Property as a product identity makes it easier for customers and potential customers to search for the cake name and strengthens legal protection if issues arise in the future
- c. No matter how attractive the product is, effective marketing and promotional strategies are necessary to ensure that customers and potential customers are aware of its existence
- d. To protect the product from environmental contamination, ensure its longevity, convey information about its contents, and efficiently promote the product, good packaging is essential.

References


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