



Development Strategy of Lanting Small Industry

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Abstract

This research aims to describe and analyze the strategy of production, marketing, human resources (labor), and capital. The technique of collecting data used observation, interviews, documentation, questionnaires, and triangulation. The technique of sampling was purposive sampling. Findings show that the strategy of production, marketing strategies by the way of increased order coupled with the trademark shows as well as various flavors of innovation development, adjustment of the selling price with the price of raw materials production, the cooperation of manufacturers and suppliers in the distribution of lanting, promotional activities by means of cooperation with the agency and related service trade off products online. The strategy of human resources is with the formation groups of industry in the village of Lemahduwur (but not running smoothly). Strategy capital with the initial capital comes from its own capital and profit as capital accumulation, additional capital when many party and by feast day; increased access to capital, financial administration and against accounting in a simple and routine. The advice given is the government and manufacturers improve HR, technology development, marketing and capital. Manufacturer improves collaboration with suppliers of raw materials, maintaining the typical features and making a trademark.

How to Cite

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INTRODUCTION

Small and medium enterprises have an important and strategic role in the economy in Indonesia and other countries. The indication that shows the role of small and medium enterprises can be seen from its contribution to GDP, non-oil exports, employment absorption and significant improvement of human resource quality (Anoraga, 2011). Based on the observation results, it obtained recapitulation data of small and medium entrepreneurs in Kebumen district with a total of 42,784 units. The total number of businesses is derived from many industries and trades that are divided into several type of business. Kebumen Regency has a small industry that is divided into several small industries with the division of various types of industrial groups. The following is the data on the number of small industries in Kebumen Regency based on the 2014 report in Table 1.

Table 1. Groups of Small Industries in Kebumen Regency in 2014

Groups of Industries	Number of Business	Labors
Food, beverage and tobacco industries	35,840	72703
Textile, apparel and leather industries	918	2,843
Wood and wooden goods industries	8,739	16,969
Paper and paper products industry	79	573
Chemical and chemical goods, coal, rubber and plastics industries	461	1,371
Non-metal mineral excavation industries except petroleum and coal	3,203	13,687
Basic metal industry	-	-
Goods industries of metal, machinery and equipment	185	666
Other processing industries	5,398	10,046
	54,823	118,858

Source: Bureau of Industry, Trade, and Market Management of Kebumen, 2014.

From the data of Table 1, it shows that the smallest industry in Kebumen Regency that absorbs the most labors is from food, beverage and

tobacco industry with 35,840 businesses to absorb the labors of 72,703. The small industry of lanting is one of the small industries that belong to the food, beverage and tobacco industries. The timber and wood products industries are the second small industry that absorbs the most labors with 8,739 businesses and 16,969 workers. Other small industries also have an important role in the labor absorption in Kebumen Regency.

Data from the Bureau of Trade, Industry, and Market Management in Kebumen Regency shows the business development in the Regency are as Table 2.

Table 2. Development of Amount of Industry in Kebumen Based on Groups of Industry during 2006-2014

Groups of Industry	Large	Medium	Small	Total
In 2006	-	10	36.333,	36,343
In 2007	1	11	36,281	36,293
In 2008	1	11	36,290	36,302
In 2009	1	10	36,345	36,356
In 2010	4	7	37,047	37,058
In 2011	4	6	51,290	51,300
In 2012	4	6	51,542	51,552
In 2013	5	9	52,766	52,780
In 2014	3	41	54,823	54,867

Source: Bureau of Industry, Trade, and Market Management of Kebumen, 2014

Table 2 shows that the large industry in Kebumen Regency in 2014 has decreased while the medium and small industries has increased quite good. The small industry in table 2 is a combination of small industries and home industries. Industry Classification. The development of industry has an impact on the development of labors that can be absorbed from the existence of the industry. The following is the data on the development of labors in Kebumen Regency.

The Table 3 shows that in 2014 the absorption of the most labor is in the small industry column with the number 118,858 and every year it has increased the number of labors in small industries. The large and medium industries experienced a fluctuating number of labors from the previous years.

Table 3. Development of Amount of Industrial Labors Based on Industrial Classification in Kebumen Regency during 2006-2014

Groups of Industry	In-Large	Medium	Small	Total
In 2006	-	1,373	86,934	88,307
In 2007	1,236	1,423	86,787	89,446
In 2008	1,236	1,423	86,787	89,446
In 2009	1,236	1,423	86,804	89,463
In 2010	2,388	2,016	86,928	91,332
In 2011	2,984	760	92,999	96,743
In 2012	3,756	242	104,719	108,717
In 2013	3,804	326	115,860	119,990
In 2014	3,733	1,492	118,858	124,083

Source: Bureau of Industry and Trade, Kebumen Regency, 2014

One of the small industries located in Kebumen regency is the processing agroindustry that comes from cassava become typical snack existing in Kebumen regency that is small industry of lanting. The description of the number of lanting small industries in Kebumen regency is as follows Table 4.

Table 4 and 5 show the lists of lanting

Table 4. List of Lanting Small Industries in Kebumen Regency

Districts	Amount of Small Industries	Districts	Amount of Small Industries
Adimulyo	35	Kuwarasan	135
Bonorowo	5	Mirit	3
Buayan	92	Petanahan	1
Gombong	2	Prembun	3
Karanganyar	9	Rowokele	1
Kutowinangun	4	Sempor	2
		Total	292

Source of Data: Bureau of Industry and Trade, Kebumen Regency, 2014

Table 5. List of Lanting Small Industries at Kuwarasan District

Villages	Amount of Lanting Small Industries	Villages	Amount of Lanting Small Industries
Ori	2	Kalipurwo	3
Pondok Gebangsari	1	Harjodowo	19
Gumawang	2	Kuwarasan	3
Madureso	34	Lemahduwur	69
Tambaksari	1		
Banjareja	1	Total	135

Source of Data: Bureau of Industry and Trade, Kebumen Regency, 2014

small industries that serve as lanting snack center, precisely at Lemahduwur Village, Kuwarasan District. The village which name means *lemah* (land) *duwur* (high) is the center of lanting producers. The community recognizes that the origin of lanting is Lemah Duwur. Since the ancestors, the making of lanting has already taken place in the village. Until then the hereditary continues until now. Now the producers of lanting has penetrated into the surrounding villages. Currently, lanting small industry continues to grow and spread in a number of districts. As a typical food that has existed since the ancestors, besides as a typical food, lanting can also be used as a source of good economy for the surrounding area. Lanting business brings a positive impact for the society because it can improve the economy and can absorb the labors around. The capital problems are also stated in the problems of small industries listed in the year-end report of Cooperatives and SMEs.

“The problems faced by the small industries in Kebumen Regency are the same as those of small industries in general those are capital, skills, technology, markets and human resources” according to Budi of Industry at Dinperindagsar Kebumen.

Further explanation is that the small in-

dustrial human resources located in Kebumen Regency are still low. It still needs to improve the skill training from various needs, product diversification, and equipment support to support the business growth.

“Lanting business in Kebumen is said to grow but still in the same stage” according to Mr. Budi, therefore it needs the market expansion for lanting business to be more developed again.

According to the research of Winarni and Situmorang in the journal *Arief*, it is mentioned that the problems faced by SMEs are summarized as follows: (a) the lack of capital, (b) the marketing difficulties, (c) the simple organizational structure with non-standard division of labor, (d) the low quality management, (e) the limited and low qualified human resources, (f) most do not have financial statements, (g) the weak legality aspects, (h) the low technological quality.

The next problem is the development of business culture and entrepreneurship, especially for the young labors in Kebumen regency through training, consultation and counseling. It takes effort of the local government of Kebumen regency to strive for a partnership pattern for UMKM to be more able to develop, both in sub contract context and guidance that leads to cluster formation that can encourage SMEs to produce with export orientation (Final Report of UMKM Profile of Kebumen Regency 2013).

Besides the capital, the main raw materials used as products will also affect the production process. Raw materials that are easy to obtain and qualified will improve the production of the business development. According to Mr. Budi, as the problem in the development of lanting Business SME that is still low and still lack of skills from various needs, the government of Kebumen District seeks education and training for small businesses as a business development effort to be more creative and increasing. Every year the districts, provinces and centers provide training, but the training is conditional because it depends on the information provided by the central government. It can be a skill training for small businesses, including small industry entrepreneurs in bazaars or exhibitions and technological trainings.

Based on the above description, the writers are motivated to investigate about Strategy Development of Small Industry of Lanting in Lemahduwur Village, Kuwarasan District, Kebumen Regency.

METHODS

This research is categorized as qualitative research. The focus of this research is on the strategy of production, marketing, human resources (Labor) and capital. Determining the location of the research is done purposively, the sampling is conducted in Lemahduwur village, Kuwarasan district because the location is the origin area that produces or as the center of lanting production. Types of data required based on the source are the primary data (result of questionnaire and interview) and the secondary data (from related institution or bureau in Kebumen Regency). The population of lanting producers in Lemahduwur in 2012 amounted to 198 producers but in this year the number of lanting industries decreased to 83 producers. In this research the informants taken are 42 respondents because at the time of research the active producers are 42 respondents due to the limited raw materials obtained. Informant retrieval is also carried out from the Lemahduwur Village Device and the relevant Bureau (Bureau of Industry, Trade, and Market Management and Cooperative Bureau) aimed at obtaining secondary data on small lanting industries.

Triangulation of sources to test the credibility of data is conducted by checking the data that has been obtained through several sources. Testing the credibility is by collecting and testing the data obtained through Dinkop and UMKM, Dinperindag and some lanting businessmen. The three data is described, categorized which one has the same, different and specific view that can be formulated in the production strategies, marketing, human resources (HR), and capital of lanting industry in Lemahduwur village, Kuwarasan district.

RESULT AND DISCUSSION

The leading sectors of Kebumen Regency among other are eleven main products those are (1) lanting, (2) kebumen batik, (3) woven bamboo, (4) woven pandan, (5) coconut sugar and ant sugar, (6) emping, (7) tiles, (8) bags, hats and caps, (9) essential oil, (10) agate, (11) coconut husk. Of the eleven sectors, Lemahduwur village has become one of the revenue contributors for the region and Kebumen regency as a region that produces lanting that is one of the leading sectors in Kebumen Regency.

From table 6 above, it can be seen that lanting business of 42 respondents researched began growing rapidly since 1996 amounted 35.71%

and lanting business that started earlier than the 1980s until now still left two industries of 4.76%. The history of the establishment of lanting is hereditary. The average length of time of lanting business that has been running is more than 15 years. The data obtained from the results of research is that from 83 lanting producers in Lemahduwur there are only two units of lanting small industries that have a business license (IPIRT) that is owned by Mr. Ratimin and Mr. Mashudi who are the largest lanting producers in Lemahduwur village.

Table 6. Year of Establishment of Lanting Business at Lemahduwur Village

Year of Establishment	Businessmen	Percentage
>1980	2	4.76
1981-1985	4	9.52
1986-1990	9	21.43
1991-1995	8	19.05
1996-2000	15	35.71
2001-2005	3	7.14
>2006	1	2.38
Total	42	100.00

Source: Primary Data processed, 2015

The results of research from the last education level of lanting producers in Lemahduwur village are as follows Table 7.

Table 7. Education Level of Lanting Producers

Education Level	Amount of Producers	Percentage (%)
Elementary School	34	80.95
Junior High School	4	9.52
Senior High School	3	7.14
First Degree	1	2.39
Total	42	100%

Source: Primary Data processed, 2015

From Table 7, it can be seen that from 42 respondents researched, mostly the education level of lanting producers are as follows: the elementary school is 80.95% while the producer of lanting who have got the first degree is only 1 person that is 2.39%. From the difference of educational level of lanting producer, it is influential in running the small industry of lanting. Producers of higher education (S1) have market segmentation and are able to see greater opportunities and to utilize the production factors more optimally.

Strategy of Production

The main raw material used to produce lanting is cassava. The acquisition of raw materials is obtained from raw material suppliers / collectors who are also responsible in the availability of main raw materials and additional raw materials such as cooking oil. Additional raw materials such as spices and flavorings, food colorings, and various flavors of food are obtained from nearby markets. The main raw materials obtained from raw material suppliers come from Karanggayam, Sempor, Kalibening, Somali, Petanahan, Tanggulangin and Ambal areas. The need of cassava in lanting industry is very high. Therefore, if it only relies on cassava supply from cassava collectors coming from the village or even from the regency, it is not enough. Most of lanting producers cooperate with cassava collectors from outside districts those are Banjarnegara and Purbalingga as the fulfillment of the main raw materials although the results are not as good as cassava originating from Kebumen area.

The small lanting industry in Lemahduwur Village initially used a very traditional tool. The use of technology has been developed and developed, and the tools used to produce lanting also have started to use the machine as the appropriate technology that is by using scar and molen for milling and refine the main raw material in the form of cassava so that accelerate the production process lanting. Lanting production tools are as follows Table 8.

Table 8. Lanting Production Tools

Tools Used to Product Lanting:	
1. Scars	2. Pans subluk / large steam
3. Ductile machine (molen)	4. Frying pan (wok)
5. Blong	6. Serok
7. Dongkrak	8. Bamboo tray (tampah)
9. Large plastic tub (jolang)	10. Lading knife
11. Ceting	12. Gesrek knife
13. Pressing tools	14. Strimin plastic
15. Washers	16. Waste basins
17. Furnace	

The production lanting is placed beside the producer's house. The production process from the beginning of the dissolution to the frying process is conducted in one place or in the kitchen

used as a production site, as in the following Figure 1.



Figure 1. Lanting Production Place

The average quantity of production reaches 6-8 quintals, but for the producers who have large enough production and the tools used are more than the small producers, the quantity of production reaches approximately 1 ton. Business management of lanting is conducted by the producers who participate directly in working to know exactly the production activities of lanting industry. The producers can directly observe and direct various inputs in order to produce various outputs in quantity, quality of price, time and place according to consumer demand.

At the beginning the shape of lanting is only round (0) and shaped eight (8) and also red and white. For the present time lanting products have various flavor variants such as onion, spicy, spicy sweet, green chilli, roasted corn and cheese by using the shape. The lanting packaging in the lanting industry still uses large plastic packaging (5 kg / plastic) and has not included the trademark yet because the lanting producer is only concerned with the production and the products can be sold by the collectors or by orders coming from the customers.

Thus, it can be concluded that the production and processing strategy of small lanting industry is as follows. The best raw material used is from Kebumen area through raw material supplier / collecting lanting and the addition of flour material overcomes the rare raw material with the right ratio and in accordance with the characteristic of lanting. This way as expressed by bu Rati-min, one of the producers of lanting:

“The addition of starch materials overcomes the rare raw materials with a comparison that fits and in accordance with the characteristics of lanting. There is a way to overcome the lack of raw materials with the addition of flour, but it must be in accordance with the dosage so that the taste of lanting remains the same” (bu Rati-min, 26/05/15)

The use of traditional production equipment and appropriate technology; the production is located beside / behind the producer's house;

the use of skilled labor in lanting production process; the producers participate in lanting production activities; creating innovations in product packaging and adding product types to have more appeal to attract consumers

Strategy of Marketing

Marketing of lanting is sold with plain plastic packaging and does not included the trademark yet, because lanting producers are only concerned with the production and the results of its production can be sold by the collectors or by orders coming from customers. Here is the price of lanting that is marketed by the producer:

Table 9. Price List of Lanting Per-June 2015

Types	Price
Original Lanting	Rp. 55,000,-/bal
Ring Lanting	Rp. 58,000,-/bal
Red and white Lanting	Rp. 58,000,-/bal
Spicy Lanting:	
Corn Lanting, balado, cheese, BBQ, onion chicken, green chilli	Rp. 70,000,-/bal
Onion Lanting	Rp. 60,000,-/bal
Small-packed Lanting	Rp. 3,000,-/ 2ons packs

The fluctuating price of lanting can be influenced by the rise and fall of the main raw material production price of cassava and other production materials such as cooking oil, spices and fuel.

The marketing technique of lanting producers is mostly by cooperating with the collectors. The utilization of collectors by the lanting producers is to act as the perpetrator that connects the lanting producers with wider market coverage, and also to ensure the lanting produced because the collectors reorder first according to the number of lanting to be taken. The lanting collector activity generally buys lanting from the producers and then sells back the purchased lanting to serve the market in Kebumen Regency and the market outside Kebumen Regency, as shown Figure 2.

Figure 2 is the result of previous research that has been made by Beniardi (2009) about the marketing chain made by the lanting producers. Besides conducted through the collectors, the marketing strategy by the producers is also directly marketing to the retailers. The promotion of lanting has become a tradition when receiving orders around the community, then the lanting

products can be sold privately to the consumers. The promotion of lanting can be done by making it a typical souvenir of Kebumen brought to the overseas. The government has also conducted promotional assistance and partnerships through exhibitions held in certain events, but the producers still rarely follow the government because the raw materials used for production is difficult to obtain. Promotion activities in the development of advanced technology and simplifying the community at this time can be done through social media, such as purchases made by online / reseller through online stores such as websites, facebook, and instagram so as to reach the wider consumer market. The area of lanting marketing is still within the scope of local and some cities around Kebumen regency, as for lanting order abroad is not done formally as trade relation continuously.

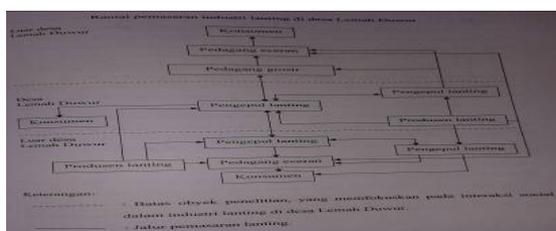


Figure 2. Chain of Small Industries of Lanting at Lemahduwur

Thus, the formulation of a marketing strategy that can be done by lanting producers is as follows. Increasing orders at a certain time coupled with showing the characteristics of products / trademarks and innovation development of various flavor choices offered; Adjustment of the selling price with the price of raw materials of production, but still maintain the quality to always be demanded by the customer; Cooperation of producers and collectors in the distribution of lanting, promotions by cooperating with relevant agencies and agents selling products online; Exploiting marketing opportunities that is cooperation with young labor force who wander out of town.

Strategy of Human Resources (Labors)

The results of research from the highest education level of lanting producers in Lemahduwur village are as Table 10.

From Table 10, it can be seen that from 42 respondents researched, the most of the lanting producers have graduated from the Elementary School amounted 80.95% while there is only one lanting producer who has graduated from the university amounted 2.39%. The difference of

education level of lanting producers is influential in the running of lanting business. Those with higher education level (S1) are able to see greater opportunities and to utilize the production factor optimally.

Table 10. Highest Education Level of Lanting Producers

Education Level	Amount of Producers	Percentages (%)
Elementary School	34	80.95
Junior High School	4	9.52
Senior High School	3	7.14
First Degree	1	2.39
Total	42	100%

The condition of the education level of labors that is still said to be low is indicated by the amount of data given from the respondents researched from their educational background, as Table 11.

Table 11. Education Level of Labors of Lanting Small Industry

Education	Amount	Percentages (%)
Senior High School	22	1.75
Junior High School	527	41.86
Elementary School	702	55.76
Not Going to School	8	0.64
Total	1,259	100

From Table 11, it can be seen that the education level of the labors of lanting small industry is half more than the total number have the elementary school education amounted 55.76% and the highest education is senior high school amounted 22 people of 1.75%. This is because producing lanting does not require a high level of education, but what is required is skills and expertise gained from generation to generation.

The labors used in lanting production process are divided into two, permanent labors and casual labors. The number of permanent labors is 2-5 people in each home industry and the total amount absorbed from 42 respondents researched is 123 people who come from residents around Lemahduwur village. The activities undertaken by the permanent labors are in the form of *mipit*, *mlender*, *mbundel*, and fry. Most of these labors are housewives who aim to get additional payment. Casual labors are employed with a wholesale system, in which the number of absorbed labors

from 42 respondents is 1163. The casual labors do not only come from Lemahduwur village, but they also come from another village in one district of Kuwarasan. Their activity is in *mbundel* process and there are also producers who use them on *mlender* process.

Table 12. Age of Labors of Lanting Production

Age of Labors	Amount of Labors	Percentages
>40 years old	187	1486%,
31-40 years old	379	30.13%,
21-30 years old	374	29.73%
<20	318	25.28%

Based on Table 12, the average age of lanting labors is 31-40 years old amount 379 people of 30.13%. The age of labors aged 21-30 years amount 374 people of 29.73%, which are less than the age of labors aged 31-40 because many young labors wander to find jobs outside the city.

Overcoming the declining number of lanting producers, the government has made various efforts such as empowerment and development of lanting industry located in other areas in Kebumen regency. Education and training for lanting producers from the government are through related agencies such as packaging product designed training with GMP technology, AMT, financial management, production. Packaging and waste water treatment training of lanting production into bio-gas fuel have also been implemented, but because the limitations of lanting producers to process the waste then waste pengelohan is no longer running. The training provided by the producers to the workers is only as a producer's direction to his labors.

Based on the results of interviews conducted by one of the producers of lanting, as an effort to improve the welfare of the labors by providing additional wage system (bonus) to those who are willing to work hard, and when the feast comes they are given a gift as follows:

“The increase in the welfare of the labors (permanent labors) is also done by providing additional bonuses for those who are willing to do additional work such as tidying firewood and washing cassava, a bonus when the feast is also done as a sense of gratitude and motivation to work more diligently.”(Ibu Ratimin, 05/26/15)

Thus, the formulation of human resource strategy (labors) in lanting industry that is with the existing formation of lanting industry group in Lemahduwur village but not running smooth-

ly; following and taking advantage of government education and training opportunities; the division of labor tasks facilitates the lanting industry; the addition of the number of workers coming from outside the village and sub-district areas; providing additional wages for labor (permanent labors).

Strategy of Capital

The initial capital used by lanting businessmen comes from private and loans (family and bank). Based on the results of research, the following data can be obtained Table 13.

Table 13. Initial Capital of Lanting Production

Capital	Amount of Producers	Percentages
Bank/Non Bank	8	19.05%
Individual & Bank	10	23.81%,
Individual & Family	3	7.14%
Individual	21	50%
Total	42	100%

Based on Table 13, it shows that the initial capital of lanting producer is mostly derived from the producers' own capital of 21 people with percentage of 50%. The initial capital when the producers start their business ranges from Rp. 1-2 million because the raw material of lanting production and other needs can still be affordable, cassava is still Rp. 800, - / kg and now has reached Rp. 2,400, - / kg.

Table 14. Initial Capital of Lanting Production

Initial Capital	Amount	Percentages
>3 millions	14	33.33%,
2-3 millions	2	4.76%,
1-2 millions	0	-
<1 millions	26	61.91%,

Based on Table 14, it shows that the average initial capital used to produce lanting is <1 million with the number of 26 producers of 61.91%. At the beginning of lanting production, the price of raw materials and others are still very cheap, but for the present time the amount of initial capital used is only used for the cost of once production. Based on the financial statements of lanting business owned by Pak Ratimin and the interviews with businessmen who did not do business with accounting book, the data is obtained that in one production the average cost of the output for once production reaches Rp 4-7

million and the profit earned from each producer / production is Rp 300,000-550,000, - / production.

Table 15. Once Production Cost of Lanting Production Process

Once Production Cost	Amount	Percentages
>4 millions	25	59.52%,
3-4 millions	7	16.67%,
1-2 millions	2	4.76 %,
<1 million	8	19.05%

Based on Table 15, it shows that the average cost of production lanting in one production requires > 4 million, from 42 respondents as many as 25 producers with a percentage of 59.52%. The cost of production used as the years go by increases due to the increase in the price of materials from the production needs lanting. The profit obtained by the lanting producers affects the value of investment used in production. The following is the investment value of lanting producers obtained from the results of research on 42 producers Table 16.

Table 16. Investment Value of Lanting Producers

Investment Value	Amount of Producers	Percentages
>20 millions	3	7.14%,
16-20 millions	5	11.9%/,
11-15 millions	7	16.67%,
5-10 millions	27	64.29%,
Total	42	100%

Based on Table 16, the average of investment value of lanting industry is 5-10 million as many as 27 producers with percentage of 64.29%. The biggest investment value that is > Rp 20 million with a percentage of 7.14% is owned by three lanting producers in Lemahduwur village. The advantage is quite a lot and can be used as an additional investment for the lanting businessmen in certain seasons, such as holidays, national holidays and when there are a lot of orders for celebrations, where many lanting are sold and many lanting are ordered.

Table 17 shows that the accounting book system of lanting business is still bad. Almost all lanting producers of 40 respondents of 95.24% never do the accounting book. There are only two respondents who have made it of 4.76%. The accounting book system is conducted by Mr. Ratin and Mr. Hudi who produce lanting already

in the capacity to reach approximately 1 ton in one production. Capital assistance is also not given by the agency; the assistance provided only in the form of tools because capital assistance has been transferred to institutions related to finance such as Bank Or KUR (people's business credit) that exist in the local area. To develop a larger business requires the large capital. Because no capital assistance is provided by the government, the risk of taking debt to increase capital needs to be done by lanting producers. Loans of matured debt are often made by lanting producers when the holidays begin.

Table 17. Financial Management System

Accounting Book	Amount of Producers	Percentages
Monthly	0	-
Weekly	0	-
Daily	2	4.76%,
Never	40	95.24%
Total	42	100%

Thus, the capital strategy that can be done by lanting industry is the initial capital comes from the capital itself and the profit from the sale obtained as the accumulation of capital; Labor costs differ according to the division of tasks in their respective production processes; Additional capital occurs when many celebrations and before the holiday; Increased access to capital through a government-designated financial institution to handle the people's business; Simple and routine administrative and financial bookkeeping is only done by two lanting producers.

Strategy of Production

This strategy relates to raw materials and technology used in lanting production process. The raw materials and technology used in every business are always related. Matters relating to raw materials during one period are as follows: the amount of raw material needs during one period, increase in goods price, continuity of inventory, quality of raw materials, nature and cost of transportation (Dina, 2011). A product is not only influenced by the quality of raw materials used but also influenced by the technology of the manufacturing process. This means that machines to process the manufacture of raw materials into finished goods will affect the quality of goods. Generally, more advanced machinery technology always produces better quality of goods (Suyadi, 2007).

Production place is located beside / behind the producer's house, as the theory put forward by Wahyuniarso (2013) concerning the characteristics of small industry that is more mechanized production process and its activity is done in special place (factory) that is usually located beside the house of the entrepreneur or owner. The use of skilled labor in the production process of lanting is used by producers for special division in the production process as in the frying process. Producers participate in lanting production activities, in accordance with the theory put forward Anoraga (2011) that the production process will determine the final output of production therefore every stage in the series of production processes must be in business control.

It needs to create innovations in product packaging and add product types to have more appeal to attract consumers. Lanting packaging is still not attractive and only in containers using large plastic because the most important producers are their products sold well on the market through the agents. The attractive packaging that is on the market after lanting to the collectors who sell back lanting products. In accordance with the theory of Anoraga (2011) that the business development should be coupled with concrete efforts so that its development is not temporary such as by diversifying the business or subcontracting for certain parts of the produksi process to other parties.

Strategy of Marketing

The definition of marketing according to Rangkuti (2014) is a process of activities that are influenced by various social, cultural, political, economic and managerial factors. The effect of these factors is that each individual or group gets needs and wants by creating, offering and exchanging products that have commodity value.

The lanting industry marketing strategy includes an increase in orders at a certain time coupled with the trademark / trademark features and innovative development of the various flavors offered. The characteristic of product is by showing trademarks owned by the manufacturer and distinctive flavor that is owned by each manufacturer. According to Rangkuti (2014), trademark or brand is the value associated with the name or value owned and attached to a company. The company should always try to improve its brand-equity. If the brand-equity can be managed properly, the company will at least get two things: the consumer will receive the value of the product and the company itself will get value through customer loyalty to the brand, which is the increase

in profit margins, competitive advantage and efficiency and work effectiveness especially on its marketing program.

The cooperation of producers and collectors in the distribution of lanting is as follows. The distribution concerns the way of delivery of products into the hands of consumers (Anoraga, 2011). The promotion is by cooperating with related agencies and agents who sell products online and take advantage of marketing opportunities that is working with young labors who migrate out of town that is as information whether that is the attraction for the city, such as a sense or an interesting marketing system. Small entrepreneurs are less able to read and access potential and prospective market opportunities. As a result, product marketing tends to be static and monotonous, whether viewed from the aspect of the small entrepreneur mentioned above if there is cooperation or partnership with government or other institutions (Anoraga, 2002).

Strategy of Human Resources (Employers)

Human labors are one of the most important elements to make a production activity occur. The interaction between the human labor of other production factors, such as machinery, other production equipment, raw materials, electric power and so forth that enable the running of the production process (Suyadi, 2007).

They should participate and take advantage of educational and training opportunities from the government. In accordance with the theory put forward by Kuncoro (2007), every organization or activity certainly requires human resources as a driver to achieve the goal. HR is made as a very valuable investment. To achieve these objectives it can be done by means of human resources need to be given education or training. Small entrepreneurs should be guided to improve the ability of small-scale entrepreneurs to become medium-sized entrepreneurs. Additional wage for labor (permanent labors) is given by producers to labor. The theory proposed by Anoraga (2011), human resources (labors) are very critical for the success of a company. A business must design a work environment that motivates the labors to help business to have success. Businesses should also develop a plan to monitor and evaluate the labors to compensate. By adequately monitoring and compensating employees reasonably, businesspeople can be sure that the labors will be moved to maximize their performance.

Strategy of Capital

Suyadi (2007), Capital is a wealth owned

by a company that can generate profits in the future, and expressed in the value of money. Capital is in the form of money in a business experiencing changes in shape in accordance with the need to achieve business goals, which are partially bought land and buildings, material inventories, machinery and equipment and stored in the form of cash (cash).

The initial capital is derived from the capital itself and the profit from the sale obtained as capital accumulation. In accordance with the theory put forward Anoraga (2011), the source of corporate funds is divided into two, namely from the company's own and outside the company. Sources of funds from within the company include the use of corporate profits, reserves and profits that are not shared. Additional capital occurs when many celebrations and before the holiday. Every business requires capital, either using its own capital or loan capital. Equity capital is often not sufficient for the overall capital needed to operate the company. Therefore, it generally requires loan capital (Suyadi, 2007).

The increase in access to capital is through a government-designated financial institution to handle the people's business. In the book of Suyadi (2007), the reason of companies to use loan capital is because the capital itself is not enough to meet the needs of all necessary capital. It is the capital that comes from outside the company that is debt (payable) to be paid back at maturity later. Based on the duration or period, loan capital is divided into three groups those are short-term debt capital, intermediate-term debt capital, and long-term debt capital.

Accounting book on administration and finance is simple and routine only done by two lanting producers. This is in accordance with the theory that has been opened by Anoraga (2000) is a relatively simple accounting book system and tend not to follow the rules of standard accounting book administration. Sometimes accounting book is not up to date so it is difficult to assess business performance.

CONCLUSION

Based on the results of research and discussion on lanting small industry in Lemahduwur village, it can be drawn conclusion as follows: (1) The strategy of lanting small industry production is by the best raw materials used that come from Kebumen area through raw material supplier / collectors lanting; The addition of starch material overcome the rare raw materials with a comparison that fits and in accordance with the

characteristics of lanting; the use of traditional production equipment and appropriate technology; the production is located beside / behind the manufacturer's house; the use of skilled labor in lanting production process; the producers participate in lanting production activities; the creating innovations in product packaging and adding product types to have more appeal to attract consumers; (2) The marketing strategy that can be done by the producers in marketing their business that is increasing orders at certain times coupled with showing the characteristics of product / trademark and innovation development of various flavor choices offered; Adjustment of the selling price with the price of raw materials of production, but still maintain the quality for selal interest of the customer; Cooperation of producers and collectors in the distribution of lanting; Promotion by cooperating with related agencies and agents who sell products online; Exploit marketing opportunities that is cooperation with young labor force who wander out of town; (3) The Human Resource Strategy (Labor) applied in lanting industry that is forming of lanting industry group in Lemahduwur village but not running smoothly; Following and taking advantage of government education and training opportunities; The division of labor tasks facilitates the lanting industry; The addition of the number of workers coming from outside the village and sub-district areas; Providing additional wages for labor (permanent workforce); (4) The capital strategy conducted is that the initial capital comes from own capital and profit from the sale obtained as the accumulation of capital; Labor costs differ according to the division of tasks in their respective production processes; Additional capital occurs when many celebrations and before the holiday; Increased access to capital through a government-designated financial institution to handle the people's business; Simple and routine administrative and financial bookkeeping is only done by two lanting producers.

Suggestions that can be submitted in this research are as follows: (1) The government and producers should be cooperated first in improving the human resources, then the development of technology without overriding marketing and capital in small lanting industry in the village Lemahduwur District Kuwarasan because basically human resources, technology, marketing and capital are the important factors in a business continuity; (2) The producers should increase wider cooperation with the raw material suppliers so that the sustainability of lanting production can be more secure and will not be delayed if the

customers' orders increase; (3) The producers should further increase their product promotion activities to make lanting industry known to the public in general and to reach a wider market so as to compete with similar industries from other regions and also to maintain the characteristics, the taste of product, and to improve the product quality; (4) The government should help and socialize more by making trademark and create innovation in product packaging, addition of product type to have high appeal in order to remain able to compete with other product; (5) The local governments and producers should cooperate more closely and externally in conducting education and training so that the production of lanting can be managed better and can achieve national and international marketing.

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