

VALUE CHAIN ANALYSIS OF SMOKED FISH IN KENJERAN VILLAGE, KENJERAN DISTRICT, SURABAYA CITY

Muhamad Alfian Khoiruddin¹, Adriana Monica Sahidu^{2*}, Wahyu Isroni³

Faculty of Fisheries and Marine, Universitas Airlangga

*Email: Adriana-m-s@fpk.unair.ac.id

Abstract

Smoked fish products are ready-to-eat because the smoking process is sufficient to cook the fish meat and kill pathogenic bacteria. The fish commonly processed into smoked fish is milkfish. This research focuses on analyzing the value chain of smoked fish products using a commodity-based and agribusiness area (center) value chain approach. This aims to comprehensively observe the role of each actor in efforts to increase added value and produce economically valuable products, especially for the actors within the smoked fish product value chain. This research uses primary and secondary data collection. The research method used in this study is a descriptive method. This study identifies problems in obtaining justification for the current situation. This research collects primary data in the form of interview results with MSME actors and questionnaire data, with a total of 10 respondents residing in Kenjeran sub-district. This type of research is field research, descriptive qualitative in nature, as it seeks to gather existing facts focusing on revealing issues and conditions as they are. The data collection techniques include interviews and documentation. The research results indicate that smoked fish business actors have already implemented SWOT analysis in running their businesses, but it has not been optimal. This can be seen based on the weighted scores through the Internal Factor Evaluation (IFE) Matrix and the External Factor Evaluation (EFE) Matrix, which show that the positions of Strengths and Opportunities have higher weighted scores compared to the weighted scores of Threats and Weaknesses.

Keywords: Surabaya, Kenjeran, SWOT, IFE, EFE.

1. Introduction

Fisheries is an economic subsector that plays an important role in the Indonesian economy, especially Surabaya. In general, the fisheries subsector in Surabaya consists of capture and aquaculture. In 2020, the production value of capture fisheries in Surabaya was 7,699 tons with a value of IDR 191.9 billion, while aquaculture production was 8,911 tons with a value of IDR 327.6 billion (KKP, 2020). This production value will make a major contribution to the economy if it can be processed and produce higher added value, such as in the fisheries sector in the Kenyan sea (Theuri et al. 2014). Fresh fish that is not immediately processed can be subjected to post-catch processing, which is usually referred to as preservation, so that its condition can be maintained for quite a long time and can add economic value, resulting in an increase in the selling price. There are several types of techniques used in preservation, namely salting, freezing, drying, smoking and others. Smoking is a traditional

fish processing technique that has good prospects for development. Processed smoked fish is a product that is ready to be consumed, because during the smoking process it is enough to cook the fish flesh and kill pathogenic bacteria. Smoking produces a distinctive aroma and provides a preservation effect for fish because of the chemical substances contained in the smoke which act as preservatives. The smoking process is known in 2 ways, namely cold smoking and hot smoking (BSN SNI 2725.3, 2009). This research focuses on analyzing the value chain of smoked fish products using a commodity-based value chain approach and agribusiness areas (centers). Surabaya, as one of the cities in East Java Province, is an area with potential for marine products because the northern part of Surabaya is a coastal area, especially the Kenjeran area which is part of the Java Sea. MSMEs in the Kenjeran area, in the marketing process of smoked fish, salted fish, fish crackers, skin crackers, shrimp paste and other products are still carried out traditionally. However, MSMEs has no strong

bargaining power due to not providing products that meet consumer desires. Commercial distribution of smoked fish, salted fish, fish crackers, skin crackers and shrimp paste are sold in the area and they accept orders. MSMEs have not been able to market to other regions, or even on an export scale.

2. Materials and Method

This research was carried out in May – June 2024. The research location was determined purposively, namely the Kenjeran Village area, Kenjeran District, Surabaya City, East Java Province. This research uses primary data collection and secondary data. The research method used in this research is a descriptive method. Descriptive research is research that aims to create a systematic, factual and accurate picture of the facts and characteristics of a particular population or area.

This research method is divided into several stages, namely preparing tools in the form of a list of questionnaires that will be used in the research along with stationery and mobile phones, and conducting interviews which aim to collect data during field surveys and ask questions to respondents. Data analysis in this research begins by identifying internal and external factors. Internal factors in the form of strengths and weaknesses and external factors in the form of opportunities and threats will be weighted to determine identification priorities.

Table 1. Internal and External Factors

Factors	A	B	C	...	Total
A	■				
B		■			
C			■		
...				■	
Total					

The weighting uses the Paired Comparison method, each variable is given a weight on a scale of 1, 2 and 3:

1 = If horizontal indicators are less important than vertical indicators

2 = If horizontal indicators are as important as vertical indicators

3 = If horizontal indicators are more important than vertical indicators

The weight of each variable is obtained by dividing the value of each variable by the total value of the variables using a formula.

This research uses data analysis in the form of the IFE Matrix, EFE Matrix and SWOT Matrix. The IFE Matrix or Internal Factor Evaluation is a formulation tool used to summarize and evaluate the main weaknesses and strengths in business (David, 2006). The data extracted is in the form of management, finance, production and marketing aspects. The EFE (External Factor Evaluation) matrix is used to evaluate how big the influence of external factors is. The SWOT tool is a tool that helps companies match to develop four types of strategies such as SO (strength-opportunities), WO (weakness-opportunities), ST (strength-threats), and WT (weakness-threats) (David, 2010).

3. Results and Discussion

Smoked fish consumers are people who buy smoked fish in relatively small quantities, namely for household consumption. Apart from that, there are also many people from outside the city who buy *aso-aso* salted fish in large quantities to resell outside the city. Because smoked fish is a dish that is quite popular with the public.

The strengths possessed here are the strengths generally possessed by smoked fish business actors in running their business and these strengths have an influence on the development of the smoked fish business amidst competition and progress in the business world, including: abundant raw materials, affordable prices, competition, availability of labor, and basic knowledge of traditional processing.

Weaknesses are obstacles faced by entrepreneurs in developing and carrying out their activities which affect the achievement of the profits desired by the smoked fish business, including: simple management, simple production equipment, limited capital, and less active product marketing. This condition is a condition that supports or provides opportunities for the smoked fish business to grow and develop. These opportunities include: superior regional products, extensive food, increasing demand for processed products, and diversified product innovation.

Apart from the constraints and obstacles as mentioned above, along with the increasing

development of the economy, technology, social and culture in society. The smoked fish business also identified several developments as a threat to the sustainability of the smoked fish business, including: uncertain supply of raw materials, the same competitors from other regions, and competitors for other processed fishery products.

Table 3. Matrix Internal Factor Evaluation (IFE Matrix)

MAIN INTERNAL FACTORS	WEIGHT	RATING	SCORE
STRENGTH			
a. Abundant Materials	0.85	5	4.25
b. Challenging price	0.70	4	2.8
c. Worker availability	0.80	3	2.4
d. Basic knowledge on traditional processing technique	0.80	4	3.2
WEAKNESS			
a. Traditional management	0.80	3	2.4
b. Traditional production	0.50	3	1.5
utensils	0.50	3	1.5
	0.80	4	3.2
c. Limited capital access			
d. Less-active marketing			

TOTAL	5.75		21.25
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Table 4. Matrix External Factor Evaluation (EFE Matrix)

MAIN EXTERNAL FACTORS	WEIGHT	RATING	SCORE
OPPORTUNITY			
a. Regional excellent product	0.85	4	3.4
b. Wide market share	0.80	5	4.0
c. Increased product demand	0.80	4	3.2
d. Product innovation and diversification	0.70	4	2.8
THREAT			
a. Unfixed material supply	0.75	4	3.0
b. Similar competitors from different regions	0.60	4	2.4
c. Other processed-product competitors	0.60	3	1.8
d. Technology development	0.80	3	2.4
TOTAL	5.9		23.0

Table 5. SWOT Analysis of Smoked fish business in Kenjeran

IFE EFE	STRENGTHS (S) a. Abundant Materials b. Challenging price c. Worker availability d. Basic knowledge on traditional processing technique	WEAKNESSES (W) a. Traditional management b. Traditional production utensils c. Limited capital access d. Less-active marketing
OPPORTUNITIES(O) a. Regional excellent product b. Wide market share c. Increased product demand d. Product innovation and diversification	S-O STRATEGY a. Menambah jumlah variasi produk yang ditawarkan. b. Memperluas pangsa pasar. c. Membuat harga yang Terjangkau	STRATEGI WO a. Meningkatkan efisiensi biaya. b. Mengajukan kredit kepada bank untuk menambah modal usaha
THREATS (T) a. Unfixed material supply b. Similar competitors from different regions c. Other processed-product competitors Technology development	STRATEGI ST a. Mengembangkan daya saing. Meningkatkan pelayanan kepada pelanggan	STRATEGI WT a. Perhatian kenyamanan. b. Seleksi kualitas karyawan guna meningkatkan persaingan. Menjalin hubungan baik dengan pelanggan

Based on the SWOT analysis carried out using the Internal Factor Evaluation Matrix (IFE Matrix) and External Factor Evaluation Matrix (External Factor Evaluation – EFE Matrix) methods mentioned above, researchers can analyze that, the implementation of SWOT analysis in the Kenjeran smoked fish business in the company's external factors, namely the Opportunities position which is greater when compared to the Threats position and the internal factors in the Strengths position have a greater score value when compared to the Weaknesses position, in the internal factors the weight of the Strengths value on Kenjeran smoked fish is (3.15) and the weight of the Weaknesses value on Kenjeran smoked fish is (2.6), while the external factors of the Kenjeran smoked fish business company have a weighted value of Opportunities of (3.15) while the Threats position has a weighted value of (2.75).

CONCLUSION

Data analysis in this research begins by identifying internal factors and external factors, implementing SWOT analysis using business strategies from both internal and external factors, but the implementation is not optimal. This can be seen based on the value weights through the Internal Factor Evaluation Matrix (IFE Matrix) and the External Factor Evaluation Matrix (EFE Matrix).

Internal factors include Strengths and Weaknesses, where in this internal factor the Strengths position has a greater value weight when compared to the Weaknesses value weight. Namely, the internal factor in the Strengths position for Kenjeran smoked fish is (3.15) and the Weaknesses value weight for Kenjeran smoked fish is (2.6), while the external factor for the Kenjeran smoked fish business company has an opportunities value of (3.15) while the Threats position has value weight of (2.75), so the traders' position can be said to be quite good, because the Strengths

and Opportunities positions have a higher value weight when compared with the Threats and Weakness value weights.

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