DO SMALL AND MEDIUM ENTERPRISES TAKE ANTICIPATION MARKETING AS AN IMPORTANCE OF THEIR MARKETING FUNCTION?

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Abstract

In the business competition, businesss people, particularly small and medium enterprises, are charged with a good marketing activity, not only when meeting with customers, but also before meeting with customers or before starting a business. This anticipation activity is an activity that is so easy to do that it can be done by any firm, including SMEs. Consequently, the services can be improved and a variety of consumer's disappointment and marketing constraints can be reduced.

This study aims to gain an overview of marketing activities undertaken in anticipation by small and medium-sized enterprises (SMEs), before facing the consumer or before starting a business (Marketing anticipation), and to investigate differences in marketing performance in business activity between those who do them and those who don't.

Generaly, the results showed that most SMEs are still not taking the anticipation marketing activities optimally yet, so it still has the potential to reduce the quality of service and leads to any consumer's disappointments. The results show that there is a difference of business performance between SMEs who are conducting the anticipation marketing activities and those who are not taking them optimally.

Keywords :
Marketing anticipation activity, Small and Medium Enterprises, Marketing Performance

Background

One success key in the business is the quality of their marketing activities performance. This will be more important when the level of competition becomes tighter and the consumer's demands are more complex (Vijande, at all, 2012). Any mistakes in marketing activities not only can disappoint the consumer, but also can give impacts on the migration of the consumers to the other products or the other businesses.

In many marketing literatures, the intended marketing activities are: marketing environment scanning, setting the prices, distributing the products, promoting the products, and doing the other relevant marketing activities (McCarthy and Perreault, 1993; Susilo, 2010). Based on those existing definitions, there is a litle part of them explaining that marketing activities have been done even before facing with the consumers. Thus, the various SME's activities conducted before starting the business and meeting customers (anticipatory / proactive) are also parts of the marketing activities that are not less important than any other marketing activities because they could have an impact on the marketing performance (Ervani and Kheiry, 2013; Srivasan, at all, 2002)

When there are some companies that cannot succeed or fail, it may be caused not only by a poor distribution, lack of aggressive promotion or insufficient service , but it may also be due to no serious marketing anticipation activities before starting the business or facing with the consumers. Consumers need not only a product or service when they are trading, but they also require some other things with ease from a company. The various marketing anticipation activities may become important activities allowing consumers and companies to get what they want (Boyd, 2000 in Yuliawati 2012).

Some marketing anticipation activities mentioned are:
First, open the business at the early hours. This activity will make it easy for the consumers to make a transaction earlier so they do not necessarily wait.
Second, check the condition and completeness of the products. This activity will reduce the possibility of the consumers to find any expired products.
Third, prepare some change. This activity will make the payment process easier and will not make the consumers feel annoyed because there is no change, or the exact fare/price has to be prepared.
Fourth, clean the location. This activity will make the consumers interested to come and feel comfortable during their stay in the location of the business, etc.

This study aims to gain an overview of marketing anticipation activities undertaken in small and medium-sized enterprises (SMEs), and to gain some information on the differences in marketing performance of business people who do these activities and those who don't.
There are still many other anticipation activities that should be done by SMEs, so that after the consumers come in and start trading, they will no longer feel any difficulties or other discomfort. When they feel ease and comfort, this condition will have positive impacts on the marketing performance of the SMEs.
The purpose of this study was to obtain an overview of the anticipation marketing activities undertaken by small and medium-sized enterprises as well as to obtain information about differences in marketing performance of SMEs who take the anticipation marketing activities and those who do not take them.

Theory
Some definitions of marketing, among others, are:
Evans dan Berman said that Marketing is the Anticipation, Management and Satisfaction of Demand through the Exchange Process. The American Marketing Association (AMA) defines marketing as follows: Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives."

The definition of small and medium enterprises in Indonesia uses the following criteria:

Table 1. Criteria of Micro, Small and Medium Enterprises in Indonesia

Business Scale	Criteria	
	Asset	Revenue
Micro	Maximum 50 million	Maximum 300 million
Small	> 50 mil – 500 million	Maximum 2.5 billion
Medium	> 500 mil – 10 billion	> 2.5 – 50 billion

Source : Law Number 20, 2008

Methodology

The study was conducted on 180 respondents of small and medium enterprises in Depok, West Java, Indonesia. Respondents consisted of small and medium-sized businesses in trading activities, services and manufacture. Sampling was done randomly. The data used are primary data relating to the respondents' profiles and the marketing activities undertaken in the marketing anticipation.

To get the information on the activities undertaken in the marketing anticipation, the researchers used some questions below:

Before you start your business,...
a. Do you open/start your business earlier ?
b. Do you prepare the change before starting your business?
c. Do you check the condition of the product before starting your business?
d. Do you check the completeness of the product before starting your business?
e. Do you clean the business location ?
f. Do you clean up and dress yourself neatly before starting your business?

Next, the researchers divided those activities into two groups: Group 1 is for SMEs who take the whole marketing anticipation activities, and Group 2 is for SMEs who simply do some anticipation activities.

As for business performance measurement, we used the sales turnover variabel. The analysis was descriptively performed to get some information and the respondents' profiles of their marketing anticipation activities and it also used a different test analysis to get different information in marketing performance of SMEs who take marketing anticipation activities and those who don't.

Due to the characteristics of small and medium-sized businesses having more or less the same characteristics, the data are assumed to be of the same variance, the number of different samples for each action condition. Another assumption used is that the data do not have a normal distribution. Thus, the t test formulations used are:

$$t = \frac{\bar{X}_1 - \bar{X}_2}{s_{X_1 X_2} \cdot \sqrt{\frac{1}{n_1} + \frac{1}{n_2}}}$$

that is,

$$s_{X_1 X_2} = \sqrt{\frac{(n_1 - 1)s_{X_1}^2 + (n_2 - 1)s_{X_2}^2}{n_1 + n_2 - 2}}.$$

In addition, the Degree of freedom for this case is n1 + n2-2. To facilitate the data processing, the researchers will use SPSS for Windows applications.

Results and Discusssion

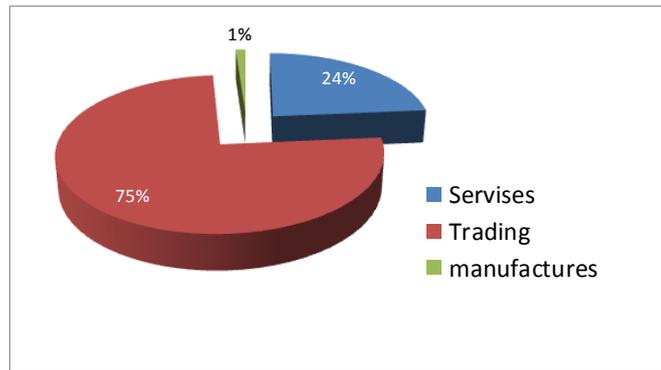The questionnaire was distributed to 134 SMEs in trading, 42 SMSs in services, and 2 SMEs in manufacturing.

Figure 1. Types of Respondents

From these questionnaires, the profiles of the respondens are :

1. 65% of the respondents have a fairly high level of education (high school and undergraduate levels), most of whom serve local markets (79.4%), and 76.1% of them do not have business entities.
2. In the marketing anticipation activities that should be carried out, the results showed that only 40.6% of SMEs have done all the marketing anticipation activities. There are still quite a lot of SMEs (59.4%) who are just doing some anticipation activities.
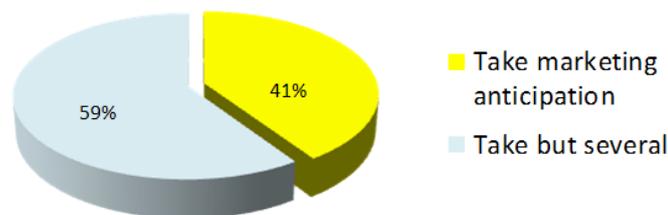

Figure 2. Proportion of SMEs's Marketing Anticipation Activity

3. The information details of the 59.4% of SMEs who are just doing some anticipation activities   are:

    - There are 35 % of SMEs who do not start their business earlier. This shows that there are still quite a lot of SMEs that do not make it easy for the consumers to conduct their transactions earlier.
    - 25% of SMEs do not prepare the change, so that the consumers may face some difficulties in making the payments.
    - There are still 12.2% of SMEs who do not clean the location before starting their business, so that it may disturb the consumers at the time of the transaction.
    - 8.3% of SMEs do not take any other marketing anticipation activities meaning that there are no other efforts of the SMEs to the anticipation activities that can allow the consumers to do the transactions more easily.

The positive things obtained from the survey show that:
    - Generally, most (95%) of SMEs check the condition and completeness of their products before they start the business, so that this activity can reduce the possibilities of consumers' getting a product that is not in good condition and being disappointed because the product is out of stock.

- The majority of SMEs (93.9%) have cleaned themselves before starting the business, thereby attracting consumers to come.

Referring to the impact of the marketing anticipation activities on the marketing performance of SMEs, and from the different test results conducted, it demonstrates that there is a significant difference in performance (turnover explanation) among SMEs who conduct the marketing anticipation activities and SMEs who don't (value Asymp. Sig is 0.056 or very marginal, as seen in the following statistics test.)

Table 2

Test Statistics[a]

	Omset2
Mann-Whitney U	3337.500
Wilcoxon W	9115.500
Z	-1.911
Asymp. Sig. (2-tailed)	.056

a. Grouping Variable: Antici2

When associated with the knowledge of SMEs, there seems to be a relationship between the level of education and the implementation of marketing anticipation activities in their marketing activities. The statistical tests show a significant relationship between both of them, as shown in the following table.

Table 3

Test Statistics

	pend	Antici2
Chi-Square	18.207[a]	6.422[b]
df	3	1
Asymp. Sig.	.000	.011

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 44.8.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 90.0.

Conclussion

While the competition is getting tougher, various efforts, including the marketing anticipation activities, should be done by the SMEs. In general, the study shows that there are still quite a lot of SMEs who have not taken the marketing anticipation activities optimally, especially in opening/starting the business earlier, providing change, and cleaning their business locations. Meanwhile, some of the anticipation activities that have been carried out are to check the condition and completeness of the products. The other results show that there are significant performance differences between the SMEs who take the marketing anticipation activities and those who do not. These results should encourage the SMEs to take the marketing anticipation activities consistently and seriously.

The limitations in this study are the coverage area of research and the questionnaires which were conducted by the students and not by a special team of enumerators who could give better validity and reliability.

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