

Analysis of Resources Based approach and Market Based Approach on The Customer Value of Green Food Product, is composed by Hasnelly (Pasundan University) and Iman Sudirman (Bandung Technology Institute), Indonesia

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Abstract - The objectives of this research is understanding the phenomenon, obtaining empirical evidences, and getting the conclusion about the impact of the resource based approach and market based approach on the customer value of green food product. This research is conducted in order to give advantage in science development, particularly strategic management. This research is also a from of public, agri-food industry and green food product industry.

Public awareness about environmental friendly product and their positive contribution to the environment has caused the sharp increase in the demand of green food product in Indonesia and other developing countries each year.

Strategic management researches in the perspective of resource-based and market based in the agricultural industry is still limited in number although this industry has a major contribution to the economic level of these countries, moreover, strategy is basically formulated to the create continuous superior financial performance through competitive advantage.

The analysis methods for this research are descriptive and verification methods. The type of this research is causality research with cross sectional. The sampling technique is cluster area sampling. This paper discusses the research about the implementation of resource-based and market based approaches in manufacturers of green food product in Indonesia. The unit analysis are manager of green food product companies located in West Java, DKI Jakarta, Banten and Yogyakarta. The number of the companies that participation this research are 80 companies and 65 are valid following normal distribution. The analysis instrument is path analysis in order to know; (!) the influence of resource based and market based approaches toward the customer value of green food product. The correlation among all variables is known by Product Moment Pearson Correlation.

The result of this research reveals that: (!) There is a significant influence of the resource based and market based approaches toward the customer value variables respectively of green food product.

The research shows that companies have been implementing the resource based and market based strategy significantly influence on customer value of green food product.

Key words: Resource based, Market based, Customer value.

I. INTRODUCTION

1.1. Background Problem

Law no. 7 Year 1996 concerning: Food, chapter 1 chapter 1: food is anything that is derived from biological resources and water, whether processed or not processed, which is intended as a food or drink for human consumption, including food additives, food materials, and other materials used in the process of preparation, processing, and / or manufacture of food or beverages. Food security conditions and efforts are needed to prevent food from possible contamination of biological, chemical, and other objects that may interfere with, impair, and endanger human health.

Law of the Republic of Indonesia number 41 of 2009 on sustainable agricultural land protection, chapter one article a sustainable agricultural land is defined areas of agricultural land to be protected and developed consistently to produce staple foods for self-reliance, resilience, and national food sovereignty. Food security is a condition for the fulfillment of food households as reflected by the availability of adequate food, both quantity and quality, secure, equitable, and affordable.

Article 3 of the laws of the Republic of Indonesia no. 41 In 2009, protection of agriculture land was held with the goal of food sustainability, among others, to protect the area and agricultural land in a sustainable food; ensure tersediaanya agricultural land in a sustainable food; mewujudkan self-reliance, resilience and food sovereignty; protect the ownership of agricultural land owned by farmers; enhance prosperity and the welfare of farmers and communities; enhance the protection and empowerment of farmers, improving the provision of employment for a decent life; maintaining the ecological balance; and realize revitalisasi agriculture. Agricultural land currently on the wane and many have experienced decline in nutrient content due to processing of land that is not good. Ways to minimize this damage by improving one ecosystem, among others, planting techniques that do not use environmentally friendly chemicals made in factories, so that land used for agricultural production land is no longer dependent by the chemical materials. Results and production plants to be better. Production would have more value because there are no man-made toxic chemicals that are safe for the body.

Ministry of Environment of Indonesia, green products are environmentally sound products, Jansen and Jager stated that green products are products which have low

environmental impact. Bishop proposed a green product design is a way to prevent and minimize the resulting waste and materials management / recycling (Sari, 2008:34)¹.

Government standards on food products contained in the Indonesian National Standard 01-4493-19980 ie normal smelling products, free of pests and diseases, free of chemicals, the optimal physiological maturity and clean condition, and the special requirements of weight, product defects, moisture, fiber and starch content, protein content, fat content depending on the type of product. Communities become more critical to health and life style of discourse that becomes the trend, they began to be aware of the important factors of health not only repaired, but maintained. They began to carefully choose and buy healthy products consumed and greatly affect the health quality possessed. Healthy lifestyle starts with eating minimal toxin and is known as a green food product or organic food.

Green food product or organic food product is a food product during the process of planting until harvest not undergone a chemical process or the use of synthetic materials, such as peptisida, herbicides, fertilizers with chemical content, hormone injections or antibiotics, and its process without ionizing radiation or genetic modification, by therefore natural processes are safe for consumption by the body.

Green food product (organic) other vegetables, including fruit, and all kinds of meat which are all produced without contamination by any substance. The impact on the ekosistempun very good, fertile soil, microorganisms in the soil that grows naturally can donate minerals and vitamins that maintain the balance of nature and habitatnyapun necessarily be maintained. Green food products did not receive proper attention in their own country, the people of Indonesia seem to still indulge with delicious food, fast food from outside is actually a chronic health problem.

Adapting resource-based view within the context of small-scale processing of food products because of two reasons. First, small-scale enterprise has special resources that distinguish them with larger companies. Second, small companies usually have a shortage of some resources (eg finance, marketing capabilities) that can create resistance to the company a competitive advantage in the marketplace (Forsman, 2000:4)².

There are three themes that emerged strongly in the strategic management of marketing literature for more than 10 years (Schroder & Movondo, 2000:2344)³, namely:

A. There is a construct that is called marketing orientation (marketing orientation), guiding the focus of competitors and customers, and organizations within the firm based on the dissemination of information about competitors and customers and management of human resources to translate this information into the system of managerial activities focused on satisfying the needs customer marketing orientation is positively related to company performance in general.

B. The emergence of the marketing paradigm "new" based on a link from the transaction.

C. Of resource-based view of business strategy focuses on competence in complex, mixed as a source of competitive advantage.

This study discusses the analytical approach, Resource-Based and Market-Based to see the extent to which these strategies impact on value .

1.2. Problem Limitation

Based on the background and identification of the problems mentioned above, researchers set limits on the issue:

1) Effect of Resource-Based approach (the core resources and critical resources) and Market Based on customer value.

1.3. Problem Formulation

Identify the problem based on the background and the problem definition above, the research problem can be formulated as follows:

1. How to approach the core resources of green food products.
2. How to approach a critical resource of green food products.
3. How to market based approach to the green food product.
4. How does the customer value of green food

1.4. Research Objectives

The purpose of this study was to obtain

empirical evidence of this phenomenon and find clarity about the influence of resource-based variables (core resources and critical resources) and market based on customer value

1.5. Research Purpose

a. Usefulness in the Development of Science.

1. Theoretical usefulness in the development of science can contribute to the development of management science, especially in the field of strategic management, strategic management of resource based and market based management strategy.

2. Provide useful information to producers, managers and customers and all those in need. 3. Can encourage other studies conducted. 4. Can help the entrepreneur in determining the best strategy for the advancement of the company.

5. Can assist the government in policy-making strategies of green food products, especially organic.

b. Practical usefulness / Operations.

Viewed from the macro dimensions can be used as consideration in the development of green food products industry in general, especially organic food products, develop markets for local products, increase the competitiveness of local producers, by local entrepreneurs or potential entrepreneurs, in an effort to improve the ability of the nation.

II. METHODOLOGY

II. LITERATURE REVIEW

2.1. Grand Theory Study

2.1.1. Management Strategy

Grant (2001:114)⁴ Strategy has been defined as "the match an organization makes Between its internal resources and skills and the opportunities and risks created by its external environment. "(the harmony between an organization and the skills of internal resources with the risks and opportunities created by the environment).

2.1.1.1. Resource-based view

Business strategy focuses on the accuracy between the company and its environment, based on resources theory focuses on factors within the company stated that akuisisikan and retention of a few sources such as non substitutable and in cambration, difficult to imitate is a source of economic rent and accounts for Read and De Fillipi, Barney, Mahoney and Pandian, Oliver, in Orr (2007:2)⁵.

Based on the theory of resources in the marketing literature is a relatively modern phenomenon. The first significant contribution made by Shelby Hunt and Robert Morgan as the foundation of a new theory of competition, a recognition of the hotly debated by other scientists (Orr, 2007:2)⁵.

Interface between theory based on the source and the relationship between the company has been in the exploration by Hamel and Lado Boyd and Hanlon, individual companies can internalize the knowledge of their partner quietly that there is potential synergy in combining knowledge-based competencies of two or more organizations

2.1.2. Market-Based

Marketing orientation.

According to Schroder and Mavondo (2000:2344)³, there are a number of definitions contained in the marketing orientation literature. General theme is related to external customer focus and orientation. Some authors emphasize the culture. Performance and relationship marketing orientation has been investigated in a number of countries and industries, and generally found positive. Norver and Slater identifies 3 (three) components, namely the marketing orientation, customer orientation, competitor orientation and inter-functional coordination

2.1.3. Customer Value

Superior customer value as an organizational objective is to achieve an objective among other purposes Increasing the value of the company for its shareholders need to create, communicate and deliver superior customer value (SCV) can be maintained with due regard to the minimum level that must be met any other attribute. Management of the organization can choose one of three roads (Treacy and Wiersema in Afiff 2004:17)⁶, ie best product (product leadership), best total cost (operational excellence), or best total solution (customer intimacy).

III. RESULTS

Approach to economics, specifically in management science, management focus and marketing strategy, review "approach to resource-based analysis (core resources and critical resources) and market based on customer value

Goals for this research is organic food products company because this company has been implementing environmental friendly techniques in the treatment process. focused on organic food products company in the region of West Java, DKI Jakarta, Banten and Yogyakarta.

3.1. Methods Used

Methods of data analysis used to test these hypotheses is the path analysis (path analysis). Path analysis the first step must be done first to translate the research hypothesis in the form of a diagram, called a path diagram.

The pattern of relationships which suggests the influence of several dependent variables against independent variables. Statistical methods can provide clarity of direction and magnitude of the relationship between variables is a very useful study for researchers in examining further the various variables studied.

According Kuncoro (2008:7)⁷, path analysis can be used to view direct and indirect influence of one variable against another, provided that the variables involved have at least an interval scale and performance value of the research variables was good. Level of influence is indicated by its structural parameters (path coefficient).

3.1.1. Descriptive Analysis

Descriptive analysis is used to identify independent variables (physical, human resources, organizational, market orientation, behavior, and competitors) are investigated using the interval method, the median score with the distribution.

3.1.2. Place and Time Research

Place: Java Barat, DKI Jakarta, Banten, and Yogyakarta.

The experiment was conducted on organic food products companies around the West Java (Lembang, Ciwidey, Ciparay, Pangalengan, Garut, Bandung, Cianjur, Bekasi, Bogor, Cipanas, Peak, Sumedang, Karawang, Sukabumi, Purwakarta, and DKI Jakarta, Banten and Yogyakarta in December 2009, January and February and March 2010.

3.2. Research Design

3.2.1. Sources and Methods of Data Collection / Information

Target population are all organic food products companies throughout West Java, DKI Jakarta, Banten and Yogyakarta, where the geographic area is an area that many respondents simply organic food products while the unit of analysis is the company manager.

Samples were selected based on questionnaires filled out by the manager of organic food products company, selected respondents were asked to fill out questionnaires that provided further interviews were conducted in connection with the respondents' answers on questionnaires.

3.2.2. Ways of Data Collection

Researchers chose a manager as a working population. Working population is a population element will be the target of sampling. These places were chosen based on selection of sites Area cluster sampling method. Cluster sampling is the sampling area is determined by considering the geographical location of green food products Sugiyono (2009: 83)⁸.

3.2.3. Determination Engineering Data

This research is the primary data, to obtain primary data collection techniques were used the following data:

1. Observation, namely the collection of data by observing the company's activities directly related to the problem being investigated.
2. Interview, namely how to obtain data by directly communicating orally or in face to face with the parties concerned in the company being researched.

The questionnaire, which is a way to collect data by providing a structured questionnaire aimed at respondents who selected as samples to obtain primary data.

3.3. Analysis desain and Testing Hypotheses

3.3.1. Draft Analysis

Given the data collection using questionnaires, the sincerity of the respondents in answering the questions is very important in research. Error a result of social research is largely determined by the measuring instrument used. If the measuring instrument used or not valid and can not be trusted, then the results of research will not describe the real situation, it is necessary to cope with two kinds of tests, which test the validity (test of validity) and reliability testing (test of reliability) and test of normality (test of normality).

3.3.2. Hypothesis Testing

The structural model can generally be described by the following equation:

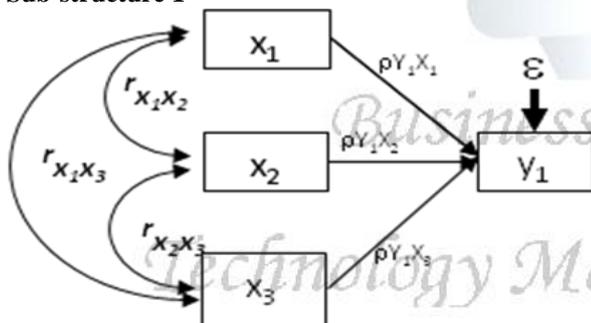
$$y_1 = f(x_1, x_2)$$

$$y_2 = f(x_1, x_2)$$

$$z = f(y_1, y_2)$$

Diagram of the complete structure is broken down into several sub-structures as described in Figure 3.6 for the sub-structure 1, Figure 3.8 for the sub-structure 2, Figure 3.10 for the sub-structure 3.

Sub-structure 1



Hypothesis 1

H0: $\rho_{y_1x_i} = 0$: there is no significant effect partially or simultaneously of each independent variable;

Core Resources and Critical Resource and Market Based on Customer Value.

Hi: $\rho_{y_1x_i} \neq 0$: There were significant effects were partially or simultaneously of each independent variable; Core Resources and Critical Resource and Market Based on Customer Value.

Probability value of $<5\%$ \rightarrow mean H0 rejected, and accepted meaning Hi \rightarrow significant path coefficient Probability value of $>5\%$ mean \rightarrow accepted and rejected Hi

IV. DISCUSSION

4.1. Research Results

4.1.1. Overview of the Observation Unit

4.1.2. Descriptive Analysis of Food Products Green Respondent Characteristics

Observation unit manager organic food products, which are in the West Java: the Lembang, Ciwidey, Ciparay, Pangalengan, Garut, Bandung, Cianjur, Bekasi, Bogor, Cipanas, Sumedang, Karawang, Sukabumi, Purwakarta. DKI Jakarta and Banten, Yogyakarta: Bantul and Sleman (Turi). Questionnaires are returned to the researcher as much as 80 questionnaires and questionnaires that are processed and deserve as much as 65 questionnaires. Results Descriptive analysis of data obtained from the respondent's answer, is described by investigators as follows:

4.1.2.1 Descriptive analysis of characteristics of respondents in West Java, DKI Jakarta, Banten and Yogyakarta

Respondent characteristics can be explained by age, gender, the status, level of education last, positions in companies, institutions, the price of green food products produced and the last time producing food products green. Questions about the characteristics of the respondents, the researchers explained in Part I of the questionnaire, the analysis of these characteristics, researchers can explain how the profile of research respondents.

1. Age

Composition of respondents by age, Respondents who chose the green food product business aged between 41 to 50 years. This is thought to reflect the composition of the managers under this age and usually already aware of the environment.

2. Gender

number of respondents 72.3% male, allegedly due to two things: the first green food products business performed both male and remember this effort requires a strong physical and mental. According Accut and Geno in Mc Keiver and Gadenne (2005:516)⁹ gender impacts of environmental attitudes. According to research results in Mc Keiver Petts and Gadenne (2005:516)⁹, at the age of their great attention to environmental issues. Age, gender and educational impact on environmental attitudes.

3. Status

87.7% of respondents are married status, alleged that the respondents who chose a green food product business

because this business requires perseverance and patience, and they are responsible to feed their families.

4. Education Level

Respondents with graduate educational level of 46.10% could be assumed that the respondents in this study have been aware of environmentally conscious attitude and not just think profit.

5. Position in Company

Most respondents act as the owner of 44.6%, while there also as a production manager and marketing.

6. Agency

Respondents who chose to attempt the green food product from any individual. 72.3 Percentage indicates the proportion of agencies involved.

7. Green Food Products Prices

The varying prices of green food products produced and generally ranges from Rp. 20,000 - Rp. There are 30 000 35.4% of respondents. Premium prices offered illustrate that green food product prices quite expensive when compared to similar products.

86.2% of respondents to produce green food products to date. This indicates that the business in a green food product having a prospect.

Empirical findings from the 65 respondents' answers can be concluded that the unique product 47.70%, 52.30% higher quality products, guarantee the product quality is higher than the 36.90% requirement, the capacity of a combination of resources according to 49.20% and the use of appropriate production methods 66 , 20% and the competitive superiority of 46.20% can enhance its competitive customer value.

These empirical findings show that with the implementation of resource management strategies on green food products company has provided benefits in increasing customer value.

The table above shows that the largest contribution to the core resource variable is an item about the level of product quality that can be produced with a percentage of 21,05%, while the smallest contribution of the level of capacity from a combination of resources with percentage of 13.50%.

A critical resource variables describing the owner and manager perceptions of 7 (seven) dimensions with 19 (nineteen) of operational variables. Results questionnaire specific expertise is lower than 69.20% expert, product knowledge to know 53.80%, the ability to use technology underprivileged 63.10%, completed the job skills of skilled employees 63.10%, employees speed fast enough to respond to customer complaints 56 , 90%, the ability of mutual relations activities have the ability to manufacture products 67.70%, suitability of the cost of production has the ability to 78.50%, education employees have a background of less 56.90%, 84.60% friendly hospitality employees, the ability of how to sell 49.20% of limited ability, attention to specific wishes of customers has a 72.30% interest, short chain from the manufacturer kepelanggan has the attention of 63.10%, 75.40% higher core competencies, build customer relationships with high-61.50%, sources lack the internal resources of high

61.50%, the relation of cooperation is not high enough 43.10%, intensifying the competition is not high enough 38.50%, 47.70% higher intensify dealers, and mutual trust 47.70% height can increase value.

The largest contribution to the core resource variable is an item about the level of attention to specific wishes of customers with a percentage of 6:27%, whereas the smallest contribution of the education level of employees with a percentage of 4:34%.

Variables that describe the perception of market based owner and manjer consisted of 7 (seven) dimensions and 18 (eighteen). Questionnaire results showed that high choice raw material base 70.80%, low additive content 93.80%, the use of treatment methods is not high enough products 46.20%, the production of ecological products is not high enough 36.90%, convenience is not high enough to get the product 49 , 20%, 52.30% higher kestrategisan location, demand for healthcare products is higher 52.30%, demand for security products is higher 33.80%, the product needs for personal satisfaction is higher 50.80%, confidence in the product 36.90% more confidence, a sense of green food products more positive 60.00%, the response to the product may be purchased 78.50%, the sensation when I saw and heard the products are no different from the other 78.50%, more distinct difference between product 40.00%, limits of less distinct difference between product 50.80%, that conscious perception is less clear among different products 47.70%, good corporate service level 87.70% and 47.70% good product quality.

This empirical study is supported Norver and Slater in Schroder and Mavondo (2000:2344)³, relationship marketing orientation and performance was found positive, which involved three components namely marketing orientation, customer orientation and competitor as well as coordination between functions, to know the tendency of increasing the measured variables from the questionnaire score of 65 respondents.

The largest contribution to the market based variable is an item about the level of feelings towards a certain green food products with a percentage of 6.66%, while the smallest contribution of the additional material content levels with the percentage of 2:08%, to determine levels according to the respondents.

Variable perceived value managers consisted of 13 (thirteen) dimension and 27 (twenty seven) Results of the questionnaire stated that the health benefits of 56.90% is very useful, very useful benefits to the environment 70.80%, the benefit received through better product quality to meet the benefits of 43.10%, received psychological customers received 49.20%, a sense of security received by customers meet security 38.50%, connect with other people is closely connected with others 50.80% motivation motivated customers adjust to 41.50% of products, green food products affordable price 40.00%, becomes a barrier to buy an affordable price 80%, not a price comparison with the same lack of green food products 70.80%, with the benefit of price comparisons inappropriate 50.80%, comparing with the price match is very appropriate risk 46.20%, the price comparison is

more appropriate to use 36.90% , the popularity of price leadership more expensive products 46.20%, the rate of 61.50% guaranteed quality assurance, the sophistication of technology used by 58.50% using the technology, the consistency of the quality of the results less consistent 70.80%, 66.20% *kemampuan* an established brand, 58.50% dominance of a brand, product availability on the market is 60.00%, geographic distribution is less spread 36.90%, breadth of products known to 60.00% less famous, less high prestige product services 53.80%, the consistency of the publication is less consistent 76 , 90%, 50.80%, consistent investment consistency, brand protection is less protected 86.20%, 64.60%, regardless of brand awareness.

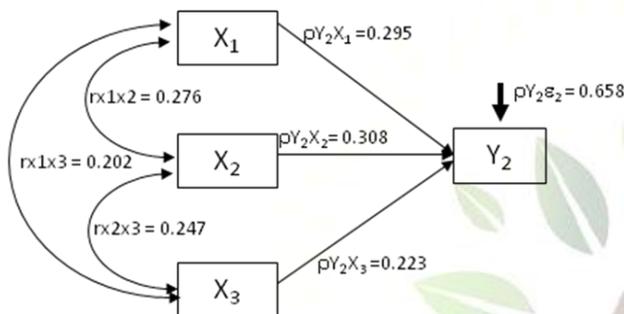


Figure: Coficience value of each variable

4.1.2.2. Simultaneous Influence

Core resources and critical resources as well as Market-Based simultaneous significant impact on customer value of green food products. The contribution of the effect of variable core Resources and Resource-Based Market is Critical, and 38.84%, and the rest equal to 61.16% influenced by other factors not described in this study.

V. CONCLUSION

5.1. Conclusion

Results of descriptive analysis, verification and predictive, then the researcher can formulate conclusions from the findings obtained and the researcher can provide good suggestions for the practical aspects of academic and research will be able to clarify this. Conclusion The results of this study are as follows:

1. Approach to core resources on green food products are able to increase the accuracy of responses to customers in the form:Improvement of individual resources, capabilities, core competencies and knowledge that have a relationship with the company in a good position to achieve market success, while the main obstacle in implementing the strategy manager core resources are less available resources to be minimum requirements.
2. The approach is a critical resource supporting resources and the combination with the core resources to get a very successful position in the market, thus increasing the variability increased customer value of green food product.

3. Market based approach in green food products, the key is to improve the accuracy of responses to customers in the form:Peformansi products, confidence, cooperation with customers, collaboration with suppliers and competitors, while owners and managers of the main obstacles in applying market based strategy is the lack of available quantity of products that enhance customer value increased variability.
4. The approach in applying the customer value strategy on green food products are able to increase the accuracy of responses to customers in the form:Premium price prohibitive and consistency of product quality, while the producers and managers of the main constraints in implementing the strategy of customer value is less known product breadth, thus increasing the variability increased customer value.

5.2. Suggestions

The findings obtained by researchers from the results of hypothesis testing, the suggestions for the academic aspect to the development of management science and strategic management, particularly the requirement for a practical or operational aspects for decision on green food products industry in West Java, DKI Jakarta, Banten and Yogyakarta

Practical advice for operational

- a. We recommend that decision makers in the industry more green food products considering the availability of resources and skill competencies for technology based on the analysis of the characteristics of green food products industry is less availability of resources and pemahan to technology.
- b. Researchers suggested that the decision makers in the industry of green food products to be able to utilize the core competencies and technologies that will have a significant impact in reducing costs and reduce losses and increase profits.

The government should design laws on regulations or standards of green food products, especially organic food products

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