

# Consumer Empowerment in dealing with Free Trade based on Consumer Satisfaction



**HIDA-AOTS Asia Monozukuri Conference  
Mulia Hotel-Jakarta, 9 September 2015**

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## DADANG SOLIHIN

Doctor in Governmental Science from Padjadjaran University and Master of Arts in Economics from University of Colorado at Denver, USA, is the President of Darma Persada University (a.k.a. UNSADA).

Having served more than 7 (seven) years as Director at the Ministry of National Development Planning of the Republic of Indonesia (BAPPENAS), this Bachelor of Economics and Development Studies from Parahyangan Catholic University has written several books concerning to Decentralization and Regional Autonomy, Regional Development Planning, Monitoring and Development Evaluation, etc.

Dadang Solihin is the best participant at Leadership Training and Course Level II Class of XXIX in 2010 at LAN-RI Jakarta and the best participant at Regular Education Program (PPRA) Class of XLIX in 2013 at The National Resilience Institute of the Republic of Indonesia (Lemhannas) who graduated with Excellent honor and was awarded Penghargaan Wibawa Seroja Nugraha.

His works are published on various media, particularly in on-line media. Kindly send email to [dadangsol@gmail.com](mailto:dadangsol@gmail.com), call at 0812-9322-202 and check out <http://dadang-solihin.blogspot.com>

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# What is Consumer Empowerment?

# Community Empowerment

- A continuous result will be achieved if community **is awarded a trust** to be able to determine a particular development process needed by them,
- Community **analyses existing problems and opportunities** then seeks a way out that suits their resources,
- Community, by themselves, **creates decision and planning**, implements and evaluates the effectiveness of the on-going activities,
- Government and other institutions play their roles in **supporting and facilitating** only.



# Endeavour in Empowering Community



## **Enabling:**

Create environment or atmosphere that may develop people's potential.

## **Empowering:**

Strengthen the inner power or potential which possessed by people.



## **Protecting:**

Prevent the imbalanced competition, and also the exploitation of the stronger over the weaker.

Sumber: Ginandjar Kartasasmita, 1996

# The Determination of Policy on Consumer Empowerment

- Development of **consumer** and **entrepreneur**
- Improvement on the active role and social awareness of **entrepreneur**
- Improvement on the capacity of institutional **consumer** protection
- Consumer Information services through the network information technology
- Analysis and evaluation on the accomplishment of **consumer** protection as the feedback on the making of its policies
- Coordination, cooperation, and publication on **consumer** protection



# Policy Approaches

- **Smart Policy and Regulatory**, is the improvement on smart policy/regulation, to protect consumers, and secure domestic market, which encompasses policy making, evaluation, and the analysis of consumer protection policy.
- **Smart Consumers/Traders/Producers**, is the consumer empowerment to be smart consumer community and increase the entrepreneurs' responsibility that refers to consumer protection, ordered measurement, ordered quality and ordered business, which encompass:
  - Social civilizing (consumer, entrepreneur, apparatus);
  - Socialization/Publication/Dissemination;
  - Coordination dan active participation in cross-sector communication forum; and
  - Establishment of consumer protection motivator.
- **Smart Partnership**, is the development of the institutions and improves the network coordination with the institutions of consumer protector in settling the legal action between the consumer and the entrepreneur.

# How to Do It?



Development and education on people about the rights and responsibilities of consumer and entrepreneur according to the applicable law

Giving information about safe utilization of a product/service.



Focus on certain consumer circle which has problem accessing information, or they who have potential to be trapped in transaction deal that may harm them.

# What is Consumer Satisfaction?



# What is Consumer Satisfaction?

- **Consumer Satisfaction** is a pleasant feeling and/or disappointment which comes from the comparison between **impression** and **expectation** towards a product.
- In accordance to managing consumers with loyalty to product or service of a company, there must be an endeavor to produce **consumer satisfaction**.
- Loyal consumers will not be affected by another competitors and can maximize the profit of the company.
- David Bentley, 2002, says: “*Satisfaction is an attitude (sikap); loyalty is a behavior (tingkah laku)*”

# What do Consumers Want?

- **High** Quality
- **Low** Price
- **High** Service
- **High** Flexibility
- **Low** Variability

Source [solihin.blogspot.co.id](http://solihin.blogspot.co.id)



# Variety of Consumer Satisfaction

1. **Functional Satisfaction**, is a feeling of satisfaction obtained from the function or the usage of a product.
  - E.g. consuming food results in the feeling of fullness.
2. **Psychological Satisfaction**, is a feeling of satisfaction obtained from an abstract attribute.
  - E.g. the feeling of proud because having an excellent service from a luxurious restaurant.



# Thank You