Marketing Strategy with SWOT Analysis Post-Covid-19 Pandemic: A Case Study on Home Industries in Lombok, Indonesia

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ABSTRACT

Marketing Strategy Analysis for Cassava Chips Home Industry in Sukamulia District, East Lombok. This research aimed to (1) identify the strengths, weaknesses, opportunities, and threats faced by the cassava chips home industry, and (2) determine suitable alternative marketing strategies to be implemented in the cassava chips home industry in Sukamulia District, East Lombok. The analysis used in this research was based on the SWOT analysis, which was compiled into a SWOT matrix. The results of the SWOT analysis generated alternative strategies that indicated the business's position in quadrant 1, which signified growth. Therefore, the suggested alternative strategy for the company was to utilize strengths to maximize opportunities (SO strategy).

Keywords : Strengths, Weaknesses, Opportunities, Threats, Marketing Strategy

I. INTRODUCTION

In the modern era, the business landscape is experiencing significant growth, accompanied by fierce competition among enterprises (Surya Aistiawan, 2022). This dynamic environment necessitates businesses to establish competitive advantages to ensure long-term profitability and sustainability (Surya Saputra, 2017). Buchari Alma (2018) defines business as a continuous and regular activity undertaken by individuals or organizations. It involves the provision of goods, services, and facilities for exchange or utilization, with the ultimate goal of generating profits. Business activities encompass various aspects, including trade, work, profession, income, and livelihood, undertaken by both individuals and companies.

The interaction between consumers and businesses revolves around the exchange of goods and services to fulfill their macro and micro needs (Swasta, 2014). In this context, companies require effective strategies to achieve success, particularly in a competitive market (Kurniaty & Mayasari, 2019). The changing consumer behavior, which emphasizes product quality, pricing, and service, further intensifies the need for businesses

to adopt strategies that cater to these demands (Zainurossalamia, 2020). Understanding the business environment is crucial, with the industry serving as a primary dimension within which companies compete (Rangkuti, 2006).

To attain above-average profitability compared to the industry, companies often employ generic strategies, which involve creating sustainable competitive advantages (Kotler, 2016). The success of a company's marketing efforts is directly influenced by market competition (Alma, 2018). Factors affecting business operations can be categorized into internal and external environments. The internal environment encompasses aspects such as management, marketing, finance/accounting, production/operations, research and development, and management information systems. On the other hand, the external environment comprises economic, social, cultural, demographic, political, government, legal, technological, and competitive factors. Analyzing these environmental factors is crucial and can be effectively achieved using the SWOT analysis (Rangkuti, 2017).

SWOT analysis provides a systematic approach for identifying and formulating strategies based on maximizing strengths and opportunities while minimizing weaknesses and threats (Pamungkas & Agus, 2017). Strategic decision-making processes are closely tied to a company's mission, objectives, strategies, and policies (Rangkuti, 2006). Strategic marketing places a strong emphasis on customer orientation and satisfaction, focusing on the institution's performance in serving customers. This differs from traditional marketing, which primarily focuses on increasing sales volume (Darmanto & Wardaya, 2016). Effective planning allows companies to anticipate future developments and gain control over external factors that may impact their business (Alma, 2018).

Prior studies by Wicaksono (2018) support the proposition that marketing strategies, particularly

through SWOT analysis, can significantly enhance product sales and strengthen a company's competitive position (Zuraidah, 2020). Even in home industries, where production is conducted with minimal capital and labor, and facing intense competition, marketing strategies can still be applied. The home industry of cassava chips produced by UD. Suka Mulia presents a profitable food product. Its business model requires minimal capital but offers high economic value. The company has been operating since 2010, indicating ten years of experience. It employs simple equipment and traditional production processes. However, the sales revenue of cassava chips has declined during the Covid-19 pandemic due to the current low-price marketing strategy, despite maintaining product quality.

The following table presents the sales data of cassava chips in the home industry of UD. Mulia Sari from 2017 to 2021:

Table. 1

Table of Total Sales of Cassava Chips in 2022

Month	Production/ month	Price/Kg	Total Sales
1	94,900 kg	Rp20,000	Rp1,898,000,000
2	99,645 kg	Rp20,000	Rp1,992,900,000
3	58,400 kg	Rp20,000	Rp1,168,000,000
4	51,100 kg	Rp20,000	Rp1,022,000,000
5	65,700 kg	Rp20,000	Rp1,314,000,000
6	65,120 kg	Rp20,000	Rp1,302,400,000
7	69,010 kg	Rp20,000	Rp1,380,200,000
8	71,020 kg	Rp20,000	Rp1,420,400,000
9	71,000 kg	Rp20,000	Rp1,420,000,000
10	80,100 kg	Rp20,000	Rp1,602,000,000
11	90,000 kg	Rp20,000	Rp1,800,000,000
12	91,200 kg	Rp20,000	Rp1,824,000,000

Source: Primary data processed in 2023

Table. 1 describes the total sales throughout the year 2022, showing a decline in the third and fourth months, while sales revenue increased in the tenth month. This increase can be attributed to the end of the COVID-19 pandemic by the end of 2022.

By examining the sales data from UD. Mulia Sari Cassava Chips Home Industry, it is considered appropriate to utilize a marketing strategy using SWOT analysis. The SWOT analysis to be conducted should take into account both the internal and external environmental factors, with the aim of enhancing the sales of cassava chips products from UD. Mulia Sari. The SWOT analysis for Home Industry Cassava Chips will be carried out by considering the internal and external strengths and weaknesses of the company.

Therefore, the author intends to assess the internal environment, including the strengths and weaknesses, as well as the external environment, including opportunities and threats related to the quality of service provided by UD. Suka Mulia cassava chips business. Particularly in facing competitors, Penamas cassava chips must leverage its advantages to compete effectively. Thus, in this research, the author has chosen the title "Marketing Strategy with SWOT Analysis Post-COVID-19 Pandemic: A Case Study of Home Industry in Lombok, Indonesia."

II. METHODS AND MATERIAL

This research adopts a quantitative descriptive approach. It aims to analyze the sales revenue enhancement strategies for cassava chips products from UD. Mulia Sari Home Industry. SWOT analysis is used to identify external and internal factors, SWOT matrix formulation, strategy formulation, and determination of strategies to be used by UD. Mulia Sari. Primary data and secondary data will be used in this research. The primary data will be obtained through interviews and questionnaires administered to the owners and employees of UD. Mulia Sari Home Industry. The secondary data will be obtained through literature review and studies.

The research methodology involves a step-by-step problem-solving procedure to find solutions. The identification of problems in the cassava chips home industry using SWOT analysis follows the following stages:

a. Grouping the obtained data for processing
b. Conducting SWOT analysis
c. Inputting the data into the SWOT matrix
d. Analyzing the strategies derived from the SWOT matrix
e. Recommending the formulated strategies to the management

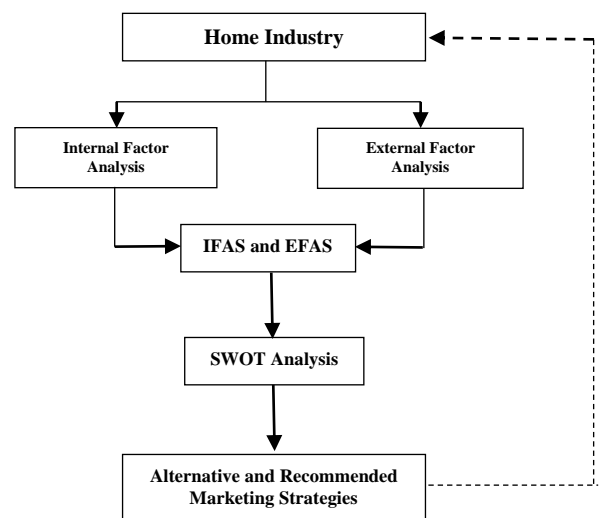The conceptual framework of the research is depicted in the following diagram:

Figure 1. Research Conceptual Framework

III. RESULTS AND DISCUSSION

This research was conducted for a period of 2 months, namely November and December in 2022. The data collected and observed in this study consisted of production and sales records of cassava chips in the home industry at UD. Mulia Sari for a year, specifically in 2022. The data was obtained through interviews and observations at the cassava chip production site. The interview results were used as the basis for compiling internal and external factors that contribute to the strengths and obstacles encountered during the production and sales process. The study involved a total of 10 respondents, including 1 business owner, 6 employees, and 3 consumers who also served as retailers. From the SWOT analysis conducted, it can be concluded that there are 4 crucial

factors to determine the current state and condition of the cassava chip home industry.

Identification of External and Internal Factors

The internal factors identified by the author are as follows:

A.   Weaknesses in UD. Mulia Sari's Home Industry include:

1.   Limited number of private transport vehicles.
2.   No collaboration with investors.
3.   Lack of business experience.
4.   Not utilizing visual or non-visual promotional services or advertisements.
5.   Lack of company funds.

B.   Strengths in UD. Mulia Sari's Home Industry include:

1. Strategically located and easily accessible to buyers.
2. Excellent taste, attractive packaging, and preservative-free.
3. Loyal customers, including traders in East Lombok, West Lombok, and Central Lombok.
4. Opportunity to expand marketing to North Lombok.

5. Reliable and loyal suppliers.

C.   Some Opportunities in UD. Mulia Sari's Home Industry include:

1. Possibility to dominate the market in the Lombok region.
2. Potential to expand the market to Sumbawa Island.
3. Possibility of additional capital from banks.
4. Potential increase in souvenir shops and mini markets as sales outlets for cassava chips.
5. Possibility of adding more vehicles.

D.   Threats to UD. Mulia Sari's Home Industry include:

1. Consumer preference for shopping at supermarkets/mini markets.
2. Emergence of competitors with similar products.
3. Increasing government regulations, requiring various permits such as business permits and BPPOM certification.
4. Illegal levies.
5. Decreasing consumer purchasing power.

EFAS AND IFAS MATRIX

Table 2 Internal Factors Analysis Summary (IFAS)			
Factors Strategy	Rating	Weight	Score
(Strengths)			
1. Strategic location that is easily accessible for buyers	4	0.2	0.8
2. Excellent taste, attractive packaging, and preservative-free	4	0.25	1
3. Loyal customers, including traders in East Lombok, West Lombok, and Central Lombok	3	0.2	0.6
4. Potential for expanding marketing to	3	0.2	0.6

North Lombok			
5. Having loyal and consistent suppliers	3	0.15	0.45
Total	17	1	3.45
(Weaknessess)			
1. Limited number of private transport vehicles	4	0.2	0.8
2. No collaboration with investors.	3	0.15	0.45
3. Lack of business experience.	3	0.2	0.6
4. Not using visual or non-visual promotional services or advertisements.	3	0.2	0.6
5. Lack of company funds.	3	0.25	0.75
Total	16	1	3.2

Tabel 3 Eksternal Factors Analysis Summary (EFAS)			
Factors Strategy	Rating	Weight	Score
(Opportunities)			
1. Potential to dominate the market in the Lombok region	3	0.25	0.75
2. Possibility of expanding the market to Sumbawa Island	3	0.15	0.45
3. Possibility of additional capital injection from the bank	4	0.3	1.2
4. Probability of having more souvenir shops and mini markets as sales outlets for cassava chips	4	0.15	0.6
5. Possibility of adding more vehicles	4	0.15	0.6
Total	18	1	3.6
(Threats)			
1. The tendency of the community to prefer shopping at supermarkets/mini market.	3	0.15	0.45
2. Emergence of competitors with similar products	4	0.2	0.8
3. Increasing government regulations, requiring various permits such as business permits and BPPOM certification as a prerequisite for establishing a business			
4. Existence of illegal levies.	2	0.2	0.4
5. Decrease in consumer purchasing power	4	0.15	0.6
Total	17	1	3.45

Table 2 and Table 3 present the score or assessment results of the internal and external factors as follows: From the analysis results regarding the weights of the EFAS and IFAS strategies, the total score values of the four factors are outlined as follows: the Strength is 3.45, Weakness is 3.2, Opportunity is 3.6, and Threat is 3.45.

SWOT Matrix

The explanation of the results above from the data collection phase can be further specified by conducting an "analysis phase," which utilizes all the information into a strategic formulation model. This model is the SWOT Matrix, which allows for the identification of several categories, namely SO strategies, ST strategies, WO strategies, and WT strategies. The SWOT Matrix can be seen in the table below:

Table 4. SWOT Matrix

INTERNAL / EXTERNAL	STRENGTHS (S)	WEAKNESSES (W)
	1. A strategically located position that is easily accessible to buyers.	1. Limited number of private transport vehicles.
	2. Excellent taste, attractive packaging, and being preservative-free as a competitive advantage.	2. No collaboration with investors.
	3. Possessing loyal	3. Lack of experience in business.
		4. Not utilizing visual or non-visual promotional

|	customers, specifically traders in East Lombok, West Lombok, and Central Lombok. 4. Potential for expanding marketing to North Lombok. 5. Having loyal and consistent suppliers.	services or advertisements. 5. Lack of company funds.
OPPORTUNITIES (O) 1. Possibility to dominate the market in the Lombok region. 2. Potential for market expansion to Sumbawa Island. 3. Possibility of additional capital infusion from a bank. 4. Potential increase in the number of souvenir shops and mini markets as sales outlets for cassava chips. 5. Possibility of expanding the vehicle fleet.	**STRATEGI (SO)** 1. Relying on product excellence by continuously innovating its packaging, maintaining the quality of taste and healthiness, and providing the best possible service to consumers. 2. Expanding the market network beyond the Lombok Island region.	**STRATEGI (WO)** 1. Utilizing a door-to-door sales system or using neon box advertisements and establishing company funds. 2. Renting public transportation as a means of distributing Pena Mas cassava chip products.
TREATHS (T) 1. The tendency of the community to prefer shopping at supermarkets/mini markets. 2. Emergence of competitors with similar products. 3. Increasing government regulations, requiring various permits such as business permits and BPPOM certification as a prerequisite for establishing a business. 4. Existence of illegal levies. 5. Decrease in consumer purchasing power	**STRATEGI (ST)** 1. Expand distribution channels to souvenir shops. 2. Collaborate with similar businesses.	**STRATEGI (WT)** 1. Reduce production costs. 2. Seek funding through loans (from banks) or establish partnerships with investors

SWOT Matrix Diagram

The results of the comparison between the internal analysis and external analysis of the cassava chips production by UD. Mulia Sari are as follows:

x = Strength Total Score(S) – Weakness Total Score (W) = 3.45 – 3.20 = 0,25

y = Opportunity Total Score (O) - Threat Total Score (T) = 3.60-3.45 = 0.15

Therefore, the depiction of the SWOT Matrix diagram is as follows:

Figure 2. SWOT Matrix Diagram
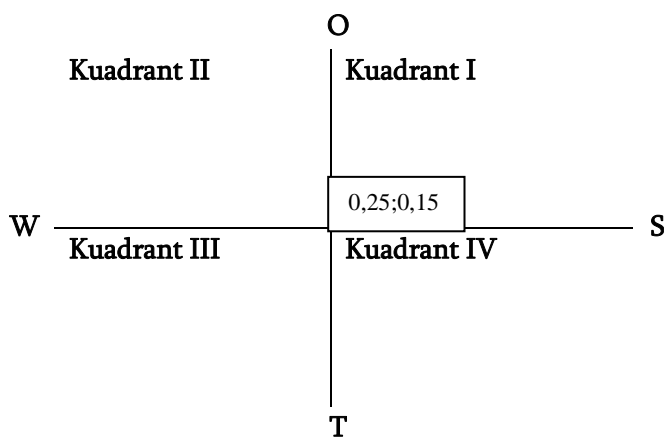
Based on the analysis of the obtained data, it can be seen that the position of Pena Mas cassava chips is located in Quadrant I (Progressive). This position indicates a strong organization with growth opportunities, meaning that the organization is in a strong condition, allowing for continuous expansion, significant growth, and maximum progress. It has a good weight value in the internal environment, categorized as strengths (Strengths) and in the corresponding quadrant in the external environment. Therefore, it can be concluded that in the competitive landscape of Pena Mas Cassava Chips, based on the SWOT quadrant, it falls under Quadrant I or the first quadrant (Progressive), indicating that the cassava chips business has significant strengths that can be utilized as opportunities to drive the progress of the home industry of cassava chips.

IV. CONCLUSION

Based on the results of the data analysis conducted, several conclusions can be drawn:

1. Based on the results of the IFAS (Internal Factor Analysis Strategy) and EFAS (External Factor Analysis Strategy) analysis, it is known that the main strategy in UD. Mulia Sari is the Growth strategy, as indicated by the Cartesian diagram analysis results falling in Quadrant I. This is in line with the Rangkuti's theory, which states that being in Quadrant I supports an aggressive strategy. This quadrant represents a highly favorable condition because the company has both opportunities and strengths, enabling it to seize those opportunities. The required strategy is to support the rapid growth of the company (growth-oriented strategy), and UD. Mulia Sari can expand its business through expansion by enlarging its premises or opening new branches.

2. Based on the SWOT matrix, it can be concluded that considering both internal and external factors in the development process can serve as a catalyst for progress in UD. Mulia Sari.

3. There is a recommendation for UD. Mulia Sari, which can be used as a basis for business development strategy. Currently, the development of human resources is crucial, and activities such as training and knowledge about effective marketing strategies are necessary to enhance employee motivation and productivity.

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