



Analysis of Marketing Strategies for UMKM Fostered by PT. Pertamina Hulu Rokan, Mandau District (Case study on UMKM Cahaya Ummi)

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ABSTRACT

Based on the research conducted, the internal and external factors of UMKM assisted by PT. PHR Mandau Regency case study UMKM Cahaya UMMI has been analyzed using the SWOT matrix to determine the right strategy to maximize the strengths and minimize the weaknesses. The data was carried out by surveys, observations, and in-depth interviews with UMKM Cahaya UMMI. Data analysis used SWOT analysis. The results of research based on internal and external factors are the most appropriate strategies used by UMKM Cahaya UMMI namely Strengthening the branding of UMKM Cahaya UMMI can strengthen branding to build high brand awareness among consumers. Increasing the production efficiency of UMKM Cahaya UMMI can increase production efficiency to reduce production costs and increase profitability. Increasing product distribution for UMKM Cahaya UMMI can increase product distribution to various regions in Indonesia, especially in Riau, to increase market share. Improving digital marketing in this strategy UMKM Cahaya UMMI must be able to use its internal strengths in terms of increasing digital marketing to increase sales..

Keywords: Marketing Strategy, Marketing Mix, SWOT

1. Introduction

The MSME sector also has a large contribution to the Indonesian economy. Data from the Central Statistics Agency (BPS) shows that in 2020, the MSME sector contributes around 60.34% to Indonesia's GDP. The contribution of the MSME sector includes the industrial, trade and service sectors. The high number of MSME actors and their contribution to the Indonesian economy shows the important role of the MSME sector in Indonesia's economic development. Therefore, the Indonesian government has made various efforts to support the development of the MSME sector, including by providing capital assistance, training, and access to marketing.

MSME marketing is an important aspect in the development of micro, small and medium enterprises (MSMEs). In the context of marketing, MSMEs must be able to promote their products or services so that they are known by potential consumers and increase the number of sales.

Marketing strategy analysis is carried out to help a company understand its market and competitors, and determine the right marketing strategy to achieve its business objectives. In an increasingly complex and competitive business environment, marketing strategy analysis is becoming increasingly important to maintain the continuity of the MSME business

UMKM Cahaya UMMI is one of the various snack businesses which was founded on January 10 2014, UMKM various snacks CAHAYA UMMI is located at Prumnas Phase IV RT 03 RW 06 Jl. Echo No. 08 Desa Balai Cemetery Kec. Bathin Solapan Kab. Bengkalis Riau

UMKM Cahaya UMMI in running their business needs a very hard business because there is a lot of competition that is earlier and more experienced in running a business. Therefore, they must be able to develop the business they run properly in terms of product manufacture and marketing strategy.

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With the background above, it becomes the basis for the author's consideration to find out how the marketing strategy is implemented by UMMI light SMEs, with the title "Analysis of Marketing Strategies for Umkm Fostered by PT. Pertamina Hulu Rokan, Mandau District (Case study on UMKM CAHAYA UMMI)

2. Research Method

Descriptive approach to analysis with a qualitative approach using SWOT analysis. SWOT analysis is carried out by comparing external factors of opportunities and threats with internal factors of strengths and weaknesses. To carry out a SWOT analysis, the steps taken are:

1. Identify the internal and external factors that affect the company or organization. Internal factors include the strengths and weaknesses of the company, while external factors include the opportunities and threats faced by the company in the external environment.
2. Compile Internal Strategic Factors Analysis Summary (IFAS) tables and External Strategic Factors Analysis Summary (EFAS) tables. IFAS and EFAS contain the internal and external factors found in the first step, as well as the relative weight of each factor.

This research was carried out at UMKM Cahaya UMMI at Prumnas Phase IV RT 03 RW 06 Jl. Echo No. 08 Desa Balai Cemetery Kec. Bathin Solapan Kab. Bengkalis Riau

3. Result and discussion

According to Fandy Tjiptono (2015) in his book "Marketing Strategy", the five elements in a marketing strategy are as follows:

- a. Product: includes all aspects of the product or service offered by the company, including quality, features, brand, packaging, and warranty.
- b. Price: is the monetary value that must be paid by consumers to obtain the product or service offered by the company. Pricing must consider production costs, desired profits, and competitive prices in the market.
- c. Promotion: is the company's efforts to promote products or services offered through various means, such as advertising, sales promotion, publicity, and direct marketing.
- d. Distribution (Place): includes the company's strategy to sell products or services through appropriate distribution channels, such as through physical stores, e-commerce, or through other distribution networks.
- e. People: includes all people involved in the marketing process, including employees, business partners and consumers. Factors such as the expertise, skills and attitudes of the people involved in the marketing process can influence the success of a company's marketing strategy.

These five elements are interconnected and influence one another. Therefore, companies must consider each element holistically to develop a successful marketing strategy.

According to Philip Kotler and Kevin Lane Keller (2016) in his book "Marketing Management" 15th edition, four indicators in marketing mix activities (marketing mix) have components consisting of:

- a. Product: components of the product include design, quality, brand, packaging, features, trademarks, and customer service.
- b. Price: the components of price include pricing, discounts, credit, and award policies.
- c. Promotion: the components of promotion include advertising, personal selling, sales promotion, public relations, and direct marketing.
- d. Distribution (Place): components of distribution include distribution channels, determination of distribution areas, supply chain management, and logistics management.

These components must be managed in an integrated and balanced manner in order to produce a marketing mix that is effective and in line with company objectives. Each component has a different influence on consumer purchasing decisions, and must be carefully managed in order to meet consumer needs and achieve company goals.

According to Freddy (2013) SWOT is a strategic planning tool used to assess and analyze an organization or individual's strengths, weaknesses, opportunities, and threats. The acronym SWOT stands for:

- a. Strengths: internal factors that give an advantage over competitors, such as unique skills, resources, or assets.
- b. Weaknesses: internal factors that can negatively affect the organization or individual, such as limited resources, lack of experience or expertise, or poor infrastructure.
- c. Opportunities: external factors that can be leveraged to create opportunities or advantages, such as emerging markets, new technologies, or changes in regulations or consumer behavior.
- d. Threats: external factors that can negatively affect the organization or individual, such as competition, economic downturns, changing consumer preferences, or new regulations.

By identifying and analyzing these four factors, a SWOT analysis can help organizations and individuals develop strategies and action plans to address challenges, capitalize on opportunities, and achieve their goals.

4. Conclusion

Analysis of the internal and external environment is a method used to evaluate the strengths and weaknesses of a company or organization, as well as opportunities and threats faced in the external environment. Data and information on UMKM Cahaya UMMI were obtained by means of interviews.

INTERNAL EKSTERNAL	Strength (S) 1. Good product quality 2. Product innovation 3. Extensive business network 4. Good managerial skills 5. An affordable price 6. Involvement in the local community 7. Utilizing the house as a marketing place	Weaknesses (W) 1. Limited funds for promotion 2. Limited capital 3. Limited use of technology 4. Lack of product differentiation 5. Limited market reach
Opportunity (O) 1. Marketing through social media 2. Trends and habits of the community gather 3. Extensive market share 4. Demand is increasing 5. Maintain good relationship with resellers and customers	Strategy S-O A. Maintain product quality and increase innovation B. Improve digital marketing C. Developing business cooperation with related business	Strategy I W-O A. Facing increasingly fierce competition B. Establish partnerships with related parties
Threats (T) 1. There are new competitors 2. Threats from similar products 3. Changes in consumer trends 4. Limited resources	Strategy S-T A. Improving Product Quality Both In Price Level And Taste B. Maintain Bak Relations with customers	Strategy W-T A. Improving Product Quality Both In Packaging To Make It More Attractive In Display And Be Able To Compete With Competitor Products B. Increase the power of branding

1. SO strategy (support as growth)

A business strategy that refers to using a company's internal strengths to take advantage of external opportunities that exist in the market. SO strategy can be used to support business growth by maximizing the company's internal strengths and taking advantage of external opportunities that can help the company grow and develop. The SO strategy adopted by UMKM Cahaya UMMI is:

- a. Maintain product quality and increase innovation: In this strategy, UMKM Cahaya UMMI uses its internal strengths in terms of product quality and increases innovation to take advantage of existing market opportunities. By improving the quality of products or services, UMKM Cahaya UMMI can gain a greater competitive advantage and increase market share
- b. Improving digital marketing: in this strategy, UMKM Cahaya UMMI must be able to use its internal strengths in terms of increasing digital marketing to increase sales.
- c. Develop business cooperation with related businesses: in this strategy it can help UMKM Cahaya UMMI in expanding market reach and increasing business competitiveness.

2. WO Strategy (Supports Turn-Around Strategy)

A strategy undertaken when a business or organization has significant internal weaknesses and is faced with good external opportunities. This strategy aims to overcome internal weaknesses and take advantage of external opportunities to improve business performance. Possible strategies that can be carried out by UMKM Cahaya UMMI are:

- a. Facing increasingly fierce competition: In this strategy, UMKM Cahaya UMMI can take steps such as improving product quality, strengthening branding and presence on social media, and offering more competitive prices.
- b. Establish partnerships with related parties: In this strategy, UMKM Cahaya UMMI can take advantage of opportunities to establish partnerships with related parties such as local entrepreneurs, business associations, and local governments. In this way, UMKM Cahaya UMMI can get support in terms of capital, marketing and product promotion.

3. ST Strategy (Supporting Diversification Strategy)

A strategy that is carried out when a business or organization has significant internal strength but is faced with high external threats. This strategy aims to leverage internal strengths to protect the business from external threats. The ST strategy was pursued by UMKM Cahaya UMMI, namely:

- a. Improving Product Quality Both in Price and Taste Levels: In this strategy, UMKM Cahaya UMMI must be able to improve product quality and taste so that they can raise prices to compete in the market.
- b. Maintain good relations with customers in order to create good relationships. This strategy is necessary because good relationships can bring positive results for MSMEs and increase customers, making the target market wider as sales activity increases.

4. WT Strategy (Supporting Defensive Strategy)

A strategy undertaken when a business or organization faces significant internal weaknesses and external threats. The WT strategy aims to overcome existing internal weaknesses so that the business can avoid or minimize the impact of external threats. The WT strategy is pursued by UMKM Cahaya UMMI, namely:

- a. Improving Product Quality Both In Packaging To Make It More Attractive In Display And Be Able To Compete With Competitor Products
- b. Increase branding strength: in this strategy, UMKM Cahaya UMMI improves their marketing and branding strategies to increase brand awareness and create a positive brand image in the market. This will help businesses gain better customer trust and increase the attractiveness of their products.

Based on the results of the SWOT analysis of Cahaya UMMI UMKM, it can be seen that there are strengths and opportunities that can be exploited to face competition in the market, as well as to minimize or avoid existing weaknesses and threats. In this case, the strategies that can be implemented are as follows:

- a. Strengthening MSME branding UMMI light can strengthen branding to build high brand awareness among consumers. This can be done by improving product quality and building good relationships with consumers.
- b. Increasing the production efficiency of UMKM Cahaya UMMI can increase production efficiency to reduce production costs and increase profitability. This can be done by optimizing the production process, improving inventory management, and improving the quality of human resources.
- c. Increasing product distribution for UMKM Cahaya UMMI can increase product distribution to various regions in Indonesia, especially in Riau, to increase market share. This can be done by strengthening cooperation with distribution partners, improving distribution systems, and increasing product quality.
- d. Improving digital marketing In this strategy, UMKM Cahaya UMMI must be able to use its internal strengths in terms of increasing digital marketing to increase sales.

By implementing these strategies, UMKM Cahaya UMMI can take advantage of the strengths and opportunities they have to face competition in the market, as well as minimize or avoid existing weaknesses and threats. This will enable the UMMI Cahaya UMKM to control existing competitors as well as competitors who are fairly strong, because the UMMI Cahaya UMKM will have better strength and competitiveness in the market.

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