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Determination of Business Strategy with the SWOT Method on Snail Chips Product at PT. X Kediri

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Abstract. This study aims to determine the business strategy used in increasing sales of snail chips at PT.X based on quadrants. The research method used was observation and interviews to get information about the company's Strength, Weakness, Opportunity, and Threat to the workforce at PT. X. From each item, we determine the weight, rating, and score of each item. Then the results obtained value is located in quadrant II, with the decision making carried out strength activities to reduce the threats that come. The decision then has alternatives, including 1) increasing cooperation with new collectors to balance the increasing volume of demand and reach more comprehensive consumers; 2) Planning the schedule on time if an increase in demand volume occurs; 3) Competitors with low prices but not superior quality. The conclusion under the objectives is the result of the matrix calculation value is in quadrant II with the type of Strength and Threat decision.

Keywords: *Matrix, Strategy, Quadran.*

1. INTRODUCTION

In processed food products that are circulating in the market, people will like and consume foods that are becoming the latest food products and have a consumer appeal to be sold in the broad market [1]. In response to this, people prefer food products that have affordable prices and more volume in each package than their competitors. In this case, the community needs to consider what is consumed every day, because food products are starting to emerge news that has become unsettled by the public about unhygienic and unhealthy food products. PT. X is a place of processing and cultivation of golden snail animals or often called snails. The snail farming has similar competitors that have a more extensive market share, in this case, PT. X must have a marketing strategy that can have a positive effect on the development of sales [2]. The researcher studies the marketing strategy of snail meat processing in the form of semi-finished products, which can still be reprocessed by consumers. The usefulness of a marketing strategy is to achieve a target market so that products marketed can be favored, consumed sustainably by consumers. Marketing strategy in analyzing marketing strategy is SWOT analysis (Strength, Weakness, Opportunity, Threat) [3]. The usefulness of a study with this method is to find out the product strengths and weaknesses when carrying out marketing activities, then opportunities and threats that are to find out what chances are in the scope of sales as well as any risks that cause the product to compete with similar competitors.

The company's strategy that is often obtainfrom the results of a SWOT analysis is to combine strengths to monitor opportunities within the company and outside the company[1]. This is true because the company is growing [2]. Also, companies need to consider the use of technology to be able to create an orientation for the

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company's future [3]. In this case, field conditions are needed to provide a technological experience that can provide future opportunities [4]. Strategic planning will require competencies that must be possessed for the organization in improving the business strategy that is carried out. This is, of course, also supported by factors - factors that can influence directly or indirectly on the company [5], [6]. The SWOT strategy is very much needed to improve the quality of human resources because, as a future of a related organization, supported by the existence of training in the field of work. [7]. After a SWOT analysis, evaluation steps are needed as a means of defense and development [8]. SWOT analysis has a function as determining the pros and cons related to the level of risk of business failure, business arrangements that can be patterned, the level of costs used also need planning, and the rules made need to be obeyed. In addition, if done correctly, the business can provide benefits [9]. The superiority of the quality of products produced by companies can provide challenges to compete with other companies, and even companies are required to make efforts to improve services for customers for the sake of the company's image in the eyes of customers [10]. SWOT analysis can be done in combination with other methods, in which SWOT is used to determine the company's position as a step to carry out its business strategy [8]. After knowing the company's location, other methods can also be added to solve the problem following the expectations of researchers in both manufacturing and services [11]. In the manufacturing industry, there is often the formation of unused waste, in this case, the role of SWOT is also needed as a means of technology selection for the treatment and proper disposal of waste [12]. That is produced precisely according to a predetermined schedule. These logistics activities will also have an impact on the sales of company products [13]. Logistics activities, if done well, will gradually increase human resources in critical thinking to provide innovation systematically using equipment that has sophisticated technology in the logistics process [14], [15]. Logistics activities with technological innovation also require cost predictions that need to be planned and will indirectly have an impact on the development of the industry [16], [17]. Logistics carried out by companies also need to have feasibility for the long term [18] SWOT analysis is also very useful in conducting projects related to high risk [19], SWOT has alternative strategies that users can choose from. The company has an organization that can think about the way forward for the business being run, product development before entering the market commercially can be done by giving physical samples with the help of technology so that the appearance of the example on the product resembles the original form[20].

One of the businesses to be researched is the production of snails in the way of chips. The output of snail chips is carried out by a company in PT. X. Production is done by selecting raw materials, namely good quality snails. Snail meat weight criteria take the quality after peeling from the shell between 100 grams to 250 grams. Then the snail meat is obtained from the forest using collectors who work as snail meat extension agents. The difference from snail farming with snail education is that if a snail is cultivated, the snail cannot grow as if it is dissent. Besides, the snails cannot improve body dimensions as big as the snails that are instructed. Therefore, more companies have to look for snail collectors through collectors who feed on the forest directly. After arriving at the production site, the snails will be sorted according to weight, if there are snails who weigh less than the standard of the company, will be sold to residents who work as snail meat processors. Whereas those that fall within the company criteria will be processed into various kinds of products and exported.

This study aims to determine the business strategy used in increasing sales of snail chips at PT.X based on quadrants. Limitation of the problem used is the processing of snails to be analyzed for its business is the product of snail chips. The assumption in this study is that there is no change in information that has been obtained from the first observation by interviewing workers at the company. The number of workers interviewed was two people with the criteria that they had worked longer than the other workers. There was no addition of information related to strengths, weaknesses, opportunities, and threats to the business of snail chips outside the research schedule. The benefits of the SWOT method in this study are the academic scope as a new science in the application in the business of snail chips business, while in the range of the company can be used as a business strategy for snail chip products and in the scope of further research can be used as a reference for business strategy renewal.

2. LITERATURE REVIEW

2.1.1. Business Strategy

In the business strategy of competition between companies by forming a competitive advantage based on established policies and guidelines. Functionally, the orientation used is the marketing strategy, production strategy, operational strategy, and is also related to the distribution strategy [21]. The business strategy has a unique competition, then the development of positions that can compete, and the products marketed have advantages. In this case, the goals achieved there are business values that can bring consumers to use these products, both in the form of goods or services [22]. Types of business strategies include cost leadership by relying on the lowest cost to carry out a plan on the business. The next kind of differentiation is to give

uniqueness to its products, delivery systems, marketing approaches. The third is the focus, which is to focus on specific segmentation with afocus on cost and differentiation focus [22]. Diagrams have four quadrants.

2.1.2. SWOT analysis

SWOT analysis is used to identify factors to The way to do a SWOT matrix calculation is to record all strengths, weaknesses, opportunities, and threats to the company. Then the weighting of each Strength and Weakness between the scale of 0.00 to 1.00. While the rating given between 1 = not crucial to 4 = very important applies to strengths and opportunities. While rating -1 = not relevant until -4 = very important applies to weaknesses and threats. To find out the score by weighting times the rating. Then the results of each item from Strength are summed, and the results of each item from Weakness are also summed. After the number of Strength and Weakness values are known, the addition of Strength values is added with the Weakness value. This also applies to Opportunity and Threat. From the Strength - Weakness value compared to the Opportunity - Threat value to determine the location of coordinates in deciding the right quadrant.

formulate the company's strategy [23]. The basis used is strengths, weaknesses, opportunities, and threats that occur in the company. SWOT analysis has a model that is the analysis of the external environment that occurs in opportunities and threats, while the analysis of the internal environment that occurs in the strengths and weaknesses of the company [24].

2.1.3. SWOT Matrix

Table 1. SWOT Score Calculation

Company Internal				
No	Strength	Weight	Rating	Score (WxR)
1	Halal Labeled Product	0.12	2	0.24
2	Product Has Health Value	0.10	1	0.10
3	Broad Consumer Reach	0.13	2	0.26
4	Increased Demand Volume	0.12	1	0.12
5	More Superior than Competitor	0.17	3	0.51
			Total (S)	**1.23**
No	Weakness	Weight (Bobot)	Rating	Score (WxR)
1	Target Consumers are not evenly distributed	0.10	-2	-0.20
2	Product Prices are still high	0.06	-3	-0.18
3	Supplies less than Demand	0.06	-3	-0.18
4	Focus on old customer in service	0.08	-3	-0.24
5	Raw Material can not cultivate	0.06	-2	-0.12
Total Internal Weight Factor		**1.00**	**Total (W)**	**-0.92**
Value Total S + W				**0.31**
External Company				
No	Opportunity	Weight (Bobot)	Rating	Score (WxR)
1	Product requirement are increasng	0.17	2	0.34
2	Many Collector are popping up	0.12	1	0.12
3	Give discount on wholesole purchases	0.14	3	0.42
4	Many customer match the quality of the product	0.07	2	0.14
			Total (O)	**1.02**
No	Threat	Weight	Rating	Score (WxR)
1	Emerging competitor at sub standard prices	0.09	-2	-0.18
2	Raw material depend on collector	0.11	-4	-0.44
3	Delivery schedule are often late	0.10	-4	-0.40
4	Harvesting of raw material depend on the season	0.20	-4	-0.80
Total External Weight Factor		**1.00**	**Total (T)**	**-1.82**
TOTAL VALUE O + T				**-0.80**

(Source of data 2020)

The SWOT matrix is used as a method of matching four strategies: Strength - Opportunities (SO) is used to utilize all the power to seize and take advantage of opportunities as much as possible, Weakness - Opportunities (WO) is used to use Strength in overcoming Threats, Strength - Threat (ST) used to take advantage of opportunities by reducing weaknesses and Weakness - Threat (WT) is used to reduce weaknesses and avoid Threats [26].

In the SWOT matrix, alternative strategies are determined, as shown above. From this determination, the company strategy selection solution was taken to be applied based on a quadrant that was successfully generated in the assessment of weights, ratings, and scores.

2.1.4. Thinking Process Framework

The use of a thought process framework to determine the research path used. This research uses supporting theories, including:

a. The theoretical studies used are Business Strategies using academic studies originating from [21] and [22] and SWOT using theoretical studies derived from [23], [24], [25] and [26].
b. Empirical studies refer to the Determination of Pros and Cons of Franchising by Using SWOT Analysis [9]. The second reference is the SWOT Analysis of the Reputation Management Strategy of PT. Cowboy Nusantara Jaya Yuva [10]. The third is the Implementation of Enhanced SWOT Analysis in future-oriented public techno-management [4]. The fourth is the SWOT Analysis to Determine Competitive Strategies in PD. BPR. Regional Bank of Lamongan [27]. The fifth is Indosat M3 Product Marketing Strategy in Kediri City Based on SWOT Analysis [2]
c. From points a and b, it is used as a determinant of research objectives for analysis.
d. From these analysis activities, the results obtained with the conclusion following the purposes of the study.

2.1.5. Conceptual Framework

The conceptual framework is part of data processing because it is used as a general description of research and mechanisms in research [28]. In this case, the problem has been formulated and in accordance with the objectives of the study

3. RESULT AND DISCUSSION

The results of data processing are done through observation and interviews and determination of weights, ratings, and scores for each item Strength, Weakness, Opportunity, and Threat in the table below. The results of data processing, the value of the amount of Strength with Weakness, is 0.31 obtained from the total weight of Strength plus the total weight of Weakness. The value of each Weight in Strength and Weakness must be 1,00 or 100%. Therefore, assigning weight based on the impact of how essential the item is if no evaluation is given, and rating also based on the importance of the issue.

From the weight multiplied by the rating to bring up the score. The same thing is done for Opportunity and Threat items. The total value of Opportunity with Threat is -0.80. This value is obtained from the total weight of Opportunity and total weight of Threat. Then the sum of the S + W and O + T values is modeled into a coordinate point to determine the location of the company's quadrant.

Based on the SWOT coordinates, the company is in quadrant II (+, -). The quadrant has a positive and negative meaning with a decision that is optimizing the existing Strength to reduce the threats that come by multiplying the strategy from the previous strategy [29]. Once the coordinates are known, an alternative approach is made as follows

Table 2. The SWOT Matrix Business Snail Chips Srategy

	Opportunity	Threat
	. Product requirements are increasing . Many collectors are popping up . Wholesale purchases are given a discount . Many customers match Threat's product quality	. Emerging competitors at sub-standard prices . Raw materials depend on collectors . Delivery schedules are often late . Harvesting of raw materials depends on the season
Strength . Products labeled as halal . The product has health value . Broad consumer reaches . Increased demand volume . Superior to competitors	. Halal label and health value increase product needs . Product quality according to customer expectations, broad consumer reach, and superior to competitors	. Increase cooperation with new collectors to offset the increased demand volume and reach more comprehensive consumers . Planning the schedule on time if there is an increase in demand volume
	. Wholesale prices are superior to competitors who lead to an increase in demand volume	. Competitors with low prices but not superior quality Weakness
Weakness . The target consumers are not evenly distributed . Product prices are still high . Inventory is less than demand . Even a long time customer focus in service . Raw materials cannot be cultivated	. Increased needs need to be segmented in the market to find out the target of old consumers and new consumer . The price of the product is still high, it will not be a problem if the needs continue to increase, and there is a wholesale and discount system . Collaborating with new collectors - new collectors who can help supply raw materials and reduce obstacles because they cannot be cultivated	1. Raw materials depend on collectors by planning and controlling to deal with raw material supplies 2. Approach with new customers to invite cooperation and as a way to find out the needs of the product to be purchased so that there is no shortage of raw materials 3. Collaboration with competitors to mix raw materials so that the price of the product is affordable

(Source: of data, 2020)

By the results of quadrant II (+, -), namely Strength and Threat, the S-T decision is taken as follows:

a. Enhance collaboration with new collectors to balance increasing demand volume and reach more comprehensive consumers. The partnership serves as a step to adjust the number of requests from customers to remain fulfilled. After knowing the number of supplies, the volume of demand can be planned and can reach new consumers widely without fear of running out of raw materials to produce snail chips. In a business that is run, companies need to plan the capacity of raw materials to be processed into snail chips as a step to meet supplies if there is a sudden demand. This strategy will generate positive value, in addition to providing the extensive experience of collaboration with collectors, product inventory will remain, and consumers will get the product accordingly hopefully, and the company can expand its marketing reach.
b. Plan schedules on time if there is an increase in demand volume. For the program planned for the delivery of snail chips, the product must be scheduled correctly. On the other hand, we also do not forget the new schedule for the next volume of requests. Based on the planned program with an increase in the amount of applications that have not been neatly arranged, it needs to be evaluated so that shipping groups based on the nearest destination location.
c. Competitors with below standard prices, but the quality is not yet superior. Improved quality so that it is better than competitors. This is done to maintain product quality so that customers remain loyal to the products sold by PT.X. Companies must continue to maintain and improve product quality so that new customers and consumers remain loyal in using snail chips for consumption.

4. CONCLUSION

The conclusions obtained following the objectives of the business strategy used in increasing sales of snail chips products at PT.X based on quadrant II. In quadrant II are Strength and Threat. The alternative approach used is 3, namely increasing cooperation with new collectors to balance the increasing volume of demand and reach more comprehensive consumers; Planning schedules on time if an increase in demand volume occurs; Competitors with below standard prices, but the quality is not yet superior.

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