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# Swot strategy analysis of SMEs loloh cemcem at UD. Merta Sari

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#### **ABSTRACT**

This study aimed to analyze the SWOT UMKM Loloh Cemcem strategy (Case Study of Loloh Cemcem Ibu Kunil Production by UD. Merta Sari in Penglipuran Village, Bangli Regency). The informants used in this study were selected purposively. Data collection techniques used by researchers are Observation, Interview, and Documentation. The data analysis technique used was a descriptive method. It was used to make a description of the results of the study. The strategy used was UD. Merta Sari is a SO strategy. The result of this study was the strength of UD. Merta Sari products owned were delicious and beneficial to health, easy to find products, had regular customers, and had hygienic production processes. The disadvantages were that the product was not durable, production was still manual, there were no clear job descriptions and the management was still simple, and online marketing was not optimal. Opportunities that could be utilized by UD. Merta Sari was optimizing resellers, strategic production locations, high demand for products, opening branches, and promotion with the open booths. The threats were products in the form of raw materials to make crackers which were difficult to obtain during the dry season, the emergence of similar product businesses, and government regulations related to the use of plastics. It was difficult for looking for alternatives related to the packaging used by UD. Merta Sari.

Keywords: SWOT Strategy, SMEs

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# **INTRODUCTION**

The specialty of Indonesia is that it is rich in ethnic and cultural diversity, biodiversity, and hospitality. Indonesia is also known as a country that has thousands of islands, one of which is the island of Bali. Bali is famous for its natural beauty, customs, arts, and culture, as well as culinary tourism, so that Bali has become one of the icons of Indonesian tourism and is the main destination for foreign and domestic tourists. The development of tourism in Bali has increased every year, according to data from the Central Statistics Agency for the Province of Bali (2019) the number of foreign tourists to Bali was recorded to have increased as high as 0.96%.

As tourism develops, Bali has many superior products in the fields of clothing, food, and housing that need to be developed. Various kinds of imported and exported products are starting to be needed in various market conditions. Bali has the potential to produce and market quality local products that can compete with export products from other regions, with its natural wealth and as a tourism destination, it is very helpful in promoting these products to tourists. The Governor of Bali requires hotels, restaurants, and modern markets in Bali to prioritize the use of local industrial products according to the Regulation of the Governor of Bali Number 99 of

2018 concerning the marketing and utilization of local Balinese agricultural, fishery, and industrial products.

Micro, Small, and Medium Enterprises (hereinafter abbreviated as SMEs) in the national and regional economy have a very important role in economic growth and also have an important role in overcoming unemployment. Referring to data from the Bali Province Cooperatives and Micro, Small and Medium Enterprises (UMKM) Office, there are 326,009 SMEs in Bali and the entrepreneurship ratio as of the end of December 2018 was 8.38 percent or has averaged above the national average of 5%. This number increased by 13,042 or as much as 4% compared to December 2017 data, at which time the number of SMEs in Bali was 312,967. From 326,009 SMEs located in nine regencies/cities with details of the number of Most SMEs are located in Gianyar (75,412 SMEs) then Bangli (44,068 SMEs), then Tabanan (41,459 SMEs), and followed by Karangasem (39,589 SMEs). Furthermore, Buleleng (34,552 SMEs), and Denpasar (31,826 UMKM), then Jembrana (27,654 UMKM), then Badung (19,688), and the least is in Klungkung (11,761 UMKM).

In Bangli Regency there are various kinds of SMEs that are increasing and developing, one of which is SMEs with a basis in the culinary field, namely SMEs that produce Loloh Cemcem drinks. The area that produces Loloh Cemcem drink that is best known to the public is Penglipuran Village. Penglipuran Traditional Village is one of several Bali Aga villages that still exist and is located in Kubu Village, Bangli District, Bangli Regency, Bali. The Bali Aga village is an area located in a mountainous area occupied by indigenous ethnic groups of the area (Cuthbert & Suartika, 2017). In the Penglipuran Traditional Village, there is a home industry that serves food and drinks typical of the Penglipuran Traditional Village. Where one of them is Loloh Cemcem which is a typical drink of the Penglipuran Traditional Village.

Currently, the use of traditional medicine in society is increasing. Traditional medicine has many benefits for health and its availability is widely available in nature. In addition, the use of traditional medicine is easily digested by the body so that it does not cause too many side effects for the body. The use of traditional medicines derived from plants has long been used by the community. Bali has a traditional medicinal drink known as Loloh. Loloh can be interpreted as Traditional Herbal Medicine. Loloh in Bali can be made from various herbal plants such as cinnamon leaves, cumin leaves, basil leaves, dadap leaves, Cemcem leaves, and others. One of the most popular Loloh by Balinese people is Loloh daun Cemcem which is made from Cemcem leaves. Loloh Cemcem leaves have a unique taste. Cem-cem (Spondias pinnata (L.f) Kurz) is a perennial plant that grows in many parts of Asia. The pharmacological effects of cem-cem have been found as food flavoring, antimicrobial, antioxidant, and antituberculosis (Hazra et al. 2008; Ariantari and Yowani, 2012).

Loloh Cemcem is a traditional herbal drink processed using traditional techniques, made from a mixture of Cemcem leaves, katuk/cinnamon leaves, jatropha leaves, betel leaves, dapdap leaves, young coconut, palm sugar, table salt. This Loloh can only be obtained in Penglipuran Village and becomes a distinctive drink. This Loloh only lasts in the refrigerator for 2-3 days (Zellini, 2017). People have the belief that Loloh Cemcem is a drink of good quality so it is recommended for consumption because it has the ability to cure internal ailments such as heartburn, and chapped lips and can also be used to launch bowel movements (BAB), which utilizes natural ingredients obtained directly from the body. nature Loloh Cemcem does not contain harmful chemicals for consumption (Zellini, 2017).

No	<b>Business Name</b>	Owner's Name
1	Ibu Kunil	I Wayan Sandya
2	Dewi Penglipuran	I Ketut Nurgama
3	Pekak Bagus	I Nyoman Suadnyana
4	Meme Nyampuh	Ni Nengah Nyampuh
5	Pekak Kembar	I Nengah Paramarta
6	Dewi Penglipuran	I Nengah Selamat
7	Agus	I Nengah Sumerta
8	Lestari	I Nengah Pespa Widnyana

The Loloh Cemcem business is growing quite rapidly, this can be seen from the number of SMEs in Penglipuran Village. The number of SMEs that produce Loloh Cemcem makes competition more competitive. Therefore, each company has its own marketing strategy in order to continue to increase production results and the taste of Loloh Cemcem to continue to be in demand by consumers. The Loloh Cemcem beverage business must also pay attention to several points so that it can continue to thrive in an increasingly fierce business competition. The external environment and the internal environment are factors that affect the sustainability of a business. A positive environment is a support for the continuity of business activities and a negative environment that occurs is a disturbance in business continuity. Therefore, companies need to analyze the environmental changes that occur.

Seeing the problems that arise from the activities of micro, small and medium enterprises, it is necessary to do an analysis in order to overcome the existing problems. According to Rangkuti (2009), SWOT analysis is an

effort carried out based on the logic that can have a maximum effect on strengths and opportunities and at the same time can minimize weaknesses and threats. The SWOT analysis aims to provide a systematic identification of many factors to formulate the company's strategy. The internal environment can be done by taking into account the strengths and weaknesses of the company. In terms of strength, it can be seen whether the business has quality products and good service. The weakness side can be seen whether the service company has products that have low quality, prices that are too high, and services that are not satisfactory. The company's external factors include business opportunities and threats. The opportunity factor is the demand that consumers want, so the company can take advantage of the circumstances that occur. Threats are negative and unpredictable conditions by the company that causes disruption to business activities. Mrs. Kunil's Loloh Cemcem company is produced by UD. Merta Sari is one of the Loloh Cemcem companies in Penglipuran village. Loloh Cemcem Ibu Kunil was produced in 1985. The reason why the researcher chose to study at this company is that the Loloh Cemcem Ibu Kunil Company is a company that was founded in 1985 and is able to compete and maintain its existence in the midst of intense competition and has grown to become a legal entity.

**TABLE 2. Sales Data per Semester** 

Month	Sales Quantity (Bottle)
April	21.000
May	24.800
June	36.000
July	37.200
August	18.600
September	15.000

From the above phenomenon Due to the decline, researchers want to conduct research in order to have information on strengths, weaknesses, opportunities, and threats SWOT analysis has an important role in business to design a framework of situations and conditions in a company from a SWOT point of view. The results of this analysis can provide an evaluation to maximize strengths and maintain opportunities, as well as overcome weaknesses and avoid potential threats. Therefore, it is necessary to conduct a SWOT analysis of the Loloh Cemcem Ibu Kunil produced by UD. Mekar Sari.

# LITERATURE REVIEWS

## Theory and Concept of marketing

The marketing concept is a simple and intuitively appealing philosophy. This concept states that the reason for the socio-economic existence of an organization is to satisfy the needs of consumers and these desires in accordance with the goals of the company. This is based on the understanding that a sale does not depend on the aggressiveness of the salesperson, but rather on the consumer's decision to buy a product. Kotler (1996) states marketing is a social and managerial process by which individuals or groups obtain what they need and want through the creation and exchange of products and value. Subagyo (2010) defines marketing as a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and values with others.

Several experts also expressed their opinion regarding the definition of marketing. Stanton in Rismiati and Suratno (2001) states that marketing is an overall system of business activities aimed at planning, pricing, promoting and distributing goods and services that can satisfy the needs of existing and potential buyers. The core concept of marketing according to the opinion above explains that there are several things that must be met in the marketing process. In marketing, there are products as needs and desires of others that have value so that they are requested and a demanding process occurs because someone is doing marketing.

While Machfoedz (2010) argues that marketing is a process that is applied by companies to meet the needs and desires of consumers by providing products (goods and services). The particular consumer who is the target of marketing efforts is called the target market. Rangkuti (2009) argues that marketing is an interaction that seeks to create exchange relationships and is not a simple way that is just to generate sales.

Understanding the Marketing Mix in the opinion of Philip Kotler and Gary Armstrong in their book Principles of Marketing (2012) is a set of tools that has control and is integrated with the company to produce the response expected by the target market. In the marketing mix, there are tools or terms with the 4Ps, which consist of product, price, palace, and promotion, while in service marketing there are several additional marketing tools consisting of people, physical evidence, and processes so that they are known as 7Ps. So, the marketing mix can be concluded from the product, price, palace, promotion, people, physical evidence, and process. The meaning of 7P according to Kotler and Armstrong (2012) is as follows:

# 1. Product

An item or service that can be offered to the market in order to get attention, so that consumers want to buy the product offered, whether used or consumed, which can meet a consumer's desire or need.

2. Price

A set of values exchanged by consumers for the use of a product, goods, and services whose value has been determined by consumers and sellers through a bargaining process or determined by the seller himself for all goods that are the same to all buyers.

3. Place

The place is likened to a channel for distribution aimed at obtaining target consumers. This distribution system includes place, transportation, warehouse, and so on.

4. Promotion

Is one way to market or preach the goods or services offered and sell a product to targeted consumers who have potential.

5. Physical Evidence

Is one component that can influence consumer decisions to buy or not products and services sold. Some elements that are classified as physical facilities are the environment, or buildings, tools, equipment, brand logos, colors, and other items.

6. People

All individuals who play an important role in the service presentation process can have an influence on buyer perceptions. Elements of people are employees or company workers and consumers. All forms of employee attitudes and actions, the way they dress, and the appearance of employees contribute to the successful delivery of services.

7. Process

All real procedures, flows, mechanisms, and the flow of activities through which services are communicated which is a presentation system for service operations.

# **Marketing Goals**

In a company that has developed, it must have a goal, each company has a different goal, such as achieving the maximum level of profit, or the company has achieved customer satisfaction. The company's goals can be achieved through consumer decisions, where consumer decisions are obtained after the need or consumer desires are met through certain marketing activities. According to Ali (2013) marketing objectives include optimizing profits, optimizing market share, optimizing sales, and maximizing brand image; besides that, it can also increase customer satisfaction, provide value, and be able to maintain price stability.

Buchari (2004) reveals that the marketing objectives are as follows:

- 1. To achieve market balance, between the buyer's market and the solid market, distribute goods and services from areas that have a lot of supplies to areas that lack supplies, between producers and consumers, from those who have goods and services to those who need these goods and services.
- 2. The most important marketing goal is to provide satisfaction to users. The purpose of marketing is not for commercial or for-profit, moreover, the main goal is to give satisfaction, then sales activities cover various institutions in the field of education and producers. The term marketing also includes foundations, marketing educational institutions, individuals, mosques, and non-profit organizations. The purpose of marketing carried out by non-profit organizations is to create satisfaction for customers, congregations, students, and the people, who will be able to consume the products offered. Therefore, the institution should really know who the target is to be served. If consumers already feel satisfaction, then related profits will come automatically continuously, because of the results after giving satisfaction to consumers.

## **SWOT** analysis

Freddy Rangkuti in Hamali (2016) is the identification of various elements that are systematically combined to formulate a strategy that will be carried out by the company. The basis of this analysis is the interaction relationship between internal parties, which include strengths and weaknesses, to external elements, including opportunities and threats. The general guideline that is usually used for the formulation is to take advantage of opportunities and strengths. This analysis is expected to make a plan for the long term, by way of overcoming or minimizing threats and weaknesses. This analysis is more likely to plan a plan in the short term, namely a short-term improvement plan.

The initial stage in the strategy-setting process is to analyze the strengths, weaknesses, opportunities, and threats of the organization or company. SWOT analysis gives the organization the possibility to formulate and implement the main strategy as an advanced level of utilization and goals of the organization. In the SWOT analysis, information is summarized and analyzed. The result can lead to changes in the mission, objectives, or strategies being implemented.

From some of these definitions, the author can conclude that SWOT analysis is one of the methods to describe the condition and evaluate a problem, project or business concept based on external and internal factors. Factors

in SWOT Analysis There are 2 main factors that influence the four basic components in a SWOT analysis, namely:

## 1. Internal Factor

#### a. Strength

Strength is a resource in the form of a skill or other advantage relative to competition and market needs facilitated by a company or organization. Strength is a specific ability to provide a comparative advantage for a company in the market. These strengths can be possessed in financial resources, image, market leadership, consumer relations with distributors, and the causes possessed by a company or organization which include the special capabilities that exist in the organization that has an advantage over the comparative advantage of an existing business unit. on the market. It is called so because a business unit has a source of skills, reliable products and so on which makes the business stronger than its competitors to satisfy market needs that have been planned to be served by the business unit concerned.

#### b. Weaknesses

Weakness is a deficiency or also called a shortage of resources, information, and capacity that can seriously become an obstacle to the effective performance of a company or organization. These weaknesses can be found in financial resources, brand image, marketing, management, and so on. Weakness factors, when discussing the weaknesses that exist in the company's body, what is discussed is the lack of limitations in terms of resources, skills, and competencies which are the main obstacles to controlling a satisfactory organization. In practice, various things regarding the limitations and lack of capabilities can be seen from the facilities and infrastructure owned by the company, low management capabilities, mismatches between marketing skills and the market, products that are not selling well in the market, and the level of profits obtained is inadequate.

#### 2. External Factors

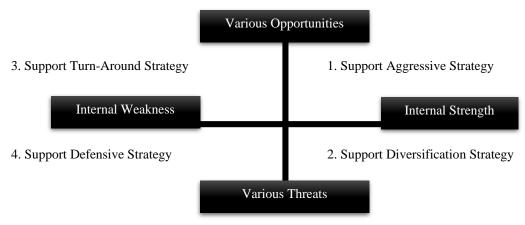
# a. Opportunity

Opportunity is an important situation that gives to the environment of a company or an organization. Situations of importance are one of several sources of opportunity. Analyzing a market segment that has received less attention, changing competitive situations, changing technology, and uncontrolled consumer relations with distributors can provide opportunities for companies or organizations. Opportunity factors are all environmental conditions that can benefit a business entity. Where are the various situations above, namely;

- 1. Important tendencies that occur in the use of the product.
- 2. Analyzing a market segment that had not previously received attention.
- 3. There is a change in the competitive atmosphere
- 4. Changes to juridical rules that can facilitate new opportunities in business activities.
- 5. Relationships with consumers are well maintained.
- 6. Harmonious relationship between distributors.

#### b. Threat

Threat is an important situation that tends to be detrimental in an organization or company environment. Threats are the distractions that need the most attention to maintain organizational targets. The presence of new competitors, slowing market growth, an increase in the bargaining power of consumers and distributors, changing technology, and newly revised rules can be a threat to the success or failure of a company. Threats are counter to opportunities, therefore it can be stated that threats are environmental factors that are detrimental to a business unit, if not addressed, threats can become a stumbling block for the business unit and related parties either now or in the future.



**FIGURE 1. SWOT Analysis Chart** 

- Quadrant 1: This quadrant is the location of the situation that gives advantages. Companies have opportunities and strengths so that they can take advantage of the opportunities they have. The strategy that must be implemented in this condition is to support an aggressive growth policy (Growth-oriented strategy).
- Quadrant 2: Despite encountering many threats, the company or organization still has strength from internal factors. The strategy that must be carried out is to use strength to maximize opportunities in the long term with a diversification strategy (product/market).
- Quadrant 3: The company encounters market opportunities with great intensity, but on the other hand, the company encounters various obstacles or constraints from an internal perspective. The focus of this strategy is that the company must be able to minimize problems that occur in the internal scope so that the company can return to obtain more optimal market opportunities.
- Quadrant 4: This section is the most adverse condition. At the same time, the company faces two difficult conditions, namely internal threats and weaknesses.

### **TABLE 3. SWOT Matrix**

	STRENGTH (S)	WEAKNESS (W)
SWOT	Determine 5-10 factors of internal	Determine 5-10 factors of internal
	strength	weakness
OPPORTUNITIES (O)	SO STRATEGY	SO STRATEGY
Determine 5-10 factors of external	Create strategies that use strength	Create strategies that minimize
opportunity	to take advantage of opportunities	weaknesses to take advantage of
		opportunities
THREAT (T)	ST STRATEGY	WT STRATEGY
Determine 5-10 factors of external	Create strategies that use strength	Translation results
threat	to overcome threats	Create strategies that minimize
<u> </u>		weaknesses and avoid threats

The SWOT matrix can be explained as follows:

- a. SO (Strength-Opportunity) Strategy
  - This strategy is designed based on the company's way of thinking, namely through the use of all strengths in order to seize and maximize opportunities as much as possible.
- b. ST Strategy (Strength-Threat)

A strategy designed by using the company's strengths to minimize threats.

- c. WO (Weakness-Opportunities) Strategy
  - This strategy is applied based on taking advantage of the opportunities that occur by minimizing the weaknesses they have.
- d. WT (Weakness-Threat) Strategy
  - This strategy is based on activities that are defensive in nature and seeks to minimize the weaknesses they have while avoiding threats.

#### **SMEs**

According to economist Adi (2017), defines that small business is an economic activity carried out by people who have a net worth of at most Rp. 200,000,000, - (two hundred million rupiah) where the wealth does not include land and buildings for business premises. Or those who have a maximum annual sale of Rp. 1,000,000,000 (one billion rupiah) and belongs to an Indonesian citizen.

According to Ina Primiana, the definition of SMEs is the development of four main economic activities that act as motors for driving Indonesia's development, namely:

- a. Manufacturing industry
- c. Agribusiness
- d. Marine Business
- e. Human resources

In addition to using monetary value as a criterion, a number of government institutions, such as the Ministry of Industry and the Central Statistics Agency (BPS), have so far used the number of workers as a measure to define the criteria for business scale. For example, according to BPS, Indonesian Micro Enterprises (UMI) are business units with up to 4 permanent employees; Small Business (UK) between 5 to 19 workers; Medium Enterprises (ME) from 20 to 99 people. Companies with more than 99 employees are included in the category of Large

Enterprises (UB).

#### **Loloh Cemcem**

Cem-cem (Spondias pinnata (L.f) Kurz) is a perennial plant that grows in many parts of Asia. The pharmacological effects of cem-cem have been found as food flavoring, antimicrobial, antioxidant and antituberculosis (Hazra et al. 2008; Ariantari and Yowani, 2012). Cem-cem leaves are used as a traditional drink for the people of Penglipuran Village, Bangli Regency. This traditional drink is known as "Loloh". The people of Penglipuran Village believe that consuming this traditional drink can help maintain a healthy body.

Etymologically Cemcem comes from the Latin Spondias piñata KURZ, which belongs to the Anacardiaceae group. The leaves of the Spondias piñata KURZ plant are green, including the -shaped compound leaf type oval and wide. The term Loloh can be equated with "herbal". In the process of making Loloh Cemcem which is a special drink of Penglipuran Traditional Village using Cemcem leaves. Cemcem leaves are herbal plants that are processed as raw materials to make Loloh Cemcem. Starting from picking the Cemcem leaves, washing them, then putting them in a milling machine and then filtering them to get the juice. Loloh Cemcem as a traditional Balinese drink is believed by the community to maintain health. People have the belief that Loloh Cemcem is a drink that is very nutritious if consumed because it can cure various diseases such as heat, chapped lips and smooth bowel movements (BAB), which uses natural ingredients obtained directly from nature so that Loloh Cemcem is feasible. and not dangerous for consumption (Zellini, 2017). This type of drink is very easy to find in the Penglipuran Traditional Village, this product has its own uniqueness because it contains spicy, sour, bitter, salty and sweet flavors mixed together (Ina, in Balipost 20 February 2015). In connection with the concept above, Loloh Cemcem which is a typical drink of the Penglipuran Traditional Village is a household business carried out using natural resources around the village and its management is assisted by the local community. Apart from being an effort to improve the community's economy. Making Loloh Cemcem is also a form of creative effort by the Penglipuran Traditional Village community.

A study conducted by Kurniawan Widhianto in 2014 concluded that the company's internal factor analysis using the IFE Matrix test, explains that "Halal Certification from MUI" is the company's biggest strength, and "lack of marketing personnel" is the company's biggest weakness. The results of the analysis of the Company's External Factors using the EFE Matrix test explained that "the increasing consumer demand for herbal medicines" is the biggest opportunity for the company, while the "increasing price of raw materials" is the biggest threat for the company. Another study was conducted by Yosia Tutus Angriawan Jaya Diningrat (2018) which concluded the product strategy is to increase the selling value of Manggata Tea by improving service, highlighting customer service that is owned by contacting consumers first, and adding new machines. The pricing strategy is to sell Mango Tea in smaller packages. The venue strategy is to expand sub-distributors and provide training to new subdistributors. The promotional strategy is to endorse on social media, introduce products to the public through health seminars, create talk shows, and increase the promotional budget to support promotions on social media. Kasmanto Miharja (2018) also conducted a study about SWOT analysis in which results of this study indicated that the position of Q-Milk is in quadrant II, this indicates that the company uses strength in dealing with various threats. Based on the SWOT analysis, the company can use a diversification strategy in running its business. Tanjung Prasetyo, Daniel R.O. Monintja, and Fransisca R. Zakaria 2009 concluded the results of the SWOT analysis, there were some suggestions for PD. Budi Lestari in order to develop its business by (1) Increasing working capital, (2) Increasing the quality of human resources, (3) Making promotions, (4) Increasing the machine technologies utilizing, (5) Finding new bottles using alternatives in solving the problem of getting used bottles, (6) Using labels that include the special qualities of the drinks to explain the character and quality from each product made, (7) Selecting the distribution of used bottles facilities. Lastly, a study conducted by Hasan Syahirul Alim concluded SWOT analysis an alternative marketing strategy is obtained which is then processed using the AHP method, which is a decision-making method by compiling a hierarchy, determining priorities, and testing the data used with consistency test to find out whether the data used is consistent or not.

## **METHODS**

# **Research Method**

The research method was carried out qualitatively through a strategic management concept approach. Qualitative analysis is used to determine the company's environment related to the strengths, weaknesses, opportunities, and threats faced by the company by using SWOT analysis in determining alternative strategies. SWOT analysis is used to determine the strategy that will be used after analyzing the company's strengths, weaknesses, opportunities, and threats. SWOT analysis is a management tool to evaluate the internal and external of a company so that it can increase people's income.

# **Data Types and Sources**

The type of data used in this research is qualitative data. The primary data sources in this research are several

sources that are needed. Secondary data is not directly obtained by researchers but from other people or other media as support from primary data sources.

#### **Research Informants**

The informants used in this study were selected purposively that are chosen with certain considerations and objectives, the researcher decides the most appropriate and appropriate informants are Company Owners, Employees, and UD. Merta Sari consumers.

# Techniques of collecting data

According to Sugiyono (2017), data collection techniques used by researchers to obtain data are as follows:

- 1. Observation
  - Observation (observation) includes monitoring, paying attention, and understanding an object by using all the senses. Researchers will collect data by seeing or observing directly the activities carried out, in order to get accurate data.
- 2. Interview

Researchers obtain information or explanations by way of questions and answer in accordance with the questions that have been prepared while meeting face to face between the researcher and the resource person. Interviews conducted were semi-structured interviews (Semi structure Interviews). The interview is also included in the In-depth Interview category.

- 3. Documentation
  - Researchers collect data and information in the form of books, archives, documents, figures and pictures in the form of reports and information that can support research. obtained through the media, both print media such as notes. Documentation studies are complementary to the use of observation and interview methods in qualitative research.
- 4. Data analysis technique
  - In this study, the data were analyzed using a descriptive method, namely making a description of the results of the study and presenting the results of the study in a good form so that it got an overview of the research situation, then combined with the SWOT (Strength, Weakness, Opportunity, Threat) approach. According to Rangkuti (2007) SWOT analysis is a method for analyzing the internal and external environment, where strengths and weaknesses include the internal environment while opportunities and challenges include the external environment.

This analysis is used to examine the potential of Batara Water Sport by identifying the strengths, weaknesses, opportunities, and challenges that, exist.

# Techniques of analyzing data

According to Sugiyono (2017), data analysis in qualitative research is carried out before entering the field, while in the field, and after finishing in the field. Meanwhile, according to Naustion (1988), the analysis starts with formulating and explaining the problem, before going into the field, and continues until the writing of research results. Data analysis becomes a guide for further research until, if possible, grounded theory. It can be concluded that in analyzing the data the researcher should be able to prepare all things related to his research so that it can make it easier to find the data needed.

Data analysis techniques where this stage is divided into two stages, namely:

- 1. External and internal data collection stage
- 2. SWOT matrix analysis stage, internal and external factors.

The analysis stage is after collecting all the information that affects the continuity of the company, the next stage is to utilize all the information into quantitative models of strategy formulation, namely the SWOT Matrix and Internal External factors, then from the results, it is ensured to make the right decisions. which shows that the company's sales performance as a result of the company's marketing strategy can be determined by a combination of internal and external factors. Both of these factors should be considered in a SWOT analysis.

Strategy Factor	Weight	Rate	Score
Internal			
Strength (S)	S2 (0,0-1,0)	S2 (1-4)	$S1 \times S2 = S3$
Weakness (W)	W1 (0,0-1,0)	W2 (1-4)	$W1 \times W2 = W3$
Total	1,0		

Opportunity	O1 (0,0-1,0)	O2 (1-4)	O1 x O2 = O3
Threat	T1 (0,0-1,0)	T2 (1-4)	$T1 \times T2 = T3$
Total	1,0		

Source: Reny Maulidia Rahmat (2012)

The table shows the internal and external weights are between 0, 0 and 1, 0. 2, rating from internal and external between 1 to 4, and the value from internal and external is the result of multiplying the weight with the rating.

# **RESULTS AND DISCUSSION**

#### **Overview of Research Sites**

Loloh Cemcem company located in Penglipuran Village, Loloh Cemcem Ibu Kunil was founded in 1985 by Ibu Kunil. The first time it was developed by Mrs. Kunil, it started with an event at the hero monument, many people came to visit and then were served a Loloh Cemcem drink made by the women in the village. Penglipuran. As time goes by, it turns out to get a positive response from the people who consume it, starting to get a lot of interest. Therefore, Mrs. Kunil began to develop Loloh Cemcem products to be marketed. Starting to be marketed in rural areas and outside the village, over time, people began to like the drink product. At first, Loloh Cemcem was sold in clear plastic packaging, containing fried onions inside which used to be sold for Rp. 500/pc. Previously, the Loloh Cemcem production process still used traditional technology such as a mortar to pound Cemcem leaves. After many losses due to many products breakings because the packaging uses plastic bags and the arrangement is stacked in stacks making it prone to leaks, from there a new innovation emerged and chose to use bottles as product packaging that was more durable around 2000. This Loloh was originally produced in the west, precisely in house no.16.

Penglipuran village has now moved to the east outside the Penglipuran tourist attraction. At this time this business is continued to be managed by Mr. I Wayan Sandya. Loloh Cemcem products already have a permit. In the production process, Loloh Cemcem is very concerned about hygiene. Every 3 Months Health Service routine checks. Loloh Cemcem Ibu Kunil officially takes the form of UD. from 10 years ago. UD. Merta Sari has 5 employees for the production process, labeling is done by 3 people. The manufacture of Loloh Cemcem is still done manually and the leaf milling process already uses a leaf grinding machine.

The production process starts with washing the leaves first, then the leaves are ground and water is added and then filtered. Furthermore, the process of mixing tamarind, brown sugar, salt, and sugar, after dissolving proceed to the packaging process. The benefits of consuming Loloh Cemcem first are to relieve internal heat, lower cholesterol, for good digestion and urinary stones. Besides, the leaves of Cemcem include taru pramana or medicinal trees.

# Analysis of Strengths, Weaknesses, Opportunities, and Challenges Based on Marketing Mix 4p.

Based on the description of the data, it will then be explained about the factors that become strengths, weaknesses, opportunities, and challenges so that the marketing mix strategy is detected at UD. Merta Sari.

- 1. Strength
  - Based on the interviews conducted, the strength possessed by UD. Merta Sari. In the product aspect, the Loloh Cemcem marketed is Loloh Cemcem where the Loloh has a good taste and is in accordance with consumer tastes the products of UD. Merta Sari has spread and is easily found by consumers. So, the Loloh Cemcem produced by UD. Merta Sari already has regular customers. Apart from being a beverage product, Loloh Cemcem produced by UD. Merta Sari has health benefits.
- 2. Weaknesses
  - The weakness is in the form of Loloh Cemcem products marketed by UD. Merta Sari tends not to last long so consumers cannot store the product for a long period of time. On the other hand, in terms of place, the facilities used in the production of Loloh cecem are still simple and conventional. In addition, the division of tasks and job descriptions is not clear and tends to overlap each other so that the production process becomes ineffective and inefficient. In the product aspect, the management and management of the company is also still simple. In the promotion aspect, UD. Merta Sari has not done online promotion to its full potential
- 3. Opportunity
  - In the aspect of sales promotion, Loloh Cemcem produced by UD. Merta Sari is supported and assisted by resellers. While in asphalt place, the production location is located in the tourist village of Penglipuran. This provides a greater opportunity to introduce the product. In addition, customer demand is also quite high. This is also accompanied by the distribution of consumers who are interested in UD Loloh Cemcem products of UD. Merta Sari. It can open a branch. Product introductions are also carried out by participating in open booth activities at creative events.
- 4. Threats

Based on the results of the interview threats UD. Merta Sari on the product aspect in the form of raw materials to make Loloh Cemcem which is difficult to obtain during the dry season. In addition, the emergence of businesses selling similar products resulted in market competition. Government regulations related to the use of plastic make it difficult for UD. Merta Sari is looking for alternatives related to the packaging used. Marketing is limited to local people. In addition, there are similar companies that offer products at lower prices.

# IFAS and EFAS Matrix

In Marketing Strategy research at UD. Merta Sari, the researcher uses a SWOT analysis approach where this analysis is a way of analyzing internal and external factors into strategic steps in business optimization. Internal factors are factors that include strengths and weaknesses at UD. Merta Sari. The results of the internal factor data analysis are presented in the following table:

TABLE 4, IFAS UD, Merta Sari

No	Factory of Internal Strategy	Rating	Weight	Weight x Rating
Stren	gths			
1	Good taste and attractiveness to consumers	4	0.13	0.52
2	Products are spread out and easily found	4	0.06	0.26
	by consumers			
3	Have regular customers	4	0.13	0.52
4	Hygienic production process	3 \>	0.10	0.29
5	Products marketed have health benefits	4	0.13	0.52
TOTA	AL			2.10
Weak	ness			
1	The product is not durable	4	0.06	0.26
2	The production process is still manual	3	0.10	0.29
3	The division of tasks is still being carried	4 7	0.13	0.52
	out concurrently	<b>5</b>		
4	The management of the company is still	3	0.10	0.29
	simple			
5	Online marketing is not optional	4	0.06	0.26
				· · · · · · · · · · · · · · · · · · ·

Based on the table above, it can be seen that the total score on the strength factor is 2.10. While the total score on the weakness factor is 1.61. Based on these scores, the IFAS value = 2.10 - 1.61, which is 0.48. Thus, the difference between the strength factor and the weakness factor is 0.48. External factors are factors that are factors of UD. Merta Sari includes strengths and weaknesses in marketing products. The results of the external factor data analysis are presented in the following table.

TABLE 5. EFAS UD. Merta Sari

No	Factory of Internal Strategy	Rating	Weight	Weight x Rating
Oppo	rtunities			
1	Marketing is done by resellers	3	0.07	0.21
2	The production location is in	4	0.10	0.38
	Penglipuran, a tourist village			
3	Customer demand regarding preparations	4	0.07	0.29
	from Cemcem leaves high			
4	Dispersed consumers have the	3	0.10	0.29
	opportunity to open branches			
5	Promotion is carried out by participating	4	0.12	0.60
	in open booth activities at creative events			
TOTA	AL			1.67
Threa	ats			
1	Raw materials that tend to be difficult to	3	0.10	0.30
	obtain during the dry season			
2	The emergence of businesses that sell	4	0.13	0.53
	similar products			
3	Government regulations regarding the	4	0.10	0.40
	use of plastic			

4	Marketing is limited to local people	4	0.07	0.27
5	Similar companies offer products at	4	0.13	0.53
	prices that tend to be cheaper			
TOTAL 2.0		2.03		

Based on the table above, it can be seen that the total score on the opportunity factor is 1.67. While the total score on the threat factor is 2.03. Based on this score, the EFAS value = 1.67 - 2.03, which is -0.37. Thus, the difference between the opportunity factor and the threat factor is -0.37.

# **SWOT** analysis

Based on the calculation above, related information, both in the aspects of internal environmental analysis and external analysis collected, the next step is to develop alternative strategies. To formulate a strategy, a tool in the form of a SWOT matrix can be used that can help describe the external opportunities (opportunities) and threats (threats) faced by the organization, which are then adjusted to the internal strengths and weaknesses faced. This matrix also produces four possible strategies as described below.

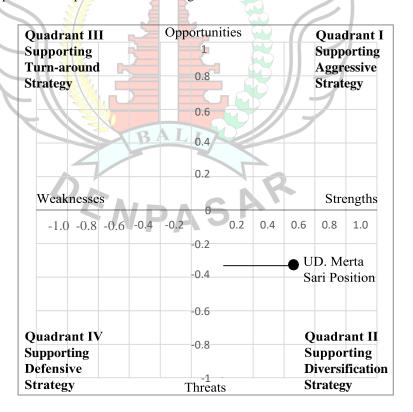
TABLE 6. SWOT Anal	lysis	
IFAS EFAS	Strength (S) Determine Factors of Internal Strength	Weakness (W) Determine Factors of Internal Weakness
Opportunities (O) Determine Factors of External Opportunity	1. Good taste and consumer demand open up opportunities to add resellers  2. A hygienic production process can be used as content during promotions as a product advantage  3. Products that have health benefits can strengthen promotions during open booth  4. High interest provides an opportunity to open a branch	<ol> <li>Wo Strategy</li> <li>Products that do not last long can be handled by using resellers so that the product reaches consumers quickly</li> <li>Online marketing can be optimized and combined with offline marketing</li> <li>Production processes that are still manual need to be optimized by utilizing home industry technology</li> <li>The division of job descriptions needs to be clarified so that the production process becomes effective and efficient</li> </ol>
Threats (T) Determine Factors of External Threats	<ol> <li>The difficulty of obtaining raw materials can be overcome by exploring the Cemcem leaves that grow in Bali</li> <li>Good taste can be used as an added value to compete with similar businesses</li> <li>Hygienic production can be used as an added value to compete with similar businesses that sell products at lower prices</li> </ol>	<ol> <li>The production process needs to be improved to obtain more optimal results so that it can outperform the competition with similar companies</li> <li>To maintain product durability, it is necessary to increase the product so that the product can be circulated in the market for a longer period of time</li> <li>Packaging that uses plastic bottles should immediately find an alternative by using environmentally friendly packaging</li> <li>To deal with producers who sell products at higher prices, this can be overcome by making innovations related to processed Cemcem leaves</li> </ol>

Based on the table above, it can be explained the development of marketing strategy at UD. Merta Sari.

- 1. Strength Opportunity (SO) Strategy
  - Good taste and consumer demand open up opportunities to add resellers. A hygienic production process can be used as content during promotions as a product advantage. Products that have health benefits can strengthen promotions during open booths. The high interest provides an opportunity to open a branch
- 2. Strength Threat (ST) Strategy
  The difficulty of obtaining raw materials can be overcome by exploring the leaves of Cemcem that grow in Bali. Good taste can be used as an added value to compete with similar businesses. Hygienic production can be used as an added value to compete with similar businesses that sell products at lower prices
- 3. Weakness Opportunity (WO) Strategy
  Products that are not durable can be handled by using resellers so that the product reaches consumers
  quickly. Online marketing can be optimized and combined with offline marketing. Production processes
  that are still manual need to be optimized by utilizing home industry technology. The division of job
  description needs to be clarified so that the production process becomes effective and efficient.
- 4. Weakness Threat (WT) Strategy
  The production process needs to be improved to obtain more optimal results so that it can outperform the competition with similar companies. To maintain product durability, it is necessary to improve so that the product can be circulated in the market for a longer period of time. Packaging that uses plastic bottles should immediately find an alternative by using environmentally friendly packaging. To deal with producers who sell products at higher prices, this can be overcome by making innovations related to processed Cemcem leaves.

#### **SWOT Matrix**

The SWOT matrix is a tool used to compile the strategic factors of a company or organization. In this matrix, it can be clearly described how the external opportunities and threats faced by the company can be adjusted to the strengths and weaknesses it has so that the right competitive strategy can be determined. This matrix can produce four possible sets of strategic alternatives.



## **FIGURE 2. Matrix SWOT**

Based on the matrix, it can be seen that UD. Merta Sari is in quadrant II (x = positive, y = negative), namely at x = 0.48 and y = -0.37. This position indicates that UD. Merta Sari faces various threats, this company still has internal strength. The strategy that must be applied is to use strength to take advantage of long-term opportunities by means of a diversification strategy.

## **Discussion**

Based on the interviews conducted, the strength possessed by UD. Merta Sari. In the product aspect, the Loloh Cemcem marketed is Loloh Cemcem where the Loloh has a good taste and is in accordance with consumer tastes. UD. Merta Sari' product has spread and is easily found by consumers. So, the Loloh Cemcem produced by UD. Merta Sari already has a regular customer. Apart from being a beverage product, Loloh Cemcem produced by UD. Merta Sari has health benefits.

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#### Internal factors UD. Merta Sari

In the aspect of sales promotion, Loloh Cemcem produced by UD. Merta Sari is supported and assisted by resellers. While in asphalt place, the production location is located in the tourist village of Penglipuran. This provides a greater opportunity to introduce the product. In addition, customer demand is also quite high. This is also accompanied by the distribution of consumers who are interested in Loloh Cemcem products of UD. Merta Sari so that UD. Merta Sari can open a branch. Product introductions are also carried out by participating in open booth activities at creative events.

Based on the results of the interview threats UD. Merta Sari on the product aspect in the form of raw materials to make Loloh Cemcem which is difficult to obtain during the dry season. In addition, the emergence of businesses selling similar products resulted in market competition. Government regulations related to the use of plastic make it difficult for UD. Merta Sari is looking for alternatives related to the packaging used. Marketing is limited to local people. In addition, there are similar companies that offer products at lower prices.

# Alternative Marketing Strategies That Are Right and Effective for Marketing UD. Immediately

Based on a SWOT analysis conducted on UD. Merta Sari, service providers obtained that UD. Merta Sari is in quadrant II (x = positive, y = negative), namely at x = 0.48 and y = -0.37. This position indicates that UD. Merta Sari faces various threats, this company still has internal strength. The strategy that must be applied is to use strength to take advantage of long-term opportunities by means of a diversification strategy.

In accordance with these results, the strategy that can be implemented is based on the marketing mix with 4P aspects, namely, the SO strategy of UD. Merta Sari management should take full advantage of the company's strengths to seize and take advantage of the biggest opportunity for the UD. Merta Sari is a delicious product taste and consumers are interested in opening up opportunities to add resellers. A hygienic production process can be used as content during promotions as a product advantage. Herbal drink products that have health benefits can strengthen promotions during open booths. High interest provides an opportunity to open a branch.

# **CONCLUSIONS AND SUGGESTION Conclusions**

Based on the results of data analysis and discussion, the conclusions obtained from the research are as follows.

- 1. Strengths owned by UD. Merta Sari's related products are good taste and attractive to consumers, herbal drink products that are beneficial to health, easy to find products, have regular customers, and hygienic production processes. Weaknesses are that the product is not durable, production is still manual, there is no clear job description and management is still simple, and online marketing is not optimal.
- 2. Opportunities that UD. Merta Sari can take advantage is optimizing resellers, strategic production locations, high product demand, opening branches, and promotions with open booths. Meanwhile, the threats faced by UD. Merta Sari, namely the difficulty of obtaining raw materials, the emergence of similar businesses and lower prices, and government regulations related to plastics.
- 3. The strategy used by UD. Merta Sari, namely the SO strategy to take advantage of all the strengths of the company to seize and take advantage of the greatest opportunities in the UD. Merta Sari, namely the taste of products that are delicious and attractive to consumers, opens up opportunities to add resellers. A hygienic production process can be used as content during promotions as a product advantage. Herbal drink products that have health benefits can help strengthen promotions during the open booth. The high interest provides an opportunity to open a branch.

# **Suggestion**

Based on the conclusions that have been presented, can be summarized suggestions for the management of UD.

Merta Sari, namely the need for improvement of facilities both in the form of physical facilities and production processes. This requires production to be more effective and efficient. Optimal online promotion by promoting the advantages possessed by UD. Merta Sari is related to the products being marketed so that it can compete with similar businesses, both existing and newly established. Making improvements by using industrial technology to optimize product quality, both in terms of the production process and the durability of Loloh Cemcem products marketed by UD. Merta Sari.

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