

Sago Business Development Strategy on Pangkaroang Bulawang, Luwu Regency

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ABSTRACT

Industrial development and the increasing population in Indonesia, automatically reduce agricultural land that produces rice. The consumption pattern of Indonesian people in general cannot be separated from rice as a daily staple food. This study aimed to determine whether using SWOT analysis could develop the business sago in Pangkaroang Bulawang SME. For the data collection, the researchers used interview, observation, and documentation methods, and then the researchers analyzed by using SWOT analysis. The results of this research have indicated that the SWOT analysis could develop the business sago sales in Pangkaroang Bulawang SME. The results of the research from the courtesies of SME Dusun Pangkaroang Bulawang hamlet are in the grown square, where the position is profitable for the company because it has opportunities and strengths, the next step taken is maintaining the quality of the company and retaining customers

Keywords: *business development strategy; SWOT analysis*

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I. INTRODUCTION

The consumption pattern of Indonesian people in general cannot be separated from rice as a daily staple food. Industrial development and the increasing population in Indonesia, automatically reduce agricultural land that produces rice. So changing consumption patterns based on rice with other foodstuffs is necessary. There are several types of carbohydrate sources other than rice that can be developed. Limited rice production can be overcome by diversifying food to reduce rice dependence, it is necessary to develop other potential foods. The consumption pattern of Indonesian people in general cannot be separated from rice as a daily staple food. Industrial development and the increasing population in Indonesia, automatically reduce agricultural land that produces rice. So it is necessary to change consumption patterns based on rice with other foodstuffs. There are several types of carbohydrate sources other than rice that can be developed. Limited rice production can be overcome by

diversifying food to reduce rice dependence, it is necessary to develop other potential foods. Top of Form

Sago is one of the carbohydrate-producing trees that need to be considered to diversify food, considering its great potential but has not been pursued optimally. So it is necessary to strive for the development of sago-based products to reduce dependence on rice. The calorie content of sago is relatively the same as the calories contained in cassava or potatoes, therefore sago is one of the food commodities that can answer the challenges in the field of food supply. Sago plants have important social, economic, and ecological roles for most people in eastern Indonesia. Culturally, local people have consumed sago plants as a staple food for generations. The leaves of the sago tree are used as the roof of the house, the midrib for the walls of the house and the pulp can be used as animal feed. The need for sago starch at the national and international levels has increased considerably, among others, for the needs of the food and energy industries (Ibrahim dan Gunawan, 2015). Pangkaroang Bulawang Hamlet is one of the centers of sago production and production in Luwu Regency. Some problems that are still unsolved in developing the SME business of Pangakoang Bulawang Hamlet are that the business of managing and producing sago is still limited to household industries, and sago management technology is still carried out in traditional ways.

MSMEs run by the community in Lempuyangan District are cottage industries that are still owned by individuals or households. MSMEs in Lempuyangan Village show quite good growth and development from year to year. This sub-district pays more serious attention to this business sector. This is due to the better performance of MSMEs in terms of productive workforce, high productivity increase, and their ability to develop into large businesses (Septyarini et al., 2023). To start or develop a business must have a business plan, business planning itself is the reason why a business is established. In a business planning business, there are plans for what will be carried out to achieve a goal, a business will be outlined through the vision and mission of a business. Business development is an activity carried out to produce something by developing and transforming several resources into goods/services desired by consumers. Developing a business can overcome the problems of national economic development such as overcoming the problem of poverty, and high numbers. The development of a business is determined by the ability to build strategies. Because strategy forces businesses to look to the future and try to shape their future proactively. A strategy helps provide awareness of the direction the company is heading, maintains continuity, and facilitates delegation and the process of effective leadership.

Numerous media reports have highlighted some occurrences in small businesses, with micro-entrepreneurs facing challenges such as income loss due to disrupted supply chains and a shortage of workers, alongside dwindling cash reserves. In response, many entrepreneurs have turned to alternative methods to sustain their operations, including leveraging social media platforms like Facebook and WhatsApp for product promotion and sales. Some have also opted for hiring part-time delivery personnel for cash-on-delivery transactions. However, not all rural small businesses can implement these strategies due to infrastructure limitations. Despite the significance of such strategies, the exploration of business continuity

tactics among micro-enterprises during crises remains incomplete. While previous studies have examined the impact of outbreaks like MERS, SARS, and Ebola on large-scale enterprises in developed regions, there's limited focus on micro-enterprises. Research suggests that micro-enterprises experience slower growth during crises, highlighting their vulnerability compared to larger counterparts (Pine & McKercher, 2004). (Bartz & Winkler, 2016) found in their study of entrepreneurial firm performance during crises that micro-enterprises exhibit slower growth, indicating fragility compared to larger enterprises, which demonstrate faster growth and more flexibility. Therefore, entrepreneurs must devise resilient strategies to mitigate crisis impacts on their businesses.

The development of the sago business is carried out because sago has several advantages compared to other food crops. Sago business development efforts can be done by creating small industries and home industries to increase family income. Small industries and households are businesses that attract a lot of workers without having to have a level of education or special skills. By doing maximum business development, it will create the purpose of the development itself. Business development is all activities organized by people engaged in industrial commerce who provide goods and services for the needs of maintaining, expanding, and improving their standards and quality of life (Glos et al., 1980). Two aspects are the goals of SME business development in Pangkaroang Bulawang Hamlet, Langkidi Village, namely the economic aspect and the social aspect. The economic aspect is in the form of increasing people's income and from the social aspect overcoming unemployment. The reason I chose this title is to find out whether the strategy applied in these SMEs has been effective or not. There are 3 sago business managers in Langkidi Village, the largest SME owned by Mr. Naruddin, the advantage of Mr. Naruddin's SMEs compared to other SMEs lies in the way of making where Mr. Naruddin's business the cast is still carried out using traditional methods where the sago results will be whiter while the SMEs choose Mr. Usman and Basman taste using 3 Kg LPG gas Tabus where the processed sago is slightly purplish in color and the sago pulp is whitish. UKM Pangkaroang Bulawang Hamlet is located in Lorong Kampung Baru, Langkidi Village, Bajo District, Luwu Regency, ± 9 kilos from Belopa City. UKM Dusun Pangkaroang Bulawang has one uniqueness, namely the sago pulp that has been taken from the juice will be taken by the community around the UKM to dry in the sun and then traded to the surrounding community or people outside the area where 1 bag of sago pulp is sold for Rp. 35,000.

The importance of strategy in a company to develop its business. Not only do large companies have strategic management, but small companies should also be managed using strategic management. Strategy management is a set of decisions and actions designed to achieve company goals. The process of preparing a strategy is needed, because it is a long-term planning. The concept of strategy starts from a tool to achieve goals then develops into a tool to create competitive advantage and then into a dynamic action to provide motivational power to the company to contribute optimally. Thus, its business strategy can be seen from the efforts that have been made at the company whether it succeeds or fails in running its business in sales.

II. LITERATURE REVIEW

Marketing Strategy

Marketing is one of the main activities carried out by entrepreneurs in their efforts to maintain the survival of the company and the development of its business and get profits. Success or failure in achieving goals depends on the ability and ability in the field of marketing. In achieving goals, it is necessary to have a marketing strategy, which is a plan owned by a company as a guideline for marketing activities to achieve the goals set by the company. Strategy is a directional statement that covers several dimensions in increasing competitiveness, namely arena, advantage, access, and activities. to win the competition. Effective strategy implementation must be supported by a detailed program that supports (Jayanti & Tasrim, 2023). Large and small businesses to compete and win the competition need to have a strategy. If not, the business will be less competitive with competitors. Similarly, in marketing products. It needs a unique marketing strategy so that products can be accepted by the public even in complicated competitive situations. (Kotler & Keller, 2018) marketing is an activity, a unit of institutions, and a process for creating, communicating, delivering, and exchanging offers that have value for customers, clients, partners, and society at large. Product marketing activities are not only limited to selling products. But broader than that how a business can create satisfaction and loyalty to its consumers. This is where the role of marketing strategy is needed.

Marketing strategy consists of five very related elements. The five elements (Tjiptono, 2011) are: 1) Market selection i.e. selecting the markets to be served this decision is based on factors such as a) Perception of product function and grouping of technologies that can be protected and dominated, b) Limited internal resources that encourage the need for narrower focus, c) Cumulative experience based on trial and error in response to opportunities and challenges, and d) Special capabilities derived from access to scarce resources or protected markets. 2) Product planning, covering the specific products sold, the establishment of product lines, and the design of individual offerings on each line. The product itself offers the total benefit that customers can gain by making a purchase. These benefits include the product itself, the brand name of the product, product availability, warranties or guarantees, repair services, and technical assistance provided by the seller, as well as personal relationships that may be formed between buyers and sellers. Pricing is determining prices that can reflect the quantitative value of the product to customers. The distribution system is the wholesale and retail trade channel through which the product reaches the end consumer who buys and uses it. Marketing communication (promotion) which includes advertising, personnel selling, sales promotion, direct marketing, and public relations.

Business Development

Business development is the responsibility of every entrepreneur or entrepreneur who needs foresight, motivation, and creativity. If this can be done by every entrepreneur, then there is great hope to be able to make a business that was originally small into a medium scale and even a large business. Business activities can be started by starting a business (starting), building cooperation, or buying other

people's businesses better known as franchising. The thing to note is where the business will be taken. Therefore, development is needed to expand and maintain the business so that it can run well. Carrying out business development requires support from various aspects such as production and management, marketing, human resources, technology, and others (Anoraga, 2007).

Starting a new business, the main capital that must be the first time is an idea, both an idea to develop and an idea to create something new and different. After having an idea, you should immediately conduct a business feasibility analysis such as an analysis of strengths, weaknesses, opportunities, and threats. Furthermore, several things must be considered in business management, namely business planning, financial management, business strategies, and business development techniques (Suryana, 2006). Business development plans minimize the likelihood of failure and maximize the likelihood of success (Lecup, 2006): encourage target groups to think carefully about each stage of the business; gather information to make intelligent estimates about the likelihood of success and the level of risk; examine the weaknesses and strengths of the business when compared to competitors; assess the feasibility of the concept and identify specific factors that will determine success and failure; formulate realistic and achievable goals.

Business development strategies (Suryana, 2006) include 1) Increased economies of scale. Increasing economies of scale is a way that can be done by increasing the scale of production, technological labor, distribution systems, and places of business. This is done when expanding business or increasing output will lower long-run costs, which means achieving economies of scale. Conversely, if an increase in output results in a diseconomy of scale, it is not good to do so. When goods and services are carried out it will drive up costs. Economies of scale occur when business expansion or increased output lowers long-run costs. 2) Expand the scope of business. Expanding business scope is a way that can be done by adding new types of businesses, new products, and services that are different from those now produced (diversified), and with different technologies. For example, the city transportation service business is expanded with a tourism bus service business, and the education service business is expanded with a training service business and courses the scope of economic business can be defined as an economic business characterized by the total combined total production cost of producing two or more types of products together is smaller than the sum of the production costs of each product if production separately. Expansion of the scope of this business can be done if the entrepreneur has sufficient capital. Conversely, the scope of an uneconomic business can be defined as a verified uneconomic business, where the joint total production cost of producing two or more types of products together is greater than the sum of the production costs of each type of product if produced separately. To expand the economic scale or economic scope, if business knowledge and capital are sufficient, entrepreneurs can cooperate with other companies through joint ventures, or management cooperation through a partnership system.

The field of business development can be used to examine products that have the greatest chance of success according to the objectives of the market development process (Lecup, 2006). Strategy formulation is one of the critical stages in the business

strategy development process. This process includes a variety of steps designed to help companies identify their current position, set future goals, and develop plans to achieve those goals (Wheelen & Hunger, 2012).

SWOT Analysis

SWOT analysis is an important tool in strategy formulation that helps companies evaluate their position based on four main elements (Wheelen & Hunger, 2012). 1) Strengths: Internal factors that give the company a competitive advantage, such as unique resources, employee skills, advanced technology, brand reputation, and operational efficiency. 2) Weaknesses: Internal factors that hinder company performance, such as lack of resources, weaknesses in management, lack of innovation, and low efficiency. 3) Opportunities: External factors that a company can exploit to improve performance, such as favorable market trends, supportive regulatory changes, technological advancements, and market expansion. 4) Threats: External factors that may pose risks to the company, such as increased competition, adverse regulatory changes, changes in consumer preferences, and adverse economic conditions. SWOT analysis helps companies understand their internal and external conditions, to identify areas for improvement and opportunities for growth.

Vision and Mission Formulation. The company's vision and mission are the cornerstones of any successful strategy. In this book, vision and mission. Vision: The vision statement describes the company's long-term goals and the direction it wants to achieve in the future. The vision should be inspirational, and challenging, and provide a clear picture of the company's aspirations. Mission: The mission statement describes the company's main objectives and the approach taken to achieve those goals. The mission includes aspects such as the market served, the products or services offered, and the values held by the company. 3. Goal Setting. After the vision and mission are formulated, the company must set specific goals to be achieved. These goals must meet SMART (Specific, Measurable, Achievable, Relevant, Time-bound) criteria, which means they must be specific, measurable, achievable, relevant, and time-bound (Wheelen & Hunger, 2012).

SWOT analysis and predefined goals, the company develops strategies to achieve those goals. These strategies can include Corporate Strategy: Determining which areas of business to enter or leave, as well as resource allocation between business units. Business Strategy: Determining how to compete in a particular market, including choices such as product differentiation, cost leadership, or focus on specific market segments. Functional Strategy: Develop specific action plans for specific departments or functions within the organization, such as marketing, production, human resources, and R&D. Implementation and Evaluation: Once the strategy is developed, the next step is to implement the plan. It involves organizing resources, allocating responsibilities, and monitoring progress. Periodic evaluations are conducted to ensure that the strategy is proceeding as planned and to make adjustments if necessary (Wheelen & Hunger, 2012).

Sales

Sales is one of the activities carried out by the company to maintain and develop its business and achieve the desired profit. Sales also includes the process of selling activities, starting from determining the selling price to distributing products

to the hands of consumers (buyers). Therefore, sales activities, like purchasing, consist of a series of activities that include demand creation, finding buyers, negotiating prices, and payment terms. Sales must also determine the policies and procedures to be followed for the established sales plan to be implemented (Nafarin, 2009).

The success of a company in achieving profits is determined by its ability to sell its products (Tjiptono, 2008). If the company does not succeed in selling, it will suffer losses. The general objectives of sales within the company aim to increase total sales volume or increase sales of more profitable products, maintain an effective sales position through regular sales visits to provide information about new products and support the growth of the company, which can be achieved by carrying out sales according to a predetermined plan.

As for the factors affecting sales according to (Swastha, 2007) as a) Conditions and capabilities of the seller. Here the seller must be able to convince the buyer to successfully achieve the expected sales target. For this purpose, the seller must understand several important issues that are closely related to the type and characteristics of the goods offered, the price of the product, and the terms of sale. b) Market Conditions. As for the factors of market conditions, the group of buyers, their purchasing power, the frequency of their purchases, and their wants and needs. c) Capital. To introduce goods to buyers, sellers need facilities and businesses such as means of transportation, demonstration places both inside the company and outside the company, promotional efforts, and so on. All this can only be done by the seller if he has the necessary amount of capital to carry out that purpose.

Organizational Conditions of the Enterprise

Usually in large companies' sales problems are handled by sales departments held by certain people/experts in the field of sales. In small companies, on the other hand, sales issues are handled by people who also perform other functions. Other factors, such as advertising, demonstrations, and gifting campaigns, often affect sales.

METHODOLOGY

The type of research in this study is qualitative, namely research that collects information from a sample by asking through questionnaires or interviews as an aspect to describe the research. The research was located in UKM Pangkaroang Bulawang Hamlet, Langkidi Village, Luwu Regency. population is the manager of SMEs Pangkaroang Bulawang Hamlet as many as 3 people in Langkidi Village, Bajo District, Luwu Regency. This study used SWOT analysis techniques. SWOT analysis is an important tool in strategy formulation that helps companies evaluate their position based on four main elements. 1) Strengths: Internal factors that give the company a competitive advantage, such as unique resources, employee skills, advanced technology, brand reputation, and operational efficiency. 2) Weaknesses: Internal factors that hinder company performance, such as lack of resources, weaknesses in management, lack of innovation, and low efficiency. 3) Opportunities: External factors that a company can exploit to improve performance, such as favorable market trends, supportive regulatory changes, technological advancements, and market expansion. 4) Threats: External factors that may pose risks to the company, such as increased competition, adverse regulatory changes, changes in consumer preferences, and adverse economic conditions. SWOT analysis helps companies

understand their internal and external conditions, to identify areas for improvement and opportunities for growth.

RESULTS

In this discussion, researchers will analyze qualitative descriptive data using SWOT analysis to improve business development in SMEs in Pangkaroang Bulawang Hamlet.

Analysis of the internal environment

Table 1. SWOT Analysis on SMEs in Pangkaroang Bulawang Hamlet

Strength	Weakness
1. Sole proprietor	1. Dependence of raw materials
2. Prioritizing product quality	2. Rely on only one product
3. Competitive price	3. Marketing is not optimal
4. Good service	4. Financial statements have not been arranged properly
5. Location is easy to reach	5. Lack of workforce training
6. The number of manpower is adequate	
7. The traditional extortion process	

Source: research results (processed), 2020

Strength

Sole proprietor. The leader of the Pangkaroang Bulawang Hamlet SME monitors all production processes to marketing. So the sole proprietor makes it easy to make decisions in solving a problem faced by the company. **Prioritizing product quality.** To produce good quality sago products, the manager only does precipitation for 1 day, after which it will be immediately packaged and traded because with too long precipitation will result in poor products and make the color yellow. **Competitive price.** In SMEs in Pangkaroang Bulawang Hamlet, the price installed is relatively competitive with other prices where the price per kilo is IDR 5,000, and 1 sack is pegged for IDR 170,000. **Good service.** SMEs of Pangkaroang Bulawang Hamlet carry out the sales process by putting on a face full of smiles if there are consumers and serve as soon as possible, don't let consumers wait too long. **The location is easy to reach.** The location of sago-making can be reached by motorbike or car. So if you want to buy and see how to make sago, we can see it directly because the sales location is right in front of the sago sago-making place. **The number of manpower is adequate.** In this business, 10 members were employed, divided into 2 groups. The first group consists of 6 people who are tasked with taking sago sago sticks, while group 2 contains 4 people who are tasked with processing sago sago stems. **Blackmail is still traditional.** Squeezing in SMEs is still the manual way which is done by pulling in the opposite direction while watering using a pipe where the water from the pipe comes from borehole water pulled using a machine, watering is done until the water coming out of the sago pulp is no longer white.

Weakness

Dependence on raw materials. In the sago sago, the main raw material is sago trees, there is no alternative substitute material. **Rely on only one product.** The type of business product owned by SMEs in Pangkaroang Bulawang Hamlet is only 1

product, namely wet sago. **Marketing has not been optimal.** Marketing is only done directly and only in a few places such as the owner's house, traditional market, and district collectors. SMEs of Pangkaroang Bulawang Hamlet do not make sales through social media. **Financial statements have not been well compiled.** In this business, the reports written are only the expenditure of the purchase of sago sticks, and employee salaries, while expenditures such as fuel purchases are not recorded. **Lack of labor training.** In the Pangkaroang Bulawang Hamlet UKM, the last training was carried out in 2018, making it difficult for owners and employees to develop their businesses due to lack of knowledge.

Analysis of the external environment

Table 2. External Factors in SWOT Analysis

Opportunities	Threats
1. Become the main choice for traditional food lovers processed sago	1. The growing number of competitors
2. Positive community support	2. Sago land clearing
3. Good Relationship with Consumers	3. Raw materials are getting more expensive
	4. Raw materials are getting scarcer

Source: research results (processed), 2020

Opportunities

Become the main choice for traditional food lovers processed sago. Sago is a traditional food that has been passed down for generations, almost all Luwu people like the most excellent processed sago, namely lime, several types of foods can be processed from sago, namely "kapurung", "sinole", "dange", "baccilaung", "lanya". **Community support is positive.** In this effort, the surrounding community responds well to this business. Since the beginning of its establishment until now because this business has provided job vacancies for the surrounding community and people who want to buy sago do not need to go far to buy sago especially the sago is famous for its fairly good sago quality, and sago pulp is also taken by the surrounding community to be used as internal feed or traded. **Good Relationship with Consumers.** SMEs of Pangkaroang Bulawang Hamlet have good relations with consumers at the time of transaction and do not make buying and selling transactions.

Threats

The growing number of competitors. In Langkidi village, the number of sago sellers has now reached 3 people which is likely to continue to grow. **Sago land clearing.** The sago land in Langkidi Village is now running low because the surrounding community has cut down many sago trees ranging from small to large trees to clean the land to be used as a vegetable garden. **Raw materials are getting more expensive.** The sago trunks used by SMEs in Pangkaroang Bulawang Hamlet are now taken from outside Langkidi Village where the price per trunk is Rp 300,000-Rp 500,000 this is due to the rarity of sago trees that are ready to be cut, where sago trees that are ready to be cut are 11-12 years old. **Raw materials are getting scarcer.** UKM Pangkaroang Hamlet for now takes stock of sago stems ready for harvest outside Langkidi Village because the stock in Langkidi Village is running low.

To find out the steps that need to be taken by SMEs of Pamgkaroang Bulawang Hamlet in determining the strategy needed, a SWOT matrix is needed that can support the strengths, weaknesses, opportunities, and threats factors owned by SMEs of Pangkaroang Bulawang Hamlet so that the possibility of making wrong decisions can be avoided.

IFAS (*Internal Factor Analysis Summary*) Matrix

The IFAS matrix describes how factors that are strengths and weaknesses, are then weighted each factor ranging from 1.0 (very important) to 0.0 (not important) regardless of whether it is an internal strength or weakness the sum of all weights should be equal to 1.0. For strength factors and weakness factors, they are divided into four ratings, namely ratings 1, 2, 3, and 4 (1 = Is a major weakness; 2 = Is a small weakness; 3 = Is a small strength; 4 = Is the main strength)

Table 3. IFAS (*Internal Factor Analysis Summary*) matrix

No	Internal factors	Weight	Rating	Score
Strength				
1	Sole proprietor	0,10	4	0,40
2	Prioritizing product quality	0,15	4	0,60
3	Competitive price	0,08	4	0,32
4	Good service from employees	0,04	3	0,12
5	Location is easy to reach	0,05	3	0,15
6	The number of employees is adequate	0,08	3	0,32
7	The traditional extortion process	0,06	3	0,18
	Subtotal	0,56		2,09
Weakness				
7	Dependence on raw materials	0,15	1	0,15
8	Rely on only one product	0,10	1	0,10
9	Marketing is not optimal	0,10	1	0,10
10	Financial statements have not been arranged properly	0,04	2	0,08
11	Lack of workforce training	0,05	2	0,10
	Subtotal	0,44		0,53
	Total	1		2,62

Source: research data (processed) 2020

EFAS (*External Factor Analysis Summary*) matrix

The IFAS matrix describes how factors that are strengths and weaknesses, are then weighted each factor ranging from 1.0 (very important) to 0.0 (not important) regardless of whether it is an internal strength or weakness the sum of all weights should be equal to 1.0. The opportunity factor and threat factor are divided into four ratings, namely ratings 1, 2, 3, and 4 (1 = Have a very small chance or a very large threat; 2 = Have a small change or a big threat; 3 = Have a big chance or a small threat; 4 = Have a very big chance or a very small threat)

Table 4. EFAS (*External Factor Analysis Summary*) Matriks

No	External factors	Weight	Rating	Score
Opportunities				
1	Become the main choice for traditional food lovers processed sago	0,20	4	0,80
2	Positive community support	0,10	3	0,30
3	Sago as a regional food	0,05	3	0,15
4	Good relationship with consumers	0,18	4	0,72
	Subtotal	0,53		1,97
Threats				
5	The growing number of competitors	0,12	1	0,12
6	Sago land clearing	0,05	2	0,10
7	Raw materials are getting more expensive	0,15	2	0,30
8	Raw materials are getting steps	0,15	1	0,10
	Subtotal	0,47		0,62
	Total	1		2,59

Source: Research data (processed) 2020

IE matrix

From the calculation of the internal and external factor scores of SMEs in Pangkaroang Bulawang Hamlet, an internal factor score of 2.56 and an external factor of 2.59 was obtained. Furthermore, the two scores are used to determine the company's strategic position using the IE matrix as follows.

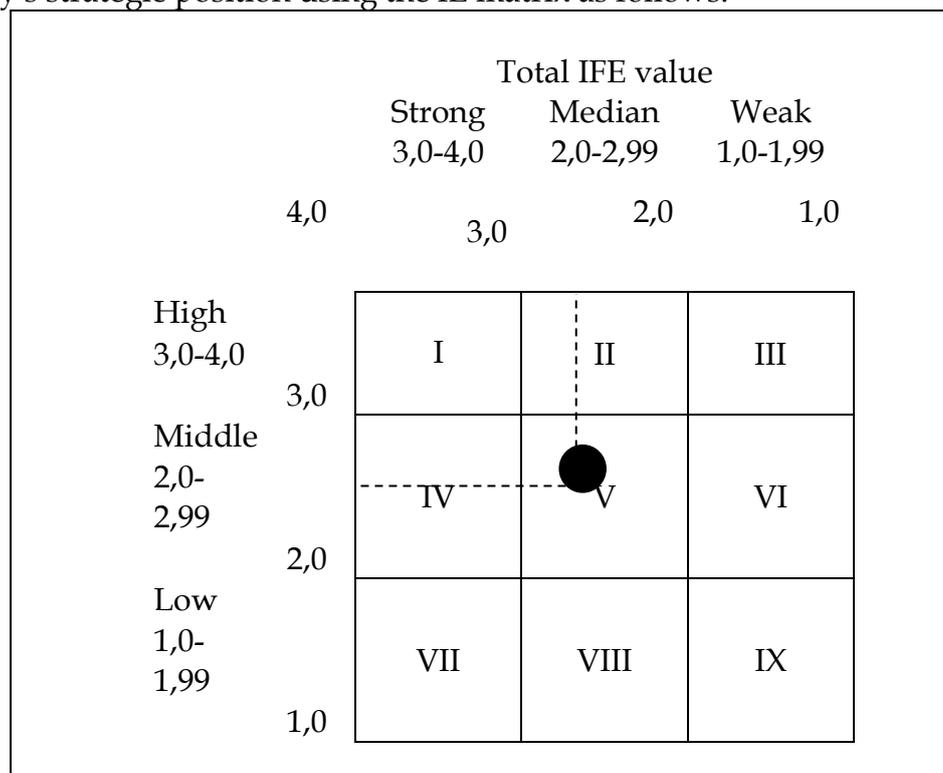


Figure 1. IE Matrix of SMEs in Pangkaroang Bulawang Hamlet

Source: Research data (processed) 2020

The results of the IE matrix analysis above show that the SME company of Pangkaroang Bulawang Hamlet is in cell V, which means that the SME company of Pangkaroang Bulawang Hamlet has an alternative *hold and maintain* strategy. The strategy focuses on efforts to maintain the capabilities of the company. The results of the SWOT analysis that has been carried out can help the company to find out the strengths, weaknesses, opportunities, and threats that the company has. This is used to develop the right strategy in developing a sago sales business.

Cartesius Diagram SWOT Analysis

The total score values are strength 2.09, weakness 0.53, opportunity 1.97, and threat 0.62. So the difference in the total score of the strength and weakness factors is +1.56, while the difference in the total score of the opportunity and threat factors is +1.35

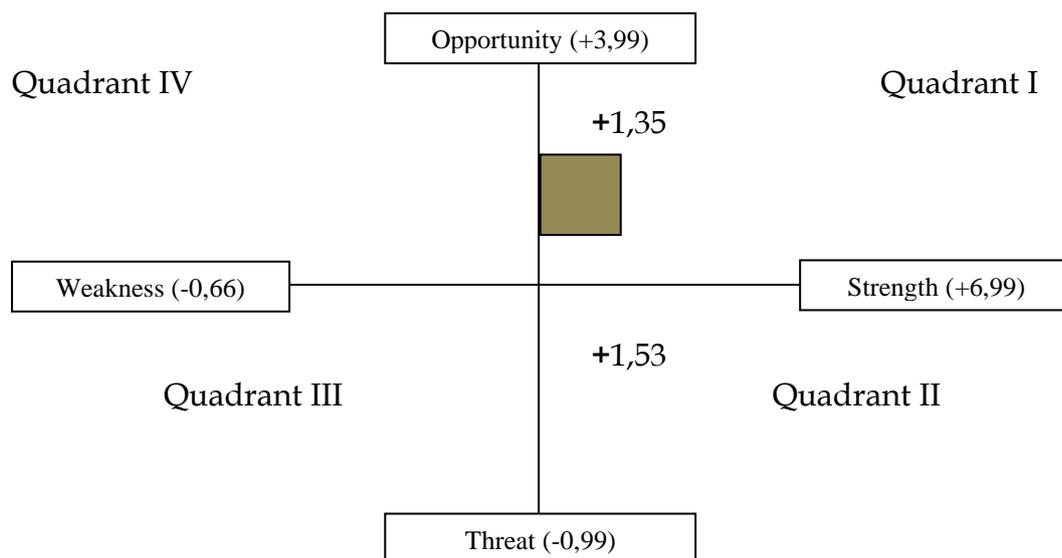


Figure 2. Cartesius Diagram of SMEs in Pangkaroang Bulawang Hamlet
Source: Research data (processed) 2020

The picture above shows that SMEs in Pangkaroang Bulawang Hamlet are at the square of *growth* where the square is a favorable situation for the company because it has opportunities and strengths. If in conditions like this, the strategy that must be applied is to support aggressive growth policies (*Growth Oriented Strategy*). An aggressive growth strategy starts with market penetration and product development. (Yosep Hernawan, Musafa, 2020) research is the position of Kopi Palasari in quadrant 1, namely the growth quadrant, indicating that it would be appropriate to follow up with offensive and aggressive strategies. For instance, the market penetration strategy aligns well with the primary strategies outlined in Kopi Palasari's SWOT matrix.

SWOT Matrix

Alternative strategies to develop sales businesses in SMEs in Pangkaroang Bulawang Hamlet are carried out based on SWOT analysis which includes strengths, weaknesses, opportunities, and threats. The analysis is carried out using a SWOT matrix.

Table 5 SWOT Matrix

SWOT Matrix	Strengths (S)	Weakness (W)
SMEs in Pangkaroang Bulawang	<ul style="list-style-type: none"> - Sole proprietor - Prioritizing product quality - Competitive price - Good service from employees - Location is easy to reach - The number of manpower is adequate 	<ul style="list-style-type: none"> - Dependence of raw materials - Rely on only one product - Marketing is not optimal - Financial statements have not been arranged properly - Lack of workforce training
Opportunities (O)	SO Strategy	WO Strategy
<ul style="list-style-type: none"> - Become the main choice for traditional food lovers processed sago - Positive community support - Sago as regional food - Good relationship with consumers 	<ul style="list-style-type: none"> - Maintain competitive prices - Give bonuses to fixed subscriptions 	<ul style="list-style-type: none"> - Increase promotional activities - Develop the number of products offered
Threats (T)	ST Strategy	WT Strategy
<ul style="list-style-type: none"> - The number of similar products or competitors 	<ul style="list-style-type: none"> - Establish cooperation with competitors - Maintain product quality - Maintain product prices to remain competitive in the market 	<ul style="list-style-type: none"> - Planting trees after logging - maximizing promotional activities

Source: Research data (processed) 2020

Sales of SMEs in Pangkaroang Bulawang Hamlet have until now experienced quite good development. Such development is influenced by internal factors and external factors. Research conducted by (Ar et al., 2023) In line with this research states that an extensive marketing system is the key solution for traders to maximize market potential, thus opening up new opportunities. Implementing a system to expand transactions is an idea or strategy that can support increased sales. The results of this study can be concluded that SWOT analysis can develop sales business in SMEs in Pangkaroang Bulawang Hamlet. SWOT analysis can help companies find out strengths, weaknesses, opportunities, and threats used to devise strategies that support aggressive growth policies.

CONCLUSION

The IE matrix (Internal and External Matrix) shows that SMEs in Pangkaroang Bulawang Hamlet are in cell V. The strategy focuses on efforts to maintain the capabilities of the company, it can be seen that the best strategy that must be done now is one of the ST (*Strength-Threat*) strategies, namely by maintaining product prices to remain competitive in the market. The cartesian diagram shows that SMEs of Pangkaroang Bulawang Hamlet are in Grave *Square*, where the position is advantageous for the company because it has opportunities and strengths, the next step taken is to maintain the quality of the company and retain customers. Our SWOT matrix can adjust between opportunities, threats, strengths, and weaknesses to develop alternative strategies. Based on the research, the suggestion is that SMEs in Pangkaroang Bulawang Hamlet need an improvement in SWOT strategy analysis so that business development can be applied optimally, especially in analyzing existing opportunities. Promote through social media such as *Facebook, WhatsApp, Instagram*, and other social media accounts so that the reach of promotion is wider. With a wider promotional reach, it will add more customers and can increase sales turnover. Need to innovate to add types of products such as processing wet sago into dry sago so that it can be used as regional souvenirs for these SMEs.

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