

Replanning Strategis Plan for Marketing Product with SWOT Analysis, QSPM, Marketing Mix 4P and KPI Methods During the COVID-19 Pandemic

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ABSTRACT

UKM Prime Store operates as a retail store that sells various oils by taking oil from authorized oil distributors, distributing it to various motorbike repair shops and to as many agents as possible so that it reaches consumers. The strategic plan needs to be used due to the decline in market demand by 20% in 2019, where in 2018 2000 boxes were sold per month, but in 2019 only 1600 boxes were sold per month, in 2020 there was an increase of 10% at the beginning of the year to 1700- 1800 in January - June 2020, then decreased again until the end of 2020. The purpose of this research is to increase sales volume by utilizing technological advances, increasing sales through brochures and promotions. The methods used are the SWOT method, QSPM and the 4P method. From the strategic results obtained 6 strategies that can be used from QSPM data processing, it is hoped that UKM can increase sales by taking advantage of technological advances, and increase sales through brochures and promotions made by UKM. This research is expected to help companies and UKM affected by the pandemic to get up and increase the sales of their products again.



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1. Introduction

The automotive world is obviously closely related to lubricant, because every vehicle must use it and routinely replace it once every 3 months to preserve and maintain the performance of the machine. As technology develops, new vehicles produced nowadays have a feature that will tell its owner when it's time to replace the oil. As time progresses, more types of oil are available on the market, including fake ones. Customers can buy a well known brand of oil, but at prices that are much lower than the normal price, which will certainly destroy the authentic oil market.

UKM Prime Store operates as a retail store that sells various oils by taking oil from authorized oil distributors, by distributing it to various motorbike repair shops and to as many agents as possible so that it reaches consumers. The strategic plan needs to be used due to the decline in market demand by 20% in 2019, where in 2018 2000 boxes were sold per month, but in 2019 only 1600 boxes were sold per month, in 2020 there was an increase of 10% at the beginning of the year to 1700- 1800 in January - June 2020, then decreased again until the end of 2020.

2. Literature Review

The research “Marketing Strategy Analysis Using SWOT Matrix and QSPM (Case of Study: Restoran WS Soekarno Hatta Malang)” shows that in order to maintain the image of a company, several actions must be taken such as, improving the restaurant’s facility, maintaining the quality and customer service to attract customers, improving management functions and good teamwork for the sake of the company, offering a delivery order for customers, taking advantage of developing technology for marketing, offering a cheaper option for middle to lower class customers as well as maintaining a good relationship with the supplier (Hany Setyorini, Mas’ud Effendi, Imam Santoso 2016). The research “Quantitive Strategic Planning Matrix (QSPM) (Case of Study: Quality Improvement Strategy of Graduated Cullinary Students)” shows that in order to improve the quality of the graduates, an improvement on the accreditation assessment must be done (Tuatul Mahfud1, Yoghiana Mulyani 2017). The research “Applying 8P Marketing Strategy To Increase Sales at Warung Marso Malang” shows that by using 8P method, there’s a significant change of increasing sales at Warung Marso Malang (Asep Dana Saputra, Rahman Nurmala, Andhika Prayoga Cakrawala 2018).

3. Methodology

This research is conducted at UKM Prime Store which is located at Jalan Bilal, Gg. Idris No 38, Medan, North Sumatera. This research is limited to only discussing about internal and external factors of the store that is obtained by interview with the store management. The research procedure is carried out as follows:

a. Survey

Survey is done to collect information about the store

b. Problem Identification

Problem Identification is done by interviewing the store management to obtain information about the store

c. Literature Review

Literature Review is done in order to find information that may help this research

d. Variable Identification

Research variable identification is in the form of internal and external environmental variables and this data includes the strengths, weaknesses, opportunities and threats of the store.

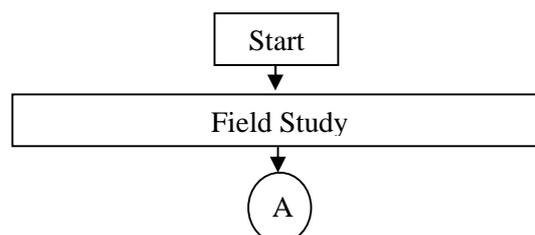
e. Respondent Classification

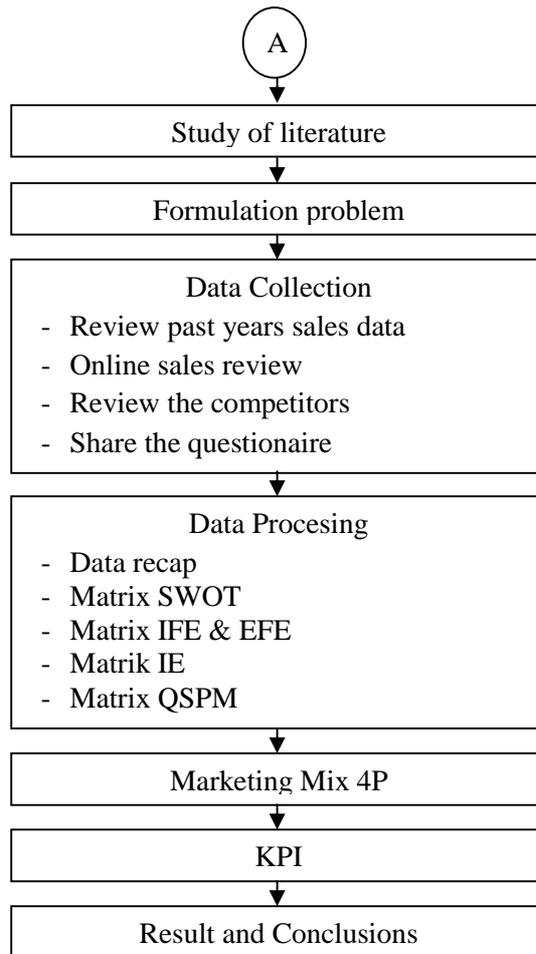
Respondents consist of 5 chosen people from the store who have knowledge about the store condition internally and externally.

f. Data Analysis

Data compilation is done by using SWOT method, Quality Startegic Planning Matrix (QSPM), 4P method and KPI.

The research flowchart is as follows:





Source: Data Processing Results

4. Results and Discussion

UKM Prime Store is one of the stores that operates in the automotive field, founded by Jacky in 2018. The area of sales has reached Aceh. Data compilation that will be carried out in this research will review last year's sales data, handing out questionnaires to the store's customers, surveying online sales and reviewing the competitors of the store.

a. Internal and External Enviromental Analysis (SWOT)

Internal environment refers to strengths and weaknesses, whereas external environment refers to opportunities and threats. Mapping of internal and external environments of the company as well as the prepared strategies.

Table 1. Matrix SWOT

	Strength	Weakness
External/internal	S.1. Have good quality, and of course the original product	W.1. Poorly trained employees
	S.2. Selling various types of brands and variants of motor vehicle oil	W.2. Narrow and piled up storage
	S.3. Easy purchase	W.3. Modest promotion W.4. Oil stock that is not ready W.5. slow response

	S.4. An affordable price	
Threat	ST	WT
T.1. Inauthentic products	ST.1. Increased advertising and promotion (online)	WT.1. Add customer service to improve service quality
T.2. Better promotion	ST.2. Maintain friendly prices	WT.2. Collaborating with other companies
T.3. Economy	ST.3. Improvement of sales facilities & services	
T.4. Pandemic condition that isn't controllable	ST.4. Maintain the quality of the oil sold	
Opportunities	SO	WO
O.1. Able to be ordered through online apps (grab, gojek)	SO.1. Increase sales volume by leveraging technological advances	WO.1. Collaborating with other companies
O.2. Able to be purchased an convenient stores	SO.2. Expanding marketing reach (franchise)	WO.2. Rent a new place for offline selling
O.3. Offering franchise	SO.3. Make it easy for customers to shop	
O.4. Shipping national wide		

b. Matriks Internal Factor Evaluation (IFE) dan Eksternal Factor Evaluation (EFE)

External environment analysis is carried out by identifying internal factor of the company to find out the strengths and weaknesses of the company itself. After being identified, value and rating will be given to each of the variables. Internal factor "having good quality and authentic products" is given 0.53 rating. The same method is used for other calculations of internal and external factors. Based on the calculation, the IFE matrix score is 3.89. IFE & EFE Matrix Table can be seen in Table 2.

Table 2. IFE & EFE Matrix

Strenghts	Rating Average	Value Average	Total Score
Having good quality and authentic products	4.2	0.12	0.53
Various types	3.6	0.11	0.38
Easy puchase	3.8	0.11	0.42
Affordable price	4.6	0.14	0.63
Weaknesses			
Poorly trained employees	3.2	0.09	0.3
Narrow place	4.4	0.13	0.57
Poor advertising	4.2	0.12	0.52
Unready stock of products	3.4	0.1	0.34
Slow respond	2.6	0.08	0.2
Total		1	3.89

Opportunities	Rating Average	Value Average	Total Score
Able to be ordered through online apps (Grab/Gojek)	3.4	0.14	0.47
Able to be purchased an convenient stores	3.2	0.13	0.42
Offering franchise	3.2	0.13	0.42
Shipping national wide	3.6	0.15	0.53

Threats			
Inauthentic products	2.2	0.09	0.2
Better promotion	2.8	0.11	0.32
Economy	2.2	0.09	0.2
Pandemic condition that isn't controllable	4	0.16	0.65
Total		1	3.21

Source: Data processing

External environment analysis is carried out by identifying the company's external factors such as opportunities and threats of the company itself. After being identified, value and rating will be given to each of the variables. Based on the calculation, the EFE matrix score is 3.21..

After the IFE & EFE matrix is arranged, the next step is to arrange it in the IE matrix table, where the average value of IFE is 3.89 and the average value of EFE is 3.21. Those values show that the company is in quadrant 1, which is Growth & Build, meaning the company needs a strategy to grow and develop to be better in the future. The IE matrix can be seen in Table 3.

Table 3. Matriks IE

TABEL IE				
		IFE		
		Strong(3.0-4.0)	Average(2.0-2.99)	Weak(1.0-1.99)
EFE	High(3.0-4.0)	I	II	III
	Medium(2.0-2.99)	IV	V	VI
	Low (1.0-1.99)	VII	VIII	IX
		Growth & Build	Hold & Maintain	Harvest & Disvestitur

Source: Data processing

c. Quality Strategic Planning Matriks (QSPM)

QSPM is one of the stages in strategy analysis, where the appropriate strategy will be selected for the company and will be calculated using QSPM analysis method. The result of this research shows that the highest score of the Total Attractiveness Scores (TAS) will be the most necessary strategy for the company to maintain the company's performance and future development.

Based on the strategy, the result shows the highest score of TAS is 0.5, which is "maintaining the quality of products". By focusing on this strategy, it is expected for sales to increase every year. The employees are also expected to have good knowledge of the products in order to be able to offer the best customer service and maximum sales. QSPM table can be seen in table 4.

Table 4. QSPM Matrix

No.	Analysis Strategy	Total of TAS	Rating
1	Increasing sales by taking advantage of developing technology	0.44	II
2	Maintaining the quality of products	0.48	I
3	Increasing area of sales	0.32	VII
4	Making it easy for customer to shop	0.4	IV
5	Working together with other companies	0.12	X
6	Renting a new place for offline sales	0.18	IX
7	Improving advertising and promotion	0.36	VI
8	Maintaining affordable prices	0.39	V
9	Improving facilities and services	0.4	III
10	Having more customer service to increase service quality	0.18	VIII

Source: Data processing

d. Marketing Mix 4P

After the QSPM strategy for the company is determined, next step is to classifying the products according to 4P which includes product, price, promotion and place. The main purpose is for the company to achieve its purposes and increasing sales easily.

a) Product :

Maintaining the quality of products.

b) Price

Maintaining affordable prices.

c) Promotion

Improving advertising and promotion.

Improving facilities and services.

d) Place

Increasing sales volume by taking advantage of developing technology (online).

Increasing area of sales (franchise).

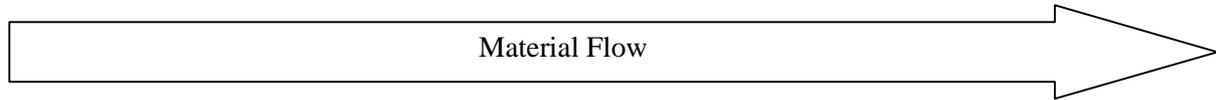
e. Preparation of Tactical and Operational Plans

Tactical and operational plans are carried out in order for the company to achieve its purposes easily by breaking down every strategy starting from tactical to operational.

Table 5. Preparation of Tactical and Operational Plans

Strategic Planning					
Keep selling the original good quality oil	Keep the good prices	Increase the promotion	Improve sales facilities & services	Increase sales volume by taking advantage of technology (online)	Expanding marketing reach (franchise)
Tactical Planning					
Distributors, Selection	Distributors Selection	Promotion Planning	Sales Planning	Sales Planning	Distributors Selection
Operational Planning					

Original Product	Small Profit	Active with social media	Receive customer review	Be active with social media	Transportation (town)
	High profit with bonus	Provide promotion to customer	Give the better service	Digital marketing training	Expedition (out of town)
			Positive responses to customer review		



Source: Data processing

f. Detail Operational Plans

This plan method is carried out in order to achieve the company's purposes for several years in the future. As can be seen in table 5, the whole strategy for the next 3 years is broken down.

Table 6. Operational Plan Table

No	Strategy	Tactical Planning	Operational Planning	Run On			PIC Dept.	Target	Estimated Cost
				2021	2022	2023			
1	Keep selling the original good quality oil	Distributors Selection	Original Product	v			Jacky	Keep the customer	Start from Rp720.000/dus
2	Keep the good prices	Distributors Selection	Small Profit	v			Jacky	Keep the good market prices	Rp 500/bottle - Rp 1.000/bottle
			High profit with bonus						
3	Increase the promotion	Promotion Planning	Active with social media	v			Willy	Sales Growth	Rp1,000,000
			Provide promotion to customer						
4	Improve sales facilities & services	Sales Planning	Receive customer review	v			Suwandi	Good place and service	Rp10,000,000
			Give the better service						
			Give the positive responses to customer review						
5	Increase sales volume by taking advantage of technology (online)	Sales Planning	Be active with social media	v			Willy	Sales Growth	Rp5,000,000
			Digital marketing training						
6	Expanding marketing reach (franchise)	Distributors Selection	Transportation (town)		v		Sales	Whole Sumatra	Rp100,000,000/Store
			Expedition (out of town)						

Source: Data processing

1 year estimated cost ±Rp 2.000.000.000 (two billion rupiah).

g. Arranging Key Performance Indicator (KPI)

KPI arrangement is necessary in order to find out about our target for the next 3 years, so that the company can focus and achieve the target every year. The whole KPI can be seen in table 6.

Table 7. KPI Table

No	Key Performance Indicators	Unit of Measurement	2021 Target	2022 Target	2023 Target
1	% Sales Growth	%	10%	10%	10%
2	Customer Satisfaction Score (1-5, 5 = Very Satisfied)	Scale	4.25	4.5	4.99
3	% General Oil Available	%	80%	85%	90%
4	% Special Oil Available	%	20%	20%	30%
5	Branch Store	Unit	1	5	10
6	Branch Store Turnover	Million	Rp100	Rp100	Rp100
7	% Net Profit	%	6%	6%	6%

Source: Data processing

5. Conclusion

Based on the strategy results collected from QSPM, it is expected for the company to increase its sales by taking advantage of developing technology and improving its advertising and promotion. By detailing and breaking down all the strategies, it is expected to be the solution in order for the company to achieve its purposes and reach its target for the next several years.

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