CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE (CASHFLOW)

MARKETING STRATEGY ANALYSIS OF PONDOK GEDE TEA STORE

Moh. Wahib

Sekolah Tinggi Ilmu Ekonomi Mahardhika E-mail: moh.wahib@stiemahardhika.ac.id

Abstract

Pondok Gede Tea Shop, a business operating in the beverage sector, must consider ensuring its business continuity amidst intense competition. According to information provided by the shop owner, the annual turnover is perceived to follow a linear trend. Although the current turnover adequately covers operational costs, the shop aims to augment its turnover through increased tea sales. This research employs a descriptive approach, utilizing data collected via semi-structured interviews. The study's outcomes, based on SAP and ETOP analyses, suggest an appropriate corporate strategy derived from the SWOT matrix: an investment strategy. Specifically, this involves short-term investments with subsequent benefits anticipated in the future.

Keywords: Marketing, Strategy, Tea

1. INTRODUCTION

Tea is one of the products in the agro-industry that is popular among the community. This is because tea possesses a distinctive aroma that other beverage ingredients lack. With the continuous increase in tea consumption, numerous tea industries are growing by innovating products to add value.

Despite tea being the favored drink of most Indonesians, the presence of tea shops remains rare in contrast to the bustling coffee shops that are popping up. One of the tea houses that can be found is Pondok Gede Teahouse, situated in Bekasi City, West Java. This tea shop offers product diversification, including local tea blends such as black tea, white tea, oolong tea, and green tea, creatively mixed. Beyond tea blends, this shop features various tea concoctions incorporating additional ingredients like spices, herbs, flowers, and even fruits.

According to the Minister of Industry, Airlangga Hartarto, the growth of the food and beverage industry (mamin) continues to rise (Yasmin, 2018). In 2015, the growth of the national food and beverage industry reached 8.16% (Amelia et al., 2017). Furthermore, it increased to 8.33% in 2016 and further to 9.23% in 2017. However, in 2018, there was a slowdown in the growth of the food and beverage industry, reaching only 7.91%. This decrease in growth was attributed to the slowing food industry, influenced by falling global palm oil prices. Meanwhile, the beverage industry experienced a significant growth increase in 2018, reaching 12.49% from a growth contraction of 0.32% in 2016 (Ministry of Industry, 2019). The growth of the food and beverage industry contributes to economic equity, mainly due to the majority of participants being in the SME sector (Yasmin, 2018).

Pondok Gede Tea Shop, as one of the businesses in the beverage sector, must strategize for business continuity in the midst of intense competition. According to information from the tavern owner, the average turnover throughout the year is considered linear. Although the generated turnover covers operational costs, the shop aims to increase turnover through tea sales. The challenges faced by Pondok Gede Tea Shop can

THE MARKETING STRATEGY ANALYSIS OF PONDOK GEDE TEA STORE

Moh. Wahib



stem from various factors, which can be assessed through the 7P marketing mix: product, price, distribution channel (place), promotion, human resources (people), business processes (process), and physical evidence.

Thorough observations are necessary to determine the impact of the 7P marketing mix on consumer satisfaction, facilitating the achievement of the store's goal to increase its revenue. In accordance with the research findings of Farida et al. (2016), considering these aspects is expected to lead to the development of effective strategies aligned with the company's objectives.

2. LITERATURE REVIEW

2.1. Marketing strategy

Marketing strategy is a unified, broad, integrated and comprehensive strategy designed to ensure that the goals of the company can be achieved through the implementation of proper marketing by the organization. Marketing strategy can be approached with the concept of the marketing mix or marketing mix (Kotler & Keller, 2009), which is a collection of product, price, distribution channel, and promotion variables. The four marketing mix variables are briefly explained as follows:

1. Product Mix

Products are everything that can be offered by producers to be sought, purchased, used or consumed to fulfill the needs or desires of the relevant market (Tjiptono, 1997). Product diversity, product quality or quality, product branding, packaging, product design and labeling, sizes, services, warranties, and product returns, are some of the components that determine the success of a product mix strategy.

2. Price Mix

(Tjiptono, 1997) explains that in order to be successful in marketing an item or service, every company must set the price appropriately. The price mix strategy carried out by a company includes pricing strategies, price levels, price uniformity, price discounts, price compatibility with quality and payment terms.

3. Promotion Mix

The marketing communication mix consists of five main ways of communication (Kotler, 2009), namely:

- a. Personal selling, is direct communication (face to face) between the seller and potential customers to introduce a product to prospective customers.
- b. Mass selling, is an approach that uses communication media to convey information to audiences at one time, which consists of advertising and publicity. Advertising can be in the form of below line advertising activities, namely types of advertisements that do not require commissions or payments to advertising agencies, such as through the distribution of brochures and leaflets, and above line advertising activities, namely types of advertisements that require payment. to advertising agencies, such as advertisements on television, radio, print media and others.
- c. Sales promotion, is a form of direct persuasion through the use of various incentives that can be arranged to stimulate product purchases and increase the number of items purchased by customers.

- d. Public relations, is a company's overall communication efforts to influence the perceptions, opinions, beliefs and attitudes of various groups towards the company.
- e. Direct marketing is the use of direct channels to reach and deliver products to customers without using marketing intermediaries. These marketing channels include direct mail, catalogs, telephone, internet, e-mail, word of mouth and other non-personal means of communication to communicate directly and elicit an immediate response from specific customers and prospects.

4. Place Mix (Distribution Mix)

Distribution channels are several interdependent organizations involved in the process of making a product or service available for use or consumption. Based on the number of intermediary levels, the distribution of goods to consumers can be divided into two, namely (Kotler & Keller, 2009):

- a. Direct distribution: also called zero level distribution which consists of manufacturers selling directly to end customers.
- b. Indirect distribution: distribution of goods to consumers through intermediaries. Indirect distribution can be distinguished based on the intermediaries involved. For example, first-level distribution contains one selling intermediary, such as a retailer. The second level of distribution contains two intermediaries and is usually the wholesaler and the retailer. The third level of distribution contains three intermediaries which generally consist of wholesalers, dealers, and retailers as intermediaries.

2.2. Analisis SAP (Strategic Advantage Profile)

Analyze internal factors which include the company's strengths and weaknesses when compared to similar companies. Based on SAP analysis several company positions in strategic competition can be arranged (Ferdinand, 1995) as follows:

1. Superior (Dominant)

The position of the company is able to control the activities of strong competitors and is able to master a wide choice of strategic alternatives.

2. Strong

The company is able to act independently without jeopardizing its long-term market position even though competitors are active.

3. Aman (Favorable)

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Companies have certain strengths, which can be used in certain strategies and can improve above average conditions.

4. Tenable

The company has achievements and potential to become a strength in ensuring business continuity. But a company can often lose out in industry competition because other companies are more dominant and because its position provides fewer opportunities than the industry average.

5. Weak

The company's performance is less or unsatisfactory, but still has the ability to improve. The company's management must be able to change and improve its performance because if not, the company will be forced to get out of competition in similar industries.

THE MARKETING STRATEGY ANALYSIS OF PONDOK GEDE TEA STORE

Moh. Wahib



6. There's no hope (Avoid)

The company's performance gives no chance at all to survive.

2.3. Analisis ETOP (Environmental Threat Opportunity Profile)

Analyze the company's external factors which include opportunities and threats faced by the company. (Rangkuti, 2008), states that ETOP analysis consists of EOE (Environmental Opportunity Element) analysis and EOE (Environmental Threat Element) analysis, based on ETOP analysis it can be identified four company positions (Ferdinand, 1995), namely:

1. Speculative business

Businesses that have great opportunities for success but also great risks that must be faced.

2. Ideal business

Businesses that have a high chance of success but relatively low risk. This business position is very profitable for the company.

3. Mature business

Businesses that have a chance of success and equally low risk so that failure will not have fatal consequences for the company.

4. Business emergency (Trouble business)

A business that has a low chance of success but a high risk of failure. This position is very unprofitable for the company.

3. RESEARCH METHODS

3.1. Types of research

This type of research used to answer problems and achieve research objectives that have been previously presented is to use descriptive research. According to (Meleong, 2007), the characteristic of descriptive is that the data collected is in the form of words, pictures, and not numbers. The data may come from interview scripts, field notes, photographs, videotapes, personal documents, notes or memos, and other official documents.

3.2. Collection Techniques

Data collection techniques will be carried out by means of semi-structured interviews. According to (Sugiyono, 2014), this type of semi-structured interview is included in the in-dept interview category, where in its implementation it is more free when compared to structured interviews. The purpose of this type of interview is to find problems more openly, where the parties invited to the interview are asked for their opinions and ideas.

4. RESULTS AND DISCUSSION

4.1. Identification of Marketing Internal Variables Using SAP Analysis (Strategic Advantages Profile)

Identification of marketing internal variables includes factors of industry strengths and weaknesses based on the results of analysis using SAP (Strategic Advantages Profile). This SAP analysis is used to get an overview of the strategic position of the Pondok Gede tea shop from a competitive perspective with internal factors which include strengths and weaknesses. The results of the weighting and assessment of marketing internal variables can be explained in the following table:

Table 1. Calculation of Total	Weighted	Weighted Internal 1	Marketing	Variables

No	Elements	Weight	Rating	Weight x Rating
1	Quality	0,18	5	0,9
2	Promotion	0,16	3	0,48
3	Price	0,14	4	0,56
4	Employee	0,14	3	0,42
5	Market share	0,12	3	0,36
6	Place Location	0,16	4	0,64
7	Technology	0,1	2	0,2
		1		3,56

Calculation results in Table. 1, the result of calculating the weighted value (weight x value) is 3.56, which means that the Pondok Gede tea shop has a good advantage. It has more than enough potential to be developed further because the Pondok Gede tea shop has an advantage in terms of product quality. However, the use of technology is still low. Thus the determination of the competitive position group becomes as follows:

Mark:	Competitive position:
1,00 - 1,66	Avoid
1,67-2,33	Weak
2,34 - 3,00	Tenable
3,01 - 3,67	Favorable
3,68 - 4,34	Strong
4,35-5,00	Dominant

Table 1 data obtained an SAP value of 3.56 which means that the Pondok Gede tea shop is in a Favorable (safe) competitive position. This position means that Pondok Gede teahouse has certain strengths that competitors do not have, which can be an advantage. With this advantage, certain strategies can be used and can improve the condition of the company so that it can be in above average competition.

4.2. Identification of Industry Opportunity and Threat Factors Using ETOP Analysis (Environmental Threat & Opportunity Profile)

Identification of the company's opportunity and threat factors is based on the results of an external environmental analysis conducted on the company. Based on this analysis, several factors of the company's external strategy are obtained which are the company's opportunities and threats.

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Moh. Wahib



1. Opportunity Analysis

The results of weighting calculations and external environmental assessments which are opportunities can be summarized as in Table 2.

Table 2. Calculation of the Number of Opportunity Element Weighted Values

No	Element of Chance	Weight	Rating	Weight x Rating
1	Ease of obtaining raw materials	0,21	5	1,05
2	The demand for tea is increasing	0,24	3	0,71
3	There is a new partner	0,16	4	0,63
4	Increased marketing of processed tea	0,21	4	0,84
5	An increasingly dynamic marketing model	0,18	3	0,55
		1,00		3,79

The results of the opportunity identification analysis in Table 2, it can be concluded that the Pondok Gede tea shop has the greatest opportunity for the element of ease of obtaining raw materials with a value of 1.05. The increased demand for tea is the second biggest opportunity that the Pondok Gede tea shop can take advantage of in developing its business. From the calculation results, the weighted value (weight x value) is 3.88, which means that the Pondok Gede tea shop has a fairly high business opportunity. Opportunities for success will open wide if the Pondok Gede teahouse is able to make good use of it.

2. Threat Analysis

The results of the identification of some of these threats, it can be concluded that the Pondok Gede tea shop has the greatest threat in terms of the number of competitors, both tea shops and coffee shops. The results of the calculation of the weighting and assessment of the external environment which constitute a threat can be summarized in Table 3 below.

Table 3. Calculation of the Total Weighted Value of Threat Elements

No	Threat Element	Weight	Rating	Weight x Rating
1	Burdensome government regulations	0,22	3	0,67
2	Economic stability	0,22	3	0,67
	There are many counterfeit products on the			
3	market	0,26	3	0,78
4	Lots of competitors	0,30	4	1,19
		1,00		3,30

4.3. ETOP Matrix (Environmental Threat and Opportunity Profile)

From the assessment of the elements of threats and opportunities that have been analyzed in the ETOP analysis above. The industry can find out its position in the competition by using the ETOP matrix which can be seen as illustrated in Figure 1 below.

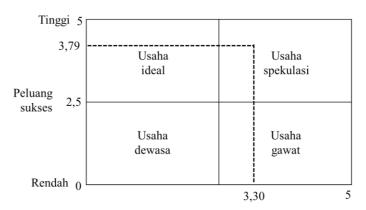


Figure 1. ETOP matrix of small tea shops

The ETOP matrix explains that the position of the Pondok Gede teahouse company is in a speculative business position. This position means a business that has a high chance of success but the risks that must be faced are also high in proportion to the success achieved. If the business is successful, the company will get a very big profit, but if it fails, it will be a big loss. The Pondok Gede teahouse company will be successful in developing its business if the company is able to take advantage of the best opportunities, while if it is unable to deal with the threats that will arise, the Pondok Besar teahouse business will fail. This position also explains the importance of proper and well-planned strategic policies to determine the success of the business.

4.4. SWOT Analysis Matrix

The results of the SAP and ETOP analysis explain that the position of Pondok Gede Tea Shop in the SWOT analysis matrix is in position I or investment. Investment Position is seen if the company has a strategic advantage expressed in a positive advantage. While the business environment that is entered has great opportunities and potential, a good choice of strategy that can be implemented by Pondok Gede Teahouse is to invest and then harvest, namely investing for the short term and then reaping the benefits of this investment in the future.

Tuble 4. 5 W O I I obtain Mutth of I officer Seas Tea Shop						
SAP \ ETOP	Ideal Business	Adult	Speculative	GREAT		
SALTEIO	lucai Dusiliess	Business		EFFORT		
Dominant	I	I	I	I		
Strong	I	I	I	I		
Favourable	I	I	I	D		
Tenable	I	I	D	D		
Weak	I	D	D	D		
Avoid	D	D	D	D		

Table 4. SWOT Position Matrix of Pondok Gede Tea Shop

Desc.:

I = Investment D = Divestment

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The Invest position is possible for Pondok Gede Tea Shop, this is caused by:

THE MARKETING STRATEGY ANALYSIS OF PONDOK GEDE TEA STORE

Moh. Wahib



- 1. The demand for tea that has the potential to increase automatically will also have the opportunity to increase the supply of tea.
- 2. The increasing number of tea entrepreneurs will open up opportunities for cooperation with the Pondok Gede tea shop.

The ease of obtaining and the availability of quality raw materials is an opportunity for Pondok Gede tea shops to be able to survive for a long time.

5. CONCLUSION

The analysis of Pondok Gede Tea Shop's position through SAP indicates a Safe (Favourable) position. This positioning entails specific strengths not currently possessed by competitors, thereby conferring an advantageous edge to the company.

Conversely, the ETOP analysis places Pondok Gede tea shop in a speculative business position. This strategic stance presents a substantial likelihood of success, yet simultaneously entails high risks proportionate to the anticipated achievements.

Synthesizing the insights from both SAP and ETOP analyses, the optimal company strategy suggested by the SWOT matrix is an investment strategy. This strategy entails short-term investments, with subsequent realization of rewards in the future.

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