



Analyzing Business Development Strategy, Using SWOT Analysis and QSPM (Case Study: UMKM Donut Yoga)

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Abstract. Economic development is intrinsically linked to government roles and responsibilities. According to Regional Government Law No. 14/23/2014, regional authorities play a crucial role in economic development. MSMEs significantly contribute to regional economies. This study explores strategies to enhance the sales operations of MSME Donat Yoga to maximize profits and identify barriers to its growth. Researchers use SWOT and QSPM analysis to evaluate factors and find solutions. The research methodology includes qualitative descriptions and data collection through observations, interviews, questionnaires, and document analysis. SWOT and QSPM techniques, alongside IFAS and EFAS factors, IE Matrix, SWOT Matrix, and QSPM Matrix, are utilized to identify optimal strategies. Results from IFAS score calculations show a weighted score of 3.57, indicating strong internal factors. EFAS coefficient results in a weighted score of 2.98, also classified as very strong according to IE calculations. The placement of Donat Yoga MSME in cells I and IV of the IE Matrix suggests robust internal factors and outcomes, indicating potential for growth and expansion. QSPM analysis reveals the following TAS scores for strategy prioritization: 6.05 for the first strategy, 6.02 for the second, 5.83 for the third, and 5.78 for the fourth. The recommended strategy for Donat Yoga MSME is to enhance product quality initially, followed by focusing on increasing product quantity while maintaining quality.

Keywords: Strategy, SWOT, QSPM, IFAS and EFAS, IE, SWOT Matrix, QSPM Matrix.

1 Introduction

To build the people's economy, the President of the Republic of Indonesia has led the development of MSMEs through and modernization. The role of MSME is very important for the development of the Indonesian economy, this number reaches 99% of the total number of business units. MSMEs' contribution to GDP also reached 60.5% and the labor absorption rate reached 96.9% of the total labor absorption rate in Indonesia (ECONOMIC AND INDONESIA, 2022). Economic development cannot be separated from the role and responsibility of the government. Based on

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regional government law no. 23 of 2014, which gave a very important role and responsibility to the regional government in conducting government affairs, including economic development (Sumandi, 2021) in (Salam & Prathama, 2022).

Furthermore, specifically in the Sukabumi region, within its territory, Sukabumi is ranked first in West Java province with the largest district, from its own Sukabumi district with an area of 4,145.70 km² (Nik Nik Fadlah, 2023). This requires continuous development. Economic management in society, especially MSMEs in the regional economy contribute the largest source of revenue

UMKM Donat Yoga Putra is a home-based food industry, producing donuts and Odading, located in Cibolang Kaler area, Cisaat sub-district, Sukabumi district, West Java. Regarding revenue, UMKM Donat Yoga unit sells Donuts and Odading on the market at 800 silver/1 piece, the second seller profits 200 silver/1 piece by selling to consumers.

The research problem is to know what kind of strategies can maximize profits in terms of revenue of Donut Yoga MSMEs so that they continue to grow and can compete with other MSMEs, as well as the internal and external factors. Which external party is stronger in the development of Yoga Donuts? MSME. The purpose of this research is to find out what strategies can be applied in Donat Yoga's MSME sales to maximize profits again as before. Find out what factors are barriers to Donat Yoga MSME growth using SWOT and QSPM analysis to find solutions.

2 Literature Review

2.1 Business Development Strategy

A strategy is a detailed plan of goals, policies and comprehensive plans for them, structured in such a way that it determines which business to develop, as well as what business to own or own. (Anthony at Elhamma, 2013:2). inside (Novi.v, 2021). A business development strategy must have the following qualities: commitment, coherence, benefit and credibility.

2.2 IFAS and EFAS Matrix

The IFAS (Internal Factor Assessment Strategy) and the EFAS (External Factors Assessments) matrix are used to analyze internal and external factors that can affect the survival of a business. IFAS matrix is used to evaluate and weigh internal factors acquired in the strengths and weaknesses of an enterprise. Weighing aims to measure internal and external factors on a scale from 1.0 (very important) to 0.0 (tidak penting). The cumulative weight should not exceed the total score of 1.0. For positive factors such as strength and opportunity, the greater the strength and chance, the rating is 4, and the smaller the factor, the ratings are 1. For other negative factors, such as weakness, the threat is the opposite. The weight is then multiplied by the score and the total score is added to obtain the relevant company's weighted score (Ariza Qanita, 2020)

2.3 IE Matrix (Internal-External)

The IE matrix is used to build a strategy by examining the company's position in the matrix. This matrix uses the total IFAS weighted score as the X axis and the total EFAS weighted score as the Y axis. Combining these two matrices results in an inside-out Matrix containing nine cells with the following arrangement (INengah Widiana Putra, 2019) in (Ariza Qanita, 2020).

- a. Boxes I, II and IV describe the status of the business in growth and development. The appropriate strategy that needs to be implemented is a deep strategy and includes market penetration, market development and product development or integration which includes forward integration, backward integration, and forward integration.
- b. Cells III, V, and VII describe the company's condition as hold and maintain. The strategies commonly used are market penetration and product development.
- c. Boxes III, V and VII describe the status of the business as owned and managed. Common strategies used are market penetration and product development.
- d. Cells VI, VIII and IX can use harvesting and divestment strategies. Commonly used strategies are strategic divestment, corporate diversification, and liquidation.

The company's position in this cell can be used to determine the right strategic choice. In addition, the results of this matrix can be used as a reference in building strategies in the SWOT matrix by combining relevant strengths, weaknesses, opportunities and threats.

2.4 SWOT Matrix

The SWOT matrix is used in developing strategies by combining four factors: Strengths, Weaknesses, Opportunities, and Threats. These four factors include the internal and external circumstances of the business (Ariza Qanita, 2020). The SWOT analysis matrix creates four strategic elements by combining four analysed factors. These factors include SO, WO, ST and WT. First, Strengths-Opportunities (SO) is a strategy of maximising the company's internal strengths to take advantage of opportunities, in order to be able to achieve success. complete. Second, Weakness-Opportunity (WO) is a strategy to overcome weaknesses by taking advantage of opportunities. Third, Strength-Threat (ST) strategy is a strategy that aims to reduce or minimise external threats to the company by maximising the assets owned by the company. Fourth, Weaknesses-Threats (WT) is a survival strategy to minimise weaknesses and avoid threats from outside the company. (Dhika Amalia Kurniawan, 2019) in (Ariza Qanita, 2020)

2.5 QSPM Matrix

According to (David 2003) in (Baroto & Purbohadiningrat, 2014) There are several stages that need to be considered in developing a business using QSPM, the following steps need to be considered:

- a. List the opportunities/threats external and internal strengths/weaknesses of the hand in the left column of the QSPM.
- b. consider each of the main external and internal factors. And give each factor a weighted assessment.
- c. reviewing the matrix from step 2 (matching) in addition to identifying the various alternative strategies that the organisation should consider implementing.
- d. Determine the attractiveness score (AS). The range of attractiveness scores is 1 = no attractiveness, 2 = low attractiveness, 3 = medium attractiveness, 4 = high attractiveness.
- e. Calculating the total attractiveness score, total attractiveness score (TAS)
- f. Calculating the total amount of attractiveness obtained.

3 Research Methods

This research uses the method, Descriptive Qualitative. Qualitative research is a research method that focuses on thinking about facts or events that are happening (Rama, 2016). Data collection techniques are the means used to find valid information or data for use (Debora Danisa Kurniasih Perdana Sitanggang, 2022). Which comes from primary and secondary data to clearly know the problems being faced, the following data collection techniques include observation, interviews, questionnaires, literature. Data analysis techniques by making a list of questions, IFAS & EFAS Matrix Analysis, IE Matrix (Internal and External), SWOT Matrix, QSPM Matrix

4 Results and Discussion

MSME Donat Yoga is an MSME that produces traditional Indonesian specialities that produce Donuts and Odading which are very popular among the public. This MSME was established in 2003 until now MSME Donat Yoga has been established for 20 years, which is located in Cibolang kaler, Kec.Cisaat, Sukabumi Regency, West Java.

Internal and external factors to determine the obstacles that occur in the company that result in constraints on the company and for decision making. Internal factors consist of strengths and weaknesses and external factors consist of opportunities and threats, each of these factors has a function to measure strength and weighting. the following internal and external factors for MSMEs Donat Yoga in Table:

Table 1. Internal & External Factors

Strength	Weakness
Affordable price for all Has a distinctive flavor Does not use preservatives and colourings Using quality ingredients Using individual capital	Product is not durable for only a few days Marketing that has not been maximised in technology Not yet recognised by many people. Profits that still rely on
Opportunity	Threat
Technological developments bring opportunities for products to be marketed widely. Yoga donut products are of great interest to the public. Refect orders from suppliers and the surrounding community New innovations that can be run	Lots of competition selling similar products Competitors who have more innovation Still using the old system People who are getting bored with unchanging flavours The price of raw materials in the market is not stable

The table shows the IFAS calculation of the Strengths and Weaknesses variable, the dominant internal factor is a question from the interview results which is the material for the indicator question, besides that the weight, reting is an assessment of the questionnaire distributed.

Table 2. IFE Matrix

o	Dominant internal factors	NS	NS	NS	Amount	Ratings	Weight	
							X	
Weight		(Strength)					Ratings	
1	Affordable prices for all groups	5	4	4	11	0.10	3.7	0.38
2	Has a unique taste	3	3	2	8	0.08	2.7	0.20
3	Does not use preservatives	4	4	4	12	0.11	4.0	0.46
4	Selected and good materials	4	4	3	11	0.10	3.7	0.38
5	Owner's equity	4	4	4	12	0.11	4.0	0.46
Total					54	0.51	1.89	

o	Dominant internal factors	NS	NS	NS	Amount	Ratings	Weight	
							X	
Weight		(weakness)					Ratings	
1	The product is not durable	1	3	4	8	0.08	2.7	0.20
2	Marketing Not yet digital	3	2	4	9	0.09	3.0	0.26
3	not yet known to many people	3	4	4	11	0.10	3.7	0.38
4	Profits depend on the number of products sold	3	4	4	11	0.10	3.7	0.38
5	Doesn't have a halal certificate yet	4	4	4	12	0.11	4.0	0.46
					51	0.49	1.69	
Total Amount					105	1.00	3.57	

From the results of the IFE Matrix Table Questionnaire Assessment, the total weighted score shows 3.57, this is an above-average internal factor categorised as very strong.

Table 3. EFE Matrix

No	Dominant External Factors	NS	NS	NS	Amount	Weight	Ratings	Weight
		1	2	3				X
(Opportunity)								
1	Technological developments bring opportunities for products to be marketed widely	4	3	3	10	0.13	3.3	0.43
2	Many people are interested in yoga donut products	3	3	3	9	0.12	3.0	0.35
3	Those who like to buy always order again	3	3	3	9	0.12	3.0	0.35
4	New innovations that can be implemented	3	3	4	10	0.13	3.3	0.43
Total					38	0.49		1.55

No	Dominant External Factors	S	NS	NS	Amount	Weight	Ratings	Weight
		1	2	3				X
(Threats)								
1	There is a lot of competition selling similar things	4	3	3	10	0.13	3.3	0.43
2	Competitors who have more innovation	3	3	4	10	0.13	3.3	0.43
3	Still using the old system	3	1	2	6	0.08	2.0	0.15
4	People are starting to get bored with unchanging tastes	2	1	3	6	0.08	2.0	0.15
5	Prices of raw materials on the market are unstable	2	3	3	8	0.10	2.7	0.27
					40	0.51		1.44
Total number					78	1.00		2.98

From the results of the questionnaire assessment of the EFE matrix table, the total weight score shows 2.98, this is an above-average External factor which is categorised as Strong.

Table 4. IE Matrix (Internal-External)

	4.0	Strong	3.0	Medium	2.0	Weak	1.0
High		I		II		III	
3.0							
Medium		IV		V		VI	
2.0							
Low		VII		VIII		IX	
1.0							

In the IE (internal-external) matrix table, all nine cells of the yoga donut MSME are in cells I and IV, which indicate the factors of the total Internal External overall score. Yoga donut MSMEs are in a growing and developing position. Strategies that can be applied in developing yoga donut MSMEs by improving the system and new innovations for Yoga donut MSMEs.

Table 5. CPM

Critical Success Factors Weight	MSME Donut Yoga		Peddler 5		Donuts on the market		
	Ratings	Score	Ratings	Score	Ratings	Score	
	Customer satisfaction	0.11	3	0.33	3	0.33	3
Product quality	0.09	3	0.27	3	0.27	2	0.18
Cheap price	0.12	4	0.48	2	0.24	2	0.24
Strong Supplier Network	0.15	4	0.6	2	0.3	3	0.45
Products expire quickly	0.12	4	0.48	1	0.12	1	0.12
employee income	0.07	2	0.14	1	0.07	1	0.07
Customer loyalty	0.09	3	0.27	3	0.27	3	0.27
Market share	0.12	4	0.48	4	0.48	4	0.48
Profit Margin	0.09	3	0.27	4	0.36	4	0.36
Product design	0.04	2	0.08	1	0.04	2	0.08
TOTAL CPMs	1		3.40		2.48		2.58

From the CPM table above, it can be seen that the MSME Donut Yoga score of 3.40 is superior to its strong supplier network and relatively cheap prices compared to competitors selling street food and donuts in the market.

Table 6. SWOT Matrix

IFE Internal Factors	Strength (S)	Weakness (w)
	<ol style="list-style-type: none"> 1. Affordable prices for all groups 2. Has a distinctive taste 3. Does not use preservatives and dyes 4. Using quality materials 5. Using individual capital. 	<ol style="list-style-type: none"> 1. The product doesn't last long, only a few days. Marketing that been maximized in technology 3. Not yet known to many people 4. Profits still rely on quantity 5. Doesn't have a halal certificate yet
EFE External Factors	Strategy (SO)	Strategy (WO)
Opportunity (O)	Strategy (SO)	Strategy (WO)
<ol style="list-style-type: none"> 1. Technological developments bring opportunities for products to be marketed widely. 	<ol style="list-style-type: none"> 1. Improving product quality, good product packaging and services to suppliers and local communities, to gain 	<ol style="list-style-type: none"> 1. Provide training to employees to maximize marketing via social media (W2, W3, O1, O4)
<ol style="list-style-type: none"> 2. Many people are interested in Yoga donut products. 3. Refect orders from suppliers and local communities 4. New innovations that can be 	<p>much market share as possible (S1, S2, S3, S4, O2, O3, O4)</p>	<ol style="list-style-type: none"> 2. Changing the focus from relying on quantity profits to profits from product quality . By improving production (W4, O4)
Threat (T)	Strategy (ST)	Strategy (WT)
<ol style="list-style-type: none"> 1. There is a lot of competition selling similar things 2. Competitors who have more innovation 3. Still using the old system 4. People are starting to get bored with unchanging tastes 5. Prices of raw materials on the 	<ol style="list-style-type: none"> 1. Leverage the power to build partnerships with suppliers who can provide natural and quality raw materials . As well as updating the supply chain system (S3, T3, T5) 	<ol style="list-style-type: none"> 1. Combining traditional marketing with modern technology to reach more consumers and compete with competitors (W2, W3, T1, T3) 2. Create a halal certificate (W5, T3)

- **SO (strength-opportunity) Strategy**

By improving product quality, it is hoped that it will bring a new color to MSMEs both in terms of service quality for loyal suppliers and for local communities that prefer to buy directly from the main producer location.

- **WO Strategy (Weaknesses-Opportunities)**

Employee training is a form of internal development strategy of MSMEs. Pay attention to product quality to move from quantity to quality, increase prices, achieve more profits and improve production.

- **ST Strategy (strength-danger)**

Establish better cooperative relationships with supplier partners to minimize product price fluctuations in the market. so that the supply chain and raw material prices do not change

- **WT Strategy (Weaknesses-Threats)**

Combine old and new marketing systems with modern social media and other technology. Create a halal certificate for the product to gain greater public acceptance of the product and ensure that the product meets current halal regulations.

Table 7. Sepace Matrix

Internal Strategi Position			External Strategi Position		
No	Financial Strength (FS)	Ratings	No	Environmental Stability (ES)	Ratings
1	The ups and downs of sales	3	1	Quality raw materials	-2
2	Revenue based on large number of	3	2	Cooperation with product suppliers is	-1
3	Not optimal employee salaries	2	3	Using social networks to attract the market	-4
	Average	2,67		Average	-2,33
No	Competitive Advantage (CA)	Ratings	No	Industry Strength (IS)	Ratings
1	The product is in high demand by local	-2	1	Maximizing technology	3
2	Product quality is guaranteed without preservatives or artificial colors	-1	2	Tight competition with products on the market	3
3	Still has a large market share reaching	-1	3	Unstable number of products in	4
	Average	-1,33		Average	3,33

Opportunity										
1	Technological developments bring opportunities for products to be marketed widely	0,13	3	0,39	3	0,39	4	0,52	3	0,39
2	Many people are interested in yogt donut products	0,12	4	0,48	3	0,36	3	0,36	2	0,24
3	Those who like to buy always order again	0,13	4	0,52	4	0,52	3	0,39	2	0,26
4	New innovations that can be	0,12	3	0,36	3	0,36	2	0,24	3	0,36
		0,50								
Threat										
1	There is a lot of competition selling similar things	0,13	3	0,39	4	0,52	3	0,39	3	0,39
2	Competitors who have more innovation	0,13	3	0,39	3	0,39	3	0,39	3	0,39
3	Still using the old system	0,08	2	0,16	2	0,16	3	0,24	3	0,24
4	People are starting to get bored with unchanging tastes	0,08	2	0,16	2	0,16	2	0,16	3	0,24
5	Prices of raw materials on the market are unstable	0,08	3	0,24	4	0,32	2	0,16	2	0,16
		0,50								
Total		2		6,05		6,02		5,83		5,78

The results of the QSPM matrix show that the largest number of strategies is in position 1 with the highest score of 6.05. then the second strategy is 6.02 and the third strategy is 5.83. continuing to the fourth strategy, with a score of 5.78 among available alternative strategies

5 Conclusion

Based on the research results, it can be seen that calculating IFAS and EFAS from these two factors shows a higher number of internal factors with a score of 3.57, followed by external factors with a score of 3.57. of 2.98 with higher growth and development compared to competitors with a total score of 3.40 higher strong supplier network and affordable prices compared to competitors in the market.

In addition, from the results of SWOT and QSPM analysis, strategies can be applied to maximize profits and be able to compete with other competitors by improving the quality of good packaging products as well as service quality with the supplier and surrounding area. community to optimize existing markets. Change the emphasis from quantity profits to quality profits by improving production. Leverage our strengths by partnering with suppliers capable of providing natural and quality raw materials and updating supply chain systems. And finally, the strategy that can be implemented is to combine traditional marketing with modern technology to reach more consumers and compete with competitors.

Recommendation. For further research, we hope to be better and more optimal in implementing strategies that are beneficial for implementation at the research company. use additional methods or use other methods that can be applied to identify alternative strategies, such as the Analytical Hierarchy Process (AHP).

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