



Analysis of SMEs Culinary Marketing Strategy During Covid 19 Pancemic: A Study at “Sate Bebek Cilegon” Resto in Cilegon, Banten

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Abstract:

The Covid 19 pandemic opens wider horizons of all of us, related to how to survive in the midst of business uncertainty and layoffs everywhere. Based on the theory of Basic Needs "A Theory of Human Motivation", from Abraham Maslow (1943), stated that food is one of the most important basic needs to take precedence, besides clothing and shelter. Amid PSBB (mild lockdown) until the time of easing, the digital business world is a temporary solution for the wider community throughout the world, especially in Cilegon, Banten, related to the dynamics of culinary commerce among citizens. Marketing that is preceded by strategies in planning steps is the most appropriate in the current pandemic situation, especially using digital media, which is inevitable. Because the world of IT-ICT now makes the world in our hands and become all of us without exception. For this reason, strategies and breakthroughs in order to survive and increase the competitiveness of the company to be able to survive and win in the competition are interesting to analyze the company's internal and external environment. In analyzing the SWOT analysis method used to weight the level of importance of each actor and factor. From the IE Matrix test, the competitive position of the Sate Bebek Cilegon restaurant is obtained in the quadrant or cell IV of IE Matrix, with a growth concentration strategy through horizontal integration. By looking at the position: (1) competing; (2) strength; (3) weaknesses; (4) opportunity; and (5) threats. In this case the Sate Bebek Cilegon restaurant must use a strategy: (1) market penetration; (2) market development; and also (3) horizontal integration strategies besides creating creative innovation must also be carried out.

Keywords: SMEs, Culinary Business, SWOT Analysis, IE Matrix, Four Steps Strategies

INTRODUCTION

The Covid 19 pandemic shocked the entire human race on this earth, there was no preparation in dealing with it, especially in relation with survival, both family and individually. Layoffs everywhere, job losses become bad news every day, news on television and the internet are all bad stories related to the

unpreparedness of many countries in tackling them. But there are some hopes for survival through the area of small business development, when humans always need to eat and because hunger can not wait. This demand then create some opportunities for those who are able to catch it, and “Sate Bebek Cilegon” is one of many traditional culinary SMEs’ in the city of Cilegon, Banten Province which is able to formulate a new strategy upon its competitive advantage to survive.

The purpose of this study is to elaborate the existing Sate Bebek Cilegon culinary SMEs’ formula to survive, and seek some solutions to its strategy in a comprehensive way to enhance its survival. Starts from the input stage approach to see and asses the external condition, follows with the internal factor to be analyzed to see its competitive profiles and get some key success factors. Continues with phase match analysis of external and internal conditions which produce several strategy alternatives. Furthermore, this study aims to find some strategies that fit Sate Bebek Cilegon in its decision making process to win the market competition.

SWOT Analysis method was created in the 1960s by Albert Humphrey of the Stanford Research Institute, during a study conducted to identify why corporate planning consistently failed. Since its creation, SWOT has become one of the most useful tools for business owners to start and grow their companies, included Small Medium Enterprises or SMEs.

Like any large companies, SMEs in its business objectives which will be achieved, requires good management system too. According to Brewer and Speh (2000), strategic management process includes four distinct but related developments of the: (1) mission; (2) goal setting; (3) strategy development and selection; (4) strategy implementation and evaluation. Whereas Fawzi and Dharmmesta (2012) stated that management is the design process to achieve organizational goals using organizational resources effectively as well as environmental changes. Furthermore, Companies should always evaluate and weight internal and external factor to be able to keep up with external development and competition environment. According to Rangkuti (1997) mentioned that, the purpose of the external factor analysis, is to develop some opportunities that might be the strength of the company as a beneficial factor upon the external threat. In his book titled “*Strategic Management*”, the external factor uses EFE (External Factor Evaluation) Matrix as an analysis tool. In addition Rangkuti (1997) explained, that external strength and internal weakness can be vise-verse influenced and controlled. Therefore, using the IFE (Internal Factor Evaluation) Matrix to identify and evaluate strength and weakness of the organization in the business strategy is essential.

IE Matrix can be divided into three major areas that describe implications of the Corporate strategies. Where according to Torlak and Sanal (2007) in Winardi (2014), IE Matrix is based on two dimensional keys, as follow: (1) total weight of the IFE that put on the “X” axis: and (2) total weight of the EFE that put on the “Y” axis. On the other hand, Rangkuti (1997) explained that that SWOT Analysis is to systemically various factors identification to formulate Corporate strategy. Along with that, according to Sherman, *et. al* (2007), SWOT Analysis compares the company external and internal strength and weakness to ensure that the company has the internal capability to support the business growth. SWOT Analysis also compares the external opportunity and threat in a sense of sustainable growth business. SWOT analysis which was popularized by Andrews (1965) who elaborated that SWOT formulation offer a company with a strategy that based on external and internal factors analysis and evaluation. Finally, Rangkuti (1997) developed the four strategies of SWOT Matrix that explain through ST, WT, WO, and SO Strategy.

RESEARCH METHODS

(1) Research Design

Kuncoro (2003) explains, that based on the research method, can be classified by: (1) historical research; (2) descriptive research; (3) co-relational research; (4) causal comparative research; and (5) experimental research. And this study is a descriptive research, where descriptive data are collected through questionnaire with interviews. The research conducts at Sate Bebek Cilegon restaurant at Cilegon city, Banten Province, as one of the existing traditional culinary SMEs, which is surviving during this pandemic Covid 19. By evaluating its external and internal factors, and to wisely scrutinize how the

company develop its strategic plans;

(1) Data Collection

Techniques of data collection required, is done through: (1) primary data by a set of questioner given to 4 (four) management persons at the Sate Bebek Cilegon restaurant, in the position of General Manager, Marketing Manager; HR Manager, and Finance Manager; and enriched with (2) secondary data from books and internet;

(2) Technical Analysis

Research conduction begins with internal and external analysis of the company and SWOT methods to analyze, where SWOT analysis shows the strength of the business of Sate Bebek Cilegon restaurant in its market penetration. The company business attraction lies in its human development. Using the IE Matrix, it is founded that Sate Bebek Cilegon restaurant competitive position is in Quadrant IV or Cell IV. Its result shows the position of growth. And strategies that need to be implemented are: (1) market penetration; (2) market development; (3) horizontal integration. However, implementation of some creative steps and innovation in facing the tough competition to become a winner, is inevitable.

RESULT AND ANALYSIS

Evaluation of internal factors is used to determine the strength and weakness of Sate Bebek Cilegon restaurant in Cilegon, Banten. Sate Bebek Cilegon restaurant needs to apply some strategies to enhance strengths and reduce weaknesses in a sense to avoid loss. The local value of Cilegon specific, is the catalyst that leverage Sate Bebek Cilegon restaurant competitive advantage. Expansion of its services by the digital tools, needs to be applied in order to develop its business coverage's are, and maintain its engagement to customers' loyalties. Eventually its market is still remain low due to the pandemic Covid 19, therefore Sate Bebek Cilegon restaurant requires a larger human capital to support its promotion through W.o.M or word of mouth, by engaging some well-known or celebrities locally in Cilegon, Banten and Jakarta.

Result from its EFE Matrix (from Opportunity and Threats) is: **3,7820**, following with the result of IFE Matrix (from Strength and Weakness) is: **4,2178**. Both are obtained from questioner given after FGD (Focus Group Discussion) conducted to get 14 items of its key success factors. Evaluation of both matrix mentioned, is to identify elements of Opportunity and Threats of Sate Bebek Cilegon restaurant. Knowing both elements mentioned, are necessary to win competition through the right strategy.

Mapped in Cell I, the total weight of EFE and IFE of Sate Bebek Cilegon restaurant has meanings of grow and build. Strategies of "grow" as intensive, comprises of: (1) market development; (2) market penetration; and (3) product development, and strategies of "build" as integration, comprises of: (1) forward integration; (2) backward integration; and (3) horizontal integration.

Result of the IE Matrix is: **1,1940** is in the (1) **WO strategies**, where WO strategies may include service expansion to the areas' potential of Sate Bebek Cilegon restaurant, and alliances or merger with other similar companies (where lately in Cilegon city there are two other similar Sate Bebek restaurant under different names); as well as a combination of intensive and integration strategies, leads: (2) **SO strategies** that may be the promotion of proper conduct, participate in much wider people and community either in Cilegon, Banten and or in Jakarta, producing internet-related equipment to accept order by application (Grabfood or Gofood or some others) and launch various programs and services with competitive prices; following with (3) **ST strategies** that may be the quality improvement, pricing re-set, human resource training improvement; and (4) **WT strategies** may include cost efficiency of both operational and services.

Furthermore, as a SMEs institution, Sate Bebek Cilegon restaurant needs to provide more training to improve quality of human resources in using a digital service manner, and reduce operating unnecessary cost to pursue its competitive advantage.

CONCLUSION AND RECOMMENDATION

In conclusion, mapped in Cell I of its IE (Internal-External) Matrix, Sate Bebek Cilegon restaurant as a SMEs institution can implement both intensive and integration strategies.

Conclusion

(a) IFE Matrix of Sate Bebek Cilegon restaurant in Cilegon, Banten that mapped in a strong position that has a weighted value of **4,2178**, and EFE Matrix that result weighted value of **3,7820** for its external factors;

(b) Resulting the highest score and mapped in Cell I obtain a meaning that penetration strategy to the attractive market is strongly needed. Therefore, an appropriate formulation of IE (Internal and External condition) strategy **1,1940** as well as the assessment of the competition condition need to be scrutinized and implement prudently.

Recommendation

Sate Bebek Cilegon restaurant as a SMEs culinary institution in Cilegon, Banten should execute market penetration strategy as recommended by its result of the research conducted. Some market penetration strategy which has been analyzed previously is the right promotion to communicate its product and services, re-set the pricing strategy, as well as participated in the campaign through various social media on Sate Bebek Cilegon restaurant, typically from Cilegon city, Banten.

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