

COMPETITION STRATEGY ANALYSIS WITH A SWOT ANALYSIS APPROACH TO INCREASE PROFIT OF MSME KNOWLEDGE SELLERS IN KETAJEN VILLAGE, SIDOARJO

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ABSTRACT

In a business, never escape from competition. Whether it's a large, medium, or even small business, there will definitely be competitors. This is what makes researchers determined to analyze the form of competition and the strategies used to deal with it. Especially in the morning the MSME street vendors who lack knowledge about competition and the analyzes they can use to win the competition. The purpose of the researchers conducting this research is to find out and analyze the impact of competitive advantage on increasing the profits of the MSME street vendors selling "Tahu Tek". The method used is descriptive qualitative research with inferential statistical analysis by comparing MSMEs with one another and adapting them to the theories of experts. The results of this study indicate that competitive advantage by implementing a competitive strategy can increase the profits of SMEs selling "Tahu Tek". Based on the suitability of the theory of competitive strategy with increased profit is related. As well as between MSMEs that apply a competitive strategy and MSMEs that do not apply a competitive strategy, there is a significant difference.

Keywords: *competitive advantage, competitive strategy, profit increase.*

PLEMINARY

Typical food owned by the city of Surabaya, one of which is tahu tek. The combined components of one serving of Tahu tek are lontong and half-cooked fried tofu. It is cut with a fork as a holding tool and scissors as a tofu and rice cake cutter, and long slices of eggs, hash browns, small tofu, cucumbers (such as cucumbers). Rinse the pieces with water, place the Pettis mixture over the peanut sauce and sprinkle with the prawn crackers about 3 cm in diameter. Warung Tough Tech, which is located in the village of Ketagen, is one of the famous food stalls with hard tech food, bean sprouts, sliced cucumber and a sprinkling of pettis crackers. The large number of tahu tek vendors in various areas of Surabaya and its surroundings causes intense competition among tahu tek vendors. This will enable researchers to apply SWOT analysis to study how to develop effective competitive strategies.

The marketing strategy is one of the possibilities of obtaining a sustainable competitive advantage for both companies producing goods and services. Marketing strategy can be considered as one of the bases used to create a total business plan. Judging from the breadth of the problems that exist in the company, and extensive planning is needed to use it as a guide for the corporate segment in carrying out its activities.

MSME sector economy

Micro, Small & Medium Enterprises or known as MSMEs are types of businesses that have been proven to be able to make donations and make a real contribution to the economic sector. MSMEs are even believed to be the main primary way in the economy in Indonesia, their strong characteristics, moving forward and efficiently can encourage the nation's economic development. The use of MSMEs is proven to be able to maximize the potential of existing resources, because MSMEs generally move to the local industrial sector and do not depend on imports, using diverse and unique outputs as a result of which they can compete in the export market. The Indonesian economy can demonstrate its ability to have a strong foundation, if cooperatives and MSMEs can become primary actors in a productive and competitive national economy (Alhusain, 2014).

The definition of MSMEs (small and medium enterprises) based on the 20th year of the citation law from MSMEs in 2008 www.depkop.go.id There are several criteria used to define the meaning, SME standards. The definition of MSMEs is as follows: (1) Micro-enterprises. The standard for the micro business group is that the company is productively owned by individuals and/or individual entities to meet the micro business criteria listed in this action: a) have a maximum wealth of Rp. 50,000,000.00. No office land; also. b) The highest annual sales is only Rp. 300,000,000.00. (2) SMEs. Standards for SMEs are companies that are economically independent, productive and executives depend on individuals or companies whether there are subsidiary companies owned, managed, or owned directly or indirectly involved in medium or large companies meet the standards of SMEs in this legal sense: a) It has a net worth greater than Rp. 50,000,000.00 Up to Rp. 500,000,000.00. Excluding land and office buildings; also. b) Increase annual sales starting from Rp. 300,000,000 Up to Rp. 2,500,000,000. (3) Standard medium-sized enterprises medium-sized enterprises are productive economic enterprises themselves carried out by individuals or corporate legal entities that are not subsidiaries or own, manage, or directly or partly indirectly with SMEs and larger businesses with a net worth or income annual sales acc this action: a) have a net worth greater than Rp. 500,000,000 Up to Rp. 10,000,000,000, Also b) Increase annual sales of Rp. 2,500,000,000 a maximum of Rp. 50,000,000,000.

By increasing profits from MSMEs, it can advance the economy in the MSME sector, which is one of the economic strengths of a country in Indonesia. This is not without reason, based on the results of analysts by Shifa Nurhaliza on the IDX Channel website stating that the contribution of MSMEs in the Indonesian economy reaches 61.97% of the total national GDP. Also plays a role in reducing the number of poverty rates up to 97% of the absorption of business workers. This is very helpful so that the nagara can develop quickly.

THEORY REVIEW

Strategy

According to Hamel, strategy has many implications. Prague La Strategy is a step by step (Always improving) and continuous action, Based on expectations from the perspective of future Customers. Porter is quoted by Husein Umar as saying: "Strategy is a very important tool to gain competitive advantage."

According to Hanger and Wheelen who explained this: "Strategy" how to formulate a comprehensive plan? The company achieves its mission and goals. The strategy is to maximize competitive advantage and minimize competitive constraints.

According to Stephanie K. Marlas, quoted by Hussein Umar, "strategy is defined as a planning process. Top leaders focus on long-term goals according to Porter, strategy is something that is needed to gain competitive advantage. Once Hamel and Prahalad Strategy Organizations with the preparation of methods or ways to use them to achieve goals you can achieve (Umar, 2001)

are incremental and continuous actions carried out based on customer expectations (Rangkuti, 1998). Strategy is an ever-increasing (step by step) action taken in terms of what the customer will need in the future.

According to the book "Management Strategy and Corporate Policy" by Lawrence & Glueck, 1989, strategic management is said to be a series of actions and decisions that lead to the improvement of effective strategies or tactics to improve the company. Achieving goals. The tactical management process is how tactical planners select targets and make decisions.

The goal based on strategic planning is to give the company an objective view of its internal state so that it can anticipate changes in the external environment.

Competition

(Sukirno, 2004). This competition is derived from the English competition. It means the competition itself, or the activities, games, competitions that compete. Business dictionary competition is the effort of two or more companies, each of which is willing to "win business" by offering the most favorable price/condition. This competition consists of various forms of discount, advertising/promotion, variety and quality, packaging, design and market segmentation. Competition is an ideal market structure because this market system is considered a market structure that ensures the implementation of activities to produce goods and services with high (optimal) efficiency. Perfect competition market can be defined as a market or industry structure in which there are many sellers and buyers and each seller or buyer cannot influence market conditions.

In competition, we recognize that the term "competitor" means companies that produce or sell products and services that are the same or similar to the products we offer. Competitors or companies can be categorized as strong competitors and weak competitors or there are competitors in a close radius and have products that are similar or similar to their products (Kasmir, 2012).

Competition is at the core of a company's success or failure. Contests to assess the accuracy of company activities can support performance such as good implementation or innovation. According to Wahyudi (1996: 3), there are several advantages that can be utilized by the company: 1) Price, 2) Market share, 3) Brand, 4) Product quality, 5) Consumer satisfaction, 6) Distribution channels.

Competition Strategy

Looking at the current conditions, there are still 5 things to compete with, namely: (1) Products. Business business products that are competed for both goods and services must be halal. The specifications must match what consumers need to avoid fraud. The quality is guaranteed & competitive. (2) Price. If a business wants to win over the competition, the products it produces must be competitively priced. When in this condition, it is permissible to lower prices using the aim of bringing down competitors. (3) Place. Business places must be good, healthy, hygienic &

comfortable. It should also be avoided to equip business premises using things that are forbidden (eg pornographic images, liquor, etc.) in order to attract buyers. (4) Service. Service must be provided in a friendly manner, but must not use methods that approach immorality. For example, using put a sweet woman in sexy clothes. (5) After-sales service. Is a service that will perpetuate customers. However, this is given free of charge or according to a contract (Yusanto, 2002).

Competitive Advantage

Competitive advantage is the relative advantage of an organization that can outperform its competitors. Profits are meaningful to consumers and can be more sustainable than competitors' behavior (Assauri, 2012).

Determining the scope of competitive advantage depends on the ability to drive excellence in three factors: Based. An element of the process in which excellence begins with value creation offered at a lower cost to achieve higher unit revenue at the same market price. (b) Differentiation advantage is the relative advantage of the value an organization provides to consumers for one or more items compared to what its competitors offer. (C) Marketing Advantage is a business advantage achieved by the use of marketing techniques and the ability to block the movement of competitors by leveraging good access to communication, distribution and sales scope. (Cravens et al., 1996) The marketing concept consists of three basic elements: (1) Start with the needs and wants on which your company's goals are based. (2) Determine how the organization meets the needs and needs of consumers. (3) We will take every opportunity from the company to ensure customer satisfaction.

SWOT analysis

(Rangkuti, 2014) I explained that a SWOT analysis is a systematic identification of various factors in the development of a company's strategy. The basis for applying related analysis is logic that maximizes functionality and opportunity. Second, minimize weaknesses and threats.

Decision making is often linked to company goals, mission development, policies, and strategies. Therefore, strategic planning needs to analyze the strategic factors (strengths, weaknesses, opportunities, threats) of the company in the current situation. The business orientation of entrepreneurs is projected to change in the 21st century, when all countries in the world seem to have no space-time boundaries. In the past, the company's direction in which manufacturers freely impose consumer intentions has developed, and some companies have not been able to respond to consumer intentions, but now the opposite is happening. The cycle is that consumers are actually forms and types of products, because entrepreneurs realize that in today's industry consumers are the owners of incoming products and outgoing market products. If consumers still want to survive, they seem to be forced to produce and follow the desired will regarding the products they make (Rangkuti, 2014)

Operating profit

Profit is the excess of total income relative to total expenditure. Also called net income or net income (Horngren, 1997). Operating profit is based on the company's current normal operations. Net income is the positive difference between sales minus costs and taxes. Net income is shown in the income statement by comparing it to income using postage (Nurkholik et al., 2021).

The application of competitive strategies to gain competitive advantage is really needed by MSMEs, especially street vendors. It's not just large or medium-sized businesses that require the

implementation of a competitive strategy. However, small businesses such as street vendors are no less important to implement it. Because with a mature strategy, these MSMEs can increase profits from the business they do. One of the evidences as in the results of this study.

The results of this study indicate that there is a link, relationship, and influence between the application of a competitive strategy between MSMEs that implement it and MSMEs that do not apply it to the increase in profits generated. So if MSMEs can implement and maximize it, the state's income will also increase. Unemployment will be overcome because of the increasing number of jobs. As well as increasing the country's economy.

RESEARCH METHODS

The interviews were conducted in Sisoarjo Regency, more precisely in Ketajen Village, Gedangan District. Descriptive qualitative research is the approach chosen by the researcher for this research. The purpose of this study is to explain how SWOT analysis changes the use of competitive strategies to improve the financial performance of SMEs that sell "tahu tek".

The main targets of this interview are street vendors, especially SMEs selling "TahuTek". As previously mentioned, this study uses primary data. For primary data collection, researchers will conduct interviews with MSME stakeholders. Interview or interview is a question and answer activity orally to obtain information. The format of the information received can be in the form of writing or recording in audio or audiovisual format. Interviews are the main activity of an observational study. The results of the interviews will be used as an evaluation of this research. By comparing the theory of the application of SWOT analysis with the opinions and explanations of the elements of the set which can be in the form of people, organizations or goods to be studied (objects of research).

The form of interview used is using a personal or personal interview that is intended. Researchers take this form in order to obtain more specific and in-depth data. Meanwhile, if viewed from the point of view of conducting interviews using free interviews where the interviewer gives any questions. Starting from the general or personal or special. In terms of content structure, the interviewer used unstructured questions in order to be able to approach MSMEs, street vendors selling "Tahu Tek".

From the results of interviews, researchers will analyze the responses or answers of respondents by comparing and drawing conclusions from the theories of experts.

DISCUSSION

Research result

From the results of the analysis conducted by researchers regarding competitive strategy with a SWOT analysis approach to increasing sales profit of "Tahu Tek" in Ketajen village, Gedangan sub-district based on 6 aspects, namely: (1) Strategy, where researchers find out about the strategies used by street vendors in running their own sales business. (2) competition or competitors, where the researcher finds out the number of competitors who are in the closest radius to the traders being interviewed. (3) Competition strategy, the researcher tries to ask more significantly about the strategy used, especially about the marketing strategy used to beat competitors. (4) Competitive advantage, the researcher asks whether when a trader dominates the competition it will have a positive and beneficial impact on the trader. (5) In applying the SWOT analysis, the researcher asks about the

strengths, weaknesses, opportunities, and threats that are owned and faced by the traders. (6) operating profit, the researcher asked how much profit the street vendor got in selling "Tahu Tek".

The researcher in this case took two street vendors selling "Tahu Tek" to be interviewed regarding the six aspects above. From the six aspects asked by the researcher, the following interview results were obtained as follows:

First responder

The name of the first respondent is Mrs. Wiwit, 35 years old. Ibu Wiwit is a mother of three children. He has been selling "Tahu Tek" for five years. Selling "Tahu Tek" is hereditary from his father. He sells from 17.00 to 21.30. The answers to the six aspects asked by the researcher are as follows: (1) Strategy. Ibu Wiwit said that there was no specific strategy that was used or created by Ibu Wiwit herself. He just followed the selling technique that his father used to do. With a group of people, selling equipment, ingredients for making "Tofu Tak" and a recipe from his father. And take advantage of the roadside in the middle of the countryside as a place or location used to sell. (2) Competition or competitors. Based on information from Mrs. Wiwit, there are several competitors who sell tahu tek around the location where Mrs. Wiwit sells. Mrs. Wiwit said there were approximately five competitors. Of these five competitors, there are those who sell around, and there are also those who sell fixedly in one place. (3) Competitive strategy. In selling for about five years, Mrs. Wiwit uses a differentiation strategy, which is to provide more spices to differentiate her wares from competitors. (4) Competitive advantage. In this aspect, Mrs. Wiwit cannot give her opinion about the clear or significant advantages of using competitive strategy because Mrs. Wiwit is not very knowledgeable about determining or compiling a competitive strategy. (5) Application of SWOT analysis. a) The advantages of "Tahu Tek" made by Mrs. Wiwit are that they provide a lot of seasoning for each serving of "Tahu Tek" and the location of the place to sell is quite strategic, which is in the middle of the countryside. b) Weaknesses, Mrs. Wiwit does not know and does not realize the shortcomings of her merchandise. c) Opportunities, opportunities used by Mrs. Wiwit are the location of the place to sell, and the absence of fees for the place where she sells. d) Threats, according to Mrs. Wiwit's statement, one of the threats to smooth trading is the weather. When the weather indicates that it will rain, then he will not be able to sell. In addition, according to his confession. The Covid19 pandemic situation is also a threat to the sales of "Tahu Tek". Where at the time before the pandemic, sales could reach up to 40 servings of "Tahu Tek" per day. But during the pandemic, sales fell by around 20-30 servings per day. (6) Operating profit. In one day, Mrs. Wiwit can sell 20 to 30 servings of "Tahu Tek" per day. If it is converted into rupiah, it can reach Rp. 200,000 to Rp. 300,000 per day. If you deduct the expenses, the profit earned can reach Rp. 70,000 to Rp. 105,000 per day.

Second respondent

Different from the first respondent who can be said to be older, have longer experience, and have more competitors. The second respondent of the researcher took the "Tahu Tek" trader who was younger, his experience in selling was still new, and had no competitors. Badra Sholeh, is a 19-year-old young man from the island of Madura. He has been selling "Tahu Tek" for a year. He sells from 17.00 to 01.00. The results of interviews with traders are: (1) strategy. When the researcher asked about the strategies used by the trader, he replied that he did not know about the strategies that could be used to increase sales volume. (2) Competition or competitors. Unlike the first competitor whose

sales location is in the middle of the countryside, the second respondent chooses to sell on the side of the highway. Based on the acknowledgment from the merchant, in the area he does not have the same merchant - both selling "Tahu Tek". Even though there was one competitor, the competitor no longer sells in the area. (3) Competitive strategy. The trader because he has no competitors, so he does not get around any strategy to compete. (4) Competitive advantage. Badra Sholeh said that he did not know what the positive impact of competitive advantage would be. (5) SWOT analysis. according to the information from the trader regarding the strengths, weaknesses, opportunities, and threats of his merchandise, namely: a) Strengths, from his point of view, he is not aware of the advantages he has. b) Weaknesses, the trader also does not know the weaknesses of his merchandise. c) Opportunities, opportunities that Badra Sholeh has are that the area is still lacking in "know tek" sellers. Thus it has no competitors, especially in the area. (6) Operating profit. In a day Badra Sholeh can sell an average of 25 servings of "Tahu Tek". If calculated into rupiah it can reach Rp 250,000 per day. If you subtract the total expenditure, which is Rp. 250,000 – 175,000 (total income – total expenditure) = Rp. 75,000.

Comparative analysis

From the results of these interviews, there are several things that can be considered significantly from the two respondents. In terms of income, the first respondent is indirectly superior to the second respondent. Although in terms of the number of total sales generated is the same, namely an average of 25 servings per day, there are several aspects that make first responders far superior. Among them are aspects: 1) selling time. first responders were able to generate total sales of 25 servings in a span of five hours and thirty minutes. While the second respondent gets 25 portions from 9 hours of selling. 2) competitors. Where the first respondent has many competitors while the second respondent has no competitors.

The second respondent should be able to generate more sales than the first respondent. Researchers in answering these discrepancies can use an analysis of the competitive strategy proposed by (Yusanto, 2002): a) the resulting product. Based on the information from the two respondents, the first respondent in terms of dealing with customer satisfaction with their products is by providing extra spices. While the second respondent did not apply any strategy to attract buyers to the products offered. b) Price. The two respondents in terms of price are the same. However, if you look more closely, the first respondents here are indirectly using a price competition strategy. He does not increase the selling price of his products even though he adds extra seasoning to the products he sells. this action should have an effect on the HPP (Cost of Production). This is done by respondents in order to keep customers and increase sales. c) Place. From the previous interview data, the first respondent chose a selling location that was close to the community or in the middle of the countryside, while the second respondent preferred to sell on the side of the highway. although not too many people passing by, as well as quite a lot of competitors. The first respondent chose the location because it was more strategic, the main target of which was the people who live near the place of sale. But the second respondent even though there are many people passing by, as well as few competitors. People just pass by and don't pay much attention to the second respondent's merchandise. And the place is minimally lit, thus affecting the purchasing power of consumers. d) Service. In terms of service, first responders tend to pay attention to their surroundings. While the second respondent when the researcher approached it appeared that the respondent was paying attention to the device. This can also affect service satisfaction, where if the merchant always pays

attention to the surroundings, it indicates that he is ready to serve buyers. If the merchant doesn't pay attention to his surroundings and is busy playing with gadgets, that's a sign that the merchant is not always ready to respond to consumers. e) After-sales service. The first respondent and the second respondent in terms of after-sales service do not apply it in selling.

Conclusion

Based on the discussion and the two samples, there is an influence between the application of a competitive strategy to the UMKM street vendors selling "Tahu Tek" in Ketajen village, Gedangan sub-district, Sidoarjo district, East Java. This can be seen from the income earned by the two respondents from selling 'Tahu Tek'. Where between the first respondent and the second respondent has a significant difference that affects its sales profit.

This difference can be seen from the implementation of the competitive strategy that the researchers used in this study, the competition strategy used by Yusanto, which includes aspects of product, price, place, service, and after-sales service. From these five aspects, it can be seen that the first respondent has more control over the competition which has an impact on the profits generated by the first respondent.

In this study, although the effect shown is not so significant. However, if MSMEs are able to apply it in their business. Then they can get an increase in income. It is possible that these MSME actors can not only compete on the national level but can also compete on the international stage. So that it can increase state income, create jobs, and strengthen the country's economy.

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