A SWOT Analysis to Improve The Marketing of Young Coconut Chips

Author:
Mulono Apriyanto[1]*
Lecturers Food Science Department, Agriculture Faculty, Islamic University of Indragiri,
Indragiri Hilir, Riau, Indonesia
Email: mulonoapriyanto71@gmail.com
Marlina[2]
Lecturers Agrotechnology Department, Agriculture Faculty, Islamic University of Indragiri,
Indragiri Hilir, Riau, Indonesia
Email: marlinaunisi@gmail.com
Bayu Fajar Susanto[3]
Lecturers Economy Management Department, Economy Faculty, Islamic University of
Indragiri, Indragiri Hilir, Riau, Indonesia
Email: bayurara@gmail.com
Ahmad Rifa'i[4]
Lecturers Economy Management Department, Economy Faculty, Islamic University of
Indragiri, Indragiri Hilir, Riau, Indonesia
Email: rifaisulasin@gmail.com
Yoyon Riono[5]
Lecturers Agrotechnology Department, Agriculture Faculty, Islamic University of Indragiri,
Indragiri Hilir, Riau, Indonesia
Email: yoyonriono353@gmail.com
*Corresponding author:
Mulono Apriyanto [1]*
Lecturers Food Science Department, Agriculture Faculty, Islamic University of Indragiri,
Indragiri Hilir, Riau, Indonesia
Email: mulonoapriyanto71@gmail.com

Abstract
This paper determines the relationship between the strengths, weaknesses, opportunities and threats for the marketing of young coconut chips in Indragiri Hilir district. The results of the research will allow a more accurate forecast of the relationship between strength and opportunity, thereby minimizing the Weaknesses and Threats to the marketing of young coconut chips. Coconut production centers are a strength in the marketing of young coconut chips. Young coconut chips are a derivative product of coconut meat as a leading commodity opportunity.
Keywords: The main product; coconut meat chips;hop market; small and medium enterprises

Introduction

Small industries in Indonesia are an important part of the national economic system, because they play a role in accelerating the distribution of economic growth through the mission of providing jobs, increasing people's income and contributing to increasing foreign exchange earnings and strengthening the structure of the national industry(Apriyanto 2019;

Mardesci et al. 2017). Business operators in Indonesia recorded 1.36 million units with around 41.33 million units, or 99.9% were small and medium enterprises (SMEs), while large businesses were only 0.005%(Mackinnon 2020).Business operators in Indonesia recorded 1.36 million units with around 41.33 million units, or 99.9% were small and medium enterprises (SMEs), while large businesses were only 0.005%. Based on this description, it can be said that small and medium industries are sectors that need to get top priority in Indonesia's economic development (Lay and Maskromo 2017; Lumoindong and Christine F. Mamuaja 2016).

The development strategy of the plantation agroindustry subsector, Indragiri Hilir, which is one of the very important priorities developed in national development, especially as a provider of employment for the country's source of income and foreign exchange (Muharun and Apriyanto 2014). The SME business development strategy must be based on its strengths and opportunity, therefore it must be supported strongly, especially by the access to funding sources, markets, sources of raw materials, technology and information and management. All these things are fully supported by the government so that they have a good enough opportunity to be developed(Apriyanto and Umanailo 2019;Amperawati, Darmadji, and Santoso 2012).

Tembilahan City Government is trying to make the processing of Coconut so that it can be processed into raw materials ready for food products. Since 2013 until now the typical coconut users of the Indragiri Hilir area have been earmarked for enthusiasts of various processed snacks made from young coconuts in Tembilahan City(Apriyanto 2019).

The high availability of young coconut made the government issued a policy to develop young coconut meat chips products typical of Indragiri Hilir by establishing cooperation with the snack industry (Risdayani 2016). Based on the background, a problem can be formulated, namely how to develop a business strategy for young coconut meat chips in the snack shop industry. in order to compete with other snack industries in Tembilahan City.

SWOT is an acronym of strength, weakness, opportunities and threats. The first two factors (strengths and weaknesses) are related to internal factors, while opportunities and threats cover a wider context or environment in which the entity operates (Sammut, Bonnici, and Galea 2014). The study aims to identify the strengths and weaknesses of the marketing young coconut chips and the opportunities and threats in the marketing of young coconut chips.

Method

We reference the average price, production, acreage, marketing of young coconut chips during 2013 - 2018. The area of coconut production, marketing of coconut products refers to data from the downstream Indragiri regency statistical agency(Muharun and Apriyanto 2014; Siloto, Wangke, and Katiandagho 2017;Hartono 2020). The research was carried out in the Street Food Industry. This location was chosen purposively, with the consideration that the Jajanan House industry is one industry that processes young coconut meat in Indragiri Hilir. Data collected are primary and secondary data. Primary data collection is done by direct observation and interviews with leaders and employees as well as consumers from the "Home Shopping" industry using a list of questions (quistionaire). Secondary data were obtained from the agriculture service, the central statistical agency (BPS), and various other relevant

agencies (institutions) as well as the literature that has to do with this research (Hartono 2020).

SWOT analysis

Several authors including GÜREL and TAT (2017); Oreski (2012); Sammut, Bonnici, and Galea (2014) have attempted using SWOT analysis, to summarize the relationship between the strengths, weaknesses, opportunities and treaths of marketing agricultural products.

A SWOT analysis evaluates the internalstrengths and weaknesses, and the externalopportunities and threats in an SME.The external analysis identifiesmarket opportunities and threats by lookingat competitors' resources, the industry environment, and the general environment (see Figure 1).
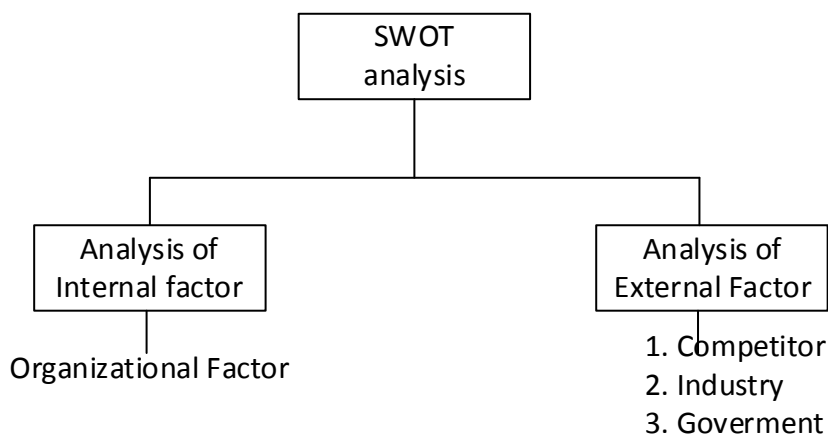

Figure 1. SWOT analysis main components

The data obtained were analyzed and explained descriptively, namely: 1. Identifying strategic factors. In identifying strengths, weaknesses, opportunities and threats, analysis tools are needed, namely SWOT analysis. SWOT analysis enables companies to take advantage of opportunities in avoiding the threat of SWOT analysis, also makes companies emphasize strengths and soften or eliminate weaknesses in HR and SWOT analysis organizations become the basis for determining the corporate profile where companies will compete in a business or industry 2. Classifying each into internal factors and external factors. The group is determined by external factors (opportunities and threats) and internal factors (strengths and weaknesses). 3. Formulating internal and external factors into a SWOT formulation. Agro-industrial economy, increasing people's income, absorbing labor and increasing the distribution of development and its results as well as accelerating regional development (Munthe and Sari 2020; Oreski 2012). Factors Identification Results for the coconut chips Home Industry in table 1.

Table 1. Factors Identification Results for the coconut chips Home Industry

No	Internal factors	External Factors
	Strengths	Opportunities
1.	a. Raw materials use the best quality	a. Has no production of young coconut meat chips the same in the town of Tembilahan

	b. Using local young coconut meat	b. Having a product that is dominantly preferred by the public
	c. Having a potential workforce	c. Become a commodity commodity in government programs
	d. Has a very strong product	
	Weaknesses	Threats
2.	a. Production Technology yet Inadequate in making young coconut meat chips	a. Owning the same coconut derivative products from out of town
	b. Limited amount of production	b. Limited level of production
	c. Ineffective marketing Lack of public knowledge about benefits of processing young coconut meat chips typical of downstream indragiri	c. Farmers' knowledge challenges agribusiness insights which are still relatively low

Results and Discussion

Identification of Internal and External Factors

Based on the results of interviews with several respondents, several indicators of Internal and External factors were obtained that illustrate the strengths, weaknesses, opportunities, and threats that influence the strategy of developing the coconut chips business in the "Snack House" industry. The results of identification of internal and external factors.

Strength Factor

Raw materials use the best quality. The raw material used in making coconut chips is coconut meal which are not mixed with other ingredients and come from several districts in Riau. The amount of raw material used per month is around 100-300 kg every month.

Using young coconut meat Based on the results of interviews with respondents that young coconut meat chips only use young coconut meat.Having a potential workforce Labor is an important part of the production factor in an effort to maximize productive effort both on the qualitative and quantitative sides. The use of an effective workforce with adequate skills and abilities is an important factor in achieving success. The workforce employed is a graduate graduate degree (S1) in Food Technology and Industrial Engineering.

Have a very high quality product. Product quality is very influential in the business activities carried out, from the results of interviews with respondents that in producing quality chocolate paste is highly considered by the hawker house industry by paying attention to the quality of the ingredients used and always maintaining the flavor produced. Coconut is one of the leading commodities of Indragiri Hilir Regency so that its quality can be trusted.

Weakness Analysis

Technology is inadequate. Technology is an overall means to provide goods or products needed for industrial survival. Lack of equipment can hamper the production process so that the time required is long enough to meet consumer demand.

Limited amount of production

Production is an activity to create or add value to an item fulfilling a need. Based on interview results from respondents that the demand for young coconut meat chip products is quite high but the production in hawker houses is still limited, so that consumer demand is not fully met.

Ineffective marketing

Local consumers are less familiar with the characteristics or taste of young coconut meat chips, thus making the marketing process ineffective.

Lack of community knowledge about coconut derived products

People only know that coconut oil is made from coconut oil and young coconut is drunk by coconut water.

External Strategy Factor Evaluation

Table 2. shows that the total internal factor obtained by the Internal Factor Analysis Summary table is 3.26, with a Strength coefficient of 1.66 and a Weakness coefficient of 1.6. This shows that the Strength factor possessed by the Snack Home Industry is greater than the Weakness factor, therefore the Snack Home Industry can better utilize the strength factors it has to overcome the Weaknesses to develop its business going forward.

Based on the calculation of the rating value and the weighting of internal factors in the Jajanan Industry, the results are obtained from the reduction between the total score of Strength factors (Strengths) and the total score of Weakness factors. The result of reduction is 1.66 - 1.6 = 0.06 which is used as the Horizontal axis or X axis, then the X axis in the SWOT Diagram is 0.06(Apriyanto and Umanailo 2019; Ardhiarisca et al. 2015; Ihwan, Putri, and Jonrinaldi 2016).

Table 2. IFAS (Internal Factor Analysis Summary) SWOT Analysis of the Snack House Industry

No	Internal factors	Weight (a)	Rating (b)	Score (axb)
	Strengths			
	a The raw material uses the best quality	0,13	3	0.39
1.	b Using genuine cocoa butter	0,13	4	0.52
	c Having potential workforce	0,12	3	0.36
	d Have a very high quality product	0,13	3	0.39
		0,51	13	1,66
	Weakness			
	a Technology is inadequate	0.11	3	0,33
2.	b Limited amount of production	0.12	3	0,36
	c Marketing is less effective Lack of public	0.13	4	0,52
	knowledge about	0.13	3	0,39
	d riau typical snacks			
	Sub Total	0,49	13	1,6

Total (1 + 2)		1	26	3,26
X-axis (Sub Total 1- Sub Total 2)				0,06

Table 3. shows that the total obtained by the External Factor EFAS table is 3.39, with Opportunity coefficient of 1.79 and Threats coefficient of 1.35. This shows that the opportunity factor owned by the snack industry is greater than the threat factor, therefore the snack industry in the city of Tembilahan can better utilize the opportunity factor that is owned to overcome the existing threat factor to develop the business going forward. The SWOT diagram in Figure 1 shows, the strategic position for developing young coconut meat chips in thehawker industry is in quadrant I, which is the Strength - Opportunity (SO) strategy position. This position gives an indication that there is an opportunity to carry out business development, and has a strong position to develop (Muharlisiani et al. 2019; Oreski 2012).

Table 3. EFAS (External Strategic Factor Analysis Summary) SWOT Analysis

| No	External environment	Weight (a)	Rating (b)	Score (axb)
1.	Opportunities Does not have the same production of young coconut meat chips A.hammer town Having goods that are liked by B.community Become a leading commodity in the program c. government	0,2 0,17 0,16	4 3 3	0.8 0.51 0.48
	Sub Total	0,53	10	1,79
2.	Threats It has the same young coconut meat chip products from A. out of town B. Limited level of production. Farmers' knowledge about agribusiness insight C. which is still relatively low	0.13 0.19 0.15	3 4 3	0.39 0.76 0.45
	Sub Total	0,47	10	0,16
	Total (1 + 2)	1	20	3,39
	X-axis (Sub Total 1- Sub Total 2)			0,19
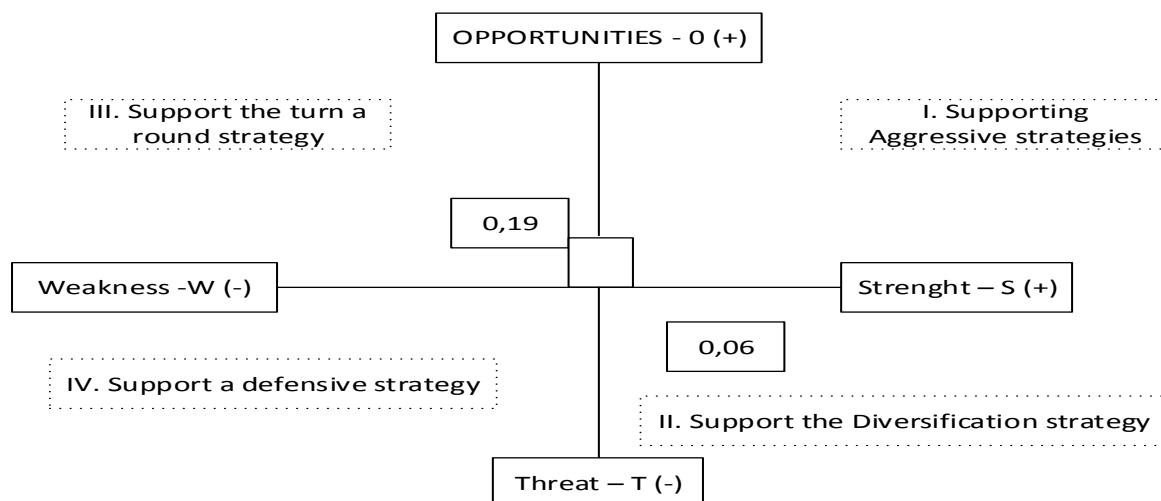
Figure 2. SWOT Analysis Diagram of the Strategy for Developing Young Coconut Meat Chips Business in the Snack House Industry in Tembilahan)

The strategy for developing a young coconut meat chip business can be applied to the snack house industry by utilizing all the power to seize and take advantage of the maximum opportunities (S-O strategy). The quadrant position is in quadrant one or the strength strategy position consists of three strategies namely, utilizing the original flavor of young coconut meat to seize opportunities, there is no similar product from, utilizing local young coconut raw material as raw material for making young coconut meat chips in order capture the opportunity to open the market, continue to maintain and improve the quality of products and experienced workforce to capture the existence of government programs.

Conclusion

The research conclussion have thepotential strength, weakness, opportunities, threaths for large application in defining the strategyfor market young coconut chips.

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