
Optimizing PT's Marketing Strategy. Kurnia Abadi Kawanua Jaya to Increase Sales of Ultra Milk: an Analytical Approach

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Abstract: Competition in the business industry is currently increasingly fierce in line with the rapid development of modern business. With the increase in the number of business actors who are committed to meeting consumer needs, both in the form of goods and services, business actors are faced with the challenge of competing in capturing existing market share. This research aims to identify the business strategies implemented by PT. Kurnia Abadi Kawanua Jaya in increasing sales of ultra milk. This type of research is included in the category of qualitative descriptive research, whose method is based on postpositivism/interpretive philosophy. The results of the SWOT matrix analysis identify several alternative marketing strategies that companies can adopt, such as expanding marketing networks at home and abroad, improving distribution performance, maintaining product quality and consumer service, setting competitive prices at various distribution levels, increasing advertising and promotional activities by more intensive and effective, conduct more effective and accurate product marketing research, and increase production and marketing efficiency. The recommendation from this research is that companies are advised to increase advertising and promotion efforts for ultra milk products to support distribution agents in marketing company products more effectively.

Key words: Optimizing Marketing Strategy, Increasing Sales, Analytical Approach.

INTRODUCTION

Background

Currently in the industrial world, business competition is getting tighter with the growth in the number of entrepreneurs. Innovative strategies are needed so that companies can survive and develop amidst fierce competition. Business growth increases with the emergence of new competitors.

In this context, with the increasing number of entrepreneurs competing to meet consumer needs through the products or services they offer, business actors are faced with the challenge of gaining a share of the existing market (Widharta and Sugiharto, 2013).

Marketing strategy is important in the company's success by increasing sales through the right strategy to maintain the company's position in the market. By implementing appropriate marketing strategies and taking advantage of available opportunities, increased sales can be achieved, which in turn will improve or maintain the company's position in the market (Kereh, Tumbel, & Loindong, 2018). The business environment influences business continuity. Environmental changes can support or disrupt a company. Evaluation of a company's internal environment needs to consider strengths and weaknesses such as product quality and organizational structure. The company tries to maximize profits by increasing sales through efficient sales systems and procedures. A good sales system supports business success. PT. Kurnia Abadi Kawanua Jaya is a

distributor in Manado that sells Ultra Milk Boxes, a favorite product in Indonesia with the best quality.

Data on sales of Ultra Box milk at PT. Kawanua Jaya Abadi Gifts from March to December 2019 are available in Table 1.1.

**Table 1. Ultra Milk Drink Sales Data from March 2019
s/d December 2019 at PT. The Eternal Gift of Kawanua Jaya**

No	Month	Sales Volume	Income
1	March	45,333	4,713,770,667
2	April	51,105	5,316,620,860
3	May	55,503	5,875,490,920
4	June	41,751	4,445,073,542
5	July	50,363	5,300,389,786
6	August	52,844	5,578,143,540
7	September	44,077	4,712,805,557
8	October	77,891	7,978,577,954
9	November	47,867	5,010,237,834
10	December	33,659	3,719,633,987

Source: Data from PT. Kurnia Abadi Kawanua Jaya, 2019

PT. Kurnia Abadi Kawanua Jaya to have the right business strategy to increase sales and profitability. SWOT analysis is used to recommend increasing strengths, improving weaknesses, as well as exploiting opportunities and avoiding threats to achieve business sustainability.

Research purposes

Based on this background, the researcher wants to conduct research with the title: Optimizing the Marketing Strategy of PT Kurnia Abadi Kawanua Jaya to Increase Sales of Ultra Milk: An Analytical Approach.

LITERATURE REVIEWS

Theories used in research

The SWOT Matrix is an analysis method designed to support strategic planners in formulating strategies. This approach describes SWOT in matrix form to identify all aspects contained in the SWOT analysis. The following is the table format used to analyze and determine strategic decisions using the SWOT matrix approach (Rangkuti, 2009).

To make a good SWOT analysis, a representative analysis model is needed. This model must adapt to the conditions of the case to be studied and use a SWOT matrix approach. The SWOT matrix can produce four sets of strategic alternatives, namely:

1. Strengths and Opportunities Strategy: Emphasizes utilizing the company's strengths to achieve and exploit available opportunities.
2. Strengths and Threats Strategy: Utilizing the company's strengths to overcome the threats it faces.
3. Weaknesses and Opportunities Strategy: Taking advantage of existing opportunities while minimizing the company's weaknesses.
4. Weaknesses and Threats Strategy: Aims to reduce weaknesses and avoid threats with a defensive approach (Fahmi, 2010).

To analyze internal and external factors in a business, Internal Factor Analysis Summary (IFAS) and External Factor Analysis Summary (EFAS) are used with weight and rating calculations based on a modified Likert scale. The assessment from the SWOT analysis questionnaire is categorized into assessing the current condition (weight) and assessing the urgency of treatment.

RESEARCH METHODS

This type of research is included in qualitative descriptive research. Qualitative research methods can be interpreted as research methods that are based on postpositivism/interpretive philosophy, used to research the conditions of natural objects, (as opposed to experiments) where the researcher is the key instrument, data collection techniques are carried out in a triangulated (combined) manner, data analysis is inductive/qualitative, and qualitative research results emphasize meaning rather than generalization (Sugiono, 2014: 38).

Location and Place of Research

PT. Kurnia Abadi Kawanua Jaya is a distributor company that specializes in selling food products, drinks and other household necessities. Address of PT. Kurnia Abadi Kawanua Jaya is located on Jalan AA Maramis, 95231, Mapanget, Manado City, North Sulawesi.

Method of collecting data

This type of research is included in qualitative descriptive research. Data collection methods are methods or techniques used by researchers to obtain and collect as much data or information as possible and in ways that are most relevant to the problem being raised and can be accounted for for the data.

In analyzing or obtaining data from owners and workers at PT. Kurnia Abadi Kawanua Jaya there are several ways that can be done, including:

1. Library research, namely research carried out by reading and studying related books.
2. Observational research, namely data collection carried out by systematically observing and recording the symptoms being investigated.
3. Interview, namely the question and answer process in research which takes place orally between two or more people by listening directly to information or statements.

Research Population and Sample

In qualitative research, the population and samples taken are called informants. Research informants are people who really know or are actors who are directly involved in the research problem. Considering that this research uses qualitative methods, it is closely related to contextual factors, so the aim of the sample used in this research is to collect as much information as possible from various sources (Simamora, 2008: 285). The determination of informants is determined based on research studies, namely the management of PT. The Eternal Gift of Kawanua Jaya. In this research, researchers used a purposive sampling technique, namely a sampling technique based on certain criteria. The criteria used are based on the subject's authority to provide information, in this case the manager or person responsible for marketing PT. The Eternal Gift of Kawanua Jaya.

Data analysis

In order to obtain the results desired by the researcher's objectives, the author took an approach using qualitative data analysis, namely an approach that uses existing data to analyze existing problems, then presents them descriptively using tables, graphs and descriptions. Bogdan and Taylor (2009: 34) define qualitative research as a research procedure that produces descriptive data in the form of written or spoken words from people and behavior observed from phenomena that occur. Data analysis is the process of simplifying data into a form that is easier to read and interpret. In this research, researchers used the Miles and Huberman model data analysis method quoted by Sugiyono (2014: 431-434)

IFAS and EFAS Matrix Strategy Analysis

In determining the analysis of internal and external strategic factors, strategic factors in internal

and external environmental conditions are processed by giving weights and ratings. Strengths, weaknesses, opportunities and threats are used. Internal factors are included in the IFAS (Internal Strategic Factor Analysis Summary) matrix, while external factors are included in the EFAS (External Strategic Factor Analysis Summary) matrix. The internal environment determines factors that support strengths and inhibit weaknesses, while the external environment determines opportunities and threats.

IFAS (Internal Strategic Factor Analysis Summary)

Rangkuti (2016) explains the process of analyzing a company's internal strategic factors using IFAS Summary. The stages include:

1. Identify the company's strengths and weaknesses
2. Give weight to these factors
3. Provide a rating based on the influence of factors on the company's condition
4. Multiply the weight by the rating to get the weighted score
5. Add up the weighting scores to get a company's total weighting score, which can be compared with similar companies.

EFAS (External Strategic Factor Analysis Summary)

Rangkuti (2016: 24) explains the steps in determining external strategy factors (EFAS) before creating an external strategy factor matrix. The steps include:

1. Develop 5-10 opportunities and threats.
2. Give each factor a weight from 1.0 (very important) to 0.0 (not important).
3. Give a rating ranging from 4 (outstanding) to 1 (poor) based on the impact on the company's condition.
4. Multiply the weight by the rating to get the weighted score.
5. Add up the weighting scores to see the company's reaction to internal strategic factors

Table 2. IFAS Matrix (Internal Strategic Factor Analysis Summary)

FactorsInternal Strategy	Weight	Ratings	Weighted Score(Weight x Rating)
<i>Strength (S)</i>			
1. Strength 1	Strength Weight 1	<i>Ratings</i> Strength 1	
2. Power 2	Strength Weight 2	<i>Ratings</i> Strength 1	
Number of S	A		B
<i>Weakness (W)</i>			
1. Weakness 1	Weakness Weight 1	<i>Ratings</i> Weakness 1	
2. Weakness 2	Weakness Weight 2	<i>Ratings</i> Weakness 1	
Number of W	C		D
Total	(A+C)=1		(B+D)

Source: Rangkuti, 2016.

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

External Strategy Factors	Weight	Ratings	Weighted Score(Weight x Rating)
<i>Opportunity (O)</i> 1. Opportunity 1 2. Opportunity 2	Opportunity Weight 1 Opportunity Weight 2	<i>Opportunity Rating 1</i> <i>Opportunity Rating 2</i>	
Number of O	A		B
<i>Threats (T)</i> 1. Threat 1 2. Threat 2	Threat Weight 1 Threat Weight 2	<i>Threat Rating 1</i> <i>Threat Rating 2</i>	
Number of T	C		D
Total	(A+C) = 1		(B+D)

(Source: Rangkuti, 2016)

SWOT analysis

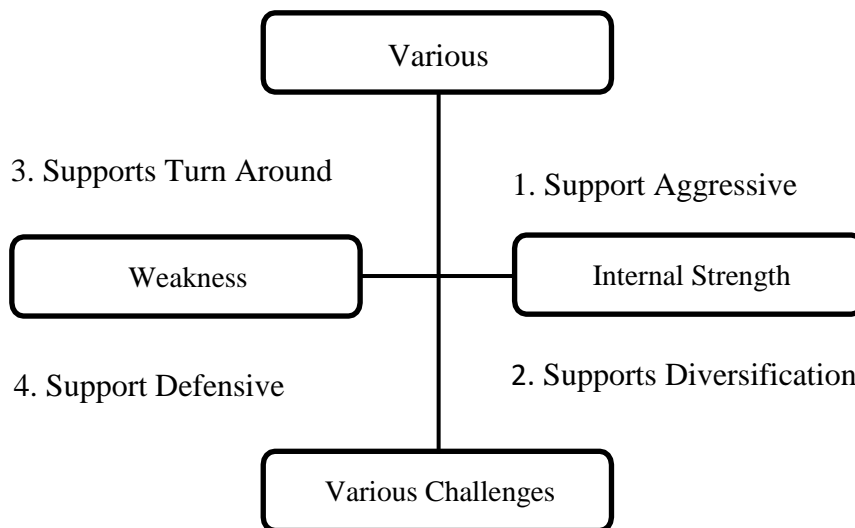


Figure 1. SWOT Analysis Diagram

(Source: Rangkuti, 2016)

Rangkuti (2016: 20) explains the interpretation of the SWOT analysis diagram:

1. Quadrant I: favorable situation, need for aggressive growth strategy.
2. Quadrant II: facing threats but having internal strength, diversification strategy.
3. Quadrant III: focus on minimizing internal weaknesses to take advantage of market opportunities.
4. Quadrant IV: unfavorable situations with internal threats and weaknesses.

Research Instrument

Internal Environmental Analysis

1. Strength (Strength)
 - a) Has a variety of quality products
 - b) The company is located in a densely populated and strategic location
 - c) Own office building and stock warehouse

- d) Competitive product prices
- e) Large transport fleet
- 2. Weaknesses
- f) The company nameplate is not installed
- g) There are no scheduled promotions
- h) Product damage/expiration time is faster compared to powdered milk and sweetened condensed milk
- i) The company's internal monitoring system is not optimal

External Environmental Analysis

1. Opportunity (Opportunity)

- a) Development progress in North Sulawesi is relatively advanced
- b) The rapid development of information technology makes promotion easier
- c) Good relationship with consumers
- d) Collaboration with new agents
- e) Loyalty programs or giving gifts to bind consumers

2. Threat (Treat)

- a) Tight price and quality competition by competitors
- b) Competitors who are aggressively promoting
- c) Changes in consumer tastes
- d) Termination of cooperation relations from the central company/factory

RESEARCH RESULTS AND DISCUSSION

Research result

**Table 4. SWOT Analysis of Sales of Ultra Boxed Milk Drinks
PT. The Eternal Gift of Kawanua Jaya**

	Strength (Strength)	Weakness (Weakness)
Internal factors	<ul style="list-style-type: none"> 1. Has a variety of quality products 2. The company is located in a densely populated and strategic location 3. Own office building and stock warehouse 4. Competitive product prices 5. Large transport fleet 	<ul style="list-style-type: none"> 1. The company nameplate is not installed 2. There are no scheduled promotions 3. Faster product deterioration time compared to powdered milk and sweetened condensed milk 4. The company's internal monitoring system is not optimal
	Opportunities	Threats (Treats)
External Factors	<ul style="list-style-type: none"> 1. Development progress in North Sulawesi is relatively advanced 2. The rapid development of information technology makes promotion easier 3. Good relationship with consumers 	<ul style="list-style-type: none"> 1. Tight price and quality competition by competitors 2. Competitors who are aggressively promoting 3. Changes in consumer tastes

	4. Collaboration with new agents 5. Loyalty programs or giving gifts to engage consumers	4. Termination of cooperation relations from the central company/factory
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Source: Processed Primary Data PT. Kurnia Abadi Kawanua Jaya, 2020

Table 5. Weight in Internal Strategy

No	Indicator	Weight
Strength (Strength)		
1	Has a variety of quality products	0.15
2	The company is located in a densely populated and strategic location, own office building and stock warehouse	0.10
3	Competitive product prices	0.10
4	Large transport fleet	0.10
Number of S		0.55
Weaknesses		
1	The company nameplate is not installed	0.10
2	There are no scheduled promotions	0.15
3	Faster product deterioration time compared to powdered milk and sweetened condensed milk	0.10
4	The company's internal monitoring system is not optimal	0.10
Number of W		0.45
Total		1.00

Source: Processed Primary Data PT. Kurnia Abadi Kawanua Jaya, 2020

Quadrant Positioning

After calculating the weights of the IAF and EFAS indicators, the next step is to formulate alternative strategies by determining the quadrant positions in the SWOT analysis diagram to identify the company's strategy. A company's strategic position can be Aggressive, Diversified, Turn-Around, or Defensive.

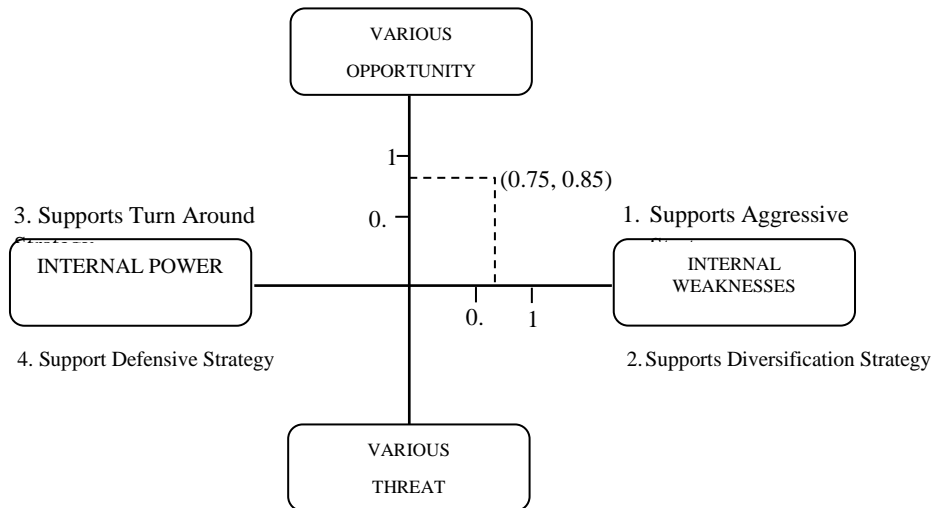


Figure 2. SWOT Analysis Diagram

(Source: Primary Data Processing PT. Kurnia Abadi Kawanua Jaya,

Based on figure 2. above, it can be seen the strategic position of PT. Kurnia Abadi Kawanua Jaya is in quadrant I, namely supporting the Aggressive strategy. This shows that PT. Kurnia Abadi Kawanua Jaya has internal strengths that can be utilized to seize existing opportunities so that it can increase sales of ultra boxed milk drinks and be able to compete in the business world. According to Rangkuti (2016), being in quadrant I is a very profitable situation for PT. Kurnia Abadi Kawanua Jaya has opportunities and strengths so it can take advantage of existing opportunities. The strategy that must be implemented in this condition is to support aggressive growth policies (Growth Oriented Strategy).

Discussion

Through analysis of the company's internal and external factors, it can be prepared using the SWOT matrix (Table 4.4). The results of the SWOT matrix produce six alternative strategies, namely:

1. SO Strategy

SO strategy is a strategy that maximizes power to take advantage of opportunities. SO strategy for PT. Kawanua Jaya's Eternal Gift can be formulated as follows:

1. Adding foreign and domestic marketing networks and improving the performance of the distribution network. This strategy can be done by looking for new agents abroad and domestically located in strategic locations. Good product quality and sophisticated technology are advantages that can be utilized to expand marketing by selling products abroad or adding new distribution networks.
2. Maintain product quality and service to consumers. This strategy can be carried out by providing quality guarantees to distributors or agents for the products distributed. So if a product is damaged during distribution, the damage to the product is borne by the company. Apart from that, the company can also optimize the company's customer service and provide more opportunities for consumers who want to visit to see production activities. If a product is damaged during distribution, the product damage will be borne by the company

2. ST Strategy

Implementation of competitive prices with competing products at every level of distribution channels. Competitive prices with similar products and substitutes can increase product sales and retain old consumers. This is because good product quality and the nutritional content of the product can be used as the main capital to compete with similar products and substitutes.

3. WO Strategy

WO strategy is a strategy that minimizes weaknesses to take advantage of opportunities. Results of PT WO strategy formulation. Kawanua Jaya's Eternal Gift can be formulated as follows:

1. Carry out more intensive and effective advertising and promotional activities. More intensive advertising and promotions in electronic media and print media will help companies to strengthen the brand image of their products. Apart from that, companies can also use their official website on the internet as a cheaper advertising alternative.
2. Conduct more effective and accurate product marketing research. This strategy can be carried out by utilizing company programs to introduce its products to consumers or utilizing the use of the internet as a forum for evaluating consumer desires. Apart from that, marketing research using research institutions needs to collect more accurate data.

3. WT Strategy

The WT strategy is a strategy to minimize weaknesses to overcome the WT strategy for PT. Kurnia Abagi Kawanua Jaya is divided into two alternatives: Increasing product and marketing efficiency. This strategy can be carried out by streamlining production costs by

making good use of raw material supplies. Apart from that, companies can also take advantage of the use of vehicles which can be more practical in terms of distributing their products

CONCLUSION

Based on the results of this research, it can be concluded that the results of the SWOT matrix analysis show alternative marketing strategies that can be used by companies, namely:

1. Increase the marketing network in the North Sulawesi region and improve the performance of the distribution network.
2. Maintaining the quality of ultra milk products and service to consumers.
3. Implementation of competitive prices at every level of distribution channels.
4. Carry out more intensive and effective advertising and promotional activities.
5. Conduct more effective and accurate product marketing research.
6. Increase production and marketing efficiency.

Suggestion

The company is expected to be able to:

1. Increase advertising and promotion of its ultra milk products in order to assist existing agents in distributing the Company's products
2. Opening new collaboration opportunities in distributing products with new distributor agents and adding marketing intermediaries such as retail stores.

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