

SWOT ANALYSIS IN IMPROVING MARKETING STRATEGIES IN CIRCLE K GUNAWANGSA SURABAYA

Asmie Poniwatie, Indah Noviandari, RM Bramastyo Kusumo, Dio July Pratama

Faculty of Economics and Business, Bhayangkara University Surabaya

E-mail:ennyistanti@ubhara.ac.id

Abstract: *This research is motivated by the development of a modern retail business which is increasingly spreading in various regions. The existence of increasingly fierce competition and increasingly sophisticated technological developments requires retail businesses to determine the strategy to be used. The main purpose of determining this strategy is so that modern retail businesses can see objectively the internal and external conditions of their business in an effort to compete with other modern retail businesses. This study aims to analyze how to determine the marketing strategy at Circle K Gunawangsa Surabaya. This research is a qualitative research with descriptive type. This research was conducted by collecting respondents using a questionnaire. This study uses SWOT analysis, the first step is to create IFAS and EFAS matrices by giving weights to find the total score of the IFAS and EFAS variables. The second step is to formulate the SO, WO, ST, and WT strategies. The results of this study indicate that Circle K Gunawangsa Surabaya is in Quadrant I with an aggressive strategy which means it shows an SO strategy where the company uses all strengths to seize and take advantage of opportunities as much as possible.*

Keywords: SWOT Analysis, Determining Marketing Strategy

1. Introduction

In the current era of globalization, retail business is increasingly in demand by the public, this can be seen by the presence of more and more traditional businesses changing their image into modern businesses as well as by the presence of new retail businesses. Economic development is generally carried out by developing countries with the aim of creating economic development that can be enjoyed by the community.(Istanti et al., 2021,497)Economic development is generally carried out by developing countries with the aim of creating economic development that can be enjoyed by the community.(Enny Istanti1, 2021,1)Human Resource Management in the era of globalization is often underestimated by some humans, even though Human Resources have a major impact on global competition. Indonesia is one of the developing countries and will not be separated from the wheels of international economic activity(Enny Istantia, Achmad Daengs GSb, Fadjar Budiantoc, Indah Noviandarid, 2020)

Marketing is the main activity carried out by the company in maintaining a business owned so that it continues to survive and can develop and earn a stable profit. The success or failure of the achievement of a business really depends on the expertise of an entrepreneur in marketing their products by paying attention to the quality or brand they have.(Istanti, 2021, 1089). Along with the changing and growing market conditions also require retail businessmen to change the old paradigm of traditional retail management towards a new and more modern

paradigm of management. There are many retail companies that compete to win the competition by taking advantage of available business opportunities and trying to implement effective marketing strategies so that later they can dominate market interest. This refers to the current trend of developing conditions, the prospect of the modern retail industry still promising significant growth.

Along with technological advances and the times, the development of modern retail business is currently mushrooming in almost all regions. The retail business is increasingly becoming increasingly crowded and has its own fans so that business competition shows increasing development, and it does not become an obstacle for retail authorities to increase the number of outlets in various regions, especially after the increase in several new supermarkets and minimarkets from various retail companies that make programs -specific programs. In today's modern era, of course, people have become more selective in choosing their needs, this is also supported by the increasing demand for the needs of the community itself which is increasing day by day. Today's modern retail business has undergone various kinds of changes, along with the many requests from its enthusiasts, so that modern retail companies are required to be more advanced and develop in order to compete with other retail businesses. Modern retail itself is a development of traditional retail. Modern retail businesses are run by individuals or groups of entrepreneurs.

To face competition within the company, it is necessary to do strategic planning so that a problem can be solved properly. And SWOT analysis is one of the strategies used to face the competition. SWOT stands for Strength, Weakness, Opportunity, and Threat. The SWOT analysis compares the external factors of opportunities (opportunities) and threats (threats) with internal factors of strengths (strengths) and weaknesses (weaknesses) (Rangkuti, 2016: 20). Basically, SWOT analysis can be used as an appropriate instrument in carrying out strategic planning. This accuracy is seen in the ability of the company's decision makers to maximize the role of strength factors and take advantage of opportunities which also acts as a tool to minimize the weaknesses that exist in the company and suppress threats that arise from outside. SWOT analysis can indirectly be used and assist companies in formulating corporate strategies. By understanding the various steps that can be obtained, then in its implementation SWOT analysis is more likely to be used as a tool to analyze initial identification to determine business development strategies in future operational aspects at Circle-K Gunawangsa Apartments.

Here, the researcher uses a SWOT analysis technique to find out how Circle-K Gunawangsa Apartment has its strengths and weaknesses as well as opportunities and threats to maintain and develop its store. SWOT analysis can indeed help companies to plan corporate strategies. Researchers also look at various aspects that support or make Circle-K able to survive until now. As is well known, the strength of Circle-K itself is like providing a service that operates 24 hours and provides a fairly complete range of products. As for the weakness (weakness) of Circle-K itself is less well known and not too many outlets. Opportunity from Circle-K is the availability of several more facilities such as TV so that visitors can enjoy their shopping which is not owned by many other minimarkets, Circle-K is also a gathering place for teenagers in the afternoon and evening. And the threat (threat) of Circle-K itself is the many competitors who are similar to the convenience. Circle-K is also known as modern minimarket or better known as modern retail which offers various facilities to support the convenience of its consumers. This is also a question for researchers regarding the prices offered at this Convenience Store. Given the complete range of products offered,

Based on the background that has been described, it is necessary to conduct research using SWOT analysis, which can provide information about the condition of the company and regulate the company's strategy in the future, this research has the title "SWOT ANALYSIS IN DETERMINING THE MARKETING STRATEGY IN THE CIRCLE K GUNAWANGSA SURABAYA"

2. Research Methodology

Research Approach

In this study, the approach used by the researcher is a qualitative approach method where the qualitative research method is a research method based on the philosophy of postpositivism, used to examine the condition of natural objects, (as opposed to experimentation) where the researcher is the key instrument, the data collection technique is done by triangulation (combined), data analysis is inductive/qualitative, and qualitative research results emphasize meaning rather than generalization(Sugiyono, 2019)

Research Limits

In this research, it is carried out with certain limitations so as not to deviate from the existing problems, these limitations include:

- a. The research was conducted in Circle K Gunawangsa Surabaya.
- b. The research was conducted based on the conditions of Circle K Gunawangsa Surabaya.
- c. This research is based on the marketing strategy at Circle K Gunawangsa Surabaya.
- d. The reliability discussed in this study is based on marketing at Circle K Gunawangsa Surabaya, and does not discuss cost issues.

Unit of Analysis

The research unit used in this research is the Circle K minimarket. According to Now, (2017), Unit of analysis is defined as the degree of unity of the data collected during the next stage of data analysis. Or the data collected as the next stage of analysis.

Data collection technique

According to Sugiyono, (2016) in terms of data collection methods or techniques, data collection techniques can be carried out by interviews (interviews), questionnaires (questionnaires), observations (observations), and a combination of activities.

Data analysis technique

Data analysis technique is a process in compiling the collected data so that the data can be concluded and used as information material that is easily understood by oneself and others. While the qualitative data analysis technique is inductive, namely the data obtained will be developed through a certain relationship pattern or become a hypothesis according to Miles and Huberman in Sugiyono (2017:133) suggesting that activities in qualitative data analysis are carried out interactively and take place continuously until complete, so that the data is already saturated, the activities are in the form of data reduction, data presentation and data verification.

3. Results and Discussion

3.1 Results

Interpretation of Circle K Gunawangsa Surabaya

From the analysis that has been achieved in the SWOT analysis, the position of Circle K Gunawangsa Surabaya is shown at the intersection and the diagonal line, namely between the AC line formed from point A and point C, with the BD line formed from point B and point D, the position of Circle K Gunawangsa Surabaya in The SWOT diagram is symbolized by a point that appears to be in quadrant I.

In a position like this, the right strategy used at Circle K Gunawangsa Surabaya is a strategy that supports aggressive growth (Growth Oriented Strategy). This strategy is used with the aim of achieving growth, either in sales, assets, profits, or a combination of the three. This can be achieved by taking steps and efforts, including:

- a. Add products to make it more diverse
- b. Increase the quality of the product or service
- c. Increase access to a wider market

But by looking at the position of Circle K Gunawangsa on the SWOT diagram, it turns out that the location of point x is also close to quadrant IV, where based on this position Circle K Gunawangsa Surabaya has a very strong competitive position, so that in this strategy the right strategy to apply Circle K Gunawangsa Surabaya is a strategy aggressive.

Where in this strategy, it is hoped that Circle K Gunawangsa Surabaya will try to take advantage of its strengths to increase the various threats to the products it sells, in order to strengthen and expand the company better so that threats and competitors can be avoided.

SWOT Matrix Analysis

SWOT analysis is not perfect, therefore the rankings obtained by each quadrant must be converted into the SWOT matrix formulation. In formulating the SWOT matrix there are 4 main strategies, namely:

1. SO Strategy (Strengths and Opportunities) in quadrant I
2. WO (Weakness and Opportunity) strategy in quadrant II
3. WT Strategy (Weakness and Threats) in Quadrant III
- 4 ST Strategy (Strengths and Threats) in quadrant IV

The results of the ranking and calculations above show that the 1st rank is in quadrant I, the 2nd rank is in quadrant IV, the 3rd rank is in quadrant II and the 4th rank is in quadrant III. Thus, when converted into a SWOT matrix, the most appropriate strategy to be applied to Circle K Gunawangsa Surabaya is obtained, namely the SO (Strengths and Opportunities) strategy. Where Circle K Gunawangsa must utilize its strengths optimally to seize available opportunities, taking into account any threats that are made possible by competitors. However, in implementing the strategy later, Circle K Surabaya should not ignore other strategies that must be considered as an alternative strategy, namely the WO strategy in the 3rd rank, ST strategy is ranked 2nd and WT is ranked 4th. In the translation of the strategy, it can be seen based on the SWOT Matrix Diagram of competitive advantage in table 1 and the SWOT Matrix Diagram of the improvement strategy in table 2 below, where the determination of the required alternative Strengths, Weaknesses, Opportunities, and Threats is seen from the scores on each variable.

Table 1
SWOT Matrix Diagram of competitive advantage

IFAS	KEKSTRENGTHS(S) <ul style="list-style-type: none"> - Provide facilities that di enjoy visitors when shopping - Diverse products - Various products - Friendliness of service in the marketing department 	CLAMPHANDS/WEAKN (W) <ul style="list-style-type: none"> - The competition is getting tougher - Timely distribution <ul style="list-style-type: none"> - The slow service process is due to the lack of a team (employees) in one shop - Ikand less
OPPORTUNITIES/OPPOR TUNITIES (O) <ul style="list-style-type: none"> - Access to service is getting younger The number of people who are of working productive daround point of sale - distribution usterm pendek - Increase pSwan pasar - Means of communication ymore sophisticated 	SO STRATEGY <ul style="list-style-type: none"> - Increase marketing in bnw business in progress - Improving mhave a good dno customer - Maintaining quality productk already mmeet Standard Indonesian National - Improve the product bvariation so that it 	WO STRATEGY <ul style="list-style-type: none"> - Improve facility services bfor consumers <ul style="list-style-type: none"> - Increase the achievement of sales targets in order to - Improved improvements in prmeans to keep connectgood dno customer - Increase the number of ywhat consumers are
THREATS/THREATS(T) <ul style="list-style-type: none"> - Entry of products from overseas - Bthe number of stock items that are not sold in total - High operating costs - Competitors' qualities - Competitive price 	ST STRATEGY <ul style="list-style-type: none"> - Maintain friendliness pservice in marketing - Improve quality standards oprational to face competitors' price competition 	WT STRATEGY <ul style="list-style-type: none"> - Reduce the number of yless desirable by consumers Repairsystemm - marketing so that there are not many stock items that are not sold

Source : researcher (2022)

SWOT Matrix Interpretation

The SWOT matrix is two mutually sustainable activities with a SWOT diagram, in the SWOT matrix there are 4 strategies divided into 4 quadrants, including the SO strategy (Strengths and Opportunities), WO strategy (Weaknesses and Opportunities), WT strategy (Weaknesses and Threats) and ST strategy (Strengths and Threats) where the strategy is based

on the questionnaire variables. Based on the appropriate SWOT Matrix to be applied to Circle K Gunawangsa Surabaya are:

a. SO Strategy (Strengths and Opportunity)

1. Increase marketing in the new business that is being undertaken
2. Improving services in the marketing department to establish good relationships with customers
3. Maintaining product quality that meets the Standard Indonesian National
4. Increase the variety of products so that they can expand their distribution channels

b. WO Strategy (Weeakness and Opportunity)

1. Improving service facilities for consumers
2. Increase the achievement of sales targets in order to expand distribution channels
3. Increase improvements in infrastructure to maintain good relations with customers
4. Increase the amount of stock of goods that consumers are interested in

c. ST Strategy (Strength and Threats)

1. Maintaining service friendliness in the marketing department
2. Improving operational quality standards to face competitors' price competition
3. Increase the products preferred by consumers

d. WT Strategy (Weakness and Threats)

1. Reducing the number of products that are less desirable by consumers
2. Improving the marketing system so that not a lot of stock items are not sold

Table 2

Improvement Strategy SWOT Matrix Diagram

KSTRENGTH/STRENGTHS (S) - Product marketing - Hgood relationship between consumers, intermediaries and suppliers	KWEAKNESSES (W) - Improving the quality of advertising in marketing products - KResearch in managing product identity - Determination of delivery time of
OPPORTUNITIES (O) - The economy is starting to grow steadily - Athere is legal clarity from the government - Sarana purchases via telephone from the	ANCAMAN/THREATS (T) - Bnumber of new products in competing companies - The instability of the rupiah against foreign currencies

Source : researcher (2022)

3.2 Discussion

SStrategy For Future Management

SThe strategy used for future management is seen from the SWOT Matrix Diagram of the Circle K Gunawangsa Surabaya improvement strategy in its business for the future, including:

1. Strengths

- a. Product marketing
- b. Good relationship between consumers, intermediaries and suppliers

- c. Improvements in product planning
- d. Improvements in pricing planning
- 2. Weaknesses
 - a. Improving the quality of advertising in marketing products
 - b. Accuracy in setting product identity
 - c. Goods delivery time
- 3. Opportunity
 - a. The economy is starting to grow steadily
 - b. There is legal clarity from the government
 - c. Means of purchasing via telephone from the customer
- 4. Threats
 - a. The number of new products in competing companies
 - b. The instability of the rupiah against foreign currencies
 - c. Foreign products that are starting to enter the country
 - d. Lots of stock items that are not fully sold

Internal-External Matrix Analysis

Internal-External matrix analysis is carried out by calculating the Internal-External scores that have been obtained, the purpose of this Internal-External matrix analysis is to obtain a more detailed business strategy at the corporate level. Data that has been obtained.

Table 3

PeInternal-External score score

Score Internal Factor	<i>Strengths</i> + Weaknesses	$3.02 + (-2.74) = 0.28$
Score External Factors	<i>Opportunities</i> + Threats	$3.56 + (-2.4) = 1.16$

Ssource : researcher (2022)

Internal-External Matrix Interpretation

This matrix is the total score of the sum for internal factors = 0.28 and 1.16 external factors. So from the point of interest in the Internal-External Matrix, it shows the company's position in the Internal-External Matrix, namely the Growth and Stability position in cell 5 concentration through horizontal integration for the GROWTH position or there is no change in the profit strategy for STABILITY position. For the strategy of concentration through horizontal integration can be reached by:

- 1. Improving the skills of the workforce so that they are ready to face new competitors
- 2. Creating a better and organized service
- 3. Provide and increase the types of products offered in accordance with the wishes of consumers
- 4. Provide competitive prices with other similar companies

4. Conclusion

Based on the background, problems, research objectives, theories, previous research and the results of data analysis, it can be concluded as follows:

- 1. SWOT Diagram By using the equation of the line calculation:

From the processing of the questionnaire, the results obtained that the company's position at point x is in quadrant I, where the company has enough power to take advantage of available

opportunities. By paying attention to the proximity of point x to quadrant IV, where the threat is enough to suppress the company in competition. Calculation results with the area of each quadrant.

Area in quadrant I:

Having ranked first in the area calculation, this quadrant is quadrant I so that the company is actually in a very advantageous position because the company has sufficient strength to take advantage of the available opportunities.

2. The steps that must be carried out by the company using SWOT Matrix

From the results of the calculation of the area of the SWOT Matrix for the first rank in quadrant I, the appropriate strategy to be applied is SO, namely the company optimizes strengths to take advantage of existing opportunities by taking into account all threats that are possible by competitors in the market.

SO Strategy steps are:

- a. Increase marketing in the new business that is being undertaken
- b. Improving services in the marketing department to establish good relationships with customers
- c. Maintaining product quality that meets Indonesian National Standards
- d. Increase the variety of products so that they can expand their distribution channels

3. Competitive strategy using Internal-External Matrix

This Internal-External matrix is the total score which is the point of intersection of the lines, so that the Internal-External matrix shows the company's position in the Internal-External matrix, namely the GROWTH and STABILITY position: . The competitive strategies using the Internal-External Matrix are:

- a. Improve the skills of the workforce to be ready to face new competitors
- b. Creating a better and organized service
- c. Provide and increase the types of products offered in accordance with the wishes of consumers
- d. Provide price competition with competing companies

Bibliography

- Achmad Daengs, GS, Istanti, E., Bramastyo Kusuma Negoro, RM, & Sanusi, R. (2020). The aftermath of management actions on competitive advantage through process attributes at food and beverage industries export import in Perak Harbor of Surabaya. *International Journal of Criminology and Sociology*, 9, 1418–1425. <https://doi.org/10.6000/1929-4409.2020.09.162>
- Daengs GS, A., Kurniasih, N., Reni, A., Istanti, E., Zuhroh, D., & Qomariah, N. (2019). The effect of business sphere on competitive advantage and business performance of SMEs. *Management Science Letters*, 9(8), 1153–1160. <https://doi.org/10.5267/j.msl.2019.4.025>
- Enny Istanti1), Bramastyo Kusumo2), IN (2020). IMPLEMENTATION OF PRICE, QUALITY OF SERVICE AND REPEAT PURCHASES IN THE SALES OF AFIFATHIN GAMIS PRODUCTS. *Economics* 45, 8(1), 1–10.

- Enny Istanti¹), Amaliyah²), Achmad Daengs, G. (2020). Work Productivity Through Compensation, Experiences, and Welfare Benefits PT Summit Otto Finance Surabaya. SYNERGY, 10(2), 27–36.
- Enny Istanti¹, BKN (2021). THE INFLUENCE OF BRANDS, PROMOTION AND ONLINE MARKETING ON THE LOYALTY OF AFIFATHIN GAMIS CONSUMERS IN SIDOARJO. Edunomika, 05(02), 1–10.
- Enny Istantia, Achmad Daengs GSb, Fadjar Budiantoc, Indah Noviandarid, RS (2020). The Influences of Motivation, Work Milieu, and Organizational Commitment on Teacher Performance in MTS Negeri 4 (Public Islamic School), Surabaya East Java. International Journal of Innovation, Creativity and Change, 13(2), 629–642. www.ijicc.net
- Istanti, E., Negoro, BK, & Gs, AD (2021). Working Capital on Profit (CV X Tours and Travels Case Study in Surabaya) 2013-2018 Period. 4(5), 800–807.
- Istanti, E., Negoro, BK, & GS, AD (2021). Analysis of Factors Affecting Income Distribution Inequality in Indonesia 2009-2013 Period. (International Journal of Entrepreneurship and Business Development, 4(02), 157–163.
- Istanti, E. (2021). EFFECT OF E-COMMERCE , PUBLIC RELATIONS AND CUSTOMER RELATIONSHIP MANAGEMENT ON PURCHASE DECISIONS (CASE STUDY OF OPPO BRAND SMARTPHONE USERS IN WTC SURABAYA). 2021(3), 1089–1098.
- Istanti, E., Kn, RMB, & Gs, AD (2021). Efforts to Empower MSMEs in Panci Village in Increasing Family Income (Study on MSMEs in Panci Village in Porong District, Sidoarjo Regency). 2021(2), 497–504.
- Sekaran, U. and RB (2017). Business Research Methods (6th ed.). Salemba Four.
- Sugiyono. (2016). Qualitative and Combination Quantitative Research Methods (Mixed. Methods). PT Alfabet.
- Sugiyono. (2019). Quantitative, Qualitative and R&D Research Methods. CV. Alfabet.

