

**STRATEGY TO INCREASE THE COMPETITIVENESS OF SPBU
54601114 COMPETITIVENESS / COMPETITIVENESS
(CASE STUDY OF SPBU SUMBER KURNIA MANDIRI IN BALAS
KLUMPRIK SURABAYA SOUTH)**

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Abstract: Gas stations have become an important tool for the community at this time, this is due to public demand for fuel oil (BBM) which continues to increase from year to year. The increasing needs of the community for fuel have made rapid growth in gas stations, giving rise to business competition. This study aims to describe the conditions of the competitive environment faced and the competitiveness strategy carried out by SPBU 54601114. The method used is descriptive qualitative research object at SPBU 54601114. Data were collected through interviews with collection techniques using triangulation. Data analysis used the SWOT analysis technique by identifying the IFAS and EFAS matrices. The results found that (1) Sumber Kurnia Mandiri gas station management has carried out business functions which include planning, organizing, actuating, and controlling; (2) The company has adequate capabilities and experience related to the gas station business, has regular customers who always use the company's services, and has cooperation with several business actors in various industries; (3) Based on the results of the SWOT Analysis the company needs to diversify its product sales items; (4) thus it can be conveyed that the business development strategy plan is more emphasized on the market development of the business diversification item.

Keywords: *SPBU, Increased Competitiveness, SWOT Analysis, IFAS Matrix, EFAS Matrix*

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1. Introduction

The transportation sector has a very strategic role in the national economy, its contribution is very supportive of the success of other economic sectors. Fuel is an essential requirement for vehicles. The life and death of the vehicle engine is very dependent on the availability of fuel owned by the vehicle, therefore the availability of fuel is an important point that is always a concern for people who own vehicles. For this reason, the presence of SPBU (public refueling station) is needed for motorists (Utomo et al., 2016).

SPBU is a place where vehicles refuel, such as diesel, premium, and so on. Refueling stations for the public (SPBU) are public infrastructure provided by distributors of fuel oil (BBM). Public Fuel Filling Stations (SPBU) have become an important facility for the community today, this is due to the public demand for fuel oil (BBM) which continues to

increase from year to year. The increasing demand for fuel is determined by several factors, one of which is population development. Population development affects the level of demand for motorized vehicles (Adiprasetya et al., 2014).

The trend of continuous growth of motorized vehicles every year has been going on for a long time until today. The growth in the number of motorized vehicles in Indonesia based on data on the number of motorized vehicles in Indonesia reached 114,209,260 units in 2014, in 2015 it reached 121,394,185 units, while in 2016 it reached 12,928,107 units. With details of 73.6 percent are motorcycles or 105,150,082 units. Passenger cars 14,580,666 units (18.37 percent), freight cars 7,063,433 units (2.84 percent), buses 2,486,898 units (5.19 percent). (Badan Pusat Statistik, 2017).

In East Java province alone, the growth trend of motorized vehicles reached 14,706,680 units. Consisting of 12,739,156 motorcycle units (86.62 percent), 1,314,134 passenger cars (8.94 percent), 586,721 freight cars (0.45 percent), 66,669 bus units (0.45 percent). In 2017, there were 2.66 km for every 1000 motorized vehicles in East Java in that year. This condition is much denser than in 2016 where there were 2.89 km of road length for every 1000 motorized vehicles.

The growth of the Fuel Service Station (SPBU) business in Surabaya City which is so mushrooming on the one hand provides consumer benefits because consumers easily get fuel oil services. But on the other hand, it has an impact on business competition. Andria and Sugiharto (2016) stated that competitiveness is the ability of a commodity to enter foreign markets and the ability to survive in these markets.

A company must have and maintain a competitive advantage for long-term success. When a company can do something that other companies cannot do or has something that its competitors want, it illustrates the existence of a competitive advantage (Akroush, 2012). Porter (2008) argues that to win the competition with competitors, management must be able to manage the company well. Sustained competitive advantage can be achieved by continuously adapting to trends, external events, and internal capabilities, competencies, and resources. In addition, the company must effectively formulate, implement, and evaluate strategies that take advantage of these factors.

The tight business competition requires PT.SKM to anticipate it through the formulation of business strategies that allow the company to continue to grow and develop in the future. This research will be conducted at PT. SKM is one of the official fuel distribution agents that manages gas stations. PT SKM has three gas stations with different locations, including Surabaya, Lumajang, and Jember. There is a difference in income between the three gas stations with different locations. The researcher's gas station located in Surabaya (Sumber Kurnia Mandiri) earns less income than the gas stations located in Lumajang and Jember. In fact, Surabaya has a high number of vehicles at 4.4 million units.

According to Vattikoti's research (2016) the importance of strategic planning in making managerial decisions and setting the goals needed to develop a strategic plan to achieve them. This is because the strategic planning process is about determining the direction required by the business. Competition is another important element that every business will have in their day-to-day prospects. To address such aspects of competition, business strategists need to understand the competitive environment and must also interpret the effect that competition can have on a business. Research found that strategists try to interpret various measurement techniques such as cross elasticity to understand the demand that exists among their own and competing products with this interpretation business strategists can determine the pulse of the

market in which they are applicable and these issues can be managed by devising necessary strategies that can minimize the losses that can occur with competition.

Mohsenzadeh and Ahmadian (2016) conducted research to study the mediating role of competitive strategy in influencing aspects of corporate competencies such as production capabilities, marketing and sales capabilities and information competencies, and export performance. The results of data analysis show that competitive strategy mediates the effect of production capabilities and export performance. However, competitive strategy does not mediate the effect of marketing competence and export performance. The results of structural equation modeling show that the research model has the right goodness-of-fit.

Previous research conducted by Soedjono and Indriyani (2016) showed the results that by using SWOT analysis, the right business strategy for PT Mahakam Mandiri Makmur is the focus with the best value. So that a combination of operational strategies based on quality-based focus can be used, consisting of vertical integration, large facilities, location based on resources, predicting demand, and mass customization. Therefore, based on the previous explanation, this research aims to describe the competitive environment conditions faced by SPBU 54601114 using SWOT analysis. In addition, it aims to describe the competitiveness strategy carried out at SPBU 54601114 using SWOT analysis.

2. Research Method

The type of research used is descriptive research which aims to find out facts or describe reality. Descriptive research is used to describe the stages of building a management strategy and describe the company's strengths and weaknesses through analyzing the company's internal and external factors. Therefore, the data that has been collected is then analyzed qualitatively and descriptively.

The data used is primary data obtained from informant interviews with parties who are considered to have knowledge about the topic of this research. The research also uses secondary data obtained from literature studies and previous studies related to this research. The subjects in this study consisted of key informants, namely 1 employee of SPBU 54601114, 3 shift heads of SPBU 54601114, and 1 owner of SPBU 54601114 as well as external sources from outside the company including books, journals, websites that can be used as supporting research.

The data collection technique used is Triangulation. Triangulation can be interpreted as a data collection technique that combines various data collection techniques and data sources that already exist. By collecting data using the triangulation method, the researcher collects data while testing the reliability (Sugiyono, 2016, p. 241). Data analysis is carried out using the SWOT technique. The SWOT results will be compared between external factors of opportunities and threats with internal factors of strengths and weaknesses. Internal factors are entered into a matrix called the internal strategic factor matrix or IFAS (Internal Factor Analysis Summary). External factors are entered into a matrix called the EFAS (External Factor Analysis Summary) external strategy factor matrix. This analysis will be realized in the form of EFAS and IFAS matrices.

3. Results and Discussion

The basic premise of SWOT is that an examination of critical internal and external realities should lead managers to select appropriate strategies to achieve organizational goals. SWOT analysis defines the main opportunities and threats that the company is likely to face during the plan time span (Boone & Kurtz, 2007, p. 390). The following is a SWOT analysis

mapping that has previously been carried out data exposure in the triangulation above, as follows:

Table 1. Hasil Analisis SWOT

Strength <ol style="list-style-type: none"> 1. 3S friendly service (Smile, Greet, Greet) 2. Standard price (according to Pertamina price) 3. The company is very experienced in managing gas stations 4. Almost never late supply 5. Agreed to maintain consistency in the volume of oil dispensed to customers 6. The company can customize services to customer needs 7. Bureaucracy in management tends to be simple 	Weakness <ol style="list-style-type: none"> 1. Narrow gas station land 2. No diversification of business units, so revenue is only from fuel sales 3. Does not yet have a standardized assessment of employee performance
Opportunity <ol style="list-style-type: none"> 1. Having loyal customers around villages and housing estates 2. Having loyal employees 3. Fuel Oil is a business unit that is always needed by many people 4. Wide open market opportunities 	Threat <ol style="list-style-type: none"> 1. The existence of Pertamina, which is feared to be a threat in the future 2. The existence of regulations related to the oil and gas sector that are facilitated by the government, so that in the future there will be more gas station entrepreneurs

The results of the SWOT matrix can provide recommendations for actions that can be taken by the company in order to use existing strengths to take opportunities and overcome threats and make improvements to the company's weaknesses. The matrix can be seen in Table 2.

Table 2. Hasil Matrik SWOT

	Opportunity <ol style="list-style-type: none"> 1. Regular customers who always use the company's services 2. Has several reliable fuel suppliers to 3. Wide open market opportunities 4. Have the capital and human resource strength to diversify products 4. 	Threat <ol style="list-style-type: none"> 1. The existence of competitors in the same industry field who have more complete facilities 2. Future government policies that simplify the process of creating new gas stations 3. The proliferation of mini gas stations
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Strength <ol style="list-style-type: none"> 1. Quality service at affordable prices 2. Being the only gas station operating in the region 3. The company has 20 years of experience as a gas station company 4. The company can customize services to customer needs 5. The bureaucracy in the company's management is simple and makes it easy for all lines of management 	Strategy SO <ol style="list-style-type: none"> 1. Strive to maintain service quality at affordable prices for customers (S1, O1). 2. Establish long-term cooperation with several suppliers to keep the distribution chain easy (S2, S4, O2) 3. Responsive to take policies that quickly face the uncertain business world situation (S2, S4, O1) 4. Taking quick policies to anticipate the situation and opportunities (S2, S4, O1) 	Strategy ST <ol style="list-style-type: none"> 1. Open cooperation with other companies to diversify products (S2, T1, T2) 2. Provide services that satisfy consumers (S1, S3, T1) 3. Cooperate with product suppliers who offer lower prices but quality (T1, T3) 4. Responding to customer complaints by providing a special number to receive complaints (S1, S3, T1) 4.
Weakness <ol style="list-style-type: none"> 1. Does not have a company website that is used to introduce new products to the market. 2. Does not have a special division that handles marketing 3. Does not have a representative office, only a warehouse and administrative office 4. Does not have a standardized employee assessment 	Strategy WO <ol style="list-style-type: none"> 1. Establish a marketing division and recruit human resources who have competence in the marketing field 2. Dare to expand to other markets 3. 	Strategy WT <ol style="list-style-type: none"> 1. Create a website for the company 2. Conduct offline and online marketing

After that, analyze the weight with the following results:

Table 3. Weight Analysis Result

<ol style="list-style-type: none"> 1. S (Strenght) + O (Opportunity) = 4.6 2. W (Weakness) + O (Opportunity) = 5.0 3. S (Strenght) +T (Threat) = 4.5
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The combination of strength and opportunity has the highest value so that the SWOT analysis is in quadrant II. To determine the position of the company's growth in the growth quadrant, calculations are made to determine the position of Sumber Kurnia Mandiri Gas Station in the SWOT quadrant as follows:

Table 4. SWOT Quadrant Calculation

<ol style="list-style-type: none"> 1. Strenght - Weakness = 2.4 – 2.8 = 0.4 2. Opportunity - Threat = 2.2 – 2.1 = 0.1

Based on the above calculations, the SWOT growth quadrant analysis for Sumber Kurnia Mandiri gas station is at the coordinates (0.1; 0.4):

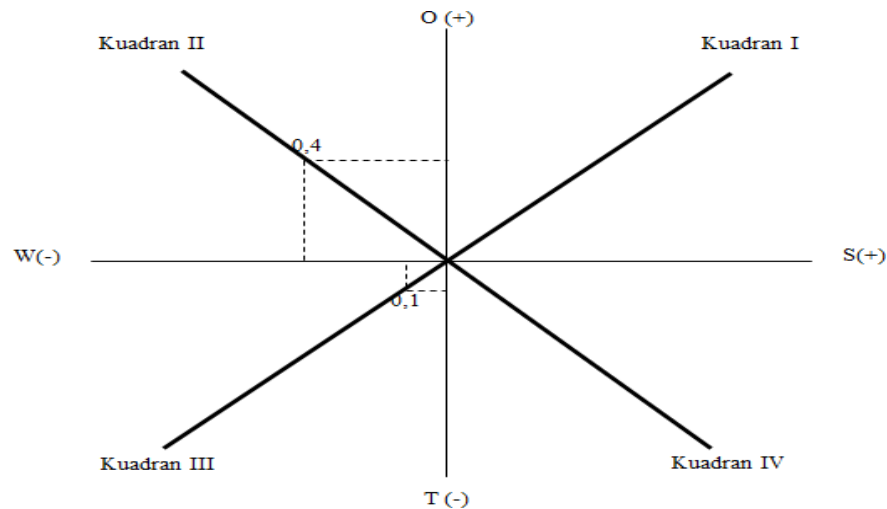


Figure 1. SWOT Growth Quadrant

The results of the SWOT analysis provide many alternative actions that can be taken by the company. The SWOT analysis results will be complemented by the Grand Strategy matrix as shown in Figure 4.3 to be able to determine the right strategy for Sumber Kurnia Mandiri Gas Station. The Grand Strategy matrix uses two indicators for strategy determination, namely rapid market growth and competitive position. Current market growth is classified in the fast category.

Based on the results of internal analysis, it can be seen that the company's competitive position is in a less strong condition. In general, every gas station in Indonesia must have facilities that ensure safety and environmental protection. For public facilities, musholla, toilet and parking are the minimum requirements. In its development, many gas stations are equipped with various facilities such as ATMs, mini markets, fast food restaurants, etc. to attract consumers.

The provision of these facilities certainly requires costs. Facilities that have been built also require operational and maintenance costs to function properly. Researchers argue that not all services and facilities provided have the same level of importance to consumers. Failing to provide services and not providing facilities that are important to consumers and conversely providing services and providing facilities that are less necessary for consumers will have an impact on the sustainability of the gas station. The problem is that in addition to providing services and providing facilities at a cost, generally the gas station does not know which services and facilities must exist, which are necessary, which are complementary so they do not have to exist.

Then the right strategy applied by Sumber Kurnia Mandiri Gas Station is the choice of strategy in quadrant II, where the chosen strategy is to diversify the business. Business diversification is expanding the market by developing new products that suit the market in order to have a competitive advantage. According to Hariadi (Hariadi, 2005, p. 37) business diversification is intended to obtain maximum profit by combining several investment portfolios, whether by producing various goods, establishing a number of business units, or establishing new subsidiaries or even buying an existing company. Based on this definition, it

is concluded that a company that diversifies its business is a company that has several business units or subsidiaries and business diversification is carried out to increase the added value of the company owner.

4. Conclusion

Based on the results of data analysis and discussion presented in the previous chapter, the following conclusions can be drawn on this research:

- 1) The management of Sumber Kurnia Mandiri Service Station has carried out business functions which include planning, organizing, actuating, and controlling. Planning is carried out such as recruiting company employees, determining marketing activities, making budget plans, and designing the flow of operational activities. Organizing is carried out such as the placement of employees according to their expertise, managing marketing activities in the company, coordinating with the finance department in budget matters, and coordinating between employees in the operational section. Actuating that is carried out such as giving rewards and punishments, determining marketing goals, having budget submission procedures, and directing employees to work optimally. Controlling is carried out such as employee performance appraisals, evaluation of marketing activities, control of company finances, and monitoring of company operations. Every internal aspect of the company which includes human resources, marketing activities, finance, and production/operational activities always carry out these business functions. In the management of marketing activities, the functions of planning, organizing, actuating, and controlling have not gone well, because the company does not have manager-level employees who specifically manage marketing activities.
- 2) Based on the analysis of the company's internal conditions, it can be seen that the company has sufficient capabilities and experience related to the gas station business, the company also has regular customers who always use the company's services and has cooperation with several business actors in various industries. However, the company also has weaknesses in its internal environment, including not having a separate marketing division, limited location and business land and is located on a class 2 road so that market reach is more limited.
- 3) SWOT analysis is conducted to match existing internal and external conditions for the right strategy to achieve organizational goals. Some of the recommendations given by SWOT analysis include diversifying product sales items.
- 4) The business development strategy plan emphasizes the market development of the diversified business.

The suggestion from this research is that the company should pay attention to the marketing aspect because so far there is no marketing department that focuses on carrying out marketing activities because so far marketing activities are under the operational department. If the business has developed and the company has the ability, the company should form a marketing department that is separate from other departments. In addition, the company should immediately realize the addition of product items and conduct promos to the surrounding community to make purchases because the price is affordable and cheap.

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