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## **SWOT Analysis on Bang Anwar Young Coconut Ice MSMEs**

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Abstract: The results of the study show a development strategy that can increase the competitiveness of Bang Anwar's Es Kelapa Muda MSMEs, which have been operating since 2006, with an average daily income of around IDR 300,000 and a monthly income of around IDR 1,000,000. This research focuses on internal and external factors of the company, and uses a qualitative descriptive approach to literature research. Fresh flavors, affordable prices, and simple production processes are strengths, according to the analysis. The limitations of raw materials and product variety are two drawbacks. High local demand provides opportunities, while modern competition and weak coconut prices pose a threat. Partnerships, increased production, product diversification, and digital marketing are some of the suggested strategies. As a result, SWOT analysis can be a strategic tool for small and medium-sized companies looking to change and grow sustainably.

**Keywords:** SWOT analysis, MSMEs

## INTRODUCTION

Micro, small, and medium enterprises (MSMEs) play an important role in the Indonesian economy, especially in driving the informal sector and creating jobs. Traditional beverage businesses, such as young coconut ice, are one form of MSMEs that have survived consistently. This product has a stable selling value and is still in demand by the public, especially in the tropics. Es Kelapa Muda Bang Anwar is one of the MSME companies that has been operating since 2006. The business is known for its fresh taste, affordable prices, and a location that is easily accessible to local consumers.

The two products sold by Bang Anwar's Es Kelapa Muda MSMEs are coconut ice in plastic wrap for IDR 6,000 and whole coconut for IDR 15,000. This business can generate around IDR 300,000 daily, with a total monthly income of around IDR 1,000,000. Despite the fact that these small and medium businesses (MSMEs) look simple, they have very promising economic potential if managed strategically. However, businesses have to face challenges due to changing consumer styles, new competitors, and limitations of innovation.

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As a result, to identify the strengths, weaknesses, opportunities, and threats faced, it is necessary to thoroughly assess the internal and external conditions of the venture. SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis is the approach used in this study. The goal is to find the factors that affect business performance and create a more competitive and flexible development strategy. This method is considered relevant because it can provide a comprehensive picture of the company's position in the face of competition and market dynamics.

It is hoped that this research will help business owners in determining their business policies and other parties such as MSME coaches and the government in creating empowerment programs. In addition, the analysis of these SWOT results can be a reference for business types to be able to survive in the midst of modernization challenges and make innovations that suit the desires and tastes of current customers.

#### **METHOD**

This study uses a qualitative descriptive methodology, which is also part of the literature study methodology. This method was chosen because the main purpose of the study is to analyze and understand the SWOT strategy of Kelapa Muda Bang Anwar MSMEs as a whole using the available secondary data. To gain a better understanding of the strategic position of companies in the beverage industry, the study concentrates on collecting, researching, and analyzing information from a variety of trustworthy sources.

## RESULTS AND DISCUSSION

Based on the background, objectives and methods, the results of this article are as follows:

## **Strategy Management**

Analysis of the internal and external environment, the establishment of vision and mission, the formulation of strategies, and the control of the implementation of strategies to deal with changing business dynamics are all part of the systematic process known as management strategy, which involves the formulation, implementation, and evaluation of decisions that enable the organization to achieve its long-term goals effectively and efficiently. According to Musnaeni, Abidin, and Purnamawati (2022) in the journal Cendekia: Jurnal Ilmu, management strategies are very important to improve organizational quality by planning and managing resources optimally to achieve goals.

## **SWOT Analysis**

Change can occur inside or outside the company, which can have a negative or good impact. However, the change has no impact on the company. beneficial to the business environment. Therefore, companies must conduct an analysis to know their survival. This analysis can identify factors that affect product offerings positively and negatively. In this case, it is very important to understand all the information about a product, find the problem, and then solve it.

In 1960–1970, Albert Humphrey made a SWOT analysis. SWOT comes from the words strengths, weaknesses, and opportunities (opportunities) and threats (threats). Freddy Rangkuti said that this SWOT analysis systematically identifies various elements to create a business strategy. Basically, this analysis can maximize strengths and weaknesses as well as minimize weaknesses and threats. Providing an explanation of the company's internal and external mission, goals, strategies, and policies is an important part of the company's strategic planning.

In this SWOT analysis, there are two environmental factors in the form of:

1. The external environment is the forces, conditions, circumstances, and events that relate to an organization or company and cannot control or influence a strategy. The

- external environment must be researched to anticipate the impact of the external environment on the company.
- 2. Internal environment is the forces, conditions, circumstances, and events that relate between organizations or companies that have the ability to control a strategy. This internal environmental study should be conducted to show the company's strengths and weaknesses.

**Table 1. SWOT Analysis** 

<b>V</b>					
	STRENGTH Fresh and delicious coconut ice taste	WEAKNESSES Raw materials are difficult to obtain			
OPPORTUNITY High demand especially in areas with hot climates	STRENGTH - OPPORTUNITY Setting up coconut ice stands in a strategic location with high demand	WEAKNESSES - OPPORTUNITY Adding flavor variants to attract consumers			
THREATS Competition from mobile traders who buy directly from farmers suppresses market prices	STRENGTH - THREATS Establish direct partnerships with farmers to overcome price competition.	WEAKNESSES - THREATS Sell products via pre-order to reduce the waste of raw materials.			

- 1. SO (*Strength Opportuinity*) *Strategy* A strategy that must be able to use strength while taking advantage of existing opportunities
- 2. WO (*Weaiknesses Opportuinity*) Strategy A strategy that must be demonstrated to reduce the weaknesses faced and at the same time take advantage of the opportunities that exist
- 3. ST Strategy ( *Strength Threaits*) A strategy that must be able to highlight strengths to overcome threats that may arise
- 4. WT Strategy (*Weaiknesses Threaits*) A strategy that aims to overcome obstacles and minimize the impact of existing threats

## **SWOT** matrix

To plan a business strategy, a SWOT matrix can be used. This matrix can clearly explain how companies capture external opportunities and threats according to their strengths and weaknesses. Analyze all current internal and external elements. It is intended to generate four categories of strategies, each with their unique features, as shown in Table 2, which consist of:

**Table 2. SWOT Matrix** 

	Strength	Debilitation
Internal factors	Coconut ice has a great taste     Coconut ice with white sugar has more interest than brown sugar     Coconut ice is easy to find and the manufacturing process is simple	<ol> <li>Manufactured goods tend to be harder to find</li> <li>The shelf life of young coconut ice is not long, it goes stale easily if not consumed immediately</li> <li>Competition with modern drinks that have more variants</li> <li>The lack of flavor variants has led to a decline in consumer interest</li> </ol>

	External Factors				
Chance		Strength Strategy – opportunities		Weakness-Opportunity Strategy	
1. 2. 3. 4.	High demand especially hot areas Raw materials are easy to get and cheap Huge profit potential Small capital and simple production process	<ol> <li>2.</li> <li>3.</li> </ol>	Opening coconut ice stands in strategic locations in hot areas to meet high demand (S1, S4, O1). Using local raw materials that are cheap and easy to obtain to keep production costs low (S3, S4, O2).  Provides a promotion of "natural flavored fresh coconut ice" to rival modern beverages (S1, S2, O3).  Market the market with small capital, such as a franchise business, because the production process is simple (S3, O4).	2.	Add flavor variants such as lemon, orange, or syrup to make it more appealing to consumers (W4, O3). Establish cooperation with coconut suppliers to ensure the availability of raw materials (W1, O2). Using simple technologies such as portable coolers to extend the freshness of coconut ice (W2, O4). Selling coconut ice in bottles or cups is practical to make it more attractive (W3, O3).
Threat				Weakness Strategy – threat	
<ol> <li>2.</li> <li>3.</li> <li>4.</li> </ol>	Coconut ice competitors who use cars to destroy market prices take directly from farmers Coconuts are difficult to find, causing the price of coconuts to be expensive Competition with more practical and varied drinks Erratic weather changes can affect the availability of young coconuts	<ol> <li>2.</li> <li>3.</li> <li>4.</li> </ol>	Establish a direct network with farmers to counter price competition from car sellers (S3, S4, T1).  Offers coconut ice as a healthy and natural alternative to modern drinks that contain chemicals (S1, T3).  Doing attractive packaging with the label "fresh traditional drinks" to improve the image of	<ol> <li>2.</li> <li>3.</li> </ol>	Sell products based on pre-orders or online delivery services to minimize the risk of wasting raw materials (W2, T3).  Provide a menu of mixed coconut ice or coconut jelly to be more varied and competitive (W4, T3).  Partnering with local farmers to ensure supplies remain available as the seasons change (W1, T2, T4).  Participate in product innovation or digital marketing training to face modern competition (W3, T1, T3).

Based on the analysis of all internal and external factors above, it produces 4 characteristics each, and alternative strategies, which are as follows:

- 1. Straitegi SO (Strength Opportuinity)
  - a. Meet consumer demand for natural fresh beverages by developing markets to areas with hot climates.
  - b. Increase production costs by using local raw materials that are easy to obtain and cheap.
  - c. Improve the image of the product by promoting the natural taste of coconut ice and its health benefits as a superior traditional drink.
  - d. Creating a franchise model, or business partnership, with low capital and a simple production process to expand the market.
- 2. WO (Weakness Opportunity) Strategy
  - a. Diversify products by adding new toppings or flavors to attract customers.
  - b. Improving supply chains through planned cooperation with distributors or farmers to ensure the availability of raw materials
  - c. Application of simple cooling technology to extend product durability and maintain freshness quality

- d. Practical, hygienic, and attractive packaging innovations that aim to increase competitiveness with contemporary beverage products.
- 3. Startegi ST (Strenght Threats)
  - a. Working directly with farmers to keep prices stable and raw material supply stable amid market changes
  - b. A natural advantage-based marketing strategy to promote healthy, preservative-free beverages instead of instant drinks.
  - c. Enhancing the identity of local products by advertising "fresh traditional drinks", differentiating them from contemporary competitors' products.
  - d. Season-based inventory management to know how weather changes will affect the supply of young coconuts
- 4. WT Strategy (Weakness Threats)
  - a. Started an online ordering system (pre-order and delivery) to save money and improve distribution.
  - b. Improve distribution and reduce costs by implementing a pre-order and delivery online ordering system.
  - c. Regular supply monitoring through regular communication with suppliers to ensure consistent availability of raw materials
  - d. Remind and strengthen human resources in terms of product innovation and digital marketing to compete with competitors in the beverage industry

## **CONCLUSION**

This article concludes in formulating hypotheses for further research based on objectives, results, and discussion, namely:

- 1. Bang Anwar Es Kelapa Muda MSMEs have promising economic potential thanks to their fresh taste, affordable prices, and simple production processes. However, they face problems due to a shortage of raw materials, a lack of product variety, and competition with modern drinks.
- 2. SWOT analysis becomes an effective strategy tool to find strengths, weaknesses, opportunities, and threats that affect business sustainability and build a flexible development strategy to adapt to market changes.
- 3. To increase the competitiveness of Bang Anwar's Es Kelapa Muda MSMEs, four main strategies were created through a SWOT analysis. The SO Strategy emphasizes market expansion and business partnerships, while the WO Strategy encourages product diversification and packaging innovation. ST strategy pressure promotion of natural excellence and cooperation with farmers. Meanwhile, WT's strategy includes digitalization and training to increase human resource capacity as well as a pre-order system.
- 4. SWOT-based strategies can increase the competitiveness and desire of small and medium enterprises (MSMEs). It can also serve as a model for other businesses in dealing with market dynamics and the modernization of the traditional beverage industry.

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