# **Analysis of Marketing Mix Strategy in Order to Increase Sales in MSMEs**

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#### **Abstract**

MSMEs are businesses that drive the national economy. Currently the government is focusing on developing these MSMEs to increase community economic activity. Marketing mix analysis linked to SWOT analysis is one strategy that can be used by business people to increase sales. This article aims to find out the marketing strategy carried out by "UMKM Kopi STMJ Bu Karno Jember" in increasing sales. The type of research is qualitative with a marketing mix strategy. Data collection methods are interviews, documentation and observation. The results of this research show that the strategic analysis carried out has been effective and the marketing mix strategy implemented to increase sales at "UMKM Kedai Kopi STMJ Bu Karno" is by adding facilities, promoting products, providing a variety according to the tastes of the people of Jember, and setting prices in accordance with community income.

## Keywords

MSMEs; STMJ coffee culinary; marketing strategy; marketing mix: SWOT



#### I. Introduction

In the increasingly rapid digitalization era, the business world is experiencing a significant transformation. Advances in information and communication technology, as well as globalization, have influenced the way business is conducted. This development cannot be separated from the activities carried out by business people which continue to develop and create the needs and desires of consumers. Marketing is a very important aspect in the business world and is not just about selling products or services, but also includes the process of identifying, creating and communicating the value offered by entrepreneurs to customers (P. & G. A. Kotler 2016). Marketing involves efforts to maintain satisfying relationships with customers, with the aim of maximizing company profits (Qomariah 2016). According to Tjiptono (2011), marketing objectives include several things, namely maximizing profits, maximizing market share, maximizing sales, increasing customer satisfaction, providing value, maintaining price stability.

According to Buchari (2012), marketing management is a series of activities that include analysis, planning, implementation and control of programs designed to form, build and maintain profits through exchange with target markets, with the aim of achieving the company's long-term goals. Marketing strategy includes the marketing mix, which is a set of marketing tools used by a company to achieve marketing goals in its target market. The marketing mix strategy includes elements such as product, price, promotion and distribution (place or location) can also be used as a strategy for business people to know what to do to face increasing competition in the business they are running. Factors that need to be considered in products are meeting consumer needs and desires, product differentiation, creating added value, building brand image, pricing and profits. Price is one of the important elements in the marketing mix used by companies to achieve marketing

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goals in their target markets (Lupiyoadi 2013). Price is the amount charged for a product or service to consumers. Apart from that, price has a significant role in the business world and influences consumer purchasing decisions. In the context of increasingly competitive competition, setting the right price is the key for companies to win the competition and obtain maximum profits. Several factors that need to be considered in setting prices are production costs, market demand, competition, company goals, consumer value perceptions. Promotion is also something that needs attention from business people. Promotion is an effort to make the product offered known to the public (Arianty 2016). The location factor is also very crucial in terms of the success of a business. Place is the location where the business or business is carried out (Hurriyati 2015). This marketing mix strategy can be used by business actors so that the products or services offered can be accepted by the public so that they can provide satisfaction to consumers or customers.

Research conducted by Karim, et al. (2014) stated that the Management of PT. Manado Sejati Perkasa Group should pay attention to promotional strategies and locations to increase sales volume and evaluate product and price strategies that do not contribute to increasing sales volume so that the overall marketing strategy can provide an optimal contribution.

Research by Poluan, et al. (2019) states that the strategy implemented by ALVERO has worked well, where the four variables of the marketing mix strategy support and complement each other, and have different roles in marketing its products. It is best for ALVERO Health Drink SME owners to properly maintain the marketing mix that has been implemented. The strategy used by the company is good, but it would be better if the company continued to improve its strategies seeing that currently many other competitors are releasing health drink products.

Research conducted by Jazilinni'am (2022) states that the implementation of a marketing mix strategy from a sharia economic perspective in Hasma Jaya Lestari MSMEs located in Kranji Village, Paciran District, Lamongan Regency has implemented a 4P marketing strategy based on a sharia economic perspective. It would be good if the research was carried out by looking for the influence of marketing mix strategies from an Islamic economic perspective on the level of sales turnover.

Research conducted by Sinaga et al. (2022), the result is the use of digital financial reports which is very helpful for PT. Kreasi Lutvi Sejahtera records every sale, purchase and expense, as well as the formation of a wider market network through promotional activities carried out directly or through digital marketing, as well as MSME players gaining increased ability to carry out promotions and understanding product presentation strategies (product displays).

The service carried out by Asarin et al. (2023) showed that the results obtained from this PkM were that participants were able to understand the importance of digitalization in implementing the marketing mix, namely product, price, distribution channels and promotions. During the training, participants who already have businesses can create advertisements on social media well. Participants believed that digitalization would expand consumer reach, reduce operational costs and be more efficient (easier and cheaper). Participants stated that the training provided was very useful and in line with what was expected. The upcoming PkM activities will be a continuation of previous activities so that there is continuity between teams so that it becomes a complete activity. The output that has been produced is Intellectual Property Rights in the form of Copyright.

STMJ Bu Karno Jember Coffee Shop is a food and beverage business that is a necessity for the community. UMKM Kopi STMJ Bu Karno Jember has been carrying out

business activities providing food and soft drinks for the community for a long time, namely from 2000 until now 2024. UMKM Kopi STMJ Bu Karno Jember has 4 employees. In the beginning, Mrs. Karno's STMJ Coffee UMKM was only able to sell 50 to 100 portions every day, but because of the sincerity and perseverance of the owner, Mrs. Sukarno, the STMJ Coffee Shop UMKM was finally able to sell 150 portions per day. Bu Karno's STMJ Coffee Shop is located at Jln. PB. Sudirman in front of the Jember Railway Station office. The location is also close to military and government offices so that during breaks it is always busy with consumers. This strategic location is because it is close to the main highway Jember Bondowoso. Then in terms of the marketing strategy used by the STMJ Coffee Shop, it depends on how the employees selling it work. The following is data on the sales results of Bu Karno's STMJ Coffee Shop for 2023-2024, presented in Table 1.

**Table 1.** Total Sales Data for 2022-2023

Month	Year	Total Sales
January	2023	IDR 2.150.000
February	2023	IDR 3.100.000
March	2023	IDR 3.000.000
April	2023	IDR 2.450.000
Meay	2023	IDR 2.500.000
June	2023	IDR 2.600.000
July	2023	IDR 3.500.000
August	2023	IDR 2.500.000
September	2023	IDR 2.700.000
October	2023	IDR 3.000.000
November	2023	IDR 3.400.000
December	2023	IDR 3.600.000
January	2024	IDR 4.700.000

Based on the data in Table 1, where sales results are still fluctuating and also the results of previous research which states that the importance of marketing mix for business continuity and also on the basis of theory about marketing mix, it is important to carry out this research and also this research aims to find out marketing strategies and SWOT analysis for MSMEs to increase business sales.

## **II. Review of Literature**

## 2.1 Marketing Mix

The marketing mix is one of the elements in an integrated marketing strategy. Marketing mix is a marketing mix strategy which is a strategy carried out by a company, which is related to determining how the company presents market product offerings to certain segments, which are its target market. The marketing mix is a series of integrated tactical marketing tools that can be controlled (product, price, place, promotion and people) to determine the target market response desired by the company (Kotler 2019).

## 2.2 Products Offered

A product is anything that a producer can offer for attention, search, purchase, use or consumption by the market to fulfill the needs or desires of the relevant market. Products can be tangible or intangible that can satisfy customers. Conceptually, a product is a

producer's subjective understanding of something that can be offered as an effort to achieve the organization's market purchasing goals (Kotler 2019).

#### 2.3 Product Price

Price is the only marketing mix element that produces sales revenue, while the other elements are only cost elements. Prices can be expressed in various terms, for example contributions, rates, rent, interest, premiums, commissions, wages, honorarium, spp and so on (Tjiptono 2011).

## 2.4 Company Location

Location can be interpreted as marketing activities that try to expedite and facilitate the delivery of goods and services from producers to consumers, so that their use is in accordance with what is needed (type, quantity, price, place and when needed)(Qomariah 2016).

## 2.5 Promotion of Products or Services

Promotion is a communication function of the company which is responsible for informing and persuading/inviting buyers. Promotion is one of the determining factors for the success of a marketing program. Promotion is a special method of personal advertising, sales promotion and public relations that companies use for advertising and marketing purposes (Lupiyoadi 2013).

#### 2.6 Consumer behavior

Consumer behavior is a dynamic interaction between the influence of behavioral conditions and events around us where humans carry out exchange aspects in their lives. Consumer behavior is an analytical process that observes how consumers search for, select, obtain, use, and evaluate products or services to meet their needs. The results obtained are useful for analyzing the decision-making process carried out by consumers before making a purchase (P. Kotler 2019).

## 2.7 Marketing strategy

In the Big Indonesian Dictionary (KBBI) it is stated that the term strategy is a science of using resources to implement certain policies. In other words, strategy is a plan carried out to achieve the company's mission. The definition of marketing strategy is measurable action aimed at making the company's products known to the wider community. Marketing strategy is a set of business steps that have been combined at the product presentation level to attract consumers to buy a product (Tjiptono 2011).

## 2.8 SWOT analysis

According to Rangkuti (2016), SWOT analysis is a strategic planning method used to evaluate strengths, weaknesses, opportunities and threats that occur in a project or in a business venture, or evaluate one's own product lines or those of competitors.

#### III. Result and Discussion

## 3.1 A Brief History of the UMKM Coffee Shop STMJ Bu Karno Jember

UMKM Bu Karno's STMJ Coffee Shop is an UMKM located in Jember. The STMJ BuKarno Jember Coffee Shop MSME has been established since 2000 in the city of Jember. At first Mr. Sukarno only served internal soldiers from Kodim 0824 Jember by providing coffee and tea as well as hot STMJ ginger honey egg milk. However, with so many soldiers asking for food, it developed into a shop or shop which then sold food with various menus. As time goes by, employees and local residents also buy food at the MSME Coffee Shop STMJ Bu Karno Jember. After Mr. Sukarno died, his wife continued and this shop was named UMKM Kedai Kopi STMJ Bu Karno, which used the last name of the first founder. Every MSME business must have its own strategy and mission to achieve its business goals. Mission is the main goal and activity that gives an organization its distinctive identity and differentiates it from other organizations involved in a similar field of activity. The mission of the STMJ Coffee Shop is "drinking coffee with egg milk plus honey and ginger will make you enthusiastic".

## 3.2 Results of the STMJ Coffee Shop MSME Marketing Strategy, Mrs. Karno

In terms of quality, the MSME Coffee Shop STMJ Bu Karno Jember really maintains its appearance in terms of quality. Every dish always pays attention to product cleanliness. The coffee raw materials used by the STMJ Bu Karno Coffee Shop MSMEs are purchased directly from farmers in the Rembangan area. The cow's milk used also comes from pure milk which is always available from Rembangan farms because the shop owner lives in the Arjasa area which is relatively close to Rembangan coffee plantations and dairy farms. The food menu provides various dishes ranging from free-range chicken, spicy curry, tewel vegetables in coconut milk, free-range chicken and chicken vegetables as well as a rawon menu with chili sauce which makes the taste even more delicious, spicy, savory and delicious. The prices set are also relatively not too expensive and can be reached by all levels of society. The products sold come from ingredients that make the entire menu always new because purchases are made directly at Tanjung Market and sometimes there are farmers who sell directly to the STMJ Bu Karno Coffee Shop UMKM. In the case of making chili sauce, what is done is that there must be shrimp paste to add sensation to the food served and use good, non-rotten cayenne pepper. This is because if you use rotten cayenne pepper it will affect the taste quality. Thus, in terms of STMJ Bu Karno Coffee Shop MSME products, we really pay attention to the quality of the raw materials, to the taste, because the taste is very important when it comes to cooking. So in terms of equipment and selling places, they must be very clean because cleanliness will be pleasant to look at and thus attract buyers to buy it. For promotional activities for the Bu Karno Jember Coffee Shop UMKM, they still use word of mouth strategies conveyed by customers who have already enjoyed the Bu Karno Coffee Shop UMKM offerings.

## **3.2** SWOT Analysis of the Marketing Strategy of Bu Karno's STMJ Coffee Shop Strength Factor

- 1. Has a distinctive spicy taste that differentiates STMJ Coffee Shop MSMEs from other selling houses
- 2. Prioritize product quality
- 3. Fast service
- 4. Has menu levels with varying levels of spiciness

## Weakness Factors

- 1. Not long lasting
- 2. Not a 24 hour shop with a very strategic location
- 3. Management still uses traditional methods
- 4. Haven't done any promotions yet

## **Opportunity Factor**

- 1. Jember people love culinary delights
- 2. Easy access in terms of transportation.

#### Threat Factors

- 1. There are many shops with modern concepts that are developing rapidly in the city of Jember
- 2. Prices of goods are increasingly expensive

## 3.3 Discussion

The SWOT matrix is used to classify internal and external factors to make it easier to determine research results. This matrix can describe how the external opportunities and threats that STMJ Bu Karno Coffee Shop MSMEs face can be in accordance with their strengths and weaknesses. This matrix can produce possible strategic alternatives, namely as follows:

## a. SO Strategy (Strength-Opportunities)

This strategy is created based on the business owner's way of thinking, namely by utilizing all strengths to take advantage of opportunities. Maintaining the taste of the STMJ Bu Karno Coffee Shop to capture opportunities for people who like spicy culinary delights. ST Strategy (Strength-Threats)

Strategy with the strengths of Bu Karno's STMJ Coffee Shop to overcome threats. Maintaining product quality so that the taste does not change from its unique characteristics

## **b.** WO Strategy (Weakness- Opportunities)

This strategy is implemented based on utilizing existing opportunities, by minimizing existing weaknesses: With easy access to transportation, it makes it easier for STMJ Bu Karno Coffee Shop MSMEs to market their products.

## c. WT Strategy (Weakness-Threats)

This strategy is based on defensive activities and is aimed at minimizing existing weaknesses and avoiding threats. Updating existing management. Actively carrying out marketing, it is necessary to add new marketing strategies so that consumers are interested in STMJ Bu Karno Coffee Shop MSMEs.

## IV. Conclusion

The conclusions in this descriptive research are:

- 1. STMJ Bu Karno Coffee Shop was founded in 2000 with the mission "drinking coffee with egg milk plus honey and ginger will make you enthusiastic". The aim is to create jobs and provide simple, tasty and affordable food and drinks for the lower middle class.
- 2. The raw materials used are pure coffee, fresh milk, and food ingredients purchased

- directly from farmers or at the Tanjun market, such as free-range chicken, fried chicken, garlic, spring onions, granulated sugar, salt, pepper, cayenne pepper, oil. fried food, flavorings, and other ingredients such as LPG gas. The equipment used includes steamers, torn and mashed, pans, basins, stoves, frying pans and spatulas, skewers, and LPG gas.
- 3. The marketing strategy for STMJ Bu Karno Coffee Shop focuses on product quality, cleanliness and adjustable spiciness. Tofu has a distinctive aroma and spicy taste, with a chewy texture that complements other foods.
- 4. SWOT analysis of the marketing strategy of STMJ Bu Karno Coffee Shop reveals its advantages in the form of a distinctive spicy taste, prioritization of product quality, fast service, and menu levels with varying spiciness. Disadvantages include a short shelf life and hardening when cold. Opportunities include the Jember people's love of culinary delights and easy access in terms of transportation. The threats include competition from shops with modern concepts.
- 5. Alternative strategies based on SWOT analysis include SO (Strength-Opportunities) Strategy, ST (Strength-Threats) Strategy, WO (Weakness-Opportunities) Strategy, and WT (Weakness-Threats) Strategy. This strategy aims to maintain the taste and quality of STMJ Bu Karno Coffee Shop, innovate products, take advantage of existing opportunities, minimize weaknesses and avoid threats.

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