

SWOT Analysis of Soy Milk Marketing Management in The Sunggal of Deli Serdang

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Abstract

Soy milk is a beverage product made from soybeans with the aim of increasing protein consumption. Soy milk has been widely known as an alternative milk to replace cow's milk for people who are allergic and do not like cow's milk or for those who cannot afford the relatively expensive price of cow's milk. The process of processing soybeans into good soy milk can create added value and also the utility value of the product so that it can increase the development of the current soy milk business. The partner in this activity is the soy milk business. In this home industry, the marketing management carried out is limited to products entrusted by street vendors, stalls and shops located near the production site. The lack of marketing management certainly causes the marketing area of the product to be less extensive. Therefore, a broader marketing management is needed.

Keywords: Marketing Management, Soy Milk, Home Business

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Introduction

Soy milk has been widely known as an alternative milk to replace cow's milk for people who are allergic and do not like cow's milk or for those who cannot afford the relatively expensive soybeans of cow's milk. The process of processing soybeans into good soy milk can create added value and also the utility value of the product so that it can increase the development of the current soy milk business.

Marketing is an integrated activity to develop strategic plans that are directed at efforts to satisfy the needs and desires of buyers or consumers, in order to obtain marketing strategies that generate profits or benefits (Irwanto, et al., 2018: 93). Marketing as an effort to provide and deliver the right goods and services to the right people, at the right place and time, with the right promotion and communication. This marketing concept is very important for industry players in marketing their products so that maximum profits can be obtained with the sales targets that have been set. In marketing, the right strategy is needed so that it can reduce the level of loss in a company. To overcome this, the marketing strategy that has been determined and implemented by a company must be re-evaluated whether it is in accordance with current market conditions or circumstances. The assessment or evaluation carried out uses an analysis of strengths, weaknesses, opportunities and threats or a SWOT analysis. The results of the assessment are used as a basis for determining whether the strategy being implemented needs to be changed, as well as being used as a basis for compiling or determining the strategy that will be implemented in the future. Formulating a good marketing strategy will make a business able to compete with other businesses, especially those that produce similar products. The success of the marketing strategy carried out depends on the company's ability to identify internal and external factors. Thus, the company can survive and thrive in the industry. A good marketing strategy also needs to be applied to an agricultural processing industry, so that this business is able to win the competition and dominate the market area (Sari, 2014: 3).

Indonesia is a potential agricultural country, because it has sufficient natural resources that provide space to utilize the potential of agriculture. Current agricultural development cannot be separated from the development of agribusiness and agroindustry that are growing in our environment. Agricultural commodities used as raw materials in agribusiness and agroindustry include soybeans.

Soybeans are the third most important food crop after rice and corn in Indonesia. This agricultural commodity has various uses and benefits for health because it has a fairly high nutritional value, one of which is milk products. The nutritional content of soy milk per 100g consists of: 6.28g carbohydrates; 3.27g protein; 1.75g fat; 0.6g fiber, contains minerals such as calcium, iron, magnesium, and vitamins such as vitamins A, B1-12 (Cahyadi, 2012:13). The protein content of soy milk is equivalent to cow's milk at 3.33g/100g of ingredients, therefore soy milk is suitable for use as a vegetable protein intake. However, currently many new innovations are being developed for processed soybean products into milk, ranging from powdered milk to liquid milk. Soy milk can be used as an alternative to cow's milk, which is currently the choice of consumption

Research Methods

Data Analysis Methods

The data analysis technique used in answering the first problem formulation is by using a descriptive method. To find out the amount of income from the tempeh making business before and after the increase in soybean prices can be calculated using the formula:

Where:

$$TR = Q \times P$$

Where :

TR = Total income from soybeans business (Rp)

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Q = Total products sold of soybeans (kg).

P = Price of soybeans products (Rp).

To analyze the formulation of the second problem is to use the SWOT Matrix. The tool used to compile the company's strategic factors is the SWOT matrix.

This matrix clearly illustrates how the internal opportunities and threats faced can be adjusted to the internal strengths and weaknesses possessed. This matrix can produce four cells of possible strategic alternatives, as follows:

Figure 1. SWOT Matrix

EFE	EFI	STRENGTH (S) (Tentukan faktor kekuatan internal)	WEAKNESSES (Tentukan faktor kelemahan internal)
OPPORTUNITIES (O) (Tentukan faktor peluang eksternal)		Strategi SO Daftar kekuatan untuk meraih keuntungan dari peluang yang ada	Strategi WO Daftar untuk memperkecil kelemahan dengan memanfaatkan keuntungan dari peluang yang ada
THREATS (T) (Tentukan faktor ancaman eksternal)		Strategi ST Daftar kekuatan untuk menghindari ancaman	Strategi WT Daftar untuk memperkecil kelemahan dan menghindari ancaman

Sumber : Rangkuti,2008

Results and Discussion

Research result

IFE MATRIX

Based on the results of the questionnaire and interviews, the strengths and weaknesses of the internal environmental conditions of the soy milk business have been obtained. The following are the conditions of internal factors in the marketing of soy milk.

Table 1. Results of the Internal Factor Strength Questionnaire.

No	Strength	Criteria
1	Price	Prices are cheaper than competitors
2	Marketing location	Strategic marketing location
3	Production process	The manufacturing process is still natural
4	Service	Good service to customers
5	Place of business	Business premises are not rented
6	Raw material	Raw materials are always available

Table 2. Results of the Internal Factor Weaknesses questionnaire.

No	Weakness	Criteria
1	Flavor variants	Limited flavor variants
2	Product marketing	Marketing of soy milk is not yet intensive
3	Production equipment	Limited production equipment
4	Product quality	The quality of soy milk is still low
5	Promotion	Sales promotion is still low
6	Job training	Lack of job training

From the results of interviews and questionnaires, internal factors have been obtained which will be a measuring tool to be used as a weighting, after that weighting and determining the rating through SWOT analysis. So that the IFE (Internal Factor Evaluation) matrix is formed and produces a value calculation like the table below:

Table 3. IFE Matrix Strength Factors

No	Internal Factors	Weight	Rating	Score (B × R)
	Strength			
1	Strategic marketing location	0.096	3.6	0.35
2	Naturally made	0.096	3.2	0.31
3	Good service to customers	0.096	3.4	0.33
4	Business premises are not rented	0.087	2.8	0.24
5	Prices are cheaper than competitors	0.087	3.2	0.28
6	Raw materials are always available	0.079	3.4	0.27
	Weakness			
1	Limited flavor variants	0.079	1.8	0.14
2	Marketing is not yet intensive	0.074	1.6	0.12
3	Limited production equipment	0.066	3	0.20
4	The quality of soy milk is still low	0.087	1	0.09
5	There is no promotion yet	0.083	2.4	0.20
6	Lack of job training	0.070	1.6	0.11
	Amount	1.00		2.63

The soy milk business in Sunggal has six strengths that can be utilized (Table 3). The biggest strength factor is a strategic marketing location with a score of (0.35), a strategic

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marketing location is the most determining factor in the smoothness of a product's sales and the smoothness of a business. The strength factor is followed by good service to customers with a score of (0.33), this will affect customer purchasing power. Then natural production with a score of (0.31), the natural production process is the most important thing for the health and long term of soy milk consumers.

The soy milk business also has a weakness factor, namely the quality of soy milk is still very low with (0.09), the low soy milk is a major problem that must be fixed because it concerns customer satisfaction and the long term of the soy milk business. Another weakness in the soy milk business is the lack of job training (0.11), job training is very important for a business or enterprise because it concerns a better production process and innovation of a product itself. The last is marketing is not yet intensive with a score of (0.12), one of the difficulties in developing the soy milk business is the marketing of soy milk that is not yet intensive.

The total score of IFE (Internal Factor Evaluation) in the soy milk business of 2.63 illustrates that the company's internal position is above the average value of 2.50. Therefore, soy milk entrepreneurs must utilize their strengths to overcome their main weaknesses so that the company can continue to grow.

EFE MATRIX

Based on the results of the questionnaire and interviews, factors that are opportunities and factors that are threats to the external environmental conditions of the soy milk business have been obtained. The following are the conditions of external factors in the soy milk business:

Table 4. Results of the External Factor Opportunity Questionnaire.

No	Opportunity	Criteria
1	Potentialmarket expansion	The heightmarket demand
2	Regular consumers	Have many regular customers
3	Technological development	The emergence of more sophisticated machines
4	Government	Assistance from the government
5	Improvementpurchasing power	Increasing people's purchasing power

Table 5. Results of the External Factor Threat Questionnaire

No	Threat	Criteria
1	Competitors	The emergence of new competitors with the same product
2	Change of weather	Weather changes may affect soy milk sales
3	Price of raw materials	Raw material prices are not fixed
4	Bargaining power	Buyer bargaining power

5	Natural disasters	Natural disasters can affect the business and sales of soy milk.
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The results of the questionnaire and interviews have obtained external factors that will be used as a measuring tool for weighting, after that weighting and determining the rating through SWOT analysis. So that the EFE (External Factor Evaluation) matrix is formed and produces a value calculation like the table below.

Table 6. EFE (External Factor Evaluation) Matrix

No	External factors	Weight	Rating	Score (B × R)
	Opportunity			
1	The heightmarket demand	0.109	4	0.44
2	Have many regular customers	0.114	3.4	0.39
3	The emergence of more sophisticated machines	0.109	3.6	0.39
4	Assistance from the government	0.109	3.2	0.35
5	Increasingpeople's purchasing power	0.114	3	0.34
	Threat			
1	The emergencecompetitors with the same product	0.087	1.2	0.10
2	Change of weather	0.087	2.4	0.21
3	Raw material prices are not fixed	0.098	2	0.20
4	Buyer bargaining power	0.098	1.8	0.18
5	The occurrencenatural disasters	0.076	1.2	0.09
		1.00		2.68

Soy milk business in Sukamaju Sunggal has five opportunities that can be utilized for business development (Table 4.8). The opportunity factor can be utilized by entrepreneurs with the highest score being high market demand with a score of 0.44. This is because there are still few soy milk sellers. Furthermore, having loyal consumers is very important with a score of 0.39, having loyal consumers is very important because loyal consumers have a great influence on the long term of the soy milk business. Then followed by the emergence of more sophisticated equipment or machines with a score of 0.39, because if there is a more sophisticated soy milk making machine, it can improve the quality of the soy milk. Furthermore, the soy milk business in Sunggal has five threats. The biggest threat to the soy milk business is natural disasters (0.09), because the occurrence of natural disasters can affect the sale of soy milk and have a negative impact on the business.

Then the emergence of competitors with the same product (0.10), because the

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emergence of new competitors with the same product can reduce sales turnover and create tough business competition. Buyer bargaining power (0.18) Buyer bargaining power can reduce/reduce the level of profit for soy milk entrepreneurs

The total score of EFE (External Factor Evaluation) in the soy milk business in Kedung Boto Village is 2.68, indicating that the external condition of the milk business is above the average of 2.50. Therefore, soy milk entrepreneurs must be able to take advantage of all existing opportunities to overcome all existing threats so that the company continues to grow.

SWOT Matrix

After knowing the results of the EFE and IFE analysis, the next step is to formulate a strategy using the SWOT matrix. This matrix produces several alternative strategies: SO strategy, ST strategy, WO strategy and WT strategy that can be run and implemented by soy milk entrepreneurs.

Tabel 7. Result of SWOT Matrix

		Strength (S)	Weakness (W)
	IFE	1. Location strategic marketing 2. Process natural production 3. Service good to customers 4. Place non-rental business 5. Price cheaper than competitors	1. Variants limited taste 2. Marketing not yet intensive 3. Equipment limited production 4. quality soy milk is still low 5. Not yet There is a promotion 6. Not yet the existence of job training
EFE			
		SO Strategy	WO Strategy
		1. Market penetration (S1, O1, O5)	1. Expanding the Marketing Area (W2, W5, O1, O2, O4)
1. High market demand		1. Purchasing power of the community To customers (S2, S3, O2)	2. Product development (W1, W3, W4, O3, O4, O5)
2. Have many regular customers		3. Take advantage of government assistance	3. Conduct training for entrepreneurs (W1, W4, W6, O3, O4)
3. The emergence of sophisticated machines			
4. Assistance from the government			
5. People's purchasing power			
		ST Strategy	WT Strategy
		1. Improve	1. Doing
1. The emergence of competitors with the same product			
		Satisfaction	development

	Customer	product,
	(S2, S3, S5, T1, T4)	increase
2. Change of weather	2. business location	quality
3. Price of materials	Strategic	products(W1, W3,
standard	(S1,S4,T2,T3,T5)	W4,W6,T1,T2)
not fixed		
4. Bargaining power		
buyer		
5. Occurrence		
natural disasters		

Based on the results of the SWOT matrix above, the following alternative strategies were obtained:

SO Strategy

1. Conduct market penetration by increasing or improving promotions using social media to increase the potential for market expansion (S1, S5, O1, O5)
2. Providing good service to customers (S2, S3, O2), by giving discounts to customers and providing cash on delivery for large purchases.
3. Receive government assistance in the form of business capital loans and training programs from the local government (S4, O3, O4).

WO Strategy

1. Increasing promotional activities optimally, installing banners or distributing brochures and increasing the marketing area for soy milk (W2, W5, O4).
2. Conducting product development by adding soy milk flavor variants and improving the quality of soy milk (W1, W4, O3, O4)
3. Participate in work training and programs related to business development that have been held by government agencies/institutions (W1, W4, W6, O3, O4).

ST Strategy

1. Increase customer satisfaction, to keep loyal consumers from switching to competitors (S2, S3, S5, T1, T4).
2. Strategic business location, to maintain the long-term sustainability of the business (S1, S4, T2, T3, T5).

WT Strategy

1. Product development or improving product quality by utilizing government assistance, both in the form of procuring more sophisticated equipment and training in soy milk business development programs (W1, W3, W4, W6, T1, T2).

SWOT Diagram

1. After obtaining the results of the weights and ratings (EFE Matrix & IFE Matrix), the opportunity score was 1.98 and the threat score was 0.78. to signify that the ability of the soy milk business to respond to opportunities is quite good. While from the total IFE score, a strength score of 1.77 was obtained and a weakness score of 0.86 was obtained indicating that the business was able to utilize strengths to overcome weaknesses. To determine the position of the company, a SWOT analysis diagram is used. Based on the results above, it can be seen that the strengths value is higher than the weaknesses with a difference of (+) 0.91 and the opportunity value has a difference with the threat (-) 1.20, from

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these results it can be described in the SWOT diagram.

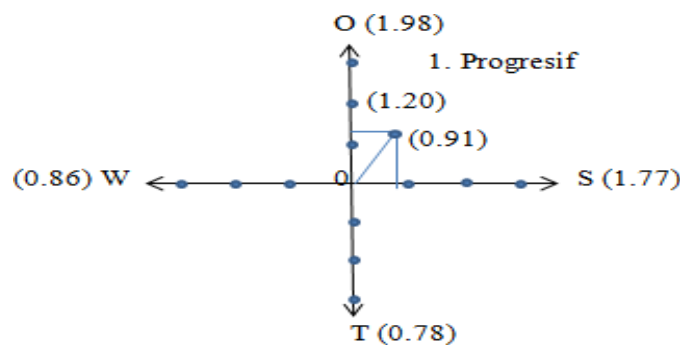


Figure 2. Position of Soy Milk Business in SWOT Analysis Diagram

The soy milk business is in a progressive position. This means that the soy milk business is in a strong and promising position, making it very possible to continue expanding or enlarging the business and maximizing profits.

Based on these results, the strategic priorities for the soy milk business are SO strategies: market penetration, providing lower prices than competitors, providing good service to customers and utilizing government assistance.

Internal External (IE) Matrix

The results of each score obtained from the IFE or EFE matrix are the value of IFE = 2.63, while the EFE score = 2.68. The score is then evaluated using the IE matrix, the following are the results of the evaluation of the position of the soy milk business in Kedung Boto Village, Taman District.

Table 8. IE matrix for soy milk business

	Total IFE Score		
	High (3.0-4.0)	Medium (2.0-2.99)	Low (1.0-1.99)
Total EFE Score			
High (3.0-4.0)	I	II	III
Currently (2.0-2.99)	IV	V	VI
Low (1.0-1.99)	VII	VIII	IX

Discussion

The results of the IE matrix above show that the position of the soy milk business is in cell V. The maintain and preserve strategy is a very appropriate strategy to use for the soy milk business, namely with a market penetration strategy and also a product development strategy.

Market Penetration Strategy

The definition of market penetration strategy includes giving the lowest possible price, doing promotions intensively. To increase the market share of soy milk sales, several things can be done by increasing the purchasing power of the community/customers. This can be done by giving lower prices than competitors and providing good service to customers.

Product development strategy

The definition of product development strategy is a strategy to increase sales by improving and developing existing products or services. The product development strategy in the soy milk business aims to increase customer satisfaction, increase competitiveness. Product differentiation by developing products to be sold, both in terms of flavor variants, product packaging, and soy milk quality can indirectly increase customer satisfaction.

Conclusion and Suggestions

Conclusion

Based on the research results, data processing and analysis can be concluded as follows:

1. Soy milk business development strategy using SWOT analysis method.
2. The strategy resulting from the SWOT matrix is the SO strategy, namely: market penetration, providing lower prices than competitors, providing good service to customers and utilizing government assistance.
3. Based on the SWOT analysis diagram, it is known that the position of the soy milk business is in a progressive position, namely strong and has opportunities so that it can continue to expand.
4. The IE matrix shows the position of the soy milk business in cell V, namely maintain and care by implementing market penetration strategies and product development strategies.

Suggestion

The following are suggestions that can be given to soy milk entrepreneurs and further research.

1. Entrepreneurs must carry out product development to increase customer satisfaction.
2. Entrepreneurs must take training so that the objectives of business development strategies can achieve maximum results so that they are able to compete.
3. Entrepreneurs must be aggressive in carrying out promotions.

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