



EMPING MELINJO BUSINESS DEVELOPMENT STRATEGY (CASE STUDY: IN ALUR GADUNG VILLAGE, PADANG TUALANG DISTRICT, LANGKAT REGENCY)

Octasella Ainani As'ad¹, Mariana Eva Yanti², Nurhadida Nasution³, Supriadi Surbakti⁴

^{1,2,3,4}Department of Agribusiness, Deli Sumatera University, Indonesia

Email: octasella14@gmail.com

Abstract

The emping melinjo business has been running for quite a long time. However, the people in Alur Gadung Village are experiencing difficulties in developing their emping melinjo business, especially in marketing. Apart from that, there is also the problem of limited capital and production or it is difficult to find old melinjo seeds, because melinjo seeds bear fruit depending on the season, they are not always available in the area. Emping Melinjo business in Alur Gadung Village, District. Padang Tualang District. Langkat Therefore, Emping Melinjo emping entrepreneurs must have a good and reliable marketing strategy, so that their products not only sell well in the market, but are able to compete and will last a long time in the existing competitive world. The Emping Melinjo Business Enterprise is expected to truly be able to know all forms of product strengths and weaknesses in the internal conditions of the Emping Melinjo business, so that it is able to manage conditions well in terms of production.

Keywords: Business, Business Development Strategy, Langkat

1. Introduction

Emping melinjo is a type of snack made from old melinjo fruit and has a flat, round shape. Emping is not a foreign food for Indonesian people, especially people on the island of Java (Sunanto, 2004). Usually chips are used as a complement to food. One effort to help improve the welfare of society is the existence of a home industry. Home industry is the activity of processing raw materials or semi-finished goods into finished goods that have added value to make a profit (Ananda & Rafida, 2016).

Home industry is also a forum for the majority of society to be able to grow and develop independently by providing a large contribution and occupying a strategic role in economic development (Mursid, 2014). The development of a business can be determined by the ability to build strategies in the business (Abdul, 2020). Because strategy will make the company look at the future and try to shape its future proactively. With a strategy, it is hoped that it will be able to help achieve the company's stated goals (Kaswan, 2016). Every company must use a strategy to develop its business. Not only large companies have strategic management, but small companies should also have strategic management. Strategic management is a set of decisions and actions designed to achieve company goals (Agustina et al., 2015). Thus, strategic management involves long-term decision making and is oriented towards the future (Siti Fariatul, 2017).

The emping melinjo business has been running for quite a long time. However, the people in Alur Gadung Village are experiencing difficulties in developing their emping melinjo business, especially in marketing (Moh, 2010). Apart from that, there is also the problem of limited capital and production or it is difficult to find old melinjo seeds, because melinjo seeds bear fruit depending on the season, they are not always available in the area (Andriani et al., 2016). As business actor to have sensitivity to changes that occur in the market and place an orientation towards customer satisfaction as the main goal, one of which is the Emping Melinjo business business in Alur Gadung Village, District. Padang



Tualang District. Langkat Therefore, Emping Melinjo emping entrepreneurs must have a good and reliable marketing strategy, so that their products not only sell well in the market, but are able to compete and will last a long time in the existing competitive world (Alqadrie & Perkasa, 2009). The Emping Melinjo Business Enterprise is expected to truly be able to know all forms of product strengths and weaknesses in the internal conditions of the Emping Melinjo business, so that it is able to manage conditions well in terms of production (Aliudin & Dian, 2012). To increase the income of the community in the area so that research is carried out on the added value of melinjo at the emping industry center.

2. Research Methods

This SWOT analysis

Rangkuty (2015) SWOT analysis is an analysis that uses the company's internal and external factors as calculations, in this case the internal factors are strengths and weaknesses. In this case, we analyze the existing strategies in the emping melinjo business. The combination of internal factors and external factors is: a) SO (Strengths Opportunities) Strategy SO (Strengths Opportunities) Strategy is a strategy that uses strengths to take advantage of opportunities, b) ST (Strengths Threats) Strategy ST (Strengths Threats) Strategy is a strategy that uses the company's strengths to overcome threats, c) WO (Weakness Opportunities) Strategy WO (Weakness Opportunities) Strategy is a strategy determined based on utilizing existing opportunities to minimize existing weaknesses, d) WT (Weaknesses Threats) Strategy WT (Weaknesses Threats) Strategy is a strategy that minimizes weaknesses and avoids threats.

SWOT Matrix

Rangkuti (2014), The tool used to compile a company's strategic factors is the SWOT matrix. This matrix can clearly illustrate the external opportunities and threats faced by the company adjusted to its strengths and weaknesses. This matrix can produce four sets of possible strategic alternatives.

Table 1. SWOT Matrix (Strengths-Weakness-Opportunity-Treats)

IFAS	STRENGTH(S)	WEAKNESS(W)
EFAS	Determine 5-10 internal weakness factors	0.30 determines 5-10 internal strength
OPPORTUNITIES(O)	STRATEGY (SO)	STRATEGY (WO)
Determine 5-10 external opportunity factors	Create strategies that use strengths to exploit Opportunities	Create strategies that minimize weaknesses for take advantage of Opportunities
THREATS(T)	STRATEGY (ST)	STRATEGY (SO)
Threats from Company External Factors	Create strategies that use strengths to overcome threats	Create strategies that minimize weaknesses and avoid threats

Source: Rangkuti, 2014.

With the SWOT strategy matrix, positioning is then carried out to measure the position of the BMT in question. Considering that the influence of internal and external aspects on business at BMT is different, in carrying out positioning certain aspects must be weighted (Olso, 2013).

In carrying out weighting and giving values to each aspect of the internal factor analysis (Internal Factor Evaluation) it can be done with the following work stages:

- a. Determine the important factors of the internal conditions of an industry to be studied, group them into strengths and weaknesses. The weight column is the level of importance of each factor, the weighting is 0.20 very important, 0.15 important, 0.10 quite important, 0.05 not important and if added up it will be worth 1.00.
- b. Rating is a value of the internal condition of each organization. A score of 4 is for very good condition, a score of 3 is for good condition, a score of 2 is for fair condition, and a score of 1 is for poor condition. Factors with values of 3 and 4 only for the strengths group, while values of 2 and 1 for the weaknesses group.
- c. The value of each factor is the product of the weight and rating. If all the values are added up, the IFE value of the organization can be known. If you have completed the analysis of internal factors, the same thing is also done to analyze external factors, in the same way.
- d. Determine the important factors of the external conditions of an industry to be studied, group them into opportunities and threats. The weight column is the level of importance of each factor, the weighting is 0.20 very important, 0.15 important, 0.10 quite important, 0.05 not important and if added up it will be worth 1.00.
- e. responsiveness/anticipation to environmental conditions. The rating value for the opportunity factor is positive (a greater opportunity is given a rating of 4 but if the opportunity is small it is given a rating of 1). Threat rating scoring is the opposite. If the threat is very big, the rating is 1, but if the threat is small the rating is 4.
- f. The value of each factor is the product of the weight and rating. If all the values are added up, the IFE value of the organization can be known.

After the scoring results are obtained, a positioning graph can be created, where the vertical axis shows the total external aspect score and the horizontal axis shows the total internal aspect score. The coordinate numbers for these two aspects indicate the position of the BMT in question (P. Guiltinan, 2010).

3. Research Result

EFE and IFE Matrix Analysis of Emping Melinjo Business

The strategy development stage begins with identifying the opportunities and threats faced by a business as external factors as well as the strengths and weaknesses of the emping melinjo business as internal factors and opportunities and threats as external factors (Effendi, 2002). EFE (External Factor Evaluation) and IFE (Internal Factor Evaluation) matrix analysis based on the identification of internal and external factors for the emping melinjo business as follows.

IFE (Internal Factor Evaluation) Matrix for Emping Melinjo Business

The assessment and weighting of the IFE matrix was obtained through direct interviews with research respondents in Alur Gadung Village, Padang Tualang District, Langkat Regency. After conducting an interview using a question questionnaire, an assessment and weighting of the IFE matrix was produced in the following table:

Table 2. IFE Matrix

		Internal factors			
No	Strength	Amount	Ratings	Weight	Score
	Production is carried out traditionally with labor	54	3,375	0.15	0.506

Internal factors					
No	Strength	Amount	Ratings	Weight	Score
1	trained				
2	Quality of raw materials and products	59	3,6875	0.15	0.553
3	Access to raw materials and sufficient availability of melinjo seeds	50	3,125	0.1	0.312
4	Capacity production emping quite large melinjo	49	3.0625	0.05	0.153
5	Completeness of business permits	46	2,875	0.15	0.431
Total		258	16,12	0.6	1,956
No	Weakness	Amount	Ratings	Weight	Score
1	Lack of financial records which is still simple	53	3,3125	0.05	0.165
2	Lack of network distribution marketing is still limited	32	2	0.05	0.1
3	Lack of service to consumer	25	1,5625	0.15	0.234
4	Lack of product packaging which is not up to standard	62	3,875	0.1	0.387
5	Lack of promotion emping melinjo	36	2.25	0.05	0.112
Total		208	13	0.4	1
Total Number of Internal Factors			2,956		
Difference			0.956		

Based on the results of the IFE matrix processing as shown in the table above, it shows that the final results of the IFE matrix for the strength and weakness elements are obtained from the total score. Where the final value of the weighted score for strengths is 1.956, while the final value of the weighted score for weaknesses is 1. This shows that respondents provide a fairly high opinion of the strength factor and a relatively small response to the weakness factor. Seeing that the weight of the strengths score is greater when compared to weaknesses, it can be said that in developing its emping melinjo business it is able to utilize its strengths and be able to overcome existing weaknesses. Meanwhile, the total score produced was 2.956. The total weighted average of the emping melinjo business is above 1, indicating that the internal condition of the emping melinjo business is above average. This illustrates that the emping melinjo business is a strong internal business. Strategic factors that are weaknesses in the emping melinjo business with The lowest score of 0.1 is the lack of a marketing distribution network which is still limited, then the lack of promotion of emping melinjo with a score of 0.112 and the lack of financial records which is still simple with a score of 0.165.

SWOT Matrix

According to the results of collecting questionnaire data obtained from research respondents' answers, strengths, weaknesses, opportunities and threats were obtained. Strengths and weaknesses are internal factors while opportunities and threats are external factors. The following is a table of the SWOT matrix:

Table 3. SWOT Matrix

Internal External	Strength (Strength)		Weakness	
	1.	Production incarry out traditionally with trained workforce	1.	Financial recording is still simple
2.	Quality of raw materials and products	2.	Marketing distribution network Whichstill limited	
3.	Access to raw materials and sufficient availability of melinjo seeds	3.	Lack of service to consumers	
		4.	Product packaging that does not comply with standards	

		Internal		
		Strength (Strength)	Weakness	
External		4. The production capacity of emping melinjo is quite large	5. Lack of promotion of emping melinjo	
		5. Completeness business licensing		
		Opportunities	SO Strategy	WO Strategy
	1. There are many potential local markets for marketing emping melinjo	1. Utilise trained workforce and expanding target markets	1. Optimizing distribution network marketing with promotions to potential local markets	Product packaging that is not yet in a standard category to attract customer attention.
	2. Improving economy national and local	2. For development of the emping melinjo business in order to increase income and encourage growth national economy.		
	3. There is loyal customers	3. Optimizing widespread market segmentation or by means of promotion through social media and marketing-oriented applications as well as with increase production with		
	4. Awareness and caring society regarding food safety			
	5. Lots of consumers potential of in area or outside the region			

Based on the results of the EFE matrix processing as shown in the table above, it shows that the final results of the EFE matrix for the opportunity and threat elements are obtained from the total score. Where the final value of the weight score for opportunities is 1.336 while the final value of the weight score for threats is 1.652. This shows that respondents gave a relatively high opinion of the threat factor and a relatively small response to the opportunity factor. Seeing that the weight of the threat score is greater when compared to opportunities, it can be said that in carrying out its development the emping melinjo business is able to take advantage of the opportunities it has and is able to overcome existing threats. Meanwhile, the total score produced was 2,988. The total weighted average of the emping melinjo business is above 1, indicating that the external conditions of the emping melinjo business are above average. This illustrates that the emping melinjo business is a business that is externally strong. The main opportunity to be able to have fun in developing your business.

The strategic factors that pose a threat to the emping melinjo business with the lowest score of 0.195 are business locations that are not strategic for business development with a score of 0.112 and competitors who apply packaging technology with a score of 0.325. The results of the SWOT quadrant are located in quadrant 2 (Diversification Strategy). Even though it faces various threats, the emping melinjo business still has internal strength. The strategy that must be implemented is one that uses strengths to take advantage of long-term opportunities by diversifying (product/market). The strategy that entrepreneurs can use is to utilize the experience of a trained workforce and develop the emping melinjo business to increase income and optimize market penetration according to target demand.

4. Conclusion

The results of the SWOT quadrant are located in quadrant 2 (Diversification Strategy). Even though it faces various threats, the emping melinjo business still has internal strength. The strategy that must be implemented is one that uses strengths to take advantage of long-term opportunities by diversifying (product/market). The strategy that entrepreneurs can use is to utilize the experience of a trained workforce and develop the emping melinjo

business to increase income and optimize market penetration according to target demand (Puspanegara et al., 2020). From the results of the research, the community will be able to create MSME players who market melinjo products, namely chips.

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