

# Developing Bread Business Strategy Using SWOT Analysis at Deira Bakery Store

Aidha Kiftia Rengganis<sup>1\*</sup>, Nurhadi<sup>2</sup>

<sup>1\*,2</sup> Universitas Pembangunan Nasional "Veteran" East Java<sup>1</sup>, Jl. Rungkut Madya No.1, Mt. Anyar, Kec. Gn. Anyar, Surabaya

## ARTICLE INFO



**Email Correspondence:**  
[20042010223@student.upnjatim.ac.id](mailto:20042010223@student.upnjatim.ac.id)

**Keywords:**  
Business strategy, SWOT Analysis,  
Diversification

**DOI:**  
<https://doi.org/10.33096/jmb.v11i2.786>

## ABSTRACT

In recent years, the business landscape in Indonesia has experienced a significant increase in intense, dynamic, and unpredictable competition. To face increasingly fierce competition, it is necessary to implement the right business strategy. This study aims to determine and examine such strategies using a qualitative descriptive approach. The object of this research is the Deira Bakery Gresik Store. The informants in this study are the owners, employees, and consumers. The data collection technique used is in-depth interviews. The validity of the data is tested using the source triangulation method, which involves collecting data from various sources. Data analysis involves descriptive analysis methods and SWOT analysis, using the IFAS and EFAS matrices to analyze the results. Based on the analysis, a SWOT analysis diagram indicates that Deira Bakery is in quadrant II, with a value of (X; Y) (1.38; -1.04). This indicates an ST strategy, where the company leverages internal strengths to overcome or respond to external threats. Therefore, the strategy that needs to be applied in this situation is to support the diversification strategy.

## ABSTRAK

Dalam beberapa tahun terakhir, lanskap bisnis di Indonesia mengalami peningkatan yang signifikan dalam persaingan yang intens, dinamis, dan tidak terduga. Untuk menghadapi persaingan yang semakin ketat, diperlukan penerapan strategi bisnis yang tepat. Penelitian ini bertujuan untuk menentukan dan meneliti strategi tersebut dengan menggunakan pendekatan deskriptif kualitatif. Objek penelitian ini adalah Toko Deira Bakery Gresik. Informan dalam penelitian ini adalah pemilik, karyawan, dan konsumen. Teknik pengumpulan data yang digunakan adalah wawancara mendalam. Validitas data diuji dengan metode triangulasi sumber, yaitu mengumpulkan data dari berbagai sumber. Analisis data melibatkan metode analisis deskriptif dan analisis SWOT, menggunakan matriks IFAS dan EFAS untuk menganalisis hasil yang diperoleh. Berdasarkan hasil analisis, dihasilkan diagram analisis SWOT yang menunjukkan bahwa Toko Deira Bakery berada pada kuadran II dengan nilai (X;Y) (1.38;-1.04). Hal ini menunjukkan strategi ST, di mana perusahaan memanfaatkan kekuatan internal untuk mengatasi atau merespons ancaman eksternal. Oleh karena itu, strategi yang perlu diterapkan dalam situasi ini adalah mendukung kebijakan strategi diversifikasi.



This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

## INTRODUCTION

In recent years, the business environment in Indonesia has greatly improved due to intense, dynamic, and unpredictable competition, prompting fierce rivalry among companies. In such a competitive landscape, having a well-defined strategy is crucial for organizations to achieve their objectives. A strategy encompasses a comprehensive set of plans detailing the actions a company must take to reach its goals (Soemitra, 2022). In the

small and medium enterprise sector, market competition heavily relies on the quality of goods produced and offered to consumers. Competition within the industrial sector is a common occurrence, with companies striving to secure a competitive edge for their products. Therefore, it is essential for a company's business plan to align with current market conditions and cater to consumer preferences (Zevi, 2018).

Business strategy refers to a series of interconnected and well-coordinated decisions and actions aimed at providing value to customers and achieving competitive advantage by capitalizing on the unique strengths and capabilities of a particular product market or a particular product (Jatmiko, 2004 in Qunhui, et al., 2023). When deciding on a business strategy, investing time and effort in careful preparation is crucial. This will enable the company to effectively navigate the competition and ensure that its goods are easily accepted by potential consumers, ultimately achieving a lasting competitive advantage.

Indonesia's economy is progressing rapidly, and it is characterized by the development of small and medium-sized enterprises (SMEs), which are the main catalyst for the nation's economic progress. Various media sources indicate that micro, small, and medium enterprises (MSMEs) are important in the Indonesian economy. Small and medium enterprises (SMEs) in our country account for about 60% of the Gross Domestic Product (GDP) and play an important role in creating jobs for our citizens. Indonesia's Small and Medium Enterprise (SME) sector is expected to experience sustained growth, offering lucrative prospects for those interested in entrepreneurship (Andri Soemitra 2022).

Commercial development plays an important function for organizations in the face of growing competition in the commercial realm. A development strategy is a strategic plan that requires executive choices to achieve company growth. In addition, the development plan has a long-term impact on the organisation's trajectory, spanning a minimum of five years. Therefore, development plans are focused on the future. The development strategy includes formulating a plan, considering the internal and external elements facing the organization (David, 2004) as mentioned in (Afridhal, 2017). Business development aims to ensure the company's survival and provide effective and efficient growth to achieve the desired goals.

Every company must be able to capitalize on existing opportunities by implementing appropriate business strategies, aiming to increase competitiveness in all situations. This can be achieved by driving innovation to develop products and services that are aligned with market demands while ensuring customer retention, which ultimately leads to the achievement of organizational goals. Therefore, it is imperative to formulate a suitable technique for creating a business growth plan. By designing a strategic business strategy, companies can set distinct goals and orientations, enabling sound decision-making amidst competition through utilising SWOT analysis methodology.

Rangkuti (1997) states in (Nasiruddin, Tahir, and Marhawati, 2019) that SWOT is a method that can be used to assess the strengths and weaknesses of an organization, especially in a marketing context. SWOT analysis is a comprehensive examination of the company's internal strengths and weaknesses, as well as external opportunities and threats.

SWOT analysis serves as a decision-making tool by assessing the strengths and weaknesses of the company. The SWOT analysis method includes conducting an internal assessment of the company's strengths and weaknesses and an external assessment of opportunities and threats. SWOT analysis is a conventional method for strategic planning that is often considered easy to use and effective in identifying optimal strategies. This tool facilitates the identification of goals and factors that require consideration for practitioners (Fatimah, 2020: 7).

Effective strategizing is essential to ensure that a company's planning process successfully achieves its pre-set goals by implementing long-term initiatives aligned with market demands and employing appropriate business strategies. Developing a well-defined strategy is essential for companies to effectively achieve their goals within a specific timeframe (Frynas, Mol, & Mellahi, 2018 in Qunhui et al., 2023). Strategy can be categorized into three levels: Tier 1 corporate strategy, which centres on the main goal and direction of the organization's activities, and Tier 2 corporate strategy, which improves competitiveness through developing new tools, resource allocation, and significant cost savings in core activities. The tactics included are cost leadership, differentiation, customer focus, niche markets, and cost focus. Level 3 operations strategy focuses on improving internal processes within the company to achieve competitive advantage. This includes improving operations, marketing, and finance (Qunhui et al., 2023).

The food business is now experiencing rapid growth in Indonesia. Airlangga Hartarto, Indonesia's Minister of Industry, emphasized that the food and beverage business has a major impact on Indonesia's economic expansion (Rihanto, 2019). Despite Indonesia's economic slowdown in 2019, the food and beverage business expanded and gained sales. GDP in this sector reached 6.77%, surpassing the national growth rate of 5.07%. Food is an essential need for human survival. Everyone constantly needs food to fulfil their daily needs. Advances in technology and knowledge have profoundly changed people's lifestyles, including their diets. Currently, there is a tendency among individuals to choose fast food, resulting in a relatively high level of food consumption in Indonesia (Siregar, 2020).

Bread is a very popular and well-loved food product among the public. In this modern era, bread is widely consumed by various groups of people. Bread is usually used as an additional or alternative food (Febrianti et al., 2021).

Today, bread has the distinction of being the bakery product most recognized by the general public. As a result, a new practice that has emerged in society is using bread as a convenient and nutritious breakfast substitute. Bread can be an alternative to rice, traditionally considered the main carbohydrate source (PT Nestlé Indonesia, 2020; Prastowo, 2019). According to data published by the Ministry of Industry, bread consumption has grown by 500% in five years, from 2013 to 2017. In addition, the bakery and pastry sector is projected to experience a steady growth of 10% between 2014 and 2020. Moreover, micro, small and medium enterprises (MSMEs) account for 60% of the market share in the bakery industry, as reported by Kontan in 2017 and Siregar in 2020.

Deira Bakery is an independent bakery company located at Jalan Timur Pasar RT 01 RW 01, Mriyunan, Asempapak, Sidayu District, Gresik Regency. The Deira Bakery, which was founded by Mrs. Lilik Cumaidah in 2004, is still under her management today. The company started its operations by selling products from residential locations until it established its own physical store. Currently, the company has a workforce of 15 people. The company still prioritizes direct or *offline* marketing techniques.

Entering a journey that is now approximately 19 years old, Deira Bakery has experienced ups and downs in its business. Tight competition occurs between existing competitors. In addition, it is coupled with many competitors around the Deira Bakery business location, such as Jemil Bakery, Dydines Bakery, and Maya Bakery. With several bread businesses around the Deira Bakery store, consumers have the freedom to choose food that suits their tastes.

From Deira Bakery's competitor data, it shows that Deira Bakery and its three competitors, namely Dydines Bakery, Maya Bakery and Jemil Bakery, both sell the same types of bread, namely Bakery, Cake, Wet cakes, Cookies and Pastry. Then the cheapest average price at Jemil Bakery is from 2,000-5,000 and the most expensive average price at Dydines Bakery is 4,000-21,000.

According to Mrs. Lilik Cumaidah as the owner of Deira Bakery, this bakery business competition can be in the form of competition in the prices offered, competition in quality and service. Of the several competitors around the Deira bakery business location, such as Jemil Bakery, Dydines Bakery, and Maya Bakery, they have similarities, including the same product sold, namely bread, close location, *the* price offered is slightly different. Then those who have bakery shops are only Deira bakery and Dydines bakery. In addition, Jemil Bakery and Maya Bakery only sell bread when the market is open (Results of observations and observations at Deira Bakery Store in Asempapak Village, Sidayu District, Gresik Regency).

As the object of this research, Deira Bakery faces intense competition in the bakery market, which still focuses on direct or offline marketing strategies. The competition involves price, taste quality, and service. Entering a journey of approximately 19 years old, Toko Deira Bakery has experienced ups and downs in its business. Intense competition occurs between existing competitors. This can be seen in the following graph, which shows the sales data for Toko Deira Bakery.

From the sales chart of Toko Deira Bakery, the sales period from 2020 to 2022 is divided into several semesters, namely the first semester, January to June 2020, the second semester, July to December 2020, the third semester January to June 2021, the fourth semester July to December 2021, the fifth semester January to June 2022 and the sixth semester July to December 2022. From the table above, it is known that the largest sales from Toko Deira Bakery for the last 3 years were in the fourth semester of July to December 2021 amounting to 192,149 pcs and the smallest sales in the first semester of January to June 2020 worth 34,430 pcs. The lack of sales occurs due to little consumer demand. This Deira Bakery shop also accepts bread orders for office events, school events, and parties and events in the village.

Nevertheless, it is evident that the business revenue over the past three years has been quite volatile, with fluctuations affecting periods of growth and decline in production. Therefore, it is important to devise a strategic approach to thrive in the market through the implementation of a proper marketing plan.

The chosen research location is the Deira Bakery business, as it requires a strategic approach to ensure its survival, growth, and development in the face of intense competition. The strategy chosen for this purpose is the utilization of SWOT analysis. Permadi (2015) states that SWOT analysis is used to systematically find elements that encourage or hinder the growth and development of a company or corporation. In addition, according to Wheelen and Hunger (2012), this analysis relies on a logical approach that aims to optimize strengths and opportunities and minimize weaknesses and risks. The flexibility of the SWOT character in this analytical tool allows its widespread use as an environmental analysis tool and scenario analysis in strategy formulation for both profit and non-profit companies (Harisudin, 2020).

Deira Bakery needs an understanding of its strategic position in the cake business to identify the right plan to compete effectively with its competitors. Deira Bakery prioritizes production in response to consumer demand or pre-orders. Deira Bakery stands out for its outstanding products, particularly the chocolate banana bread, which has gained popularity among customers. The bakery's ability to compete stems from its distinctive quality and service, as highlighted in an interview with the owner of Deira Bakery in Asempapak Village, Sidayu District, Gresik Regency.

Deira Bakery utilizes many social media platforms, including Instagram, Facebook, and WhatsApp, with particular emphasis on utilizing WhatsApp for marketing and product promotion. To maintain and improve its products, Deira Bakery must comprehensively understand the internal and external factors affecting the organization and implement strategies accordingly. The internal situation of Deira Bakery's business is characterized by its strengths and weaknesses. The business is affected by external factors, which may present opportunities or obstacles.

The purpose of business development strategy planning is to facilitate organizations in objectively assessing the internal and external situation, so that they can foresee and effectively cope with changes in the external environment. SWOT analysis is valuable for effectively addressing competition and identifying optimal solutions. This analysis allows organizations to assess their position relative to other companies offering similar products or services. Essentially, the results of a SWOT analysis provide insight into the relative position of competitors in relation to the organization.

SWOT analysis can be triggered either directly or indirectly by competition from other companies offering goods and services comparable to the company's offerings. Hence, companies must formulate effective strategies to secure victory in the competition or, at the very least, maintain their presence in the target market. The intensifying competition forces companies to promote their products successfully and efficiently in the target market, thus requiring their best efforts, especially in the area of marketing. Marketing is closely linked to the sustainability of the company and the pursuit of goals that result in financial gain. A



business strategy allows an organization to demonstrate methods to increase profitability through increased sales and turnover.

Several previous studies support this. For instance, Istiqomah and Andriyanto (2017), in their research, demonstrated that using SWOT analysis helps identify strategies to seize opportunities and stimulate business growth in Sentra Jenang at Kaliputu Kudus Tourism Village. The study involved business owners from Sentra Jenang in Kaliputu Kudus Tourism Village. Data collected through observations and interviews were analyzed using a descriptive approach, particularly the SWOT strategy matrix, to evaluate the strategies identified by the participants. The study found that small entrepreneurs face numerous challenges, such as the lack of suitable platforms for product promotion, inadequately trained human resources affecting the production process, and the inability to develop small businesses effectively. Poor financial management further complicates handling cash flow, especially amid intensifying competition. The jenang market has become more competitive with the introduction of jenang products from outside Kaliputu and other modern snacks aligning with current trends. To stay competitive, MSMEs or the jenang industry in the Kaliputu Kudus tourist hamlet must innovate and develop new product variations to address these threats.

Similarly, Kusbandono's research (2019), highlighted that UD. Gudang Budi faces challenges due to a lack of spare printing equipment, leading to backlogged customer orders. The company is also working on opening new branches to strengthen its market position. UD. Gudang Budi, a printing company in a sub-district of Lamongan city, uses a FIFO (First In, First Out) approach and offers real-time design creation, allowing customers to oversee their design process directly. However, this approach has proven less effective in delivering optimal results. The study emphasized that SWOT analysis is a crucial method for assessing internal and external factors to formulate marketing strategies aimed at achieving maximum profitability. The findings suggested that UD. Gudang Budi should adopt an aggressive strategy, including adding printing equipment to reduce design request backlogs, installing air conditioning to enhance consumer comfort, and expanding to densely populated areas with many agencies.

Given this background, conducting in-depth research on Deira Bakery, titled "Bread Business Development Strategy Based on SWOT Analysis at Deira Bakery Store," is intriguing.

## RESEARCH METHODS

This research uses a descriptive qualitative methodology to gain insight into social interactions. The object of this research is the Deira Bakery shop, located at Jl. Timur Pasar RT 01 RW 01 Asempapak, Sidayu sub-district, Gresik district, East Java. Participants in this study are individuals who provide information, namely business owners, employees, and consumers. The data collection techniques used in this study were interviews and observations. The researcher used the triangulation method to assess the accuracy of the available data. This research uses source triangulation, a method that involves cross-validating data from multiple informants to ensure the accuracy of the data. Data analysis in this research involves using the descriptive analysis method, followed by a SWOT

analysis to analyze the results of the data obtained. Descriptive data is generated from in-depth interviews related to business strategies at Deira Bakery. The research was conducted at the beginning of 2024 over a period of three months.

## **RESULTS and DISCUSSION**

### **Interview with Owner on Situation Analysis and Business Strategy**

#### **Business Background**

Deira Bakery began on a whim, driven by a passion for the culinary world inseparable from the owner's culinary education background, which provided the foundational cooking skills necessary to consider starting the business. It started with baking bread and cakes at home, initially taking orders for birthday cakes such as mini unyil cakes, mini ceke, puddings, and donuts, and later expanding to include bread orders. Established in 2004 with an initial capital of Rp 200,000, the business was founded by Mrs. Lilik, driven by her strong vision and passion.

Deira Bakery has obtained certification and a PIRT (Home Industry Production) license from relevant authorities, confirming compliance with food safety standards and regulations throughout the production process. The choice of location for Deira Bakery reflects its humble beginnings; starting as a small home-based operation, production of bread and cakes was initially conducted in the owner's kitchen. As demand grew, Deira Bakery expanded by opening a bakery in the neighborhood to enhance customer accessibility and streamline production logistics.

Equipped with comprehensive production facilities, Deira Bakery supports its business operations and growth. The name "Deira Bakery" derives from the owner's children, "Dela" and "Aira," combining their names into "Deira." Over the years, Deira Bakery has established itself as a prominent player in the competitive culinary industry, earning widespread recognition among the public.

Like any business, Deira Bakery faces various challenges, including expensive raw materials, consumer price comparisons, and difficulties with dough rising. However, the bakery excels in using high-quality ingredients, delivering superior products, offering responsive customer service, and providing helpful advice to build strong customer relationships and satisfaction. Balancing consistent product flavors amid rising costs is a common bakery challenge, often addressed by adjusting dough weights while maintaining taste integrity.

Despite its strengths, Deira Bakery grapples with weaknesses and external threats. Its products have a short shelf life (three to four days), making it tricky to adjust prices in response to fluctuating raw material costs without impacting profitability or potentially losing price-sensitive customers to competitors.

Nevertheless, Deira Bakery sees opportunities for growth, such as expanding with new branches to reach diverse locations, using social media for wider marketing, and innovating with new high-quality products that appeal to all ages. Despite industry challenges, Deira Bakery remains dedicated to excellence, continual innovation, and

meeting customer expectations, ensuring an outstanding culinary experience for years to come.

### **Human Resource Management**

When recruiting employees, Deira Bakery seeks individuals who demonstrate a strong work ethic, responsibility, and focus. Tasks are assigned based on each employee's expertise; for instance, only experienced individuals handle bread baking or cake decoration. Many employees start without prior experience and are trained from scratch. Deira Bakery employs a payroll system based on hourly rates, varying according to the specific responsibilities of each employee. This approach ensures fair compensation tailored to their roles. In addition to the payroll system, Deira Bakery emphasizes strategies to enhance and maintain employee quality. One key strategy involves rewarding employees with trips and meals. These incentives aim to foster team cohesion, boost motivation, and nurture a sense of community within the workplace.

### **Company Finance**

In terms of revenue, Deira Bakery's sales depend on the number of orders received; the more orders received, the more profit received. In setting aside profits to develop the business, Deira Bakery cannot set aside its profits because they are used to develop cake shops and cake ingredients. But in managing its business finances, Deira Bakery carries out a strategy by means of profit income every day must be set aside for savings and arisan so that the money can rotate again to develop the business. However, if there is an increase in raw materials, the solution is to maintain product prices by strategically reducing the size of the bread but still maintaining the quality of the taste.

### **Production and Policy**

To achieve high quality standards, Deira Bakery conducts production policies to provide quality products with sufficient raw materials. The raw materials needed in one day to produce bread require 10 kg to 3 sacks of flour with each weighing 25 kg sacks. In making recipes for the bread production menu, which makes the owner and employees who have been trusted to be appointed in the bread production process. Deira Bakery maintains the quality and taste of its products by using high-quality ingredients without using preservatives, and using selected raw materials that have good quality. Initially, Deira Bakery was trusted because it had a superior product and was widely liked by customers, namely comb bread, besides that it was also the most liked Donuts, Chocolate Banana Bread and Cheseecake. If Deira Bakery's products do not run out, they will be distributed to families and employees to eat before they expire. Usually, Deira Bread runs out before the expiration date. The maximum durability of bread in Deira's products is 3 days if for bakery types, if wet cakes, wet cakes are usually produced when there are orders only, then when there are more, they will be sold in the shop window.

### **Marketing Policy and Strategy**

Deira Bakery's marketing concepts and strategies are based on a commitment to meeting customer needs, and paying attention to quality and sustainability. The marketing strategy is to promote Deira Bakery products starting from the surrounding neighbors, promoted by word of mouth, then giving testers to schools and schools dare to order a lot



and give promos to schools, offices that hold events or events such as student farewell events or grand reunion events by providing price discounts and providing bonuses. Deira Bakery consumers are quite satisfied with the services and products of this business. Because customer satisfaction is the top priority. Deira Bakery is committed to providing a satisfying customer experience and high-quality products for every customer. If there are customers who complain about dissatisfaction with the services or products offered at Deira Bakery, it will be used as an opportunity to improve and improve the customer experience by appreciating consumer suggestions and input to be evaluated with a positive attitude.

In facing competitors around this business, there are strategies implemented by Deira Bakery, namely maintaining the quality of taste and price as well as selling and receiving orders online via *whatsapp*, *facebook*, and *instagram*. However, this promotional activity is often actively carried out on *WhatsApp*. As well as maintaining customer loyalty by providing the best service to consumers by providing suggestions, for example, being able to adjust orders according to the budget of consumers, such as government agencies, schools, usually the budget has been determined and providing input to consumers orders that can last a long time and not. Deira Bakery attracts customer attention by giving bonuses, given *free*, for example, someone who orders 1000 is given a bonus of 20 boxes, usually plus free such as brownie cakes.

### **Interview Results with Employees on Business Processes, Products, and Customer Service**

In managing its operations, Deira Bakery places significant importance on its employees who are crucial in every aspect of the business, from production to customer service. The pleasant work environment is a key factor attracting employees to Deira Bakery. Some join out of necessity to support their families, while others seek employment after unsuccessful attempts at college, finding a welcoming atmosphere and supportive teamwork environment at the bakery.

Upon joining, employees undergo comprehensive training tailored to their specific roles. For instance, cashiers are trained in financial management to ensure the company's financial stability, while packaging staff receive training on proper bread packaging techniques and customization based on customer preferences. Production team members learn techniques such as applying milk to dough to prevent drying and ensuring proper bread placement on baking sheets.

Employee wages at Deira Bakery vary based on their position, experience, and skills, reflecting their contributions to the business. While the packaging department has seen no complaints, the cashier once received customer feedback indirectly addressing production issues, such as dry or unevenly baked bread. In response, production staff acknowledged these concerns, attributing them to factors like high workload during peak times that affect product quality.

Employees at Deira Bakery responded to customer complaints with apologies and explanations, emphasizing the bakery's commitment to innovation and customer

satisfaction. They suggested creating new products to attract customer interest and focusing production efforts on bread varieties in high demand. They also expressed hope for continued customer visits and welcomed new employees to the team.

Overall, Deira Bakery values its employees as integral to its success, fostering a supportive environment where teamwork and dedication are central to achieving shared goals and ensuring customer satisfaction.

### Interview Results with Employees on Business Processes, Products, and Customer Service

According to customers interviewed, Deira Bakery products offer several advantages, including delicious and unique flavors, consistent taste, diverse options, attractive appearance, affordability, varied variants, appropriate sweetness, and soft texture. Customers appreciate the friendly and pleasant service. However, Deira Bakery also faces weaknesses. These include inconsistent product variants, a preference for open purchase orders (PO), limited digital marketing efforts, standard taste quality, slightly dry texture suggesting insufficient ingredients, short product shelf life, unattractive packaging, lengthy order processing times, and a location distant from the city center.

Regarding price-to-quality ratio, customers find Deira Bakery products reasonably priced with good quality standards, delicious taste, and high overall satisfaction. Despite this, some feel the bakery could compete better with other chain bakeries offering wider accessibility and distinct tastes, though possibly at slightly higher prices. The most frequently purchased menu items include cheesecake, spiku, cheese donuts, pizza, shredded sausage bread, chocolate banana bread, and boy bread. Customers also praise the shop's good service, describing it as friendly, responsive, informative, and attentive to their needs and feedback.

### SWOT Analysis

#### Internal and external factors analysis stage using IfAS and EFAS

##### 1. Internal

**Table 1 IFAS Analysis**

NO	Internal Determinants	Weight	Rating	Score
<b>A.</b>	<b>Power</b>			
1	Fast and friendly service	0,14	4	0,56
2	Having competent employees	0,11	4	0,44
3	Economical price and quality products	0,11	5	0,55
4	Various bread variants	0,14	5	0,70
5	Adequate tools & equipment	0,11	4	0,44
	<b>Sub Total</b>	<b>0,61</b>		<b>2,69</b>
<b>B.</b>	<b>Weaknesses</b>			
1	Less availability of workers	0,07	3	0,21
2	Product can't last long	0,11	3	0,33
3	inconsistent bread availability	0,07	3	0,21

4	Not so attractive packaging	0,07	4	0,28
5	Ineffective utilization of social media	0,07	4	0,28
	<b>Sub Total</b>	<b>0,39</b>		<b>1,31</b>
	<b>Total</b>	<b>1,00</b>		<b>4,00</b>

*The researcher processed the data from the interviews*

The sub-total strength factor score is 2.69 and the sub-total weakness factor score is 1.31, according to the internal factor table analysis.

## 2. External

**Table 2 EFAS Analysis**

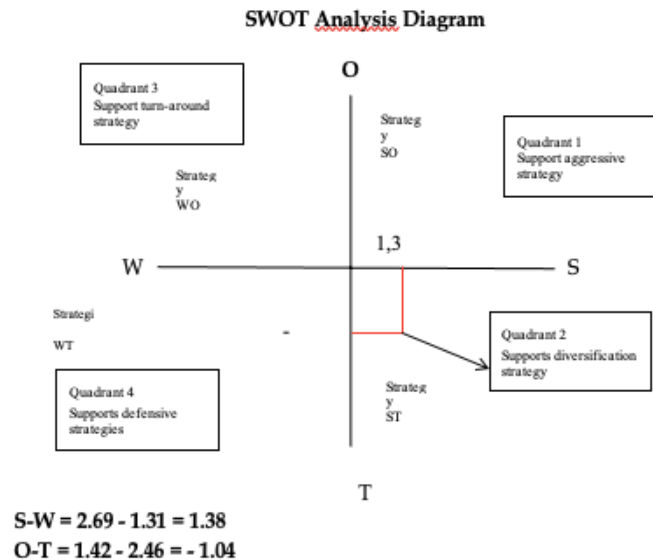
NO	External Determinants	Weight	Rating	Score
<b>A.</b>	<b>Opportunities</b>			
1	Strategic location near residential areas	0,10	3	0,30
2	Having repeat customers	0,07	3	0,21
3	Expanding business by opening branches	0,10	3	0,30
4	Raw materials are readily available	0,10	4	0,40
5	Good cooperation with suppliers	0,07	3	0,21
	<b>Sub Total</b>	<b>0,44</b>		<b>1,42</b>
<b>B.</b>	<b>Threat</b>			
1	Increased raw material prices	0,13	5	0,65
2	Competition from similar competitors	0,13	5	0,65
3	Declining purchasing power	0,10	3	0,30
4	Unsold products	0,07	3	0,21
5	consumer attention to prices customized with competitors	0,13	5	0,65
	<b>Sub Total</b>	<b>0,56</b>		<b>2,46</b>
	<b>Total</b>	<b>1,00</b>		<b>3,88</b>

*Source: Interview data processed by researchers*

According to the analysis of the external factors table, the opportunity factor has a sub-total value of 1.42, while the threat factor has a sub-total value of 2.46.

## Analysis stage using SWOT analysis diagram

After interviews with owners, employees, and consumers are complete, it can be concluded that the quadrant results for the Deira Bakery Store are as follows:



**Figure 1. SWOT Analysis Quadrant Diagram**

*Source: the results of interview data processed by researchers*

The Deira Bakery store is in quadrant 2 (two) of the SWOT analysis diagram above, indicating that it has opportunities and strengths. Therefore, they can utilize their internal strengths to deal with external threats. The strategy applied in this situation will support the diversification strategy policy. The following table shows the total value of each of the above factors, as well as the SWOT quadrant diagram and SWOT Matrix formula.

**Table 3. SWOT Matrix Strategy Formulation**

	IFAS	Strengths	Weaknesses
EFAS		(Strength) S	(Weakness) W
O		SO strategy $2,69 + 1,42 = 4,11$	WO Strategy $1,31 + 1,42 = 2,73$
Threats T		ST Strategy $2,69 + 2,46 = 5,15$	WT Strategy $1,31 + 2,46 = 3,77$

*Source of data results processed by researchers*

## Alternative Strategy Combination

The results of the SWOT matrix strategy formulation, which consists of SO Strategy, WO Strategy, ST Strategy, and WT Strategy, are used to create a combination of planning strategies to determine strategies that consider the positions of strengths, weaknesses, opportunities, threats, based on SWOT analysis, various combinations of strategies are

developed based on the existing situation. To analyze the formulation of alternative SO, WO, ST, and WT strategies, a SWOT matrix pattern has been created from the IFAS and EFAS matrix analysis shown in the table above. The results of this analysis are as follows:

**Table 4. SWOT Matrix**

<p><b>IFAS</b></p> <p><b>Strengths S</b></p> <ol style="list-style-type: none"> <li>1. Fast and friendly service</li> <li>2. Having competent employees</li> <li>3. Economical product prices and quality flavors</li> <li>4. Various bread variants</li> <li>5. Adequate tools &amp; equipment</li> </ol>		<p><b>Weaknesses W</b></p> <ol style="list-style-type: none"> <li>1. Insufficient labor availability</li> <li>2. Product cannot be long-lasting</li> <li>3. Inconsistent availability of rattan</li> <li>4. Less attractive packaging</li> <li>5. Ineffective utilization of social media</li> </ol>
<p><b>EFAS</b></p> <p><b>Opportunities O</b></p> <ol style="list-style-type: none"> <li>1. Strategic location near residential areas</li> <li>2. Have regular customers</li> <li>3. Expanding business by opening branches</li> <li>4. Readily available raw materials</li> <li>5. Good relationship with suppliers</li> </ol>	<p><b>SO strategy</b> Maximize strengths to take advantage of opportunities</p> <ol style="list-style-type: none"> <li>1. Increase customer interest in buying products at Toko Deira Bakery by providing good service with a strategic location.</li> <li>2. Create new innovations to improve products.</li> <li>3. Maintaining the quality of bread flavors and products</li> <li>4. Increase customer appeal by offering different types of bread to cater to various customer tastes</li> <li>5. Improving the bread production process.</li> </ol>	<p><b>WO Strategy</b> Minimize weaknesses to take advantage of opportunities</p> <ol style="list-style-type: none"> <li>1. Increase the number of workers by providing employment opportunities for local residents</li> <li>2. On-demand bread production</li> <li>3. Conduct bread production planning based on data and trends in consumer demand</li> <li>4. Create attractive designs that match the business branding.</li> <li>5. Create an engaging content strategy for social media</li> </ol>
<p><b>Threats T</b></p> <ol style="list-style-type: none"> <li>1. Increased raw material prices</li> </ol>	<p><b>ST Strategy</b> Maximizing strengths to overcome threats</p>	<p><b>WT Strategy</b> Minimize weaknesses and avoid threats</p> <ol style="list-style-type: none"> <li>1. Planning for the labor required and cooperating</li> </ol>



2. Competition from similar competitors 3. Declining purchasing power 4. Unsold products 5. Consumer attention to prices that can shift to competitors	1. Conduct budget planning to adjust to price increases and educate customers 2. Providing the best to consumers in terms of unique product quality, superior service 3. Providing product offerings at various prices 4. Provide promotions and discounts on unsold products 5. Consider price adjustments to keep attracting consumers and create strong branding	with suppliers to get a better price. 2. Improve product innovation by using natural preservation to beat the competition in the market. 3. Work with raw material suppliers 4. Partner with food ordering apk platforms to reach a wider audience. 5. Advertise on social media with engaging content and attract followers.
---	---	---

*Source of data results processed by researchers*

Based on the SWOT matrix strategy and the combination strategy, Deira Bakery is positioned in quadrant 2 with a high value of 5.15, emphasizing the use of internal strengths to mitigate external threats. This suggests implementing the ST (Strengths-Threats) strategy to optimize business operations. Here are several strategies Deira Bakery can consider:

a) Budget Planning for Raw Material Cost Adjustments:

Implementing budget planning involves negotiating better prices with suppliers for bulk purchases, setting short and long-term goals to manage rising raw material costs. This strategic approach ensures sustainability by carefully managing budgets and taking proactive steps against cost increases.

b) Focus on Unique Product Quality and Superior Service:

Differentiating through high-quality products and superior customer service helps build a competitive edge. Strategies could include product innovation, recipe improvements, and ensuring friendly, responsive, and professional customer interactions. This approach fosters customer loyalty and enhances Deira Bakery's reputation.

c) Offering Products at Varied Price Points:

Providing a range of price options—from premium to affordable products—accommodates diverse customer budgets. Initiatives such as loyalty programs or exclusive discounts for frequent shoppers can attract a broader customer base and meet varying market segment needs.

d) Promotions and Discounts on Unsold Products:

Utilizing promotions and flash sales on unsold inventory can stimulate sales by creating urgency and attracting price-conscious customers. Offering ongoing discounts for bulk purchases or repeat customers encourages return visits and boosts sales turnover.

#### e) Strategic Price Adjustments and Branding Consistency:

Conducting market analysis helps identify price-sensitive segments and competitive pricing strategies. Adjusting prices strategically while maintaining brand values and communication reinforces customer trust and strengthens Deira Bakery's brand identity. Ensuring a memorable customer experience through quality products, excellent service, and inviting store environments enhances brand loyalty and market presence.

### CONCLUSIONS

Internally, Deira Bakery excels in fast and responsive service, competitive pricing, high-quality taste, and a wide array of bread variants. However, it faces weaknesses such as products with short shelf lives, unattractive packaging, and ineffective use of social media. Externally, opportunities include strategic location near residential areas, loyal customer base, and strong supplier relationships, while threats consist of rising raw material costs, competition from similar businesses, and managing unsold inventory.

Based on this analysis, Deira Bakery is positioned in quadrant 2 of the SWOT matrix, leveraging internal strengths to address external threats. Therefore, the recommended strategy is to focus on diversification. The ST (Strengths-Threats) strategy is most suitable and effective for Deira Bakery's development:

- Conduct budget planning to manage price increases.
- Provide superior product quality and service to customers.
- Offer products at various price points to cater to different budgets.
- Implement promotions and discounts on unsold inventory.
- Adjust prices strategically to maintain competitiveness and enhance branding.

By implementing these strategies, Deira Bakery can capitalize on its strengths to mitigate threats, sustain growth, and strengthen its market position in the bakery industry.

### REFERENCE

- Afridhal, M. (2017). *Journal of Chemical Information and Modeling* 53 (9): 223–33.
- Ariyanto, A. & Istiqomah. (2017). "Analisis SWOT Dalam Pengembangan Bisnis (Studi Pada Sentra Jenang Di Desa Wisata Kaliputu Kudus." *Jurnal Bisnis Dan Manajemen Islam* Vol 5 No 2: 363–82.
- Fatimah, D. N. F. (2020). Teknik Analisis SWOT Pedoman Menyusun Strategi Yang Efektif & Efisien Serta Cara Mengelola Kekuatan & Ancaman. Edited By Erwin Ariyanto. Yogyakarta: Anak Hebat Indonesia.
- [https://books.google.co.id/books?hl=id&lr=&id=CRL2DwAAQBAJ&oi=fnd&pg=PR2&dq=tujuan+analisis+swot&ots=NVRKHdzaxg&sig=ULRbflsG77q2lHKPUS4h3JlCkg&redir\\_esc=y#v=onepage&q=tujuan analisis swot&f=false](https://books.google.co.id/books?hl=id&lr=&id=CRL2DwAAQBAJ&oi=fnd&pg=PR2&dq=tujuan+analisis+swot&ots=NVRKHdzaxg&sig=ULRbflsG77q2lHKPUS4h3JlCkg&redir_esc=y#v=onepage&q=tujuan%20analisis%20swot&f=false)

- Febrianti, dkk. (2021). "Analisis Strategi Bisnis Roti Pada Nadhira Napoleon Pekanbaru." *Jurnal Pendidikan Tambusai* 5 (2): 3593–99. <https://doi.org/10.31004/jptam.v5i2.1388>.
- Hamidah, Q. R., Sejati, A. T. P., & Mujahidah, A. Z. (2019). "The Development of Small and Medium Businesses (MSMEs) Based on Tecnology to Deal with The Industrial Revolution 4.0." *Social, Humanities, and Educational Studies (SHes): Conference Series* 2 (1): 345. <https://doi.org/10.20961/shes.v2i1.38431>.
- Harisudin, M. (2020). "Metode Penentuan Faktor-Faktor Keberhasilan Penting Dalam Analisis SWOT." *AGRISAINTEFIKA: Jurnal Ilmu-Ilmu Pertanian* 3 (2): 113. <https://doi.org/10.32585/ags.v3i2.546>.
- Hendrawan, A., Kuswantoro, F., & Sucahyawati, H. (2019). "Dimensi Kreativitas Dan Pengembangan UsahaMikro Kecil Dan Menengah (UMKM)." *Jurnal Humansi* 2 (1): 25–36. <https://doi.org/10.33488/1.jh.2019.2.194>.
- Heni, N., Santoso, B., & Rahayu, J. (2020). "Strategi Pemasaran Berbasis Metode Boston Consulting Group ( Bcg ) Dalam Menghadapi Persaingan Pada Rumah Makan Sundari Jember *Jurnal Program Studi Manajemen Fakultas Ekonomi Dan Bisnis Universitas Muhammadiyah Jember*," 1–9.
- Kusbandono, D.( 2019). "Analisis Swot Sebagai Upaya Pengembangan Dan Penguatan Strategi Bisnis ( Study Kasus Pada Ud. Gudang Budi, Kec. Lamongan)." *Jurnal Manajemen* 4 (2): 921. <https://doi.org/10.30736/jpim.v4i2.250>.
- Lenaini, I. (2021). "Teknik Pengambilan Sampel Purposive Dan Snowball Sampling." *Jurnal Kajian, Penelitian & Pengembangan Pendidikan Sejarah* 6 (1): 33–39. p-ISSN 2549-7332 %7C e-ISSN 2614-1167%0D.
- Nasiruddin, F., Tahir, T. (2019). "Strategi Pemasaran Roti Maros Di Kabupaten Maros ( Studi Kasus Pada Toko Roti Maros Setia Kawan )" *Jurnal Fakultas Ekonomi Universitas Negeri Makassar*.
- Purwosandiko, D. (2018). "Strategi Bisnis Usaha Café „Duduk-Duduk Aja“ Di Surabaya." UPN "Veteran" Jawa Timur.
- Septiani, D. Arieska, M. & Sulistyawati, L. (2022). "Strategi Pengembangan Bisnis Dengan Metode Product Life Cycle (PLC) Dan Boston Consulting Group (BCG) Matriks." *Reslaj: Religion Education Social Laa Roiba Journal* 4 (6): 1532–50. <https://doi.org/10.47467/reslaj.v4i6.1171>.
- Siregar, A. P. H.( 2020). "Analisis Strategi Bersaing Toko Roti X Berdasarkan Ie- Matriks." *Jurnal Administrasi Bisnis* 16 (1): 1–21.

- Soemitra, A. & Siregar, Z. A. ( 2022). "Strategi Pemasaran Dalam Meningkatkan Pendapatan Usaha Warung Makan Perspektif Ekonomi Islam." *Center of Knowledge : Jurnal Pendidikan Dan Pengabdian Masyarakat* 2 (2): 78-87. <https://doi.org/10.51178/cok.v2i2.715>.
- Soraya, I. (2017). "Personal Branding Laudya Cynthia Bella Melalui Instagram (Studi Deskriptif Kualitatif Pada Akun Instagram @Bandungmakuta)." *Jurnal Komunikasi* 2 (September): 30-38. [www.antara.com](http://www.antara.com).
- Sudaryono, (2016). *Manajemen Pemasaran Teori & Implementasi*. Edited by FL. Sigit. Yogyakarta: C.V ANDI OFFSET.
- Suriani, N., Risnita., & Jailani, M. S. (2023). "Konsep Populasi Dan Sampling Serta Pemilihan Partisipan Ditinjau Dari Penelitian Ilmiah Pendidikan." *Jurnal IHSAN: Jurnal Pendidikan Islam* 1 (2): 24-36. <https://doi.org/10.61104/ihsan.v1i2.55>.
- Qunhui, D., Kamkankaew, P., Thanitbenjasith, P., & Hui, G. (2023). "Innovation Management of Improving Business Strategy in CCIC Company, China" 3 (October): 61-70.
- Zevi, I.( 2018). "Analisis Strategi Pemasaran Dalam Meningkatkan Volume Penjualan Produk Pada PT. Proderma Sukses Mandiri." Universitas Islam Negeri Syarif Hidayatullah.