

Designing marketing strategy using SWOT and Blue Ocean strategy to increase sales and competitiveness at PT Zaga Krida Teknik

Larisang¹, Meylia Vivi Putri^{2*}

^{1,2} Department of Industrial Engineering, Ibnu Sina University, Batam, Kepulauan Riau, Indonesia

* Corresponding author: meyliaviviputri@gmail.com

ARTICLE INFO

Article history

Submission: 23th May, 2024

Revised: 30th May, 2024

Accepted: 20th July, 2024

Keywords

Blue Ocean Strategy

EFAS

IFAS

SWOT



<http://dx.doi.org/10.22441/oe.2024.v16.i2.113>

ABSTRACT

The intense competition in the business world forces companies to devise strategies to outperform their rivals. As more businesses target the same market segments, the available market becomes increasingly crowded. To address this challenge, a strategic analysis is essential. This research employs the SWOT method and the Blue Ocean Strategy. The SWOT analysis identifies the company's strengths, weaknesses, opportunities, and threats, helping to assess its competitive position. Meanwhile, the Blue Ocean Strategy aims to shift from a highly competitive market (Red Ocean) to a new, uncontested market (Blue Ocean). Data analysis results show the need for strategic adjustments. SWOT analysis highlights areas where the company lags compared to competitors, while the Blue Ocean Strategy outlines actions to access untapped markets, increasing product sales. The study reveals that PT Zaga Krida Teknik can escape fierce competition by addressing existing shortcomings and developing unique features. Specifically, the company should introduce three new elements: branded nameplates, employee training, and a website. Additionally, it must improve product quality, promotional activities, and product guarantees. These strategic changes are expected to enhance the company's market position and drive growth.



This is an open access article under the [CC-BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.

1. Introduction

Batam is one of Indonesia's prominent industrial cities, home to 537 foreign companies operating in the area (Laoli & Epriadi, 2022). Strategic planning plays a crucial role in the success of companies (Kumalasari, 2016; Widiyarini & Hunusalela, 2019), as it helps them define their goals, set objectives, and outline the necessary steps to achieve these targets (Irmanto & Ridwan, 2021). Moreover, strategic planning enables businesses to assess current conditions, devise effective strategies, integrate information systems and technology, and formulate recommendations for future technological advancements (Priambodo & Suroso, 2023; Saputra & Solihin, 2021). By implementing well-structured strategic planning, companies can streamline their operations and gain a competitive edge in the market.

PT Zaga Krida Teknik is a company engaged in the field of automation control, control panels, fabrication, machining parts, and standard parts. as well as repair machine production whose activities supply the needs of several manufacturing companies in Batam, such as PT Shimano, PT Panasonic, and PT Gemara. One of the strengths of PT Zaga Krida Teknik is the quality of its products, namely guaranteed quality due to the product monitoring system. One of the weaknesses lies in the company's internal parts. Batam City, as a significant market share, is an opportunity for product marketing, but apart from that, the threat is also high, where companies must be able to compete with competitors so that the quality of the products they have is better than competitors so that product sales can be higher. The competition in Batam means that PT Zaga Krida Teknik must be able to

create a competent competitive strategy based on fast-moving changes. Companies must change their existing strategies to follow current market trends.

SWOT analysis is an approach to evaluate various factors that help in designing a company's strategy. This approach aims to exploit strengths and opportunities as much as possible while also reducing weaknesses and overcoming threats that may be faced (Andriani et al., 2021). SWOT analysis is a systematic approach that evaluates each opportunity, threat, strength, and weakness and combines them with tactics that suit the situation. This matrix produces four strategies, namely ST, WT, WO, and SO. After identifying an organization's strengths, weaknesses, opportunities, and threats, specific management strategies can be formulated (Sugito et al., 2023). Meanwhile, the Blue Ocean Strategy is basically a strategy to outperform competitors by offering innovative product features that have been ignored by other competitors (Kim, 2016; Rizqiyana, 2021). The features of these products often differ significantly from those already on the market. This is different from a red ocean, where all competitors offer uniform product features and compete with each other in the same market. By using this approach, business actors can reduce intense competition and create long-term profits. Blue ocean strategy has six principles, including reconstructing market boundaries, focusing on a big vision, reaching new segments, and overcoming key obstacles in the organization, as well as integrating execution into strategy (Ningrum et al., 2019). Study What has been done by several researchers shows that business strategy can be carried out using the SWOT method or the Blue Ocean strategy. The resulting strategy results vary depending on the company's circumstances (Hernawan et al., 2020; Djorghi & Sunarya, 2022; Hermanto, 2023; Suyudi & Suryana, 2020). The existing strategy at PT Zaga Krida Teknik focused on market segmentation, targeting specific segments through a tender system and competing by offering the best prices. However, this approach positioned the company within a highly competitive Red Ocean, where its product and service offerings closely resembled those of its main competitor, PT Fashawa Teknindo Berkah. Key weaknesses of this strategy included ineffective promotional activities, product quality needing improvement, and insufficient product guarantees, which undermined customer confidence. Sales data also showed consistent gaps between targets and actual outcomes, highlighting the need for strategic adjustments. Company sales data for one year can be seen Table 1.

Table 1 Company sales data

No	Month	Freestanding Panels		Waal Panel Mounting		Glue Dispenser	
		Target	Sale	Target	Sale	Target	Sale
1	January	20	18	40	35	1	1
2	February	20	15	40	38		
3	March	20	17	40	30		
4	April	20	18	40	37	1	1
5	May	20	13	40	32		
6	June	20	13	40	39		
7	July	20	17	40	28	1	1
8	August	20	10	40	36		
9	September	20	19	40	35		
10	October	20	15	40	31	1	1
11	November	20	11	40	37		
12	December	20	16	40	32		
Total		240	182	480	410	4	4

Source: Data Processing, 2024

Based on Table 1, there is a significant discrepancy between the target and actual sales for Freestanding Panels and Wall Mounting Panels. For Freestanding Panels, the annual target was 240 units, but the actual sales reached only 182 units, resulting in a shortfall of 58 units or approximately 24% below the target. Similarly, Wall Mounting Panels had an annual target of 480 units but achieved only 410 units, showing a shortfall of 70 units or 14.6% below the target. On the other hand, the Glue Dispenser consistently met its target of 4 units for the year.

Form Fig 1. We can see the sales chart for Freestanding Panels and Wall Mounting Panels highlights the inconsistent trends, with sales falling short of the target in most months. Freestanding Panel sales experienced significant declines in May and June, with only 13 units sold each month compared to the monthly target of 20 units. While sales slightly improved in September, reaching 19 units, they still did not meet the target. For Wall Mounting Panels, although some months, such as

February and June, recorded sales close to or exceeding the target (38 and 39 units out of the 40-unit target, respectively), overall sales tended to decline. July and August were particularly low, with sales at 28 and 36 units, respectively.

This data demonstrates that both panel types struggled to consistently achieve their targets. Factors such as insufficient promotion and low product visibility, as identified in the SWOT analysis, may have contributed to these shortfalls. Additionally, the reliance on a tender system for sales introduces significant fluctuations, especially when competitors offer more competitive pricing.

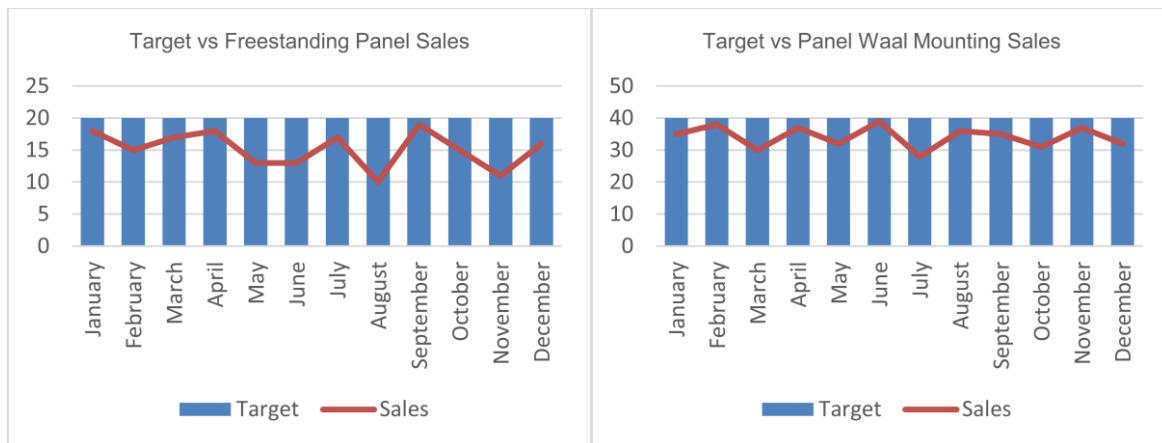


Fig. 1 Sales chart (Data Processing, 2024).

The SWOT analysis, used as a foundational tool in this study, offered a systematic way to evaluate the company's internal strengths and weaknesses and external opportunities and threats. It allowed PT Zaga Krida Teknik to identify areas needing improvement, such as promotions and product guarantees, while leveraging strengths like competitive pricing and service quality. However, previous studies, such as Andriani et al. (2021), highlight that SWOT analysis alone may fall short in addressing rapidly evolving competitive environments. While it provides a clear framework for assessing current conditions, it does not inherently suggest innovative solutions or guide companies in creating new market spaces. This limitation underscores the importance of integrating the SWOT framework with more dynamic approaches, such as the Blue Ocean Strategy.

The Blue Ocean Strategy focuses on creating uncontested market spaces by delivering unique customer value. In the case of PT Zaga Krida Teknik, this strategy complemented the insights from SWOT analysis by offering actionable steps to overcome competition. By raising product quality, enhancing promotional activities, and creating new factors such as company nameplates, employee training, and a corporate website, the company addressed the threats and weaknesses identified in the SWOT analysis while capitalizing on its strengths. This aligns with findings from Ghajiga et al. (2023), which show that combining traditional analysis tools with innovative strategies can significantly expand market reach.

The advantage of using SWOT in conjunction with the Blue Ocean Strategy lies in its ability to ground innovative approaches in a thorough understanding of internal and external factors. However, its drawback is that SWOT is inherently static and may not account for rapid changes in competitive dynamics, as noted by Hakkak et al. (2024)). By integrating these approaches, PT Zaga Krida Teknik not only seeks to improve its market appeal and sales but also positions itself to lead in untapped markets with sustainable growth potential.

2. Methods

The research was conducted using primary and secondary data produced through direct observation and interviews with respondents to obtain internal and external factors. In taking the sample itself, the researcher used a sampling technique (non-probability sampling) and a Purposive Sampling type. The sample that will be used in this research is a questionnaire distributed to employees of PT Zaga Krida Teknik, company competitors, and customers.

The research at PT Zaga Krida Teknik involved 32 respondents carefully selected through purposive sampling to ensure the inclusion of key stakeholders relevant to the study. These respondents were divided into three categories: internal company representatives, competitor representatives, and customers. Among the internal respondents, 10 staff members, including managers and operational employees, provided insights into the company's strengths, weaknesses, and internal processes. Another 10 respondents were representatives from PT Fashawa Teknindo Berkah, a primary competitor, who contributed perspectives on market competition and external challenges. The remaining 12 respondents were customers, consisting of decision-makers and procurement officers familiar with PT Zaga Krida Teknik's products. Slovin's formula was chosen as a tool for testing data adequacy (Almeda et al., 2010):

$$n = \frac{N}{1 + Ne^2} \tag{1}$$

Information:

n: sample size

N: population size

e: the error expected

So, the calculations are carried out as follows:

$$n = \frac{35}{1 + (35 \times 0,05^2)} = 32 \text{ data}$$

So, the data needed can be 32. Because $N > n$, the data is said to be sufficient. The research model carried out in this study uses the Blue Ocean Strategy and SWOT method. SWOT analysis begins with collecting qualitative and quantitative data through questionnaires and interviews. Internal factors (strengths and weaknesses) and external factors (opportunities and threats) are rated based on their significance, with ratings from 1 to 4. Weights are determined by dividing the factor's importance by the total, with the scores obtained by multiplying the ratings by the weights. Through the initial stages by tabulating data from the questionnaire results, then continuing with validity and reliability tests, determining strengths and weaknesses. After that, the External Factor Analysis Strategy (EFAS) and Internal Factor Analysis Strategy (IFAS) analyses were carried out. From the IFAS and EFAS results, the company's current position in the SWOT Analysis diagram will be obtained. SWOT analysis is a systematic system that analyzes every opportunity, threat, strength, and weakness and reflects synchronized tactics using the situation. This matrix produces four strategies, namely ST, WT, WO, and SO (Jihad Akbar & Fitriani Nur Maghfiroh, 2022). After that, a strategy canvas analysis will be carried out using the Blue Ocean Strategy. Blue Ocean Strategy was originally a way to conquer competitors through innovative product features that competitors had so far ignored. The features of the product are also different from those already on the market (Murti et al., 2022). The strategy canvas is used to look at the company's current competition. Then changes are made if several factors experience quite tight competition, then proceed with making the four work steps of the Blue Ocean Strategy (eliminate, reduce, increase, and create). The four-step blue ocean strategy framework can be seen in Fig. 2.

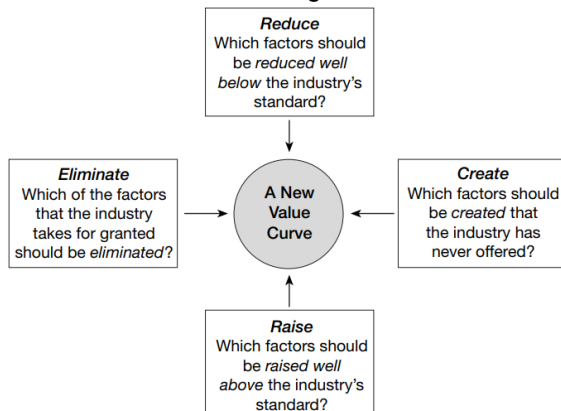


Fig. 2 Blue ocean strategy four-step framework (Chan Kim & Mauborgne, 2005)

3. Results and Discussion

Determination of Internal Factors

In this research, there are variables listed in the questionnaire, namely: X1: Product Price(PP), X2: Material Quality(MQ), X3: Product Quality(PQ), X4: Product Variation(PV), X5: Product Innovation(PI), X6: Promotion(P), X7: Service Quality(SQ), X8: Delivery quality(DQ), and X9: Product Guarantee(PG). These variables were obtained from the results of discussions and interviews with the company. The results of the questionnaire were distributed to determine the strengths and weaknesses of PT Zaga Krida Teknik. In collecting this data, the researcher used a rating scale with a scale of 1 to 4. This rating scale was used to determine the level of importance and expectations of the sample studied. The definition of the scale is: Scale 1: No Good, Scale 2: Not Good, Scale 3: Good, and Scale 4: Very Good.

Determination of External Factors

In this research, several indicators that could become opportunities for PT Zaga Krida Teknik include a high level of product demand from customers in the region and outside the region, products that keep up with the times, the economy of Batam city, which is said to be quite good, advances in technology that can be utilized as a marketing and sales tool, and a wide market share. Meanwhile, the threat indicators are the number of competitors making similar or similar products, fierce price competition for products with competitors, changing customer interests, raw material prices increasing or becoming more expensive, and competitors offering discounts or discounts.

Validity Test

Validity testing uses the Pearson correlation method with the help of the SPSS application. Table 2 shows the Validity Test Results for PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah as competitors **Table 2**.

Table 2 Validity test results of PT Zaga Krida Teknik and PT Fashawa Teknindo Blessings

Variables	R Table	PT. Zaga Krida Engineering		PT. Fashawa Teknindo Blessings		Glue Dispenser	
		R Count	Ket	R Count	Ket	Target	Sale
X1	0.349	0.595	Valid	0.683	Valid		
X2	0.349	0.610	Valid	0.785	Valid	1	1
X3	0.349	0.844	Valid	0.894	Valid		
X4	0.349	0.812	Valid	0.604	Valid		
X5	0.349	0.818	Valid	0.801	Valid	1	1
X6	0.349	0.781	Valid	0.831	Valid		
X7	0.349	0.777	Valid	0.809	Valid		
X8	0.349	0.846	Valid	0.887	Valid	1	1
X9	0.349	0.696	Valid	0.821	Valid		

The validity test using SPSS showed that 9 variables at PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah were declared valid because of the T count > R table value.

Reliability Test

Reliability testing uses the Cronbach alpha coefficient with the help of the SPSS application. **Table 3** shows the Reliability Test Results for PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah as competitors **Table 3**. **Table 3** shows that the reliability value of the company's results is > 0.60 (Cronbach Alpha value), so from these results, we can conclude that all the variables in the questionnaire are reliable.

Table 3 Reliability test results of PT Zaga Krida Teknik and PT Fashawa Teknindo Blessings.

Company	Cronbach Alpha Coefficient	Lower Limit Value	Information
PT Zaga Krida Teknik	0.904	0.6	Reliable
PT Fashawa Teknindo Berkah	0.925	0.6	Reliable

Questionnaire Result and Recapitulation of Average Weight of Questionnaire Results

Questionnaire result of rating scale for each variable in PT. Zaga Krida Teknik is shown in Table 4. There are several questions that are described based on 9 predetermined variables. The list of questions is: How are the product prices at PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah?, How is the material quality at PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah?, How is the product quality at PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah?, How is the product variety offered by PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah?, How is the product innovation at PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah?, How are the promotional efforts at PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah?, How is the service quality provided by PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah?, How is the quality of goods delivery provided by PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah?, and How is the product guarantee from PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah? In collecting this data, the researcher used a rating scale with a scale of 1 to 4. This rating scale was used to determine the level of importance and expectations of the sample studied. The definition of the scale is: Scale 1: No Good, Scale 2: Not Good, Scale 3: Good, and Scale 4: Very Good.

Table 4 Questionner result of rating scale for each variable in PT Zaga Krida Teknik and PT Fashawa Teknindo

No	PT Zaga Krida Teknik									PT Fashawa Teknindo								
	PP	MQ	PQ	PV	PI	P	SQ	DQ	PG	PP	MQ	PQ	PV	PI	P	SQ	DQ	PG
1	3	3	2	2	3	3	2	2	3	3	3	3	2	1	4	4	4	3
2	2	3	2	3	2	3	3	3	2	2	4	3	3	3	2	3	3	3
3	3	4	4	4	4	4	4	4	4	3	4	3	3	4	3	3	4	4
4	3	3	2	1	2	2	1	2	1	3	2	3	2	1	4	2	1	2
5	4	4	3	3	3	3	4	4	3	3	3	4	3	3	3	4	4	4
6	3	3	3	4	4	3	4	3	3	3	3	3	3	4	4	3	4	3
7	3	4	3	4	3	3	3	3	4	3	3	4	3	4	3	3	3	3
8	3	4	3	3	3	3	4	3	3	3	4	4	3	3	3	4	3	3
9	4	4	4	4	4	4	4	4	3	4	3	3	4	3	4	4	4	4
10	4	4	4	3	3	4	4	4	3	3	3	3	4	3	3	4	3	4
11	3	3	3	3	3	3	3	3	3	3	3	4	3	3	3	3	3	3
12	4	3	3	4	4	4	4	4	4	4	3	3	3	4	4	4	3	4
13	3	3	3	3	3	3	4	4	4	3	3	3	3	3	3	3	4	4
14	4	4	4	4	4	4	3	3	4	4	4	4	4	4	4	3	3	4
15	4	3	3	3	2	2	3	3	3	4	4	3	2	3	2	2	3	3
16	3	3	3	3	4	4	4	4	4	3	2	3	3	3	4	4	4	4
17	4	3	3	3	3	3	3	3	3	3	3	3	3	3	3	4	3	3
18	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
19	3	3	3	3	3	2	3	3	3	3	3	3	3	3	3	4	3	3
20	4	3	3	4	3	3	3	3	3	4	4	3	3	4	3	3	3	3
21	3	4	3	4	3	4	3	3	4	3	3	4	3	4	3	4	3	3
22	3	3	3	3	3	3	3	3	3	3	3	3	4	3	3	3	3	3
23	3	3	3	4	4	3	3	3	3	3	4	3	4	4	4	3	4	3
24	2	3	2	2	2	2	3	2	3	2	2	3	2	2	2	2	3	2
25	3	3	3	4	3	3	3	3	3	3	3	3	3	4	3	3	3	3
26	3	3	3	2	2	2	3	3	3	3	3	3	3	2	2	4	3	3
27	2	3	3	3	2	3	2	3	4	2	3	3	3	3	2	3	2	3
28	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
29	3	4	3	4	4	3	4	3	3	3	4	3	4	4	4	3	3	3
30	4	4	4	4	4	4	4	4	4	4	4	3	4	1	4	4	3	4
31	4	3	4	4	4	3	3	3	4	4	3	3	4	3	4	3	3	4
32	3	3	3	3	3	3	3	3	3	3	3	3	3	4	3	3	2	3

The average weight is calculated based on the data obtained from each variable. The following is the calculation of the average weight, which is calculated using the formula:

$$\bar{X} = \frac{\sum_i^n X_i}{N} \tag{2}$$

Information:

\bar{X} : Average weight

X_i : Data obtained from questionnaires

N: number of respondents

A recapitulation of the weight of the average questionnaire results for each company can be seen in [Table 5](#).

Table 5 Recapitulation of questionnaire results from PT Zaga Krida Teknik and PT Fashawa Teknindo Blessings.

Company	X1	X2	X3	X4	X5	X6	X7	X8	X9
PT Zaga Krida Teknik	3.22	3.31	3.06	3.25	3.13	3.06	3.22	3.19	3.22
PT Fashawa Teknindo	3.13	3.19	3.19	3.13	3.09	3.19	3.22	3.16	3.25

Based on [Table 5](#), it can be compared which variables PT Zaga Krida Teknik is superior to its competitors (Strength) and which variables are weaker (weakness). Based on [Table 5](#), which are the strengths of PT Zaga Krida Teknik, namely: X1: Product Price (3.22), X2: Material Quality (3.31), Service Quality (3.22), and X8: Goods delivery quality (3.19). Meanwhile, the weakness is X3: Product Quality(3.06), X6: Promotion (3.06), and X9: Product Guarantee (3.22).

Table 6 IFAS Matrix Strengths and Weaknesses of PT Zaga Krida Teknik and PT Fashawa Teknindo Berkah (Competitors)

No	IFAS (Strrengths)	PT ZKT			PT FTB		
		Weight	Ratings	Score	Weight	Ratings	Score
1	Product Price	0.1	4	0.4	0.15	4	0.6
2	Product Variations	0.08	3	0.24	0.15	3	0.45
3	Product Innovation	0.1	4	0.4	0.15	4	0.6
4	Guarantee Provided	0.05	3	0.15	0.1	3	0.3
5	Service quality	0.05	4	0.2	0.1	3	0.3
Total Strength		0.38	18	1.39	0.65	17	1.95
IFAS (Weakness)							
6	Material Quality	0.12	2	0.24	0.1	2	0.2
7	Product Quality	0.22	2	0.44	0.075	2	0.15
8	Promotion	0.16	1	0.16	0.075	1	0.075
9	Quality of Goods Delivery	0.12	1	0.12	0.1	2	0.2
Number of Weaknesses		0.62	6	0.96	0.35	7	0.625
Total IFAS		1	24	2.35	1	24	2,575

(Source: Data Processing, 2024)

External Factor Analysis Strategy (EFAS) and Internal Factor Analysis Strategy (IFAS)

The IFAS matrix is obtained from an internal company assessment. Weakness and strength factors are given a rating of each factor with a value of 1 (weak), 2 (medium), 3 (strong), and 4 (very strong). Then, the weight value is calculated, namely by assessing each rating divided by each number of ratings (the weighted value cannot be less or more than 1). Score calculation by multiplying the weight by the rating ([Table 6](#)). For example the weight of product price is 0,1 and ratings 4 so the value of score is $0,1 \times 4 = 0,4$. Based on the results of observations and interviews with the company, several external factors were found that influenced the company's performance. These factors are given a rating and weight, and the total EFAS score is calculated, which is also obtained by multiplying the rating and weight ([Table 7](#)). PT Zaga Krida Teknik IFAS Matrix calculation results in **Error! Reference source not found**. Regarding strengths and weaknesses, the total strength score was 1.39 and weaknesses 0.96, a difference of 0.43 (x-axis). Then the difference between opportunities and threats PT Zaga Krida Teknik's EFAS matrix is a total score of opportunities of 1.53 and threats of 1.89, and the difference is -0.36 (y-axis). PT Fashawa Teknindo's EFAS matrix results with a total opportunity score of 2.25 and threat of 0.625, and the difference is 1.625 (y-axis).

Based on the results from the x and y-axis points, it is found that the position of PT Zaga Krida Teknik is in quadrant II. Namely, the company is facing threats, but the company still has internal strength. Meanwhile, PT Fashawa Teknindo Berkah's position is in quadrant I, which means the company is in the best position because it is in a strong position and has opportunities in the market that can be seen. The current position of PT Zaga Krida Teknik is still lagging behind that of competing companies. The Company's position in the SWOT analysis diagram can be seen in Fig. 3.

Table 7 EFAS matrix opportunities and threats for PT ZKT and PT FTB (Competitors)

No	EFAS (Opportunity)	PT ZKT			PT FTB		
		Weight	Ratings	Score	Weight	Ratings	Score
1	High level of product demand from customers within and outside the region.	0.1	4	0.4	0.15	4	0.6
2	Products keep up with the times.	0.18	4	0.72	0.15	3	0.45
3	The economy of the Batam city area continues to rise.	0.07	3	0.21	0.1	3	0.3
4	Advances in technology as a marketing and sales tool.	0.09	3	0.1	0.15	4	0.6
5	Wide market share.	0.05	2	0.1	0.1	3	0.3
	Number of Opportunities	0.49	16	1.53	0.65	17	2.25
	EFAS (Threat)						
6	Many competitors make the same product.	0.11	4	0.44	0.11	4	0.44
7	Product price competition with competitors is increasingly fierce.	0.15	4	0.6	0.15	4	0.6
8	There is a change in customer interest.	0.05	3	0.15	0.05	3	0.15
9	Availability of raw materials and prices of raw materials can increase suddenly	0.1	4	0.4	0.1	4	0.4
10	Promotion from a better company.	0.1	3	0.3	0.1	3	0.3
	Number of Threats	0.51	18	1.89	0.51	18	1.89
	Total EFAS	1	34	3.42	1	34	3.42

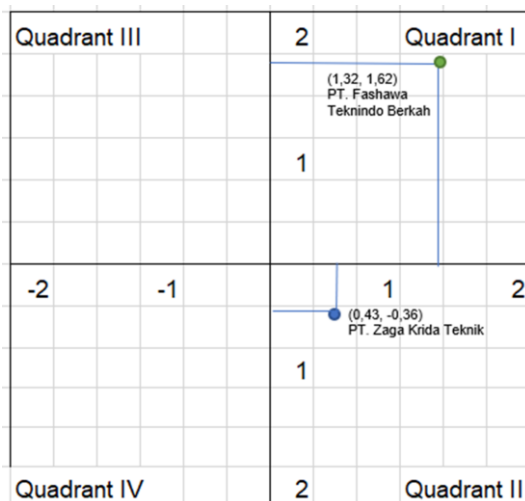


Fig. 3 Company position in the SWOT analysis diagram.

Blue Ocean Strategy Analysis

Initial Strategy Canvas

The strategy canvas has the function of summarizing known market situations. This allows companies to understand where the competition is currently taking place, understand what factors are being used as competition in products, services, and delivery, and understand what consumers get from competitive offers on the market. The initial strategy canvas used was the result of the average

recapitulation of existing questionnaires Table 5, which is then formed into an initial strategy canvas graphic that can be seen in Fig. 4.

From the curve on the initial strategy canvas in Fig. 4. It can be seen that competition is still occurring in several variables, which means the company is still in the Red Ocean area where competition is very high. The step that the company must take is to create a new strategy to get out of the Red Ocean zone and into a Blue Ocean Strategy by moving away from the focus of the current offering and staying away from business competition. The move away was made because, in the initial strategy canvas, it could be seen that PT Zaga Krida Teknik had the same focus values as PT Fashawa Teknindo Berkah.

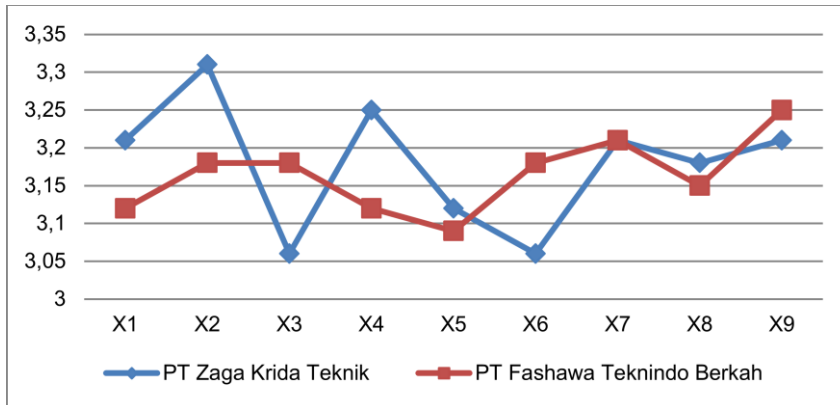


Fig. 4 Initial Strategy Canvas (Data Processing, 2024).

Four Step Framework

In the four-step framework, companies must determine what factors must be eliminated, reduced, improved, and created in developing a Blue Ocean Strategy. A four-step framework was undertaken to create buyer value elements to create the new curve. A schematic of the four-step framework can be seen in

Table 8.

Table 8 Four-step framework scheme

Eliminate	Reduce (Reduce)
-	-
Increase (Raise)	Create (Create)
Product Quality	Company Name plate
Promotion	Training for Employees
Product Guarantee	Company Website

Source: Data Processing, 2024

The Blue Ocean Strategy scores are assigned based on the impact of eliminating, reducing, raising, and creating factors, which are then visualized using the strategy canvas. Based on Table 8, no part is omitted because all existing factors are essential to the Company. Meanwhile, when reducing factors themselves, the company must consider whether the product has advantages over market competition, so it must reduce existing factors. PT Zaga Krida Teknik found no factors to eliminate or reduce, as all existing elements are deemed essential for maintaining competitive advantage. This aligns with findings from other studies, which suggest that companies often prioritize maintaining core competencies while exploring new market spaces (Hakkak et al., 2024). The improved factor must improve the weak factor to be able to compete in the market or get out of competition. The factors that were improved in this research include Product quality, promotions, and guarantees. Enhanced promotions through a company website can provide comprehensive product information, reflecting strategies from other SMEs that successfully leveraged digital platforms for market expansion (Ghajiga et al., 2023)

The product quality at PT Zaga Krida Teknik is said to be of excellent quality, but this needs to be improved further during the work process. The goal is for customers to introduce this company because it is considered to have good product quality. PT Zaga Krida Teknik carries out promotions by giving business cards to potential customers and by word of mouth. Promotion must be improved in a better way, one of which is by creating a company website that provides information about the company and the products owned or ordered with a usage period of 1 month. If a problem (damage) occurs, the product will be repaired. This guarantee needs to be improved, such as providing repairs to damaged products without incurring additional repair costs.

This is done so that customers trust and believe that the product they have is excellent and reasonable. To achieve the Blue Ocean Strategy, companies can offer something new to be superior to competitors and have their market. The factors created are based on Table 8 namely company nameplates, employee training, and company websites. Based on the results of the field survey, the company currently does not have/install a nameplate in front of the company building. The company's location in Bukit Kemuning has several companies that are almost the same, and this will make it difficult for customers if there is no signboard. Installing the nameplate itself is considered necessary so that customers / potential customers can easily find the company address of PT Zaga Krida Teknik. With increasingly fierce global competition, of course, the company's human resources must be of high quality. It must provide training to its employees to become better and become an investment for the company itself because it has quality human resources to be able to compete with existing competitors. Warranty here is a guarantee given by the company to customers for the products purchased. With advances in technology and existing marketing developments, websites have become a promotional tool that can provide consumers with complete information regarding the products and services the company has. This, of course, can make things easier for customers. Therefore, PT Zaga Krida Teknik can create a website that contains quality company information. One way is by improving skills according to the field of work you have. Companies Of the three factors created above, they include company nameplates, employee training, and company websites. Based on the results of the questionnaire, these three factors have an average value above 3.10, Each attribute is evaluated through a questionnaire scored on a 4-point scale, which can be seen in Table 9, which means these three factors are considered necessary because they can increase profits and win the competition.

Table 9 Recapitulation results questionnaire variables created

Company Nameplate(X10)	Training for Employees (X11)	Company Website (X12)
3.15	3.37	3.21

Source: Data Processing, 2024

New Canvas Strategy

All great strategies have a focus, and a company's strategic profile or value curve should clearly demonstrate that focus. PT Zaga Krida Teknik focuses on improving several curves that are still below competitors and creating new factors that will make this new value curve better than before compared to competitors. With this, PT Zaga Krida Teknik fulfills the divergence/movement away. After knowing what variables exist, then improvements and changes are made. Next, create a new strategy canvas, where the proposed strategy is refined according to the four steps framework. The results of the new strategy canvas can be seen in Fig. 5. The results of the comparison of the latest and old strategy canvases show that the new strategy canvas graph has improved more than the previous (old). This gives PT Zaga Krida Teknik the opportunity to dominate the market. Based on Fig. 5 you can see a comparison of the new and old strategy canvases. The things that PT Zaga Krida Teknik must do are improve product quality, promote and guarantee its products, and create several new factors. These three factors must be improved so that companies can escape fierce competition.

The product price variable is in a fixed position (3.22), and the material quality variable is still the same (3.31). The product quality variable needs to be increased from (3.06) to (3.25). The product variation variable remains the same (3.25). There is no change in the product innovation variable (3.13). The promotion variable was increased from (3.06) to (3.30). The service quality variable is still the same, namely (3.22), the goods delivery variable remains (3.19), and the warranty variable (3.22) must be increased to (3.30). Meanwhile, there are 3 additional variables, namely nameplate variables

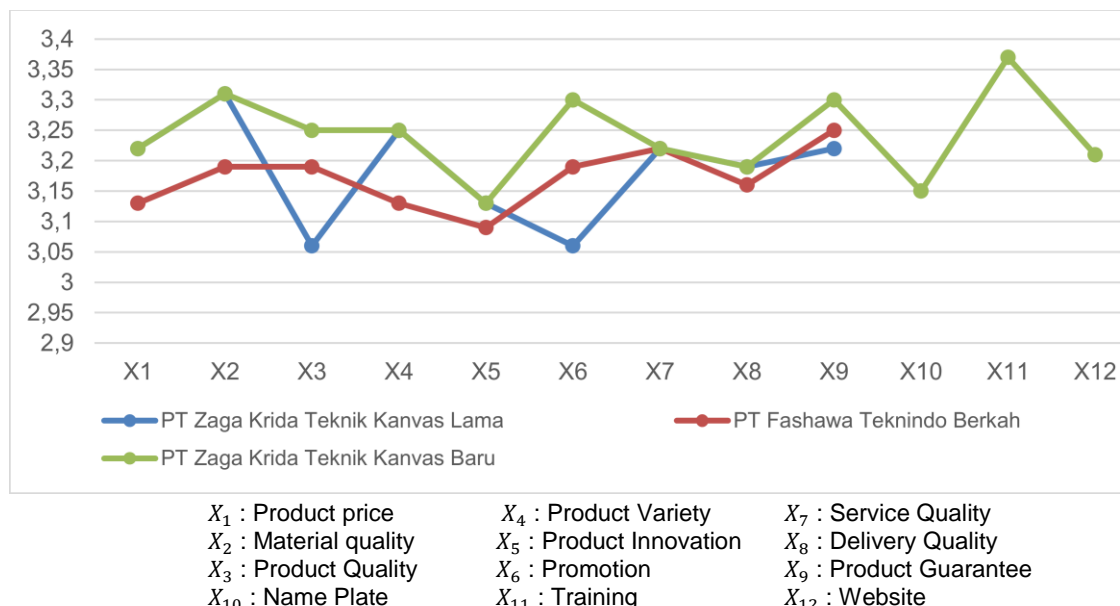


Fig. 5 New canvas strategy vs old canvas strategy.

(3.15), training (3.37), and website (3.21).

PT Zaga Krida Teknik's initiatives, such as installing a company nameplate, providing employee training, and developing a website, scored above 3.10 in importance, indicating their potential to boost profitability and strengthen market presence. This approach is consistent with strategies implemented by other firms that have successfully developed uncontested market spaces by focusing on delivering unique value propositions ((Scuotto et al., 2021)). However, given the dynamic nature of the competitive environment, it is vital to continuously adapt and innovate to sustain a Blue Ocean position, as emphasized in recent studies that highlight the importance of strategic agility and innovation in responding to market evolution (Brown et al., 2020).

4. Conclusion

Based on the initial SWOT analysis, PT Zaga Krida Teknik has several strengths, including good product quality and adequate service. However, the company faces weaknesses in promotion, the need to enhance product quality, and insufficient product guarantees. Opportunities identified include high product demand and technological advancements, while threats involve intense price competition and changing customer preferences. Positioned in Quadrant II of the SWOT analysis, the company has significant internal strengths but must contend with external threats. Through the Blue Ocean Strategy approach, the company can devise new strategies to exit the highly competitive Red Ocean and enter untapped markets (Blue Ocean). This strategy involves improving product quality, promotional activities, and guarantees while creating three new elements: a company nameplate to enhance visibility, employee training to improve human resource quality, and the development of a corporate website as a digital promotional tool. Implementing this strategy will not only enable PT Zaga Krida Teknik to increase its competitiveness but also create new market spaces that provide unique value to customers. These strategic recommendations are expected to drive the company's growth by creating significant differentiation, attracting more customers, and sustainably increasing sales.

In this research, data collection on factors used for SWOT analysis was carried out qualitatively based on the results of interviews and the distribution of questionnaires. For future research, data collection can be done in two ways: based on interview results and using historical data and company documents. For future research, researchers should also consider using other methods, such as a marketing mix that contains the 4Ps (Product, Price, Promotion, Place) or using the SOAR method (Strengths, Opportunities, Aspirations, Results).

References

- Almeda, J. V., Capistrano, T. G., & Sarte, G. M. F. (2010). *Elementary statistics*. University of the Philippines Press.
- Andriani, F., Tasa, N. N., Nurhasanah, S., Oktaviani, S., & Putri, A. M. (2021). Penerapan Analisis Swot Terhadap Penentuan Strategi Pemasaran (Studi Kasus Seblak dan Baso Aci Wak Acan Pekanbaru). *Jurnal Pendidikan Tambusai*, 5(2), 2904–2910.
- Brown, B. P., Swani, K., & Mudambi, S. M. (2020). Introduction to the special issue: B2B advertising. *Industrial Marketing Management*, 89, 578–580. <https://doi.org/https://doi.org/10.1016/j.indmarman.2020.02.006>
- Chan Kim, W. & Mauborgne, R. (2005). Value innovation: a leap into the blue ocean, *Journal of Business Strategy*, Vol. 26 No. 4, pp. 22-28. <https://doi.org/10.1108/02756660510608521>
- Ghajiga, G. S., Warlimont, D. J., & Warlimont, P. S. (2023). Leap-Frogging the Competition through Blue Ocean Strategy: A Compelling Case For Small and Medium Enterprises. *Ovidius University Annals, Economic Sciences Series*, 23(1), 113-121.
- Hakkak, M., Nawaser, K., Vafaei-Zadeh, A., Hanifah, H., & Mohammadian, S. (2024). Strategy identification and prioritisation via blue ocean: evidence from an emerging country. *International Journal of Business Excellence*, 32(4), 456–477 <https://doi.org/10.1504/IJBEX.2024.137570>
- Hernawan, Y., Musafa, M., & Dewi, S. W. K. (2020). Development of a Business Strategy Using SWOT Analysis in Palasari Coffee in Bandung. *Business Innovation and Entrepreneurship Journal*, 2(1), 376410 DOI:10.35899/BIEJ.V2I1.49
- Irmanto, A., & Ridwan, M. (2021). Analisis Tentang Pentingnya Rencana Strategis Organisasi. *Jurnal Indragiri Penelitian Multidisiplin*, 1(1) DOI: 10.58707/jipm.v1i1.68
- Jihad Akbar, M., & Fitriani Nur Maghfiroh, M. (2022). PERANCANGAN STRATEGI PEMASARAN MENGGUNAKAN METODE SWOT DAN QSPM UNTUK MENINGKATKAN PENJUALAN BERAS. *Jurnal INTECH Teknik Industri Universitas Serang Raya*, 8, 61–67. <https://doi.org/10.30656/intech.v8i1.4596>
- Kim, W. C. (2016). *Blue Ocean Strategy: Menciptakan Ruang Pasar Tanpa Pesaing dan Menjadikan Persaingan Tidak Lagi Relevan*. Noura Books.
- Kumalasari, N. A. (2016). Perencanaan strategi promosi melalui analisis SWOT pada bisnis delicy. *Jurnal Performa: Jurnal Manajemen Dan Start-up Bisnis*, 1(2), 225–234.
- Laoli, R. S. (2022). *Implementasi Peraturan Daerah Nomor 4 Tahun 2014 Tentang Perlindungan dan Pengelolaan Lingkungan Hidup Di Kota Batam*. Universitas Putra batam.
- Murti, A. P., Setyowati, T., & Samsuryaningrum, I. P. (2022). Implementasi Blue Ocean Strategy Pada UMKM Rezi's Batik Di Desa Tegalsari Kabupaten Jember. *Jurnal Manajemen Dan Bisnis Indonesia*, 8(1), 128–136 <https://doi.org/10.32528/jmbi.v8i1.5046>
- Ningrum, R. A., Sari, M. I., & Hermawan, H. (2019). Strategi Perencanaan Dengan Pendekatan Blue Ocean Strategy Untuk Meningkatkan Penjualan Dalam Persaingan Bisnis Pada CV Bang Husin. Skripsi. *Universitas Muhammadiyah Jember*, 1-15.
- Priambodo, N. Y., & Suroso, J. S. (2023). Perencanaan Strategis Sistem Informasi dan Teknologi Informasi pada STIE Pertiba Pangkalpinang. *Technomedia Journal*, 7(3 Februari), 323–339 DOI:10.33050/tmj.v7i3.1909
- Reggy, E., Djorghi, S., Sunarya, E., & Sukabumi, U. M. (n.d.). *Formulating Blue Ocean Strategy in An Effort to Win Business Competition (Study on Sukabumi Barn Coffee) Perumusan Blue Ocean Strategy Dalam Upaya Memenangkan Persaingan Bisnis (Studi Pada Barn Coffee Sukabumi)* DOI: 10.31539/costing.v6i1.4333
- Rizqiyana, R. (2021). MANAJEMEN STRATEGIK DALAM KAJIAN MPI PADA ERA PANDEMI COVID-19. *Jurnal Ilmiah Promis*, 2(1), 46-60.

- Hermanto, H. (2023). Designing Blue Ocean Strategy at UD Rejeki. *International Journal of Review Management Business and Entrepreneurship (RMBE)*. Vol.3 No. 1, 124-138. <https://doi.org/10.37715/rmbe.v3i1.4006>
- Saputra, G. R., & Solihin, H. H. (2021). Analisis Keselarasan Strategi Bisnis Dengan Perencanaan Strategi Sistem Dan Teknologi Informasi Dengan Menggunakan Metode Anita Cassidy. [doi:10.32897/sobat3.2021.39](https://doi.org/10.32897/sobat3.2021.39) fatcat:7uakia4s3nbtb4t2x6hk5clea
- Scuotto, V., Nicotra, M., Del Giudice, M., Krueger, N., & Gregori, G. L. (2021). A microfoundational perspective on SMEs' growth in the digital transformation era. *Journal of Business Research*, 129, 382–392. <https://doi.org/https://doi.org/10.1016/j.jbusres.2021.01.045>
- Sugito, E., Sanusi, S., & Adly, I. M. (2023). Analisa Perancangan Startegi Pemasaran Pada Industri Kuliner Dengan Menggunakan Metode SWOT dan Blue Ocean. *Sigma Teknika*, 6(2), 308–321. <https://doi.org/10.33373/sigmateknika.v6i2.5160>
- Suyudi, M., & Suryana, H. (2020). Perancangan Strategi Bisnis Dengan Pendekatan Blue Ocean Dalam Meningkatkan Penjualan (Studi Kasus: PD. Hj. Imat Cianjur). *Jurnal Media Teknik Dan Sistem Industri*, 4(1), 47–52. DOI:10.35194/jmtsi.v4i1.893
- Widiyarini, W., & Hunusalela, Z. F. (2019). Perencanaan strategi pemasaran menggunakan analisis swot dan qspm dalam upaya peningkatan penjualan t primavista solusi. *JABE (Journal of Applied Business and Economic)*, 5(4), 384–397 <http://dx.doi.org/10.30998/jabe.v5i4.4186>.