

Article

Strategic Business Development with Competitive Positioning Analysis

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Abstract: This study analyzes the business development strategy of Warung Bakso Pak Din Bajulmati amid intense market competition. Despite its strong market positioning, sales remain inconsistent, necessitating a well-defined competitive strategy. The research employs Porter's Five Forces Model, STP (Segmenting, Targeting, Positioning), and SWOT analyses to identify potential growth strategies. Findings suggest that a "Grow and Develop" strategy focusing on market penetration is most suitable. Key recommendations include maintaining product quality and competitive pricing, participating in culinary events, and enhancing social media promotions. These strategies aim to boost sales, attract more consumers, and strengthen the business's market presence.

Keywords: Competitive positioning, Business development strategy, Positioning



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1. Introduction

At this time the number of culinary businesses has increased, one of which is in Banyuwangi Regency, especially the Meatball Stall business. The tight competition between similar businesses, both those that are just starting out and those that have been recognized by consumers, requires business managers to be able to see and take advantage of existing opportunities. Competition between meatball stall businesses in Banyuwangi has also occurred, especially in Bajulmati Village, Wongsorejo District. In Wongsorejo Subdistrict, there are 11 meatball stalls that provide their own sensations for meatball food lovers, such as good meatball flavors, delicious gravy, various types of meatballs, clean places and strategic locations for each meatball stall. According to Yusuf Saleh [1]

Brand positioning strategy is essentially an extension of brand strategy, which is part of marketing strategy. So that an understanding of the market and the marketing strategy itself is the main guide in determining brand positioning. Pak Din Bajulmati Meatball Stall is one of the small industrial businesses engaged in fast food processing. This business is also a very popular food for the people of Indonesia. This business was founded in 1998 in Bajulmati Village, Wongsorejo District, Banyuwangi Regency. Its competitors are Pak Ran's Solo Meatball Stall, Sidodadi Meatball Stall, Alasmalang Meatball Stall, Lumayan Meatball Stall, Pak Mail's Chicken Noodle Meatball, Pak Min's Meatball Stall, Mama Muda Meatball Stall, Eko Meatball Stall, Alimo Meatball Stall, and Surabaya Meatball Stall. The following is the portion sales data of 10 competing meatball stalls in the last 5 years.

Table 1. Competitors' Sales Data

No	The name of the warung	Year and sales				
		2019	2020	2021	2022	2023
1	Bakso solo pak Ran	65.700	29.200	43.800	54.750	62.050
2	Bakso Lumayan	43.800	18.250	32.850	32.850	49.275
3	Bakso Sidodadi	20.075	10.950	10.950	25.550	32.850
4	Bakso Alasmalang	29.200	14.600	18.250	27.375	32.850
5	Bakso Mie Ayam Pak Mail	21.900	10.950	18.250	28.105	32.850
6	Bakso Pak Min	36.500	18.250	29.200	41.975	54.750
7	Warung Bakso Mama Muda	28.105	14.600	32.120	32.850	36.500
8	Warung Bakso Eko	29.200	14.600	18.250	21.900	31.025
9	Warung Bakso Alimo	21.900	10.950	14.600	18.250	21.900
10	Warung Bakso Surabaya	25.550	18.250	21.900	21.900	29.200

Source: Data processed in 2024

Seeing the phenomenon that Warung Bakso Pak Din has the strength to maintain the business when sales do not reach the daily target, and it turns out that even though the positioning of Warung Bakso Pak Din Bajulmati is good, sales are still higher than competing meatballs. as well as facing competitive challenges by determining market positioning, it is necessary to implement the most appropriate strategy so that Warung Bakso Pak Din can survive in the midst of this very intense competition. One analysis that can be used to design a company's competitive strategy is competitive positioning analysis. According to Kotler dan Armstrong [2]

Marketing strategy is basically a comprehensive, integrated and unified plan in the field of marketing, which provides guidance on activities that will be carried out to achieve the marketing objectives of a company. In other words, marketing strategy is a series of goals and suggestions, policies and rules that give direction to the company's marketing efforts from time to time, at each level and reference and allocation, especially as a company's response in the face of an ever-changing competitive environment and circumstances. Meanwhile, according to Philip Kotler [3] Defining marketing is the activity of analyzing, organizing, planning and supervising resources, policies, and activities that befall the company's customers with the intention of satisfying the needs and desires of selected customer groups for profit. Competitive positioning analysis is one method that can be used to determine the position of a company or business in a market, this method can also add references to plan and manage strategies.

According to Risqi [4] Competitive Positioning Analysis is divided into three stages, namely identifying strategies, markets and products, then building an analysis by utilizing STP (segmentation, targeting, positioning) and Five Forces analysis, and the next stage is determining strategies from the analysis using SWOT analysis. According to Ningrum [5] The company also needs to do positioning, defined as the act of designing the company's offer and image so that it occupies a distinctive position (compared to competitors) in the minds of its target customers whose goal is to place the Brand in the minds of consumers to maximize the potential benefits of the company, so that determining a good brand positioning helps marketing strategies in terms of clarifying brand essence, purpose, the end result of which is the creation of a customer-focused value proportion.

Fleisher dan Bensoussan says [6] Competitive positioning analysis is one of the tools to determine the company's position in the market, so that the results of the analysis can be known what steps can be taken by the company to face industry challenges through a map of the competitive structure that has been drawn. Basically, there are 4 kinds of strategies that can be done in facing

market competition, namely: "Develop and Build the Company's Position", "Manage and Maintain a Strong Market Position", "Maintain a Dominant Position", or "Withdraw from the Market". According to wangari, tumbel dan Karuntu [7] The concept that is usually used as a competitive advantage by a company is the Marketing Mix, which consists of 4 variables that are the core of the marketing system, namely: excellence in terms of product (product), price (price), place / location (place), and marketing (promotion).

2. Materials and Methods

This research uses descriptive qualitative research methods. According to Sugiyono [8] Qualitative research is a research process to understand human or social phenomena by creating a comprehensive and complex picture that can be presented in words, reporting detailed views obtained from informant sources, and carried out in a natural setting. According to Perreault dan McCarthy [8] Qualitative research is a type of research that seeks to explore information in depth, and is open to all responses and not just yes or no answers.

The data collection techniques used are interviews, observation and documentation with relevant parties to obtain data on the indicators of the analysis tool. The sample in this study is not called a respondent but as a source or informant. The research informants consisted of 125 people, consisting of 1 Owner of Pak Din Bajulmati Meatball Warung, 4 Employees of Pak Din Bajulmati Meatball Shop, 10 Customers of Pak Din Bajulmati Meatball Warung, 10 Meatball Competing Shop Owners, and 10 Customers from each Competitor. The criteria for this research informant are the owner of a Meatball Stall that has been established for more than 3 years, employees who work and customers who have bought more than 3 times. This research informant is useful for providing data in assess- ment and weighting. terhadap matrik Internal Factor Analysis Summary (IFAS) dan External Factor Analysis Summary (EFAS)

According to Porter [9]The intensity of competition in an industry is influenced by five forces, namely the threat of new competitors, the threat of substitute products, the bargaining power of suppliers, the bargaining power of buyers, and the intensity among existing competitors The data analysis technique used is Porter Five Force's Model Analysis, STP (Segmenting, Targeting, Positioning)

Analysis, and SWOT Analysis. The purpose of this analysis tool is to understand the business com- petition conditions of the company and place the company to be more advanced than competitors. The analysis in this study begins by analyzing the indicators in the Porter Five Forces Analysis Model, namely Competition (Rivalry), Threat of new entrants, Threat of substitute products (Threat of sub- titutes), Bargaining power of suppliers and Bargaining power of buyers. Furthermore, using STP (Segmenting, Targeting, and Positioning) analysis to determine the segmentation, target market and position of Pak Din Bajulmati Meatball Stall. After obtaining data through marketing mix analysis marketing 4.0 and STP analysis (Segmenting, Targeting, Positioning), it can be seen which are the weaknesses and strengths of Warung Bakso Pak Din Bajulmati. Data can be found regarding the opportunities and threats faced by Warung Bakso Pak Din Bajulmati from the external side, namely through the Porter Five Foerces Model analysis. According to Fleisher dan Bensoussan [6] Stating that one of the tools that can be used to determine strategies from these analyses is SWOT analysis, which is useful for identifying strengths, weaknesses, opportunities, and threats that can be obtained from competitors.

3. Results and Discussion

The steps taken in applying the Competitive Positioning Analysis method are to analyze the Porter's Five Forces Model, identify STP Analysis (Segmenting, Targeting, Positioning), and review the out- comes using the SWOT analysis method.

A. Analisis Porter Five Force's Model

1. (Rivalry) Rivalry In the competition among similar businesses like Warung Bakso Pak Din Bajulmati, uniqueness is a key factor. The business uses high-quality ingredients, offers affordable prices, and has a distinctive product—bakso beranak—which is not yet available in the Wongsorejo District. This unique product serves as a competitive advantage for Warung Bakso Pak Din compared to other similar businesses.
2. (Threat of New Entrants) one of the biggest challenges for Warung Bakso Pak Din Bajulmati is the emergence of new similar businesses. Despite its establishment since 2001, new entrants can still impact its brand positioning.
3. (Threat of Substitutes) In the fast food sector like bakso stalls, there is a strong threat of substitute products, such as modern concept restaurants and buffet-style eateries.
4. (Bargaining Power of Supplier) Suppliers of beef, sauces, soy sauce, and vermicelli noodles for fast food establishments like Warung Bakso Pak Din Bajulmati do not provide many options due to their low negotiating power.
5. (Bargaining Power of Buyers) High consumer interest in bakso encourages the emergence of various bakso stalls. Consumers also tend to lack loyalty when purchasing from Warung Bakso Pak Din Bajulmati.

B. STP Analysis (Segmenting, Targeting, Positioning)

1. Segmenting, The geographic segment of consumers visiting Warung Bakso Pak Din Bajulmati includes residents from nearby areas such as Desa Bajulmati, Desa Sidodadi, and Desa Bimorejo in the Wongsorejo District. Demographically, the average consumers at Warung Bakso Pak Din. Bajulmati are males and females aged 15-60, with varying economic levels from lower-middle to upper-middle class. The chosen segment faces considerable competition due to numerous similar businesses around the bakso stall.
2. Targeting, Warung Bakso Pak Din Bajulmati does not specifically target different groups or potential buyers since the ingredients used are consistent across all products. Furthermore, their products are sold without specific targeting to any particular consumer group but are available freely to anyone interested in enjoying bakso.
3. Positioning, Warung Bakso Pak Din Bajulmati has implemented branding strategies for its products. Part of their branding emphasizes high-quality beef ingredients at very competitive prices compared to other competitors. Another positioning factor is that Warung Bakso Pak Din Bajulmati is the only stall offering Bakso Beranak, a unique product not available at other competitors.

C. Determining Strategy from Analysis

He next stage is to analyze the data from the above indicators using SWOT analysis. This involves incorporating internal factors of strengths and weaknesses, as well as external factors of opportunities and threats. According to Rangkuti [10] Both internal and external factors must be considered in SWOT analysis.

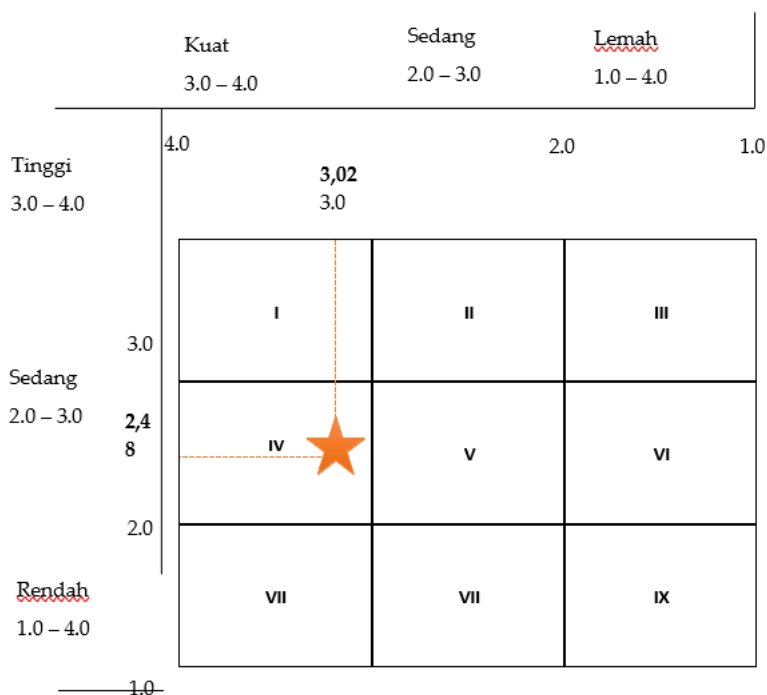
Table 2. Internal-External Factors

Factor Internal	Factor Eksternal
<p>Strengths</p> <ol style="list-style-type: none"> 1. Offering bakso with various variations. 2. Affordable bakso prices. 3. Strategic location of the stall. 4. Fast and friendly customer service. 5. Not using preservatives in the ingredients. 	<p>Opportunities</p> <ol style="list-style-type: none"> 1. Creating job opportunities. 2. Many residential areas around the stall and along major highways. 3. Selling for event orders such as gatherings, weddings, and Eid al-Fitr. 4. Consumer trust in the existing products.
<p>Weaknesses</p> <ol style="list-style-type: none"> 1. Haven't implemented online sales yet. 2. Promotional media are still manual. 3. Bakso production is still manual. 4. Capital for business expansion is insufficient. 5. Limited dining space. 	<p>Threats</p> <ol style="list-style-type: none"> 1. Presence of numerous similar competitors around the stall. 2. Sudden drastic increases in raw material prices. 3. Competitors' more attractive promotions. 4. Price competition from competitors.

Source: Data processed in 2024

After identifying the internal and external factors, the weights and assessments can be calculated using IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary).

Table 3. Internal External (IE) Matrix



Sumber : Data Diolah 2024

Based on the classification in the IFAS and EFAS tables, it is known that the total score for internal strategic factors is 3.02, indicating that Warung Bakso Pak Din has average strengths and weaknesses that can be utilized to minimize weaknesses, as the score is above 2.5. Meanwhile, the total score for external factors is 2.48, suggesting that Warung Bakso Pak Din has opportunities to grow and develop in the future by anticipating threats alongside growth and development.

To outline the company's strategy, based on the IFAS and EFAS formulations, the next step is to consider them in the Internal-External (IE) matrix. Based on the total scores from IFAS and EFAS and the IE Matrix showing that Warung Bakso Pak Din is positioned in quadrant IV with coordinates (3.02; 2.48), which signifies "Grow and Build," the suitable strategy for Warung Bakso Pak Din is a growth and build strategy. This strategy indicates that Warung Bakso Pak Din needs strategies to grow and develop further. The strategies that can be implemented include market penetration, market development, and product development.

1. Market Penetration, Warung Bakso Pak Din Bajulmati can engage in efforts such as offering promotional products, increasing the number of sales personnel, and enhancing publicity through social media as a means to increase promotion efforts.
2. Market Development, A strategy that Warung Bakso Pak Din Bajulmati can undertake is to digitize its marketing efforts by creating official social media accounts such as Instagram for its stall.
3. Product Development, A strategy that can be implemented to optimize marketing is by refining or modifying existing products at Warung Bakso Pak Din Bajulmati or developing new products altogether.

D. Matriks SWOT

Table 4. SWOT Matrix for Warung Bakso Pak Din Bajulmati

IFAS	Strenght (S) <ol style="list-style-type: none"> 1. Offering bakso with various variations. 2. Affordable bakso prices. 3. Strategic location of the stall. 4. Fast and friendly customer service. 5. Not using preservatives in the ingredients. 	Weaknesses (W) <ol style="list-style-type: none"> 1. Haven't implemented online sales yet. 2. Promotional media are still manual. 3. Bakso production is still manual. 4. Insufficient capital for business expansion. 5. Limited dining space.
EFAS		
Opportunities (O) <ol style="list-style-type: none"> 1. Creating job opportunities. 2. Many residential areas around the stall and along major highways. 3. Selling for event orders such as gatherings, weddings, and Eid celebrations. 4. Consumer trust in the existing products. 	Strategi SO <ol style="list-style-type: none"> 1. Maintaining product variety completeness. 2. Utilizing strategic location for attractive sales and promotions. 3. Improving customer service quality. 	Strategi WO <ol style="list-style-type: none"> 1. Implementing online sales with a variety of frozen food products. 2. Digitizing promotions to enhance sales through social media. 3. Improving facilities and expanding dining space to increase customer comfort. Increasing business capital and enhancing product promotion to boost sales.
Threats (T) <ol style="list-style-type: none"> 1. Presence of numerous similar competitors around the stall. 2. Sudden drastic increases in raw material prices. 3. Competitors' more attractive promotions. 4. Pricing strategies employed by competitors. 	Strategi S-T <ol style="list-style-type: none"> 1. Maintaining and improving product quality. 2. Ensuring price stability and availability of existing products. 3. Maintaining competitive pricing against competitors. 4. Developing marketing strategies by enhancing more attractive promotions. 	Strategi W-T <ol style="list-style-type: none"> 1. Purchasing modern production equipment to increase production capacity. 2. Developing promotions using modern media. 3. Setting competitive prices. 4. Maintaining the use of high-quality ingredients.

Source: Data processed in 2024

Based on the results from the SWOT Matrix above, Warung Bakso Pak Din Bajulmati can implement alternative strategies to increase sales volume by leveraging opportunities based on strengths, and by addressing weaknesses and threats. From the selected alternative strategies obtained, the marketing strategy for Warung Bakso Pak Din Bajulmati that aligns with its situation, conditions, and goals is as follows :

1. Maintaining product price stability and availability. According to Kotler [11] Harga is the amount charged for a product or service. More broadly, price is the sum of all the values that customers exchange for the benefits of having or using a product or service. According to Philip Kotler [3] A product is anything that can be offered to a market to attract attention, acquisition, use, or consumption that can satisfy a want or need. In line with the research Nugraha Anggoro Safri dan Hery Pudjoprastyono[12] With the title "Analysis of Product Innovation and Competitive Advantage on Marketing Performance of Rabbani Store Products in Surabaya," the aim is to analyze the impact of product innovation on the marketing performance of Rabbani Store products in Surabaya, as well as the influence of competitive advantage on the marketing performance of Rabbani Store products in Surabaya.
2. Improving the quality of customer service. According to Kotler dan Armstrong [2] Service quality is the company's expertise in meeting customer expectations, and when the service received or experienced meets expectations, it is perceived as good quality and can satisfy customers. Research Rinna Adita Ningrum, Maheni Ika Sari dan Haris Hermawan [5] The title "Strategi Perencanaan dengan Pendekatan Blue Ocean Strategy untuk Meningkatkan Penjualan dalam Persaingan Bisnis pada CV. Bang Husain" aims to position the brand in consumers' minds to maximize the company's potential benefits. By determining a good brand positioning, it helps marketing strategies clarify the essence of the brand.
3. Developing promotions using modern media. This marketing strategy involves utilizing various forms of social media such as Facebook, Instagram, and TikTok. In this modern era, leveraging digital promotions is crucial for expanding the desired market reach. Warung Bakso Pak Din Bajulmati can utilize social media platforms like TikTok, which is currently popular for digital promotion campaigns. Research Iftitah Undiniah [13] The title "Analisis Positioning Minimarket Gunung Jati Dengan Metode Competitive Positioning Analysis Untuk Strategi Pengembangan Bisnis" aims to determine the company's position in the market through competitive positioning analysis. Research Retno Endah Supeni [14] The title "Promosi, Harga, Dan Kualitas Pelayanan Terhadap Keputusan Pembelian Konsumen" aims to examine the influence of promotion, price, and service quality on consumer purchasing decisions through Grabfood in the city of Jember during the Covid-19 pandemic.

4. Conclusion

From the overall analysis, it can be conveyed that the strategic direction for Warung Bakso Pak Din Bajulmati is to maintain a dominant position, leveraging more attractive social media than its competitors. Based on the IE Matrix, Warung Bakso Pak Din Bajulmati is positioned in quadrant IV marked by an asterisk (3.02; 2.48). This indicates that Warung Bakso Pak Din Bajulmati is implementing a "Growth and Build" strategy.

From the selected alternative strategies, the marketing strategy for Warung Bakso Pak Din Bajulmati that aligns with its situation, conditions, and goals is as follows:

1. Maintaining Product Price Stability and Availability: Ensuring the stability of product prices and the availability of existing products to meet market demands.
2. Improving Customer Service Quality: Enhancing the quality of customer service to increase customer satisfaction.
3. Developing Promotions Using Modern Media: Expanding promotional efforts using modern media platforms.

These strategies are aimed at helping Warung Bakso Pak Din Bajulmati sustain its competitive edge and achieve growth in the market.

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