

Bos Salad Competitive Advantages Analysis Using Strategic Position and Action Evaluation (Space) Matrix Analysis

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Abstract

This study aims to determine the right strategy to be applied to the Bos Salad Business by using a Strategic Position and Action Evaluation. In this sample, there are three business ventures. Namely, bos salad as an internal party as the party being studied, Floor Cafe and New Fanelco as external parties who are the closest competitors to Bos Salad. Data collection methods in this study using questionnaires and interviews. The variables used in this study are four variables. The analytical method uses a parabolic non-liner secular trend using OLS (Ordinal Least Square). Based on the results of the research conducted, the right strategy for Bos Salad is an Aggressive Strategy, in which Financial Strength and Competitive Advantage dominate the business.

Keywords : Strategy, SPACE Matrix, Internal Dimensions, External Dimensions.

1. INTRODUCTION

The development of today business forces with strong production influenced by the scientific and technological revolution will then become the main force to accelerate the process. The era of globalization affects all areas of life starting from the socio economic in line with developments and progress. This is directly proportional to economic growth which is associated with an increase in average income and can increase product demand. In each business, Leaders will advance their business lines to achieve business goals by creating and developing sustainable advantages through increased business effort. Building a business is certainly not easy, of course it is considered the backbone of development in an economic sense, because it contributes to economic growth through creating jobs, innovation and growth.

This has sometimes led to the emergence of so much competition from food entrepreneurs, especially in the healthy food sector. There are various things that need to be considered by food entrepreneurs so that their products are superior to other products. So to respond to this business, it is necessary to innovate buying interest so that consumers make purchases by providing a comfortable and pleasant store atmosphere for customers, by providing promotions to discounts if each purchase and outlet location is easy to reach or a strategic place. One of them is by doing good marketing and market positioning that is designed to meet the desires of target market consumers.

One of the marketing strategies that can be used in the Bos Salad business is to use the Strategic Position and Action Evaluation (SPACE) Matrix. This matrix shows the evaluation of the position and strategic actions of a particular business. The SPACE matrix consists of four quadrants, each quadrant addressing the right alternative strategies for the Bos Salad business, namely. Aggressive, conservative, defensive and competitive. The Matrix can also be used as a basis for research analysis. Therefore, strategy in creating competitive advantage is very important for the success of a business. One of the healthy foods that is currently popular with the public is or is known as "Bos Salad" in the city of Bengkalis which is a business healthy food and drinks from selected fruits that can be made into healthy snacks and drinks.

Fruit salad is also served with an interesting composition consisting of a mixture of various kinds of fruit as well and can be combined with milk and other ingredients. With a fresh and delicious taste, this healthy drink is the prima donna of the latest fruit preparations. Fruit salad is a healthy alternative, it can even prevent and treat several types of diseases. Fruits in salads are rich in nutrition, nutritional content, contain high fiber, also contain various vitamins and minerals which are very beneficial for the health of the body. Fruit salad is a healthy food that has its fans. The fruit salad market group is very specific, Usually the market is people with a healthy lifestyle or are on a diet. In general, fruit salad is also widely consumed by children and the elderly. Because fruit salad has a unique and healthy taste. Eating fruit salad is another way for those who don't like eating fruit directly. This is because fruit salad is usually mixed with other additional ingredients such as milk and yogurt. All the materials needed can also be obtained easily. Zakawali (2022)

Consuming delicious and healthy food is a pleasure in life. It is recommended to consume a variety of menus to support the growth and development of the body. Consuming various types of food can provide different nutrients, so that the nutrients needed by the body can be fulfilled as is now available at Boss Salad. It also provides drinks that are no less competitive with the food. Now the salad boss provides detox drinks with preseed juice. With a blend of fresh fruit, it becomes rich in sweet, sour and salty flavors that taste delicious. The formulation that has been carried out by this effort includes holding promotions through social media and providing price discounts and making product packaging that attracts consumers to buy the food. Salad is a culinary business that is growing rapidly, especially fruit salad, the packaging tends to be attractive and the selection of various fruits can be the main attraction for connoisseurs. Young and old, men and women can enjoy this fruit salad. considering the importance for us to regularly consume fruits that are good for the body, and so that nutritional needs can be fulfilled. Not infrequently people choose fruit salad because it is considered to provide quite a lot of benefits, because there are various variants of fruit it.

The types of products marketed by "Bos Salad" in Bengkalis include Fruit Salad, pudding, dessert, super toast and many other fruit salad variants marketed at Bos Salad Bengkalis Outlet. However, based on the background described above with this research a scientific essay with the title: ***“Bos Salad Competitive Advantages Analysis Using Strategic Position And Action Evaluation (SPACE) Matrix Analysis”***.

2. LITERATURE REVIEW

1. Definition Marketing

Philip Kotler in Kurniawan (2021) the explain about Marketing is the science and art of exploring, creating and delivering value to meet the needs of target markets while still making a profit. Marketing identifies unmet needs and wants. Marketing also defines, measures how big the size of the existing market and its profit potential. It shows the best segments that the company is able to serve and designs and promotes products and services accordingly.

2. Marketing Mix

Daryanto (2022) The marketing mix is a controllable variable that can be used by the company to influence consumer responses from certain market segments targeted by the company.

1. Product

A product is something that is offered to the market to be noticed, owned, used, or consumed, so as to satisfy a want or need.

2. Price

Price is the amount of money paid to obtain goods or services; the amount of value that consumers exchange in exchange for profits to obtain goods or services.

3. Place

States that the location of service facilities is one of the crucial factors that influence the success of a service, because location is closely related to the potential market for service providers.

4. Promotion

Promotion is an element in a company's marketing mix that is utilized to inform, persuade, and remind about a company's products.

3. Definition of Strategy

In general, the notion of strategy can be interpreted as the efforts of a person or organization to create a scheme to achieve the intended goals. In other words, strategy is the art of a person or organization utilizing the arts, abilities and resources possessed to achieve goals in more effective and efficient ways in order to achieve the expected benefits. Understanding the strategy can also be interpreted as an action that adapts to the reaction or environmental situation that occurs. Be it an underlying situation or an unconscious one. Strategy is defined as the process of someone making plans carried out by a leader who runs the organization, in order to help focus and help achieve the expected peak. Marrus in Abdhul (2022)

4. Marketing Strategy Formulation Process

Strategy is something that cannot be separated from a specific goal or objective. According to Mulyana (2019) Marketing strategy is a plan that outlines the company's expectations of the impact of various marketing activities or programs on the demand for its products or product lines in certain target markets. Companies can use two or more marketing programs simultaneously, because each type of program (such as advertising, sales promotion, personal selling, customer service, or product development) has a different effect on demand.

5. Strategic Position And Action Evaluation (SPACE) Matrix

The matrix space consists of a four-quadrant framework consisting of aggressive, conservative, defensive or competitive strategies, where the placement of these quadrants indicates which strategy is best suited to a particular organization. The matrix space axis describes two internal dimensions and two external dimensions.

The strategic position and action evaluation matrix was first coined by h. Rowe, R. Mason, and K. Dickel in management and business policy a methodology approach which are the four quadrants that indicate whether an aggressive, conservative, competitive or defensive strategy is most appropriate for a particular organization. The matrix space axes address two internal dimensions (Financial Strength=FS) including measures that address the company's financial strength and (Competitive Advantage=CA) measures that describe the company competitive advantage and two external dimensions (Environmental Stability=ES) includes measures that reflect the stability of the company's environment, such as changes in technology, economic conditions and (Industrial Strength=IS) includes measures that address the company's industrial or business strength, technological capabilities, and others. These four factors are the most important determinants of the overall strategic position of an organization. Gunadi (2022)

1. RESEARCH METHOD

The collection of research data used was carried out in several ways as follows:

1. Interview

Interviews are conducting questions and answers with related parties to obtain the required information and data related to product brands and product packaging.

2. Observation

Observation is making observations that are directly related to the factors that can increase the competitive advantage of each product.

3. Documentation

Documentation is done by collecting data, sources of information and materials obtained from books, and journals.

4. Questionnaire

Is a method of collecting data by using a list questions about the themes studied, the answers from these respondents later into data to be processed.

Determining the right marketing strategy for Bengkalis salad bosses can be done in the following steps:

1. To calculate the trend of return on investment (ROI), leverage, liquidity, market share and market growth rate. It is calculated using a non-linear trend with a parabolic trend, if after scattering the data there is a tendency for the data to be curved or non-linear. While the data is in the form of a straight line or linear, the calculation uses a linear trend. Return on Investment (ROI) is a ratio that shows a company's ability to generate profits that will be used to cover the investment made. Nujumun Niswahyuning (2016)
The parabolic trend formula is as follows:

$$Y' = a + bX + cX^2$$

Information :

Y' = trend value of the estimated growth rate

X = number of unit years calculated from the base period

b and c = coefficient on the trend

If the number of observations is n , then the normal parabolic trend can be shown as follows:

$$\begin{aligned}\sum Y &= n \cdot a + c \sum X^2 \\ \sum XY &= b \sum X^2 \\ \sum X^2 Y &= a \sum X^2 + c \sum X^4\end{aligned}$$

Information :

$$\sum X = 0 \text{ dan } \sum X^4 = 0$$

Y = total number of product requests n years

n = number of years

a = a constant that affects the size of Y and $X = 0$

b and c = coefficient on the trend

X = number of units counted in the base period

Determining the value of x in a non-linear trend with a parabolic trend uses the ordinal least squares (OLS) method. Where in this research the data used is the last three years of the company, so it is odd. Based on the OLS method, the placement of the number 0 is in the middle of the data.

2. HASIL PENELITIAN DAN PEMBAHASAN

Based on the results of the four SPACE matrix plots, Bos Salad above, states that the three plot results are in the aggressive quadrant and one plot is in the aggressive position. So if take the mode, then the position of the salad boss is in the upper right quadrant, namely an aggressive strategy. Where is the salad boss business venture in the best position to use its internal strengths, which are useful for taking advantage of external opportunities, overcoming internal weaknesses and avoiding external threats. Thus, market penetration, market development, product development or a combination strategy can all be used, depending on the specific conditions faced by the Bos Salad business.

If look at the conditions of this Bos Salad business, the aggressive strategy that is suitable to be carried out is a combination strategy, namely market penetration, market development and product development strategy. Market penetration strategy or market development is a kind of strategy that seeks to increase market share for current products or services through marketing efforts. In this strategy it is definitely feasible or can be carried out by the salad boss business, because it is known that the salad boss market share in December is predicted to increase by 72.60% in table (4.8) whereas when compared to its closest competitor, the floor cafe and new fanelco.

Product development strategy is a strategy that seeks to increase sales by improving or changing products or services. And this strategy is carried out by the boss salad business by launching new menus in the end such as browskat, cake slice and super toast.

Based on the combination of the strategies above, the competitive advantages strategies that can be implemented by Bos Salad from a marketing mix point of view are:

1. Product strategy

The product determination strategy implemented by Bos Salad is:

- a. Perform product upgrades, for products that have entered the mature stage, with a new concept or menu so that the product feels new.
- b. Eliminate unsold products, to achieve production efficiency, for example by selling fruit that can be used with a new menu.
- c. Develop products according to current market trends

2. Pricing strategy

Pricing strategies that can be implemented by Bos Salad are:

- a. Carry out bundling prices, namely fruit salad sales packages combined with other products, usually with pudding cups or desserts and so on.
- b. Providing promotional prices for certain events, such as Eid, Christmas, New Years or other special days.
- c. Give discounts to customers who have purchased fruit salad products from their target market. Or have promoted through private
- d. Providing customer segment discrimination pricing such as charging different prices to individuals or corporations in certain organizations
- e. Providing time discrimination prices such as by imposing different rates at certain times, usually the rates are expensive during normal hours or working hours.

3. Promotion Strategy

The promotion implementation strategy carried out by Bos Salad is:

- a. Increasing advertising, both social media such as WhatsApp, Instagram and outdoor media such as posters and regular media such as certain exhibitions or events and so on.
- b. Increasing sales promotions by holding trade shows, giving coupons, quizzes, giving gifts and so on
- c. Provide compensation for good sellers from financial compensation in order to be able to increase their sales

3. CONCLUSIONS AND SUGGESTIONS

Based on the results of the analysis of the SPACE Matrix (strategic position and action evaluation) matrix that was carried out in the study on the Bos Salad Bengkalis, it can be concluded as follows:

1. Financial strength position, bos salad is in a healthy financial position, reflected in quite high return on investment (ROI), increased profitability as well as balanced liquidity and leverage.
2. Competitive advantage position, bos salad is in a fairly strong position. It can be seen from the relatively large market share, relatively high product quality, however,

the product life cycle is starting to enter the mature stage and fairly balanced consumer loyalty.

3. Environmental stability is relatively stable, this is reflected in rapid technological changes, intense price competition and difficult industry entry barriers and high competitor pressure.

4. Industrial strength in this business venture is quite stable, as can be seen from the relatively high growth potential, the ease of entering markets which tend to be quite difficult as well as the technological know-how which is quite complex and the efficient use of resources.

5. The right marketing strategy for bos salad who are in the aggressive quadrant.

a. Product strategy

The product determination strategy implemented by Bos Salad includes:

- a) Repositioning products, for products that have entered the mature stage.
- b) Eliminate unsold products, to achieve production efficiency.
- c) Develop products according to the trend.

b. Pricing strategy

4. Pricing strategies that salad bosses can implement include:

- a) Implement a bundling price strategy
- b) Provide promotional prices at certain events
- c) Provide functional discounts to trade members
- d) Provide customer segment discrimination pricing
- e) Provide time discrimination pricing

5. c. Promotion strategy

Promotional implementation strategies that boss salad can implement include:

- a) Increase advertising
- b) Increase sales promotion
- c) Increase compensation for salespeople

Based on the results of the research and discussion that have been described in the previous chapter, the researcher can draw a suggestion, namely:

- 1. Bos Salad must maintain its strategy in an aggressive position, where the financial strength and competitive advantage of this business dominates so that the combination of strategies used by Bos Salad such as market strategy, product development and can be added into an integration strategy according to the developments experienced by Bos Salad business.
- 2. For readers, it is hoped that the results of this study can add insight into knowledge related to the business of the boss salad dibengkalis and the factors that influence it. Especially those who are interested in knowing more about boss salad for (conducting research) it is necessary to modify the variables independent either adding variables or adding time series data. So that it will be more objective and varied in conducting research.

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