

SEGMENTING, TARGETING AND POSITIONING ANALYSIS FOR FORMULATING ASAHAN GLOBAL MARKETING STRATEGY “OPAK Crackers”

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ABSTRACT

This study aims to determine the analysis of Segmenting, Targeting, and Positioning to Formulate Asahan's "Opak Opak" Global Marketing Strategy. The research methodology used is qualitative. The qualitative research approach is research that presents data based on the results of documentation that can provide a clear picture of the object under study, to be processed and analyzed to conclude. The data analysis method used is qualitative where the data used in the study describes an object or phenomenon based on things that generally cannot be calculated using documentation data, literature studies, and secondary data. In this study, the policy analysis of segmenting, targeting, and product positioning strategies to formulate a global marketing strategy for Opak Asahan Crackers SMEs is to use effective strategy formulation which finally results in an aggressive SO strategy, namely a strong strategy that takes advantage of the opportunities owned by the business, namely: further improving the management system that is effective and efficient, Increasing human resources to remain trusted by consumers, Determining market segmentation, target market and product positioning, and Dare to enter the global market.

Keywords: *Segmenting, Targeting, Positioning, Global Marketing Strategy, Opak Asahan Crackers*



INTRODUCTION

Today's global trade has been carried out by almost all countries in the world. For a country that conducts trade abroad, it is much more profitable when compared to other countries that only carry out domestic trade. Indonesia has many export commodities, one of which is in the food sector. Although not the main export commodity, food contributes to increasing the country's foreign exchange. Before a business jumps into the target market to promote its products, it must first research Segmenting, Targeting, and Positioning. UKM Crackers Opak Asahan is a snack business in the form of processed cashew nuts with various flavors that can attract customers. This business has succeeded in selling its products throughout Indonesia and has even received requests from several countries.

The company has a strategy in doing business, whether it is a small, medium, or large-scale company. In the current era of globalization, companies must be able to apply effective analytical strategies to identify whether they should develop, maintain, or even withdraw from the market. This is due to increasingly fierce business competition in various types of industries, including the food and beverage industry in Indonesia. Based on a press release in August 2015 (Widjaya, 2017) conducted in Cikarang with a distribution permit by the Ministry of Industry of the Republic of Indonesia, the food and beverage industry in

Indonesia is recognized as being the driving force of the national economy. One of the sub-sectors that continues to thrive is the soy sauce and seasoning production industry. In its 2015 broadcast, there were 94 business units for the soy sauce industry and 56 business units for medium-large scale cooking spices. During the last six years, the value of the soy sauce business in Indonesia has also increased from Rp. 3.21 trillion in 2008 to a value of Rp. 7.14 trillion in 2013. Competition in the soy sauce business in the increasingly competitive domestic market is the impact of the many new players who are already concerned about taking part in this industry and are starting to become followers to try out the magnitude of the business value in this industry. However, the fact is that not a few companies are still new to successfully create their market brilliantly, even shifting old players. This phenomenon raises concerns from incumbent players to maintain their business or try to develop their business. If viewed from the increasing industrial growth, to survive in the market, companies must be increasingly competitive in business competition.

According to Frumkin and Sosa (2014), a competitive analysis has three main objectives, the first is to measure the risks associated with current market conditions and the likelihood of success, the second is to uncover important insights in terms of the quality and viability of organizational innovation, and the last is to use the conclusions from the previous two objectives to develop an organizational strategy that maximizes impact. In his article, Kokemuller (2016) states that positioning analysis is a process of analyzing how a company's brand is currently accepted by the market. When identifying market share opportunities, a company needs to compare whether the brand can match the needs of the market. Especially for small businesses wanting a market share that offers a good opportunity for success. With this, the company will be able to more precisely determine the strategy that will be used later (Widjaya, 2017).

Nazarpoori et al. in the *Journal of Asian Scientific Research* (2014) stated that competitive position is a very general concept where its measurement requires analysis and recognition of organizational components, each of which is considered a broad concept that emphasizes a number of elements. The definitions of the components of the selected model include market share, customer satisfaction, product quality, and competitiveness (Nazarpoori, Hakkak, & Mohammadi, 2014). This component will later become a factor to map the company's competitive position in the current market where competitive positioning will affect the company's performance. Competitive position in an industry attracts attention as a major determinant of firm profitability (Korkmaz & Messner, 2008). Based on the basic assumptions of research conducted by Karol Sledzik (2014), the most innovative companies have a competitive position in the market. This is possible because the most innovating companies must commercialize innovations that result in high levels of sales, profits, cash flow, and so on. In other words, many components can be used as a strategic mapping factor for a company (Śledzik, 2014).

Effective positioning helps to guide marketing strategy by clarifying the essence of the brand, whether the goal is to help the consumer reach it, and how it works uniquely. (Kotler & Keller, 2009). This statement is supported by research from Sotiriadis and Varvaressos (2015), where all planners, managers, and marketing must bear the issues and challenges to achieve a sustainable competitive position in the industry (Sotiriadis & Varvaressos, 2015). Therefore, companies need to formulate and implement an effective

positioning strategy to develop several competitive advantages to succeed in the market (Chowdhury et al., 2013).

One of the MSME businesses is engaged in the production of local crackers, where the production location is in Asahan which was established in 2002. Sales competition is considered by the owner of Opak Crackers to be very tight, as seen in the last two years, the sales volume of crackers has continued to decline. Currently, this business which has been passed down from generation to generation, in terms of the business management process is still simple, where almost the entire operational process, namely the production uses human labor. Asahan Crackers UKM produces opaque jengkol, sweet potato, and crackers, where the sizes of these crackers vary from small, medium, and large. Until now, Opak cracker SMEs employ a total of 20 to 30 people in both operational and production activities. From the explanation above, researchers are interested in examining how segmentation, targeting, and market positioning, as well as the marketing mix of Opak cracker SMEs in developing their business and providing recommendations by conducting analysis studies of segmenting, targeting, positioning, and marketing mix in Murni Jaya Company.

States that strategy (McGettigan & Henry, 2011) is about companies using analytical techniques to help understand, and therefore influence the company's position in the market. As a first step, companies need to understand what consumers need and what they want so that companies can make good decisions for the next step, state that there are five core concepts of consumers and markets (Djafarova & Kramer, 2019) , namely:

1. Needs wants and demands
2. Marketing offerings (goods, services, and experiences)
3. Value and satisfaction
4. Exchange and relationship
5. Market

Cannon, Perreault, and McCarthy (Djafarova & Kramer, 2019) state that the marketing strategy determines the target market and the associated marketing mix. This strategy is a big picture of what the company will do in a market. It takes two interrelated parts:

1. Target market – that is, a homogeneous group of customers that the company wants to attract.
2. Marketing mix – the variables to be monitored that are developed by the company to satisfy the target group.

Companies must design marketing strategies referring to consumers that can help companies identify which parts of the market the company can serve best and most profitably. The following are the main steps in designing this analysis, namely: market segmentation, market targeting, and positioning.

1. Market Segmentation

Every buyer in the market has different wants, resources, locations, and buying attitudes. Through market segmentation, companies divide the market into smaller segments that can be reached more efficiently and effectively with products and services that match the unique needs of buyers.

2. Market Targe

3. Target market

A collection of buyers who share a common need or characteristic that the firm decides to serve. The target market evaluates each segment's interest in the market and selects one or more segments to enter.

4. Positioning

Positioning where the company composes market offerings to place a competitive position with competitors that can be embedded in the minds of consumers

SWOT is a strategic planning method used to evaluate strengths, weaknesses, opportunities, and threats in a project or a business venture. These four factors make up the acronym SWOT (strengths, weaknesses, opportunities, and threats). SWOT would be better discussed using a table made in large paper so that the relationship between each aspect can be well analyzed. This process involves determining the specific objectives of the speculated business or project and identifying the internal and external factors that support and which do not achieve these goals. SWOT analysis can be applied by analyzing and sorting out various things that affect the four factors, then applying it in a SWOT matrix image, where the application is how strengths can take advantage of existing opportunities, how to overcome weaknesses (weaknesses) that prevent the advantages (advantages) of existing opportunities (opportunities), then how the strengths (strengths) can face the threats (threats) that exist, and finally how to overcome the weaknesses (weaknesses) that can make threats (threats) become real or create a new threat

According to (Ivanova et al., 2013) marketing is the process of identifying, creating, and communicating value, and maintaining satisfying customer relationships to maximize company profits. According to (Sulandjari & Ferdiansyah, 2020) marketing objectives include maximizing profit, maximizing market share, maximizing sales, enhancing brand image, increasing customer satisfaction, providing value, and maintaining price stability. According to (Duffy et al., 2014), a good marketing strategy must be built based on a strong business understanding, combined with an understanding of customer needs and wants competitors and skills, and core business including with suppliers and distributors. "The process of implementing a marketing strategy requires marketers to identify the needs and wants of customers - target markets, satisfy customers (higher than competitors), and keep customers as a means for sustainable profit." (Khan, Hasan, Anjum, & Rafique, 2014).

Based on the above understanding, it can be concluded that marketing is the process of searching for what consumers want and need, providing goods or services to fulfill these wants and needs and communicating the value of goods or services as well as creating relationships with customers to create satisfaction for customers and provide profits for the company concerned.

METHOD

In this study, the author uses a qualitative research type with a descriptive approach. Objects that are studied through sample or population data as they are, without analyzing and making conclusions that apply to the public.

The qualitative research method is a research method based on the philosophy of positivism, used to examine the condition of natural objects, where the researcher is the key instrument, the sampling of data sources is done purposively and snowball, the data collection technique is triangulation, the data analysis is inductive/qualitative and the results research emphasizes meaning rather than generalization (Sugiyono, 2015).

RESULTS AND DISCUSSION

SWOT analysis in product marketing for Opak Asahan Crackers SMEs have a significant relationship in a competitive product marketing situation. Referring to the goals and objectives of evaluating the application of SWOT analysis, it can be seen what are the strengths and weaknesses of the Opak Asahan Cracker UKM and what opportunities can support product marketing to the threats that will be faced by Opak Asahan Crackers SMEs The following is a table detailing the strengths, weaknesses, opportunities, and threats to the Opak Asahan Cracker SMEs :

Table 1
Internal and External Factors of Opak Asahan Cracker SMEs

No	Strength	Weakness
1.	Have a good service reputation	The development of the use of technology has not yet
2.	Good product quality	Lack of HR
3.	Competitive product prices	Lack of Capital to expand the business
4.	Experienced HR Recruitment	Product layout is less efficient

No	Opportunity	Threat
1.	High consumer interest	The emergence of new competitors
2.	Have a good image in Asahan.	Consumers are price-sensitive
3.	There is consumer trust	The emergence of other opaque cracker product innovations
4.	Get government support	Inconsistent opaque cracker supplier

Identification of internal and external factors in Opak Asahan Cracker SMEs after being analyzed, then given weights and values. The following table arrangement is the result of an analysis that has been carried out on the Opak Asahan Cracker SME business that can be used in the implementation of marketing strategies

Table 2
Internal Strategy Factors of Opak Asahan Cracker SMEs

Internal Strategy Factors	Weight	Mark	Weight x Value
Strength			
Have a good service reputation	0.15	4	0.6
Good product quality	0.15	4	0.6
Competitive product prices	0.15	3	0.45
Experienced HR Recruitment	0.15	4	0.6
Amount			2.25
Weakness			
The development of the use of technology is not optimal	0.11	3	0.33
Lack of HR	0.09	2	0.18
Lack of Capital to expand the business	0.10	2	
Product layout is less efficient	0.09	2	0.18
Amount			1.29
Total			3.54

The total weight x value in table 5.9 which is worth 3.54 is obtained from the sum of the weights x value on the strength and weakness factor, which is used as a reference point for the internal conditions of the Opak Asahan Cracker UKM. This result is used to see the current market position.

Table 3
External Strategy Factors of Opak Asahan Cracker SMEs

External Strategy Factors	Weight	Mark	Weight x Value
Opportunity			
High consumer interest	0.16	4	0.64
Have a good image in Asahan.	0.17	4	0.68
There is consumer trust	0.17	4	0.68
Get government support	0.17	4	0.68
Amount			2.68
Threat			
	0.08	2	0.16

The emergence of new competitors	0.09	2	0.18
Consumers are price-sensitive	0.08	2	0.16
The emergence of other opaque cracker product innovations	0.08	2	0.16
Amount			0.66
Total			3.34

Source: Processed Data

The total weight x value in table 5.10 which is worth 3.34 is obtained from the sum of the weights x value on the opportunity and threat factors, which is used as a reference point for external conditions in the Opak Asahan Cracker UKM. This result is used to see the current market position.

Assessment of internal and external factors owned by UKM Crackers Opak Asahan can be obtained a total score which is the sum of the results of multiplying the weight with the value. Asahan Opak Cracker UKM. obtained a total score of 3.54 for internal strategic factors, while for external strategic factors resulted in a total score of 3.34.

Alternative Strategy Formulation

To formulate an alternative strategy for UKM Crackers Opak Asahan. by using SWOT analysis, alternative strategies are prepared based on the interaction of the company's internal and external factors. Some alternative business strategies can be seen from the following table:

Table 4
SWOT Matrix

as	STRENGTH H (S)	WEAKNESS S (W)
	Have a good service reputation	Bro, the use of technology is not optimal yet
EFAS	Good product quality	Lack of HR
	Competitive product prices	Lack of Capital to expand the business
	Experienced HR Recruitment	Product layout is less efficient
OPPORTUNITIES(O)	STRATEGY I (SO)	STRATEGY I (WO)
High consumer interest	More improve an effective and efficient management system	More abreast of technological developments
Have a good image in Asahan.	Increasing human resources to remain trusted by consumers	The business is more efficient
There is consumer trust	Determine market segment, target market, and product position	
Get government support	Dare to enter the global market	
THREATS (T)	STRATEGY I (ST)	STRATEGY I (WT)
The emergence of new competitors	Improve HR performance	More partners
Consumers are price-sensitive	Setting Pricing strategy	Expanding business and opening new businesses
The emergence of other opaque cracker product innovations	Selective in marketing strategy	
Inconsistent opaque cracker supplier		

Source: Data processed
Best Strategy Selection

Table 5
Best Strategy Selection Matrix

IFAS	STRENGTH (STRENGTH N)	WEAKNESS (KELAMAHAN)
EFAS	SO	WO
OPPORTUNITIES	(AGGRESSIVE) $2.25 + 2.68 = 4.93$	(TURNAROUND) $1.29 + 2.68 = 3.97$
	ST	WT
THREAT (THREAT)	(DIVERSIFICATION) $2.25 + 0.66 = 2.91$	(DEFERTION F) $1.29 + 0.66 = 1.92$

CONCLUSION

The policy analysis of segmenting, targeting, and product positioning strategies to formulate a global marketing strategy for Opak Asahan Crackers SMEs is to use effective

strategy formulation which finally results in an aggressive SO strategy, namely a strong strategy that takes advantage of the opportunities owned by the business, namely:

- a. Further improving an effective and efficient management system In achieving the business goal of increasing sales of SMEs, Opak Asahan crackers must be more effective in improving marketing management and human resources by establishing good relations with consumers and other business partners to facilitate marketing in businesses so that marketing can be effective and efficient so that increased sales can be achieved.
- b. To further improve human resources to remain trusted by consumers To further strengthen relationships with consumers, the human resources owned must further improve their services so that consumers can trust and the image of the business remains with consumers and of course, consumers can increase so that sales increase.
- c. Determining market segmentation, target market, and product position The company's strategy based on segmenting, targeting, and positioning is that the company can develop product innovations, make market classifications, target potential markets, and then place the company in a certain position in the eyes of the targeted market.
- d. Dare to enter the global market. Opak Asahan Crackers SMEs must be able to venture into the global market by taking advantage of government support for SMEs in Indonesia and increasing product promotion and relationships so that businesses can be recognized in the global market.

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