

## PT Chalodo Sibali Resoe's Chocolate marketing strategy

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**Abstract.** The marketing strategy is an effort to find a safe and profitable marketing position in an ongoing business competition industry. Companies need to recognize the level of strengths and weaknesses in competitive activities because this will greatly help to recognize themselves in utilizing every opportunity that exists and try their best to avoid or minimize the risks or threats that will arise next. This study aims to determine whether the right strategy is applied to increase sales of PT Chalodo Sibali Resoe chocolate products in Masamba District, North Luwu Regency, South Sulawesi Province. This research uses a descriptive analysis method, internal and external matrices, cartesian diagrams, and SWOT matrices. The results showed that a viable strategy was adopted by PT Chalodo Sibali Resoe to support the company's business development activities, especially in the field of marketing, including (1) Innovation of business premises as attractive as possible to create comfort and attract consumers' interest to visit; (2) Producing chocolate products that have their characteristics; (3) Increasing production and product quality; (4) Development of marketing areas.

### 1. Introduction

Every company, whether engaged in products or services, has a goal to stay alive and grow. These goals can be achieved if companies can maintain and increase sales of the products or services they produce. The application of an accurate marketing strategy through the utilization of opportunities in activities to increase sales can have an impact on the company's position in the market can be improved and maintained. The implementation of modern marketing today has a very large role as direct support for increasing corporate profits.

Marketing is a key concept for the success of a business where marketing by paying attention to the desires and needs of fulfilling customers for the achievement of satisfaction that has a positive impact on the company. Marketing is also one of the functional areas that are very important in a business organization as a support for the sustainability of a business world. Marketing strategies provide direction about market segmentation, identification of target markets, positioning, and marketing mix. The marketing mix consists of four elements, namely product, price, promotion, place [1].

Marketing strategy is a form of plan unraveled in the field of marketing. Optimal results can be obtained through this marketing strategy because it has a broad scope in the field of marketing, including strategies in dealing with competition, pricing strategies, product strategies, service strategies, and so on. [2] Marketing strategy is a plan prepared to determine the right strategy for the company in meeting the needs and desires of customers. In the circumstances of the marketing strategy, the company must take into account the price and other factors offered to its customers so that the company can create customer value and customer relationships and how the company implements marketing strategies for its competitive advantage with competitors [3].



Markides (1996) argues that “breakthrough strategies,” those that redefine businesses and reshape markets, are built on the principles of developing a unique position that maintains alignment with the changing demands of the firm's environment and is effectively implemented. Thus, it seems that creative marketing strategies and skill at marketing strategy implementation would enable the firm to maintain this alignment [4]. Understanding the business environment is central to a strategic planning process. Among the most important tools to facilitate such understanding is the SWOT analysis [5] It helps organizations to gain a better insight of their internal and external business environment when making strategic plans and decisions by analyzing and positioning an organization's resources and environment four regions: Strengths, Weaknesses, Opportunities, and Threats [6].

Companies need to recognize the strengths and weaknesses of the competition. This will be very helpful in identifying yourself, as well as taking advantage of every opportunity that exists and avoid or minimize the risks/threats that arise later. Marketing strategy is an effort to find a profitable marketing position in an industry or arena of fundamental competition that takes place [7].

PT Chalodo Sibali Resoe is a company engaged in the processing and marketing of chocolate products, which was established in 2009 and is located in Masamba District, North Luwu Regency, which is also a target of the North Luwu Cooperative and Trade Office (KOPERINDAG). The Ministry of Industry of the Republic of Indonesia, through the Directorate of Small and Medium Industries, cooperates with the North Luwu regional government to provide cocoa processing machinery and equipment to various chocolate products at this company to improve the quality and quantity of its products. Chocolate products produced by PT Chalodo Sibali Resoe are named "Chocolate Chalodo" with an initial product consisting of two types of products, namely powdered chocolate and chocolate bar.

Chiodo chocolate, which is a local product with various touches of innovation in it, must always be developed and introduced to the wider community (consumers). Six years since the founding, processing, and marketing of Calodo chocolate has not been able to provide the desired results by the company owner. The income received by the company is deemed unable to cover other costs, which are also vital in the sustainability of a business. However, the enthusiasm and determination of the business owner did not recede; he believed that the company's processed products would one day be in a position that was in line with other chocolate products that had already plunged into the domestic and international market [8].

## 2. Method

The method is a way that can be used to achieve the goal by collecting data to be analyzed [9] In this study using descriptive qualitative research. The qualitative descriptive study aimed to describe and illustrate the phenomena that there is both natural and human are more concerned about the characteristics, quality axles, linkages between activities [1] Research held in June and July 2018. Data collection techniques using the method of field research, observation. Interviews and documentation.

## 3. Results and discussion

### 3.1. Promotion strategy

The forms of marketing promotions carried out by PT Chalodo Sibali Resoe in increasing sales include:

#### 1. Advertising

Advertising is a form of indirect communication based on information about the strengths of PT Chalodo Sibali Resoe, which is compiled using a series of words in such a way as to change one's mind so that they are interested in buying and enjoying the products offered by PT Chalodo Sibali Resoe. The advertising activities carried out by PT Chalodo Sibali Resoe include social media by utilizing various applications such as *WhatsApp*, *Instagram*, and *Facebook*. In addition to social media, promotions are also carried out with print media such as billboards, banners, and *banners*. Mr.

Baharuddin H also once advertised his product on one of Indonesia's private television broadcasting channels with the help of his friend [10].

## 2. Sponsorship

Sponsorship activities carried out by PT Chalodo Sibali Resoe aim to further socialize the product to the wider community through various activities such as sponsors of charitable activities, local government activities, religious activities, and some festival activities so that it is hoped that the wider community will get to know and know more about products from PT Chalodo Sibali Resoe.

## 3. Personal Selling

Personal selling promotional activities carried out by PT Chalodo Sibali Resoe is to provide the best service and hospitality to every customer who comes to PT Chalodo Sibali Resoe. By applying the 3S principle (greetings, smiles, greetings), it is expected that every customer who comes can feel comfortable and satisfied with the services provided so far.

## 4. Exhibition

Exhibition activities are needed to provide more information to consumers in the domestic market. In this case, PT Chalodo Sibali Resoe often participates in several exhibition activities carried out in places that are a center of the crowd, *events*, or festivals that provide *stands* for the company's products that provide funds as one of the sponsors.

### 3.2. SWOT Analysis of PT Chalodo Sibali Resoe

SWOT analysis is a commonly used method for analyzing and positioning an organization's resources and the environment in four regions: Strengths, Weaknesses, Opportunities, and Threats [6] Strengths and Weaknesses are internal (controllable) factors that support and obstruct organizations to achieve their mission respectively. Whereas Opportunities and Threats are the external (uncontrollable) factors that enable and disable organizations from accomplishing their mission [11]

The main steps of these approaches can be summarized as follows. First, the SWOT analysis is carried out through a brainstorming session to identify the SWOT factors in each group. Then, the relative importance of the SWOT factor is determined through the pair-wise comparison within and between SWOT groups. Finally, the importance degree of the SWOT factors is computed based on the comparison matrix [6]

SWOT analysis is the systematic identification of various factors to formulate the marketing strategy of PT Chalodo Sibali Resoe. This analysis is based on the logic that maximizes strength (*Strength*) and opportunities (*Opportunities*) but simultaneously can minimize your weaknesses (*Weaknesses*) and threats (*Threat*). The following is a breakdown of strengths, weaknesses, opportunities, and threats [12].

- Strength (S). The attribute is labeled as an organization's strength since it is identified as a strength of an organization and its competitor. This means both a target organization and its competitor are performing well at providing this attribute. The organization should maintain the performance of this attribute to ensure that the attribute is not turned into a threat when its performance is lower than that of the competitor.
- Weakness (W). The attribute is labeled as an organization's weakness since it is identified as a weakness of an organization and its competitor. This means both a target organization and its competitor are not performing well at providing this attribute. The organization should improve the performance of this attribute to obtain a competitive advantage in the target market over the competitor.
- Opportunity (O). The attribute is labeled as an organization's opportunity since it is identified as the strength of an organization, but it is identified as a weakness of a competitor. This means the competitor is not performing as well as the organization at providing this attribute,

implying that the organization has a competitive advantage over the competitor. The organization should maintain or leverage the performance of this attribute to stay competitive.

- Threat (T). An attribute is labeled as an organization's threat since it is identified as a weakness of an organization, but it is identified as a strength of a competitor. This means the organization is not performing as well as the competitor at providing this attribute, implying that the organization has a competitive disadvantage to the competitor. Hence, an organization should be aware of it and take immediate action to improve the performance of this attribute to prevent a potential loss of profit [6].

**Table 1.** Value of Internal Strategy Factor Analysis (IFAS)

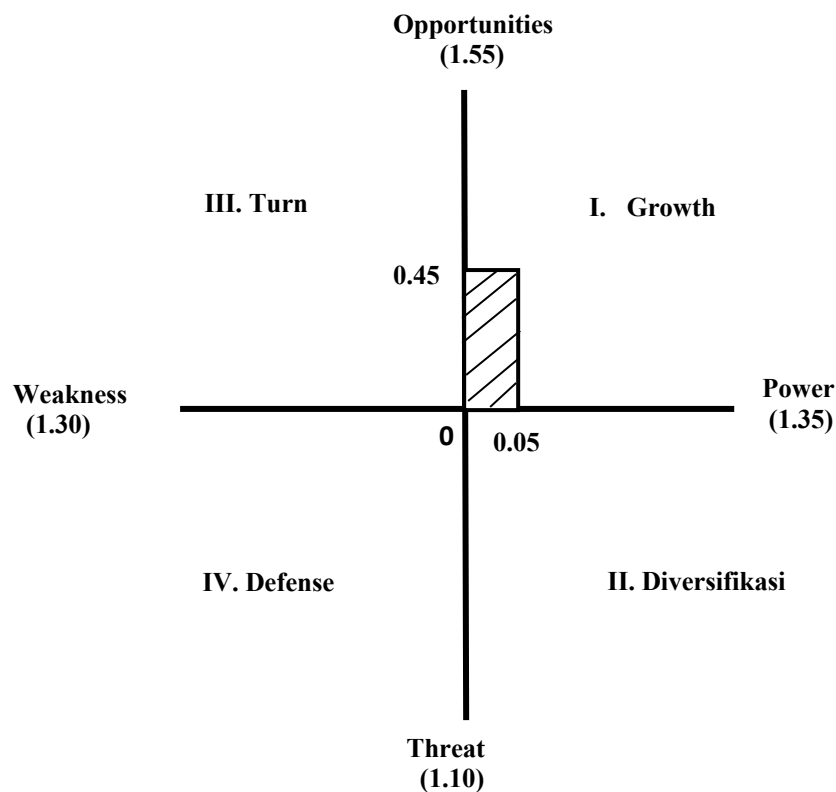
Factors Internal Strategy	Weight	Rating	Score (Weight X Rating)
<b>POWER</b>			
• Multifunctional office for efficient place and cost.	0.10	3	0.30
• <i>Image of</i> companies and business owners who are good in the eyes of the community.	0.05	2	0.10
• Already have a brand, halal certificate, and production number that has been approved by the relevant agencies.	0.10	3	0.30
• Chocolate products offered are very diverse.	0.10	2	0.20
• Each product is a recipe for the results of its trial that cannot be imitated by others (secret recipes).	0.15	3	0.45
<b>SUB-TOTAL</b>	<b>0.50</b>		<b>1.35</b>
<b>WEAKNESS</b>			
• There are no partners in marketing activities.	0.10	3	0.30
• It does not have a written organizational structure for the company.	0.05	3	0.15
• The education of employees is still classified as standard.	0.10	2	0.20
• There is no administration of business accounting.	0.15	3	0.45
• Do not have their packaging equipment that can support product marketing activities.	0.10	2	0.20
<b>SUB-TOTAL</b>	<b>0.50</b>		<b>1.30</b>
<b>TOTAL</b>	<b>1.00</b>		<b>2.65</b>

From the analysis of table 1, IFAS factors *Strength* (strength) has a total score of 1.35 was *Weakness* (weakness) and has a total score of 1.30. As with IFAS, to determine the total score of opportunities and threats, external factors (EFAS) also need to be identified as in Table 2.

**Table 2.** Value Analysis of External Strategy Factors (EFAS)

Factors External Strategy	Weight	Rating	Score (Weight x Rating)
<b>OPPORTUNITIES</b>			
• There is government support in the development of superior regional commodities.	0.15	3	0.45
• The development of social media that can support marketing activities.	0.10	3	0.30
• The demand for chocolate has increased.	0.10	2	0.20
• The image of the company is quite good in the community.	0.10	3	0.30
• Chocolate product market opportunities are getting better.	0.10	3	0.30
<b>SUB-TOTAL</b>	<b>0.55</b>		<b>1.55</b>
<b>THREAT</b>			
• The perception of some people about the adverse effects of consuming chocolate.	0.15	3	0.45
• <i>Other brands</i> or trademarks that are already known by the public.	0.05	1	0.05
• There are several cafes around the company that can become business competitors.	0.05	2	0.10
• Other alternative products at more affordable prices.	0.10	2	0.20
• Other business innovations in the food sector are growing.	0.10	3	0.30
<b>SUB-TOTAL</b>	<b>0.45</b>		<b>1.10</b>
<b>TOTAL</b>	<b>1.00</b>		<b>2.65</b>

Analysis results Table 2. Shows that for factors *Opportunity* (opportunity), the value of the score of **1.55**, while for factors *Threat* (threat of) the value of the score of **1.10**. Furthermore, the total score of each factor can be specified, *Strength*: **1.35**, *Weakness*: **1.30**, *Opportunity*: **1.55**, and *Threat*: **1.10**. Then the known value of *Strength* above the rated *Weakness* difference (+) **0.05** and the value of *Opportunity* on the value of *Threat* difference (+) **0.45**. From the results of the identification of these factors, it can be described in the Cartesian diagram. Analysis using Cartesian diagrams can show you will be in the quadrant how many positions the company is in and become the basis for formulating what methods/strategies are best implemented by PT Chalodo Sibali Resoe going forward, especially in the field of marketing. The results of the analysis using the Cartesian diagram can be seen in figure 1.



**Figure 1.** Cartesius Diagram of Internal and External Data Processing Results of PT Chalodo Sibali.

From figure 1, the Cartesian diagram shows that PT Chalodo Sibali Resoe is currently on the right track in the 1st quadrant by continuing to innovate, improve its development strategy (*growth*) to be able to increase sales and survive in the chocolate processing and marketing industry this. The combination of these two factors is shown in the results of the SWOT analysis as follows:

a. SO Strategy (Supports the *Growth* Strategy)

This strategy is made based on the company's way of thinking, namely by utilizing all the power to seize and take advantage of maximum opportunities. SO strategies that can be taken by PT Chalodo Sibali Resoe, namely:

- a) The innovation of the place of business is as attractive as possible to create comfort and attract consumers to visit.
- b) Producing chocolate products that have their characteristics.
- c) Increased production and product quality.
- d) Development of marketing areas.

b. ST Strategy (Supports Diversification Strategy)

It is a strategy in using the strength of the company to overcome threats. ST strategies that can be taken by PT Chalodo Sibali Resoe, namely:

- a) Increase public confidence in the products produced.
- b) Producing products that can be enjoyed by all people.
- c) Increase product competitiveness in terms of price, taste, and packaging.

c. WO Strategy (Supports *Turn-Around* Strategy)

This strategy is implemented based on the utilization of existing opportunities by minimizing existing weaknesses. The WO strategies that can be pursued by PT Chalodo Sibali Resoe include:

- a) Doing cooperation that can support marketing activities.
- b) Complement the facilities and administrative needs of the company.
- c) Improve production and marketing technology and training.

d. WT Strategy (Supports Defensive Strategies)

This strategy is based on activities that are defensive and try to minimize existing weaknesses and avoid threats. The WT strategies that can be pursued by PT Chalodo Sibali Resoe. Based on the results of the SWOT analysis, PT Chalodo Sibali Resoe has strengths that can be used in certain strategies, utilizing the right opportunities, and simultaneously minimizing or avoiding existing weaknesses and threats. This position greatly benefits the company by improving conditions above-average capability, so that PT Chalodo Sibali Resoe can compete in the business environment. The strategy recommended by researchers after some analysis is to implement SO (*strength, opportunity*) strategies that can support business development. In a personal view, the concept of marketing is a very interesting thing to explore. The company's goals can be achieved by good cooperation between all *relevant stakeholders* and the fulfillment of the needs of consumers.

#### 4. Conclusion

There are other forms of marketing promotions used by PT Chalodo Sibali resoe, namely advertising, *sponsorship, Personal Selling*, exhibitions. Based on the SWOT analysis, some strategies can be run by the company. SO strategies (taking advantage of opportunities), ST (using strengths to overcome threats), WO (minimizing weaknesses), WT (minimizing weaknesses, and avoiding threats). Therefore, from the results of internal and external analysis of the company along with the Cartesian diagram, the results are obtained that the strategies that can be applied by PT Chalodo Sibali Resoe to support its business activities are SO strategies which consist of: (1) Innovation of business places as attractive as possible to create comfort and attracting consumers to visit; (2) Producing chocolate products that have their characteristics; (3) Increasing production and product quality; (4) Development of marketing areas.

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