



Optimization of Strategy with SWOT Analysis to Increase Revenue of Imported Exterior Clothing Sales at Vn-Nee Collection Stores in Jayapura City

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ARTICLE INFO

Keywords: SWOT, Cartensius_Diagram, Vn-nee Collection

Received : 12, December

Revised : 14, January

Accepted: 20, February

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ABSTRACT

The sustainability of small and medium-size enterprises is critical in the face of the increasingly competitive challenges in this industry. The study aims to formulate a strategy for increasing the sales of imported used clothes in Vn-Nee Collection stores using the SWOT analysis approach. SWOT analytics is used to identify strengths, weaknesses, opportunities, and threats that affect VN-nee collection. The results of SWOT analyses indicate that Vn-nee Collection has significant internal strengths and is able to anticipate threats in the same business sector. Through a four-quadrant cartesius diagram approach. The implications of this finding are that the Vn-Nee Collection can leverage its internal strengths to design effective strategies for increasing competitive advantage, exploiting market opportunities, and managing risks emerging in this growing industry.

INTRODUCTION

The increasingly modern world economy drives all companies to compete to meet consumer needs. They show each other the quality of goods and must have diversity to meet different consumer wishes. In this era of globalization, the rise of information technology has created new business opportunities.(Ghaffar, 2023).

In Indonesia, the imported used clothing business has grown rapidly in recent years. Imported used clothing sales are increasing because the value of imported goods is considered to be higher quality and cheaper than local products. Today, imported used garments are increasingly in demand, especially because fans or consumers have the opportunity to get well-known branded clothes that are still worthy of wear.(Muiz et al., 2023).

Although offered at a more affordable price, consumers still consider the quality of the product and their perception of it. Indonesian people, mostly from the middle to lower classes, tend to be consumers, even though their opinion is not high. This consumptivity is often triggered by advertising and social media and is regarded as an important sign of social status.(Ise Tumangger, 2023).

According to Statistics (BPS) for 2019, the value of imported used clothes has increased due to a sharp sales trend among teenagers. The COVID-19 pandemic has affected public purchasing decisions for imported used clothes. At the beginning of the pandemic, buying decisions tended to decline due to economic and health uncertainty. However, as we adapted to the epidemic, purchasing decisions began to rise again. Some of the factors that may influence this increase are the ease of online shopping and the cost savings that can be achieved by buying imported used clothes. In addition, the availability of imported used clothes with guaranteed quality is also an important consideration for consumers. Currently, public purchasing decisions on imported used clothes can be said to be stable.(Dliyaul Haq, 2023). Although the pandemic is not over and the economic situation is still difficult, consumers are getting used to the new situation and many have switched to online purchases.(Siagian et al., 2023).

In the current pandemic, the government is trying to reduce mobility by imposing a policy of social restraint. To investigate this, a number of clothing stores are maximizing the opportunity to sell their products online. Selling products online not only lowers the cost of promotion for the seller but also gives the consumer the power to choose the product according to their wishes, thereby improving the purchase decision. One measure of the success of a business is how consumer perceptions can increase confidence in a product, so that they have a strong desire to buy it. Consumer perception plays a very important role for sellers, especially in the purchase of goods or products.(Qalbi et al., 2023)

Vn-nee Collection, a UMKM venture located in Jayapura City, is one of them. Although its business focuses on the sale of used imported clothing, the Vn-nee Collection also faces challenges and opportunities as the industry grows. Increasing competition in the same industry could threaten Vn-nee Collection's market share and profitability.

Faced with this challenge, entrepreneurs are required to design strategies that help them survive and thrive. Therefore, SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) is an appropriate approach to understanding the market situation and identifying the right strategy.

Through SWOT analysis, the strengths of the Vn-nee Collection can be identified as the core capital to face threats and seize opportunities. However, weaknesses also need to be identified to minimize or eliminate them.

METHODOLOGY

The research method used is SWOT analysis, a method to describe a situation and evaluate a problem, project, or business concept based on internal factors (strengths and weaknesses) as well as external factors. (peluang dan ancaman)(Safiyuddin et al., 2022). SWOT analytics focuses on the four main aspects of a business: strengths, weaknesses, opportunities, and threats. SWOT analysis provides benefits by providing hints and recommendations for increasing profits based on existing opportunities, reducing shortcomings, and avoiding threats while in strengths. In addition, SWOT is a powerful tool for conducting strategic analysis, enabling you to find the right and optimal action in existing situations.(Adiyatna, 2023).

The SWOT analysis used is a quantitative approach. Once all factors are identified, these factors are weighted and questionnaires are created to be distributed to several respondents. The survey uses a Likert scale from 1 to 4, where the number 1 indicates the lowest level of significance and the number 4 shows the highest. The evaluation of each element is then determined from the questionnaire. The score is calculated by multiplying the rating by weight. The total score of each factor is then counted again to determine the position of the company in the SWOT analysis cartesian diagram with 4 squares. Here are the steps of SWOT analysis with a quantitative approach. First, weighing on internal and external factors based on the extent of their influence on the performance of the enterprise, measured by the contribution given and the level of effort made. Second, identifying strengths, weaknesses, opportunities, and threats. Third, determining the rating for each factor. Fourthly, count the total score of strengths, weaknesses, opportunities, and threats of each factor. Fifth, determine the coordinates of internal and external analysis, then enter into the SWOT analysis cartesian diagram with 4 quadrants. Next, an evaluation of the company's position to determine which quadrants are inhabited. Finally, design a strategy for improvement and improvement based on the results of the analysis.(Wijaya et al., 2023).

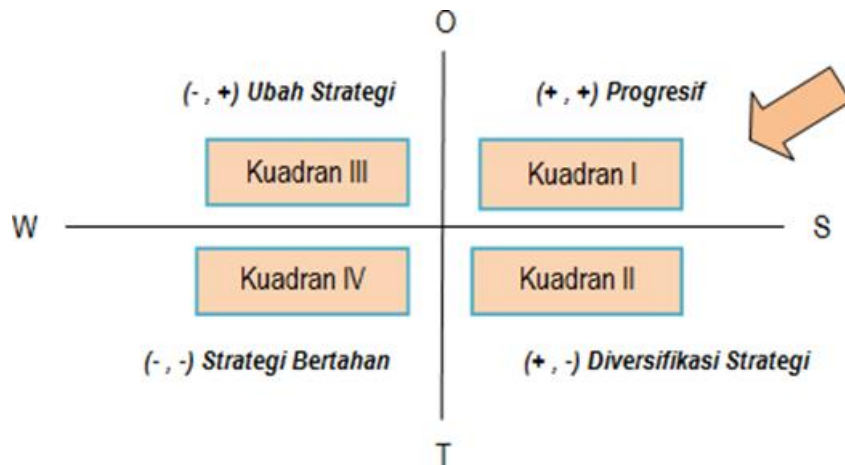


Figure 1. Cartesian Four Quadrant SWOT Analysis Diagram

RESEARCH RESULT

A. Analysis of Internal and External Factors

After the data collection at the Vn-nee Collections Exterior Clothes Store was obtained a factor that affects the performance of this company. Here's the details of the factors.

Table 1. Types of Factors

No	Strength Factor Type
1	It has many variants and well-known brands.
2	The quality is excellent and lasts longer.
3	The price is affordable compared to the competitive.
4	Availability of a wide range of high quality products.
5	The store is located in the city of jayapura and easy to reach
6	Already have had a fixed customer.
7	Good relationship with the supplier to ensure a stable supply
No	Type of Weakness Factor
1	Stock Depends on supply.
2	Customers cannot choose the size they want on the same product.
3	Sales are still hindered because of unknown widespread in the city of jayapura
4	Lack of innovation in marketing and promotion strategies hampers the attractiveness of stores to new customers.
No	Opportunity Factor Type
1	Increased public awareness of lower costs.
2	The potential to expand the range of products by adding innovative products.
3	Increased sales through digital marketing and collaboration with e-commerce platforms, and facebook
4	Building partnerships with local suppliers can ensure stable supply and

	support local economies
No	Threat Factor Type
1	Getting a market share can be difficult because competition with similar stores around the area can squeeze the price.
2	Supply price fluctuations can affect the sale price.
3	Regulatory changes related to the import of used goods

B. IFAS Value Calculation

In the calculation of IFAS, there are five stages to be done. The first step is to determine the factors that constitute the strengths and weaknesses of the company. Further, each factor is given a weight ranging from 1.0 (very important) to 0.0 (not important), with the total weight to be equal to 1.0. The third stage involves the calculation of the ratings for each factor on a scale of 1 to 4, based on the effectiveness of the company's strategy. This rating is obtained from the respondent's assessment of each factor, summed up by column, and then divided by the number of respondents. If the result of the division produces a decimal fraction, simplify the number by rounding. After that, the fourth stage involves weighting up with a rating to get a score. Finally, all scores are summarized to obtain a total score of strengths and weaknesses. This total value reflects the company's interaction with internal strategic factors, with an average total score range ranging from 1.0 to 4.0. A total score below 2.5 indicates the company's internal weakties, while a total of above 2.5 points indicates a strong internal position and a better readiness to compete in the market. The strong domestic position of the Vn-nee Collection imported garment store, demonstrated by the overall IFAS score of 3.75, as seen from the analysis in table 2.

Table 2. IFAS Factors

No.	Internal Factor	Weight	Range	Score
Strenght				
1	It has many variants and well-known brands.	0,08	4	0,32
2	The quality is excellent and lasts longer.	0,12	4	0,48
3	The price is affordable compared to the competitive.	0,15	4	0,6
4	Availability of a wide range of high quality products.	0,06	3	0,18
5	The store is located in the city of jayapura and easy to reach	0,13	4	0,52
6	Already have had a fixed customer.	0,1	4	0,4
7	Good relationship with the supplier to ensure a stable supply	0,05	3	0,15
Subtotal		0,69		2,65
Weekness				

1	Stock Depends on supply.	0,06	3	0,18
2	Customers cannot choose the size they want on the same product.	0,1	4	0,4
3	Sales are still hindered because of unknown widespread in the city of jayapura	0,08	3	0,24
4	Lack of innovation in marketing and promotion strategies hampers the attractiveness of stores to new customers.	0,07	4	0,28
Subtotal		0,31		1,1
Total		1		3,75

C. Perhitungan Nilai EFAS

In the calculation of EFAS, there are five steps to follow. The first step is to identify the factors that represent opportunities and threats to the company. Next, each factor is given a weight ranging from 1.0 (very important) to 0.0 (not important), with the total weighting to be equal to 1.0. The third step involves calculating the rating for each factor on a scale of 1 to 4, based on the effectiveness of the company's strategy. This rating is obtained from the respondent's assessment of each factor, summed up by column, and then divided by the number of respondents. If the result of the division produces a decimal fraction, simplify the number by rounding. Next, in step four, the weight of each factor is multiplied by the rating to obtain a score. Finally, all scores are summarized to obtain the total opportunity and threat score value. This total value reflects the company's interaction with external strategic factors, with the highest total score of 4.0 and the lowest of 1.0. If the total score is close to 4.0, it indicates that the company is able to respond to existing opportunities and avoid threats in the industrial market. However, if the overall score is closer to 1.0, it shows that the firm is unable to take advantage of opportunities and can not avoid existing threats. Dari hasil analisis pada tabel 3, skor EFAS keseluruhan, yang mencakup peluang dan ancaman, adalah 3,66. Ini menandakan bahwa toko pakaian bekas impor Vn-nee Collection mampu merespons dan beradaptasi terhadap peluang yang ada dengan sangat baik, serta menghindari ancaman terhadap bisnisnya.

Table 3. EFAS Factors

No.	Eksternal Factor	Weight	Range	Score
Peluang (Opportunity)				
1	Increased public awareness of lower costs.	0,13	4	0,52
2	The potential to expand the range of products by adding innovative products.	0,15	4	0,6
3	Increased sales through digital marketing and collaboration with e-commerce platforms, and facebook	0,19	4	0,76
4	Building partnerships with local suppliers can ensure stable supply and support local economies	0,09	3	0,27

Subtotal		0,56		2,15
Thread				
1	Getting a market share can be difficult because competition with similar stores around the area can squeeze the price.	0,19	4	0,76
2	Supply price fluctuations can affect the sale price.	0,14	3	0,42
3	Regulatory changes related to the import of used goods	0,11	3	0,33
Subtotal		0,44		1,51
Total		1		3,66

D. SWOT Analysis Cartensius Diagram

Furthermore, the total score of each can be summarized as follows: strengths of 2.65, weaknesses of 1.1, odds of 2.15, and threats of 1.51. To determine the position of an enterprise in the SWOT analysis cartensius diagram, the first step is to determine the coordinates of internal analysis (x) by reducing the total strength score by the total weakness score. The internal analysis coordinate (X) = 2.65 - 1.1 = 1.55. Next, the second step is the determination of the external analysis coordinates (y) by decreasing the overall chance score by total threat score.

On the cartesian diagram, if this point (x, y) is depicted, the position of the company will be on the quarter I, which can be seen in figure 2.

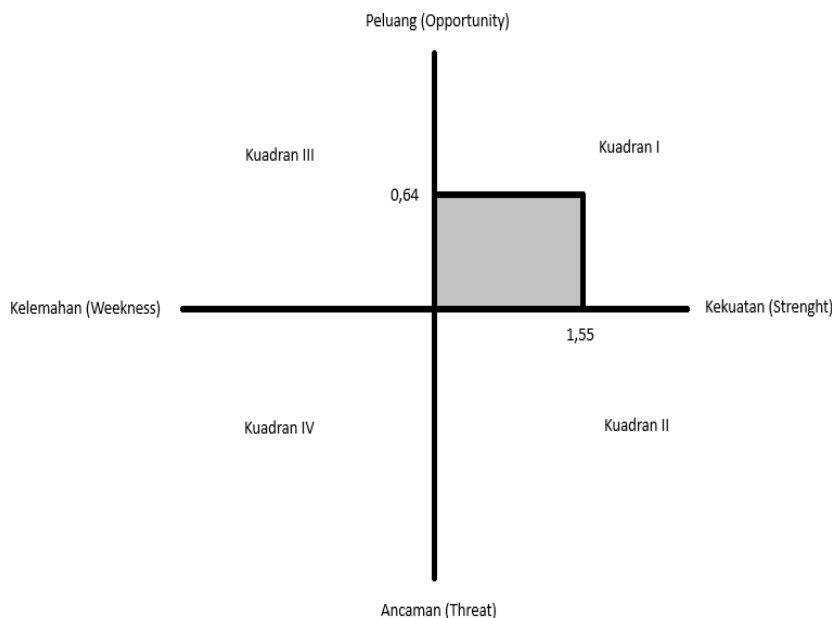


Figure 2. Cartensius Diagram

DISCUSSION

The company's position on Quadrant I marks a favourable situation for the imported Vn-nee Collection convenience store. With so much power it has, the company has a great opportunity to pursue the opportunity, so the strategy implemented must be focused on the policy of progressive growth. Some of the strategic alternatives that can be considered include: attracting new customers, both individuals and laundry, by providing test products; providing special promotions or discounts with minimum purchase conditions; using social media to introduce product information; expanding sales through e-commerce platforms; ining good relationships with suppliers; and opening new branches at other strategic locations.

CONCLUSIONS AND RECOMMENDATIONS

From the results of the analysis, it is seen that the Vn-nee Collection's imported antique clothing store has a strong internal position, able to respond to existing opportunities, as well as to avoid threats in similar industries. Based on the cartesian diagram, this company is located on quarter one, showing a very favourable situation. Therefore, the strategy that can be applied is a policy of progressive growth.

ADVANCED RESEARCH

The SWOT analysis provides valuable insights into the internal and external factors that affect the sales of imported used clothes in Vn-Nee Collection stores. By leveraging its internal strengths, addressing weaknesses, and capitalizing on opportunities, Vn-Nee Collection can design effective strategies for increasing its sales and maintaining a competitive advantage in the industry.

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