

BUSINESS DEVELOPMENT STRATEGY ON AVERHOA TEA PRODUCTS IN BLITAR CITY

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Abstract

The Karang Sari area of Blitar City has many natural resources, especially sweet star fruit, almost all surrounding communities make a living star fruit farmers and also have businesses that diversify sweet star fruit into various preparations such as sweets, syrups, meatballs, and many more. This Averrhoa Tea product is a new product which is one of the results of the diversification of sweet star fruit. The problem faced by the new product is that there is no product development so that people are still hesitant to try Averrhoa Tea products. This study aims to identify the right strategy in product development at Averrhoa Tea business in Blitar City. The location of this research was conducted in Blitar City. This study was conducted for 1 month, from May to June 2023. The data used in this study are primary data and secondary data. Primary data is data obtained directly from the research location through ...

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1. INTRODUCTION

Blitar City is an agriculture-based area. Of the many that are typical of Blitar City, one of them is star fruit, Karang Sari Village is the center of agriculture in Blitar City with the main commodity in the form of star fruit. Every vacant land in every house must be planted with star fruit plants. Therefore, the uniqueness of this area the Blitar City government inaugurated it as an agrotourism area, because it has great potential to become a source of income for the surrounding community.

Star fruit diversification that has been carried out by the community around Karang Sari Village includes star fruit chips, star fruit syrup, star fruit juice drinks, jelly, star fruit crackers, star fruit candy, candied star fruit, star fruit jam, and star fruit meatballs. In addition, star fruit leaves are also widely used by the community around Karang Sari Village for rabbit animal feed and compost for star fruit plants themselves, for star fruit leaves that are not too old used for making Averrhoa Tea.

More intensive attention to product development strategies is needed for Averrhoa Tea products as a company that provides tea from star fruit leaves in the form of tea bags. This company has not been established for long, because the drink is a new product or has never existed in Blitar City in particular, therefore this product needs a product development strategy so that Averrhoa Tea's sales volume also increases among competition in the market and competition by other large companies. The strategy carried out by Averrhoa Tea so far is to take part in bazaar events in order to increase sales volume, because the strategy used has not been able to increase product sales volume, it is necessary to develop products. Because this is a new product, there is a need for a development strategy to increase the sales volume of Averrhoa Tea. Based on the background above, the author is interested in raising this problem in a study entitled "Product Development Strategy in Averrhoa Tea Business in Blitar City".

2. LITERATURE REVIEW

2.1. SWOT Matrix

According to Sonia, Sanjaya, & Hutajulu (2020), this SWOT matrix can clearly identify and describe the opportunities and threats faced by Averrhoa Tea products by adjusting the strengths and weaknesses of the product. Averrhoa Tea.

Tabel 2.1 SWOT Matrix

	IFAS	STRENGTHS (S)	WEAKNESS (W)
EFAS		determine the internal strength factor	Determine the internal weakness factor
	OPPORTUNITIES (O)	STRATEGY SO	STRATEGY WO
	determine the external opportunity factor	Create a strategy that uses strengths to take advantage of opportunities	Create strategies that minimize weaknesses to take advantage of opportunities
	TREATHS (T)	STRATEGY ST	STRATEGY WT
	Determine external threat factors	Create strategies that use strengths to overcome threats	Create strategies that minimize weaknesses and avoid threats.

2.2. EFAS and IFAS Matrix

Internal factor analysis is in the form of weaknesses and strengths of Averrhoa Tea products. The internal factor analysis is compiled by the IFAS table to obtain the formulation of internal strategic factors within the Strength and Weakness framework of the Averrhoa Tea product.

Tabel 2.2 IFAS Matrix

Faktor-faktor Internal	Bobot	Rating	Skor	Komentar
KEKUATAN				
1				
2				
Dst.				
KELEMAHAN				
1				
2				
Dst.				
Total	1.00			

External factor analysis is used to determine opportunities and threats for Averrhoa Tea products, after knowing external factors, then weighting is carried out.

Faktor-faktor Eksternal	Bobot	Rating	Skor	Komentar
PELUANG				
1				
2				
Dst.				
ANCAMAN				
1				
2				
Dst.				
Total	1.00			

Tabel 2.3 EFAS Matrix

2.3. SWOT analysis

According to Dwi Aditia & Chulkamdi (2021), SWOT analysis is an analysis based on logic that can maximize Strengths and Opportunities, but can simultaneously minimize Weaknesses and Threats. SWOT analysis is divided into 4 quadrants, namely:

Gambar 2.1 Kuadran SWOT



Quadrant 1: This quadrant is a very favorable situation. The company has opportunities and strengths so that it can take advantage of existing opportunities. The strategy that must be applied in this condition is to support an aggressive growth policy (*growth oriented strategy*)

Quadrant 2: Despite facing various threats, this company still has internal strength. The strategy that must be implemented is one that uses strength to take advantage of long-term opportunities by way of a diversification strategy (product/market).

Quadrant 3: the company faces huge market opportunities, but on the other hand, it faces some internal constraints/weaknesses. Business conditions in quadrant 3 are similar to Question marks in the BCG matrix. The focus of this company's strategy is to minimize the company's internal problems so that it can seize good market opportunities.

Quadrant 4: Quadrant 4 is a very unfavorable situation, the company is facing various internal threats and weaknesses.

3. METHODS

This study uses a descriptive-quantitative type, to determine the sample of this study using purposive sampling. The data collection starts from distributing questionnaires to respondents and then processing the data with the efas and ifas matrices, the latter ensures that the questionnaires distributed are valid and reliable by using the validity and reliability tests in the SPSS application.

4. RESULTS

4.1. Results of Internal Strategy Factor research (IFAS)

The results of this study are reflected in the Internal Strategy (IFAS) factors as follows:

Tabel 4.1 IFAS Results

No.	Internal Strategy Factors (IFAS)
STRENGTH	
1.	The price of Averrhoa Tea products is affordable
2.	Averrhoa Tea does not use preservatives
3.	Averrhoa Tea products are Halal certified and have PIRT
4.	The packaging design for Averrhoa Tea's products is attractive
5.	Products using tea pouches
6.	Human Resources who are experts in carrying out the Averrhoa Tea production process
7.	The taste of Averrhoa Tea is unique and has a pleasant and distinctive fragrance
8.	Abundant natural resources
9.	Averrhoa Tea products have many benefits.
WEAKNESS	
1.	Activate promotions on social media
2.	Averrhoa Tea products don't last long
3.	The taste of Averrhoa Tea is bitter
4.	Lack of skilled labor in the production process
5.	People don't trust Averrhoa Tea products
6.	There are no Averrhoa Tea products that can be drunk immediately

From the above analysis it can be evaluated by calculating weights, ratings, and also scores according to the formula in the literature review, which can be produced as follows:

Tabel 4.2 Calculation of Weight, Rating and IFAS Score

No.	Strength	Weight	Rating	Score
1.	The price of Avertrhoa Tea products is affordable	0.07	3	0,21
2.	Avertrhoa Tea does not use preservatives	0.07	4	0,28
3.	Has been certified Halal and already has PIRT	0.07	4	0,28
4.	The packaging design for Avertrhoa Tea's products is attractive	0.07	3	0,21
5.	Products using tea pouches	0.08	3	0,24
6.	Human Resources who are experts in carrying out the Avertrhoa Tea production process	0.07	3	0,21
7.	The taste of Avertrhoa Tea is unique and has a pleasant and distinctive fragrance	0.07	3	0,21
8.	Abundant natural resources	0.07	4	0,28
9.	Avertrhoa Tea products have many benefits	0.07	3	0,21
	Amount	0,66		2,13
No.	Weakness	Weight	Rating	Score
1.	number of promotional activities on social media	0.06	3	0,18
2.	Avertrhoa Tea products don't last long	0.05	2	0,1
3.	The taste of Avertrhoa Tea is bitter	0.05	2	0,1
4.	Lack of skilled labor in the production process	0.06	3	0,18
5.	People don't trust Avertrhoa Tea products	0.06	3	0,18
6.	There are no Avertrhoa Tea products that can be drunk immediately	0.07	3	0,21
	Amount	0,34		0,95
	Total Weight	1		3,08
	difference between strength and weakness			1,18

Based on the calculation table of weights, ratings, and also scores from the IFAS matrix, it can be concluded that the total score for strengths is 2.13 and the total score for weaknesses is 0.95, the score for strengths is greater than the score for weaknesses and also has a positive value, which means that the Avertrhoa Tea product is in Blitar City indicates that it is able to maintain its strengths in the face of its weaknesses.

4.2. Results of External Strategy Factors research (EFAS)

The results of this study are reflected in the External Strategy factor (EFAS) as follows:

Tabel 4.3 EFAS Results

No.	External Strategy Factors (EFAS)
OPPORTUNITY	
1.	New innovation
2.	Support from related stakeholders
3.	Market opportunities are still open
4.	Averrhoa Tea can be enjoyed by all ages
5.	Able to compete in the market
THREATS	
1.	Similar businessmen who are more interested in buying people
2.	Natural disasters
3.	Consumers are bored because there are no flavor variants
4.	Power outage

From the above analysis it can be evaluated by calculating weights, ratings, and also scores according to the formula in the literature review, which can be produced as follows:

Tabel 4.4 EFAS Weight, Rating and Score Calculation

No.	Opportunity	Weight	Rating	Score
1.	Inovasi baru	0.11	4	0,44
2.	Dukungan dari stakeholders terkait	0.12	3	0,36
3.	Peluang pasar masih terbuka	0.12	3	0,36
4.	Averrhoa Tea dapat dinikmati oleh semua kalangan	0.12	3	0,36
5.	Mampu bersaing di pasar	0.12	3	0,36
Amount		0,6		1,88
No.	Threats	Weight	Rating	Score
1.	Similar businessmen who are more interested in buying people	0.11	2	0,22
2.	Natural disasters	0.09	1	0,09
3.	Consumers are bored because there are no flavor variants	0.1	3	0,3
4.	Power outage	0.11	2	0,22
Amount		0,4		0,83
Total Weight		1		2,71
Difference between Opportunities and Threats				1,05

Based on the weight calculation table, rating, and also the score from the EFAS matrix, it can be concluded that the total strength score is 1.88 and the total weakness score is 0.83, the opportunity score is greater than the threat score and also has a positive value, which means that the Averrhoa Tea product is in P4S Sari Luhur indicates that it is able to take advantage of existing opportunities by minimizing existing threats.

4.3. SWOT Analysis

After obtaining the results of internal factors (strengths and weaknesses) and external factors (opportunities and threats) regarding Averrhoa Tea products in Blitar City, the next step is to compile several alternative strategies for developing Averrhoa Tea product business in Blitar City by combining internal factors and also external factors arranged in a SWOT matrix. This matrix aims to clearly describe how the external factors faced by Averrhoa Tea products so that they can be adjusted to the internal factors they have. This matrix can produce four possible alternative strategies consisting of S-O strategy (strength - opportunities), W-O strategy (weakness - opportunities), S-T strategy (strength - threats), and W-T strategy (weakness - threats). The following are the results of the SWOT analysis of Averrhoa Tea products in Blitar City

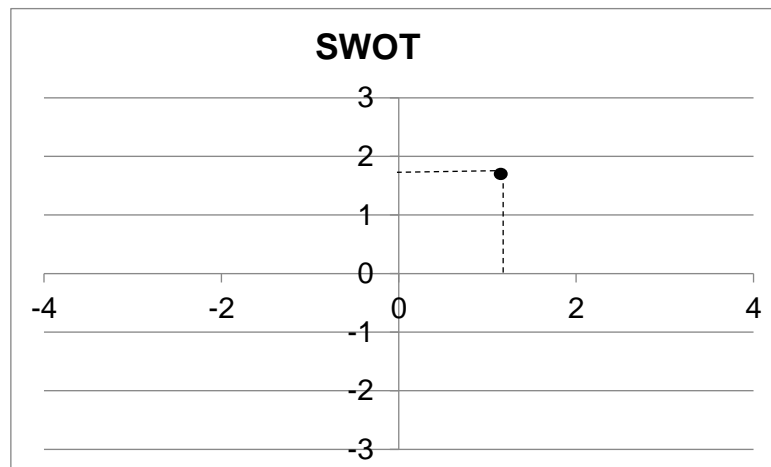
Tabel 4.5 SWOT Analysis

	IFAS	STRENGTHS (S) Internal Strength List: 1. The price of Averrhoa Tea products is affordable 2. Do not use presevatives 3. Has been Halal certified and has PIRT 4. Attractive Averrhoa Tea product packaging design Products using pouch tea (tea bags) 5. Human Resources who are experts in carrying out the production process 6. Unique taste of Averrhoa Tea and has a distinctive 7. fragrance Abundant Natural Resources 8. Averrhoa Tea products have many benefits	WEAKNESS (W) List of Internal Weaknesses: 1. Activation of promotion on social media 2. Averrhoa Tea products are not durable 3. The taste of Averrhoa Tea is bitter 4. Lack of skilled labor in the production process 5. People lack confidence in Averrhoa Tea products 6. There is no Averrhoa Tea product that drinks directly
	EFAS	OPPORTUNITIES (O) List Of Eksternal Opportunity : 1. New innovations 2. Support from relevant stakeholders 3. Market opportunities are still open	STRATEGY S-O 1. Maintain product quality but still at an affordable price. 2. Utilizing PIRT and Halal for promotion in the market. 3. Utilizing the uniqueness of Averrhoa Tea products to compete with similar competitors in the market

4. Averrhoa Tea can be enjoyed in all circles 5. Able to compete in the market		making Averrhoa Tea through the Sari Luhur P4S institution, to get an expert workforce
THREATS (T) List Of Eksternal Threats : 1. Similar business people who are more interested in buying 2. Natural disaster 3. Society Consumers are bored because there is no flavor variant 4. Power outage	STRATEGY S-T 1. Creating flavor variants of Averrhoa Tea in order to attract people's buying interest. 2. Renewing using a stove oven or LPG gas so that if the power goes out it will not be hampered by the production process.	STRATEGY W-T Collaborating in efforts to develop Averrhoa Tea products in Blitar City with star fruit farmers in Karang Sari Village.

4.4. Mapping the Position of Averrhoa Tea Products in Blitar City

Determining the position of the product by combining strengths, weaknesses, opportunities and threats so that coordinate points can be determined in the SWOT quadrant as follows:



Picture 4.1 SWOT

The picture above shows that the S-W and O-T values are positive, the relative position of the Averrhoa Tea product in Blitar City is at coordinate points (1.18 and 1.05) which means it is located in quadrant I (positive, positive), the product has a strong strong and probable. The recommended strategy that can be used is progressive, meaning that this Averrhoa Tea product is in a stable and good condition, so that it is truly possible to continue running its business, increase growth, and achieve maximum progress.

4.5. Validity test

This validity test was used by researchers to find out whether the questionnaire given to informants was valid or not, this test used the SPSS version 26 application, and had the following results:

Table 4.6 Validitas Test

Variabel	Probabilitas (Sig.)	Person Corelation	Keterangan
Strenght (X1)			
X1.1	0,001	0,495	Valid
X1.2	0,000	0,654	Valid
X1.3	0,001	0,508	Valid
X1.4	0,034	0,331	Valid
X1.5	0,001	0,489	Valid
X1.6	0,001	0,505	Valid
X1.7	0,003	0,452	Valid
X1.8	0,000	0,609	Valid
X1.9	0,000	0,583	Valid
Weakness (X2)			
X2.1	0,000	0,613	Valid
X2.2	0,000	0,645	Valid
X2.3	0,001	0,486	Valid
X2.4	0,007	0,418	Valid
X2.5	0,000	0,654	Valid
X2.6	0,037	0,327	Valid
Opportunity (X3)			
X3.1	0,000	0,610	Valid
X3.2	0,000	0,718	Valid
X3.3	0,000	0,654	Valid
X3.4	0,001	0,518	Valid
X3.5	0,000	0,624	Valid
Threats (X4)			
X4.1	0,002	0,475	Valid
X4.2	0,004	0,437	Valid
X4.3	0,002	0,467	Valid
X4.4	0,002	0,466	Valid

Source: SPSS data version 26 Processed, 2023

Information :

If the r-count value $>$ r-table then it is considered valid

If the value of r-count $<$ r-table then it is considered invalid

If Sig. $<$ 0.05 then it is considered valid

If Sig. $>$ 0.05 then it is considered invalid

Based on the table above the Validity Test of all indicators is considered valid because all r-count values are more than r-table (0.3081), r-table values are obtained from the formula $df = (N-2)$ namely (41 respondents-2) get result 39.

4.6. Reliability Test

Reliability test is used by researchers to show that the instrument used is reliable or error-free and consistent from time to time. The result is as follows:

Table 4.7 Reliability Test

Reliability Statistic	
<i>Cornbach's Alpha</i>	<i>N of Items</i>
0,880	24

Source: SPSS data version 26 Processed, 2023

Based on the table above the reliability test for variable X can be seen that the Cornbach's alpha value is 0.880 so it can be concluded that variable X is declared reliable.

5. CONCLUSION

This Averrhoa Tea product is a new innovation from the diversification of sweet star fruit plants, the product production house is in Blitar City. Even though this is a new thing, the enthusiasm of the community, especially students, with Averrhoa Tea products is very large.

Based on the results of the analysis and discussion described in the previous chapter, the following conclusions are obtained:

1. From the results of the discussion using SWOT analysis, the results obtained are:

a) Strength

The design of the Averrhoa Tea product is attractive, the product price is affordable, and this product has a halal certificate and has a PIRT.

b) Weakness

This Averrhoa Tea product is not active in promotion on social media, so there are still many people who do not know about this product. In addition, because it does not use preservatives, the finished product does not last long.

c) Opportunity

This Averrhoa Tea innovation product is a new innovation, therefore this product has quite influential stakeholders for the continuation of the business.

d) Threats

There are many possibilities when doing business with similar competitors, so this is a threat to the Averrhoa Tea business

2. The results of the IFAS analysis stated that the score for strength was 2.13 and the score for weakness was 0.95 which means that the Averrhoa Tea product can maintain its strength in the face of its weaknesses. While the results of the EFAS analysis stated that the opportunity score was 1.88 and the threat score was 0.83 which means that the Averrhoa Tea product can take advantage of existing opportunities by minimizing existing threats.
3. The alternative development strategy for Averrhoa Tea products in Blitar City is one that supports an aggressive growth policy with the recommended strategy being the S-O strategy, namely:
 - a) Maintaining product quality but still at affordable prices.
 - b) Utilizing PIRT and Halal for promotion on the market.
 - c) Utilizing the uniqueness of Averrhoa Tea products to compete with similar competitors in the market
4. This validity and reliability test was carried out to find out whether the statements were valid and reliable for each variable in the questionnaire. The results of the validity test, namely the questionnaire used as the research instrument, are considered valid because $r\text{-count} > r\text{-table}$. While the reliability test in this study was reliable because Cronbach's $\alpha > 0.06$, namely 0.880.

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