

Position Analysis and Strategic Recommendations for Business Improvement in The Micro-Small Industry of Oil Palm Post-Harvest Equipment in Kampar Regency, Riau Province

Analisis Posisi dan Rekomendasi Strategis Peningkatan Bisnis pada Industri Mikro Kecil Alat Pascapanen Kelapa Sawit di Kabupaten Kampar, Provinsi Riau

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Abstract

Many industries producing post-harvest oil palm equipment are growing in Riau Province, Indonesia because this province has a large area of oil palm plantations. Micro-small businesses dominate this industry. The micro-small oil palm post-harvest equipment industry experiences many obstacles in improving and developing its business. This research aims to analyze the position of the micro-small oil palm post-harvest equipment industry and then provide strategic recommendations to improve their business. The position analysis used is Business Model Canvas (BMC) analysis and Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) matrices. Business development strategy recommendations use the Strengths, Weaknesses, Opportunities, Threats (SWOT), and Quantitative Strategic Planning Matrix (QSPM) methods. The research results show that the company is in a growth and development phase. The top two strategies recommended for these companies are maximizing marketing channels and good cooperation through cooperatives, oil palm processing companies (such as PTPN), government agencies, and social media, and improving product quality by providing skilled human resources and research and development activities.

Keywords: business development strategy, micro-small industry, oil palm post-harvest equipment, position analysis

Abstrak

Areal perkebunan kelapa sawit yang luas di Provinsi Riau mengakibatkan industri yang memproduksi alat pasca panen kelapa sawit banyak tumbuh di provinsi ini. Industri ini didominasi oleh usaha skala mikro hingga skala kecil. Industri alat pasca panen kelapa sawit skala mikro dan kecil ini mengalami banyak kendala dalam peningkatan dan pengembangan usahanya. Tujuan penelitian ini adalah menganalisis posisi industri mikro dan kecil alat pascapanen kelapa sawit kemudian memberikan rekomendasi strategi untuk meningkatkan usahanya. Analisis posisi yang digunakan adalah analisis Business Model Canvas (BMC) dan matriks Internal Factor Evaluation (IFE) dan External Factor Evaluation (EFE). Rekomendasi strategi pengembangan bisnis dilakukan dengan metode Strengths, Weaknesses, Opportunities, Threats (SWOT) dan Quantitative Strategic Planning Matrix (QSPM). Hasil penelitian menunjukkan bahwa perusahaan berada pada fase pertumbuhan dan perkembangan. Dua strategi teratas yang direkomendasikan untuk perusahaan tersebut adalah memaksimalkan saluran pemasaran dan kerjasama yang baik melalui koperasi, perusahaan pengolah kelapa sawit (seperti PTPN), instansi pemerintah, dan media sosial, meningkatkan kualitas produk melalui pemenuhan sumber daya manusia yang terampil, dan kegiatan penelitian pengembangan.

Kata kunci: alat pascapanen kelapa sawit, analisis posisi, industri mikro dan kecil, strategi pengembangan usaha

INTRODUCTION

In Riau Province, Indonesia, the area of oil palm plantations in 2020 was almost 2.7 million hectares (Riwan et al., 2021). Riau Province's total palm oil production in 2020 almost reached 300 tons, with crude palm oil production reaching 8.54 million tons. According to Statistic Indonesia (Direktorat Statistik Tanaman Pangan Hortikultura dan Perkebunan, 2021), in 2020, Riau Province was still ranked first in the number of oil palm plantations. The total area of oil palm plantations in Riau Province is 19.62% of total

oil palm plantations in Indonesia. These plantations are owned by private companies, state companies, and community plantations.

The large number of oil palm plantations in Riau Province has triggered the emergence of industries that produce post-harvest oil palm equipment. This industry is widely available in the Kampar Regency area. This industry is dominated by micro-small industry players. According to Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises, a micro-industry has annual sales of a maximum of IDR 300 million, while a small industry has annual sales of between IDR 300 million – IDR 2.5 billion.

The micro-small industry of oil palm post-harvest equipment produces approximately ten types. This tool is used for the oil palm harvesting process. The tools used include oil palm harvesting sickle, oil palm harvesting chisel, palm axe, oil palm harvesting tapping knife, j-hock, t-hock, knives, machetes, crowbars, and chisel fork. Sickle and chisel are the most popular products among other products. People use sickle and chisel as picking tools based on the age of the oil palm tree. Sickle is used for trees under eight years old, while chisel is used for trees over eight years old (Christian et al., 2018).

The micro-small industry of oil palm post-harvest equipment experiences many problems. These problems include unpredictable and uneven demand, raw material difficulties, quality control standards that do not yet exist, the quality of human resources that have not been trained and certified, and difficulties in business development (Afni et al., 2020; Sangadah et al., 2021). The industry needs to be developed and improved to continue its business activities. Business development must always be performed so that the company becomes the best in its field, its products are in demand by consumers, and do not die out in competition (Qistiya et al., 2017). Business development must be comprehensively performed so that the industry can absorb business opportunities. Development is not limited to quantity of product fulfillment but also quality to strengthen competitiveness (Rambe et al., 2021). Business position analysis is essential to see business developments and identify activities needed to improve a business (Aman et al., 2020; Mahendra & Asmawi, 2022). Business position analysis is an analysis to observe a business's current conditions (Putra & Ramadhani, 2020; Rijanto, 2021). This research analyzes the micro-small industry of oil palm post-harvest equipment business position to provide a precise business strategy. Strategic recommendations must be prioritized based on urgent strategic recommendations that business actors can implement first.

Business position analysis can be carried out using the Business Model Canvas (BMC) matrix, Internal Factor Evaluation (IFE), and External Factor Evaluation (EFE) (Juarsa et al., 2022; Suhendah et al., 2022). BMC provides a comprehensive framework consisting of nine elements that are easy to understand and provide a holistic view of business conditions, resulting in better decision-making. The nine elements of BMC are value proposition, customer segments, marketing channels, customer relationships, key partners, key activities, key resources, cost structure, and revenue streams. The IFE-EFE Matrix provides a holistic view of the internal and external conditions of the organization. This helps in identifying business strengths, weaknesses, opportunities, and threats. The IFE-EFE matrix strengthens the analysis results using BMC and supports the business improvement strategy that will be prepared. After analyzing the business position, the recommended strategies offered for business development are determined. The Quantitative Strategic Planning Matrix (QSPM) method can assess and rank various strategies that emerge from IFE and EFE analysis (Purwono et al., 2015; Qistiya et al., 2017). The results of the QSPM are the priorities of the recommended strategic alternatives.

METHODS

Research Framework

This research aims to analyze the business position of the micro-small industry of oil palm post-harvest equipment and determine priority strategic recommendations that must be implemented. Position and strategy recommendation analyses are carried out to achieve each goal. The analysis stages in this research are shown in Figure 1 and Table 1.

Data Collection

The research was conducted at the blacksmith center, a micro and small industry center for post-harvest oil palm equipment located in Kampar Regency, Riau Province. This research interviewed ten industry owners to collect data, which is presented in detail in Table 2. This research used two academics

who are experts in the business development field to provide assessments on the IFE and EFE questionnaires and determine strategic recommendations. The expert respondents in this research are not business people in the micro-small industry of oil palm post-harvest equipment to avoid judgments influenced by personal interests in this business.

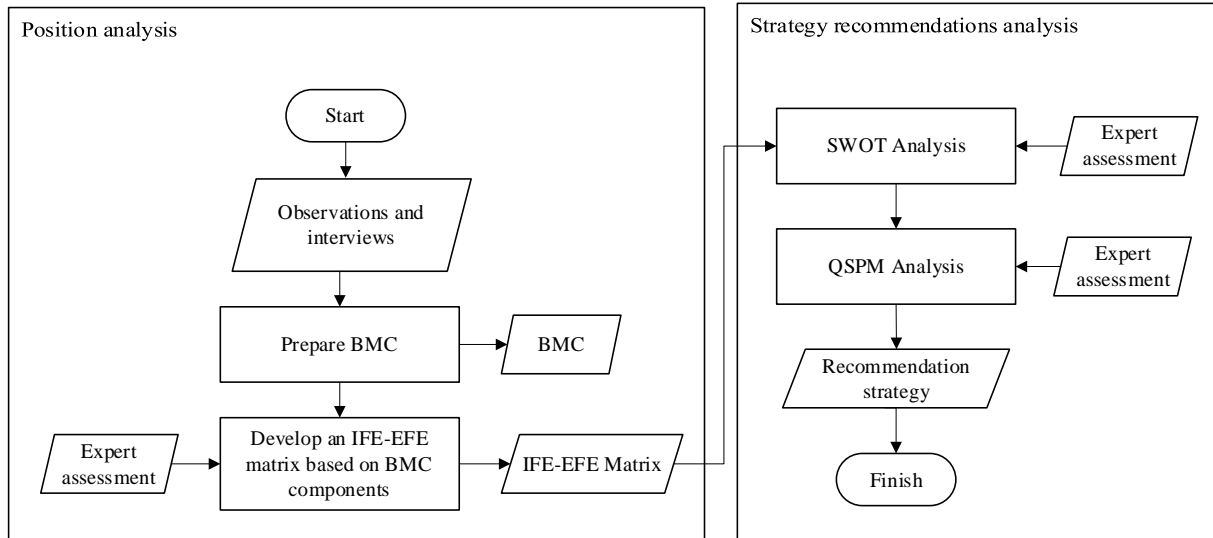


Figure 1. Research Framework

Table 1. Research framework description

Phase	Activity
Identify the BMC of the industry	<ul style="list-style-type: none"> Conduct direct observations and interviews to find out current business conditions Prepare BMC according to business conditions
Analyze internal and external industry factors	<ul style="list-style-type: none"> Identify internal factors (strengths & weaknesses) that influence the industry Identify external factors (opportunities and threats) that influence the industry
IFE-EFE analysis	Determine the industry's current position or condition so that future development strategies can be determined
SWOT analysis for business strategy	Determining the SO-WO-ST-WT strategy and strategic priorities
QSPM analysis	Determine strategic recommendations that will be implemented according to current conditions

Table 2. Data collection

Method	Data Type	Data Source
Interview	<ul style="list-style-type: none"> Current business conditions, as discussed in the BMC IFE-EFE Factor 	Interview result
Questionnaire	Weight and ranking assessment of the internal and external factors, as well as strategy recommendations	Expert respondent assessment

Business Model Canvas (BMC)

BMC is a tool used to see the model applied to a business based on nine elements outlined on a canvas (Amelia, 2022; Hastutik & Novitaningtyas, 2021). These elements are value proposition, customer segments, marketing channels, customer relationships, key partners, key activities, key resources, cost structure, and revenue streams. The elements applied to the micro-small industry of oil palm post-harvest equipment were obtained from interviews with business actors. The results of this interview are then written down to the BMC. A description of each BMC element is shown in Table 3.

BMC can explain things that are crucial for a business. BMC can explain sources of business income, costs incurred, main activities carried out, product/service sales channels, and others. BMC is also suitable

for application in the micro industry because this method is simple and easy to understand for micro-entrepreneurs in rural areas who, on average, do not understand the use of quantitative methods (Sangadah et al., 2021).

Table 3. BMC elements

Element	Description
Value proposition	The business value offered is a differentiator from other industries
Customer segment	Target industrial customers
Marketing channel	Explains how products are marketed to customers
Customer relationship	Explains how the industry maintains relationships with customers
Key partner	Explain who the main partners from the industry
Key activity	Explain the main activities carried out by the industry to generate profits
Key resource	Describes the primary resources an industry needs to operate
Cost structure	Explain the costs incurred by the industry during operation
Revenue stream	Explain industry income alternatives

Source: Osterwalder & Pigneur (2014)

IFE and EFE Matrices

Another position analysis used is the IFE and EFE matrices. These two matrices are essential for determining the current business position quadrant (Setyorini et al., 2016; Subaktilah et al., 2018). From these quadrant's results, the strategies suitable for development can be concluded based on their position. The IFE and EFE matrices are closely related to SWOT analysis. IFE consists of strengths and weaknesses components, while EFE comprises opportunity and threat components.

The IFE and EFE matrices created in this research refer to the nine components of BMC. Identifying strengths, weaknesses, opportunities, and threats is carried out for each component. Strengths refer to the business's current advantages, while weaknesses are the business's current disadvantages. Opportunities are factors from outside of the company that can be taken advantage of (such as market sentiment and favorable regulations). Threats are also factors from outside the company that explain the threats faced by business actors (such as competitors and regulations that threaten business continuity) (Qistiya et al., 2017; Rambe et al., 2021).

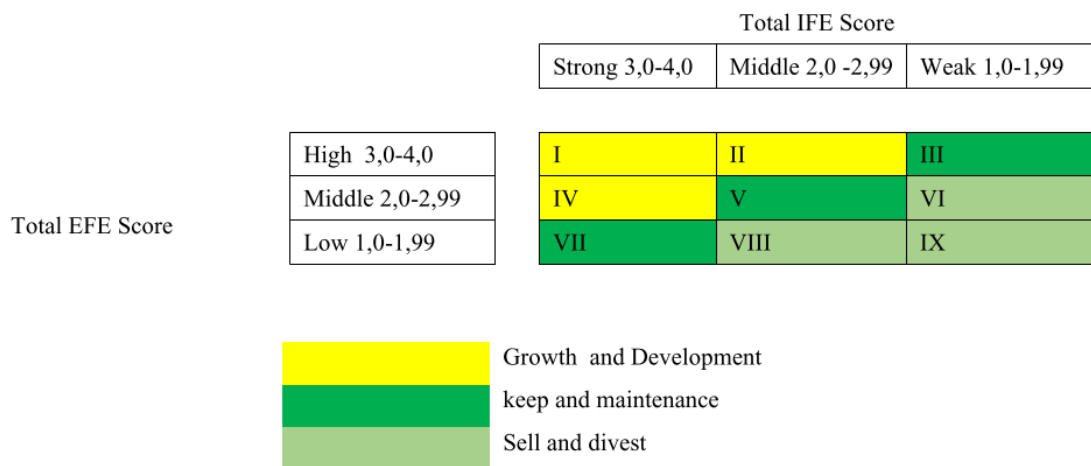


Figure 2. Internal External Matrix (Suhendah et al., 2022)

The IFE and EFE matrices were assessed by expert respondents in this study. Respondents were asked to provide values on a Likert scale of 1-5 (Not important to very important) for all IFE and EFE matrix elements. Respondents' assessments are then averaged to obtain a rating. The total results of respondents' assessments for each element are divided by the total value of each factor to get the weight value. The final

score for each IFE and EFE element is then calculated by multiplying the weight and rating. IFE and EFE values are the final scores for internal and external factors, respectively. The position of the micro-small industry of oil palm post-harvest equipment based on the total IFE and EFE scores is shown in the internal-external (IE) matrix (Figure 2, while the quadrants are shown in Figure 3. These quadrants result from strength score minus weakness score (IFE) and opportunity score minus threat score (EFE).

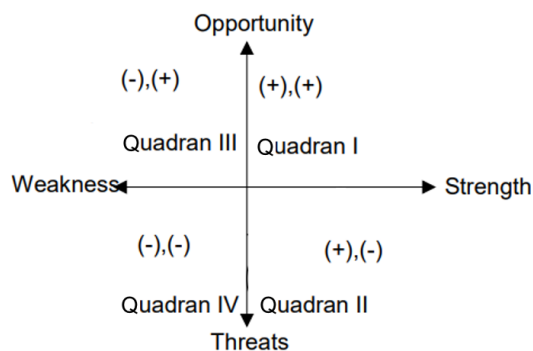


Figure 3. Internal External Matrix Quadrant (Fajar et al., 2020)

SWOT for Strategy Recommendations

The recommended SWOT strategy consists of four strategies: S-O strategy, W-O strategy, S-T strategy, and W-T strategy. The preparation of each strategy uses the IFE and EFE matrices. Experts then assess the strategy to determine the strategy score (Qanita, 2020). Respondents gave scores on a Likert scale of 1-5 (not important to very important) for the S-O, W-O, S-T, and W-T strategies. Respondents' assessments are then averaged to obtain a rating. The total results of respondents' assessments for each strategy are divided by the total assessments for each strategy group (S-O, W-O, S-T, and W-T) to get the weight value. The final score for each strategy group is then calculated by multiplying the weight and rating. The strategy with the highest score is then continued with the QSPM calculation.

Quantitative Strategic Planning Matrix (QSPM)

QSPM aims to determine strategy ranking based on total attractiveness score (TAS). Strategy ranking makes it easier for management to focus on alternative strategies that will be implemented first to improve the company's quality (Purwono et al., 2015). The same respondents or experts who evaluate the IFE-EFE matrix also evaluate the QSPM analysis. The ranking is done by multiplying the attractiveness score (AS) value (Likert scale value 1-4; not attractive to very attractive) with the weight obtained from the IFE and EFE matrices. This multiplication produces the TAS value. The strategy ranking is obtained from the sum of all TAS for all SWOT items.

RESULTS AND DISCUSSION

Business Overview

Many micro and small industries in the Kampar area, Riau Regency, are engaged in the production of post-harvest oil palm equipment. This industry is growing because revenues from this industry reach IDR 300 million to IDR 2.5 billion every year. The area of oil palm plantations also continues to increase. The area of oil palm plantations in Riau Province in 2020 was 1.4 million ha. This area will increase in 2021 to 1.7 million ha (Badan Pusat Statistik Provinsi Riau, 2023). This condition is seen as an opportunity for business actors to provide post-harvest equipment.

Several strategies can be developed to provide opportunities for business units to continue to grow and maintain the business. On average, a blacksmith entrepreneur for post-harvest oil palm tools has several products, including oil palm harvesting sickle, oil palm harvesting chisel, palm axe, oil palm harvesting tapping knife, j-hock, t-hock, knives, machetes, crowbars, and chisel fork. Production activities carried out still depend on orders from consumers. Production activities are also carried out for sale to companies through cooperatives. A more detailed description of the business model for the micro-small industry of oil palm post-harvest equipment can be seen in Figure 4.



Figure 4. BMC of the Oil Palm Post-Harvest Equipment Industry

The value proposition is the business value offered by the micro-small industry of oil palm post-harvest equipment, which was an affordable product price. This correlates with the market segment targeted by the company, the farmers. Price is essential for small farmers, so the company takes a value proposition through affordable prices. The company also has business value in the form of good-quality oil palm harvesting equipment. A cheap selling price does not mean the quality of the goods is terrible. The company carries out a quality control process to maintain and improve product quality.

The customer segments for the oil palm post-harvest equipment industry are individual oil palm farmers and farmer groups, companies operating in the oil palm plantation sector, and agricultural shops/distributors. The micro-small industry of oil palm post-harvest equipment builds customer relationships via telephone and social media. The company also provides buyers a replacement guarantee of goods if the product received is defective during the distribution process. The warranty claim process is carried out by telephone.

The micro-small industry of oil palm post-harvest equipment promotes its products through social media, sends product samples to companies, and sells through blacksmith center cooperatives to distribute their products so that they reach or are purchased by customers. The channel through blacksmith center cooperative sales is the most successful of all these channels. The income of the micro-small industry of oil palm post-harvest equipment comes from product sales. So far, sales have been carried out offline. The selling price of the product is between IDR 75,000 to IDR 120,000.

The main activities of the micro-small industry of oil palm post-harvest equipment are production, sales, and quality control activities. Quality control is a concern for this industry, from selecting raw materials until finished goods are ready to be sent to consumers. The primary resources in the micro-small industry of oil palm post-harvest equipment are iron raw materials and labor/blacksmiths. Quality raw materials will produce quality products. This is the key to sustainable production due to the limited availability of raw materials. Reliable skilled blacksmiths are also an essential resource because the average micro-small industry of oil palm post-harvest equipment only has 3-4 blacksmiths, so reliable skills are an essential asset that must be maintained.

The main partner of the micro-small industry of oil palm post-harvest equipment is PT Perkebunan Nusantara (PTPN) V (an Indonesian state-owned agricultural company for cultivating and processing of oil palm and rubber plants). This industry supplies post-harvest oil palm equipment to PTPN V. Another main partner is the iron supplier. This is because quality raw materials are critical to producing quality products, making iron suppliers important main partners. This micro-small industry of oil palm post-harvest equipment also has key reseller partners who sell products in shops and blacksmith cooperative centers as business improvement institutions, marketing, and sales media.

The costs incurred by the micro-small industry of oil palm post-harvest equipment in running their business come from purchasing iron raw materials and the production process. The production process includes payment for labor and materials needed for production.

BMC shows that the industry has focused on providing affordable and quality post-harvest oil palm equipment products. The company also maintains relationships with customers by providing product guarantees during delivery.

IFE-EFE Analysis

Internal and external factors play an essential role in business development, and stakeholders consider them part of the business environment. Stakeholders analyze the business environment by examining the internal environment, which consists of factors related to management, marketing, finance, production and operations, Research and Development (R&D), and information systems. External environmental analysis is carried out by considering the factors of economic strength, socio-cultural strength, political and governmental strength, technological strength, and competitive strength (Purwono et al., 2015).

IFE-EFE analysis is derived from nine BMC components. The internal and external factors that influence the development of the oil palm post-harvest equipment business were assessed by two academic respondents who are experts in management, business, and industrial systems management. These assessments are combined and calculated in an IFE-EFE matrix of strengths, weaknesses, opportunities, and threats. The analysis results of the two respondents are presented in Table 4 and Table 5.

Tables 4 and 5 show that the IFE score is 3.75, and the EFE score is 3.74. The mapping position on the IE matrix determines current business conditions based on the position of the matrix. Mapping on the IE matrix (Figure 5) shows that the current business condition is in cell I with conditions of growth and development. Business conditions face rapid market growth and a solid competitive position in this position. Some strategies are market penetration, market development, product development, horizontal integration, and concentric diversification (Suhendah et al., 2022). Figure 6 shows that business conditions are in quadrant I. This condition explains that the business has more dominant strengths than weaknesses and opportunities greater than threats.

Table 4. IFE analysis of the micro-small industry of oil palm post-harvest equipment

Strengths	Total	Weight	Rating	Score
Affordable and quality product prices	9	0.0726	4.5	0.3266
Have regular customers with an agreement (PTPN V)	9	0.0726	4.5	0.3266
There is a defect warranty during distribution	9	0.0726	4.5	0.3266
Sales are assisted by a blacksmith cooperative center	8	0.0645	4.0	0.2581
The products offered are diverse: a total of 10 products	7	0.0565	3.5	0.1976
Highly maintained quality control	10	0.0806	5.0	0.4032
Having highly skilled human resources	9	0.0726	4.5	0.3266
There is a blacksmith center to improve worker and business skills	8	0.0645	4.0	0.2581
The industry really understands the existing financial flows	9	0.0726	4.5	0.3266
Total strengths				2.75
Weaknesses				
Quality has not conformed to SNI, just what the manufacturer says	6	0.0484	3.0	0.1452
Does not specifically differentiate customer segments	7	0.0565	3.5	0.1976
Relations are only maintained for wholesale customers	6	0.0484	3.0	0.1452
Limited human resources and their ability to use available marketing channels	6	0.0484	3.0	0.1452
Revenue is only from product sales	5	0.0403	2.5	0.1008
Very dependent on the production process	4	0.0323	2.0	0.0645
Very dependent on the availability of iron raw materials	4	0.0323	2.0	0.0645
Very dependent on blacksmith cooperatives	5	0.0403	2.5	0.1008
Recording of manufacture is still very manual and difficult to trace	3	0.0242	1.5	0.0363
Total weaknesses				1.00
Total	124	1.0	62	3.75
Strengths - Weaknesses				1.75

Table 5. EFE analysis of the micro-small industry of oil palm post-harvest equipment

Opportunities	Total	Weight	Rating	Score
Product quality conforms to SNI (especially chisel products)	9	0.0726	4.5	0.3266
Cooperation with PTPN V can be used as an attraction for other market segments	8	0.0645	4.0	0.2581
Customer relations for all customers can be improved with a personal approach	8	0.0645	4.0	0.2581
Utilization of social media, online sales, and expo activities/bazaars	9	0.0726	4.5	0.3266
Higher productivity of oil palm land	8	0.0645	4.0	0.2581
Add product research and development activities	8	0.0645	4.0	0.2581
Expansion of cooperation with major suppliers	9	0.0726	4.5	0.3266
Expand cooperation with city and provincial-level offices	9	0.0726	4.5	0.3266
Using the dashboard to see profit and loss performance	8	0.0645	4.0	0.2581
Total opportunities				2.59
Threats				
Palm oil post-harvest tools are being replaced by machined products	5	0.0403	2.5	0.1008
There are many business actors engaged in similar business fields in blacksmith centers	6	0.0484	3.0	0.1452
Competitors provide better service	4	0.0323	2.0	0.0645
Competitors are superior in using sales channels	6	0.0484	3.0	0.1452
Sales decreased because farmers/companies chose machine post-harvest tools	5	0.0403	2.5	0.1008
Production was halted because sales declined	6	0.0484	3.0	0.1452
Blacksmith moves or quits	7	0.0565	3.5	0.1976
Termination of membership by the cooperative	6	0.0484	3.0	0.1452
The cost of maintaining human resources and rising raw material prices weighed heavily on the industry	5	0.0403	2.5	0.1008
Total threats				1.15
Total	126	1.0	63	3.74
Opportunities - Threats				1.44

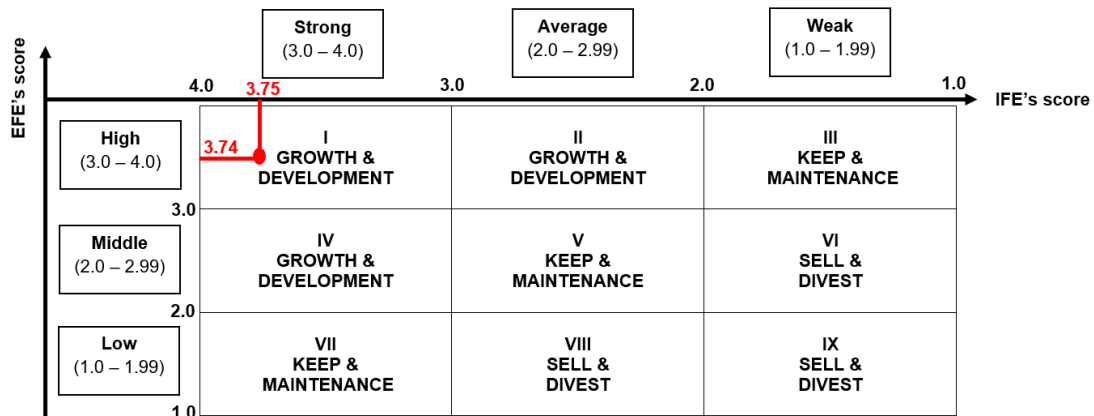


Figure 5. Business Position on the IE Matrix



Figure 6. Business Position in the IE Matrix Quadrant

SWOT Analysis for Strategy Recommendations

The SWOT method is used to formulate strategies based on factors related to market penetration, market development, product development, horizontal integration, and concentric diversification as a growth and development strategy based on the results of the IE matrix. The same respondents as the respondents who carried out the IFE-EFE assessment were also involved in assessing the weight of the combination of strategies used by the industry for development purposes. The SWOT analysis results are shown in Table 6.

Table 6. SWOT analysis

IFE/ EFE	Strength (S)	Weakness (W)
Opportunity (O)	<p>S-O</p> <ol style="list-style-type: none"> 1. Expanding market potential with a variety of products, quality according to SNI, and affordable prices 2. Maximizing marketing channels through cooperatives, companies (such as PTPN), government agencies, social media, and e-commerce 3. Developing a business financial accounting system (dashboard to see profit and loss performance) 4. Improving product quality through the fulfillment of skilled human resources and development research activities 	<p>W-O</p> <ol style="list-style-type: none"> 1. Maximizing the potential of existing consumers by continuing to develop products that comply with SNI standards 2. Expanding the network of cooperation with producers of raw materials to minimize dependence on one producer 3. Start utilizing technology to expand marketing and record business finances
Threats (T)	<p>S-T</p> <ol style="list-style-type: none"> 1. Maximizing skilled human resources to produce standardized quality products 2. Intensifying product marketing to a wider range of consumers and maintaining the loyalty of existing consumers 	<p>W-T</p> <ol style="list-style-type: none"> 1. Maintaining product quality to retain existing customers 2. Not only focusing on wholesale consumers to maintain consumer loyalty 3. Expand marketing channels to the maximum to increase consumer distribution

QSPM Analysis

Table 7 presents the strategy combination matrix, which shows that the highest weight analysis is produced by the SO and ST strategies with a score of 1.35. The analysis results show that businesses must pursue an SO strategy that includes expanding market potential with various quality and affordable products, maximizing marketing channels, developing a financial accounting system, and improving product quality through skilled human resources and research activities. The SO strategy was chosen because it aligns with the results of the IFE-EFE matrix in quadrant I, which focuses on market growth and a strong competitive position. This also follows the research results of Ramadhan & Rukmana (2023), which stated that the strategy suitable for quadrant I is the SO strategy.

Table 7. SWOT combination planning matrix

IFE/ EFE	S	W
O	<p>SO Strategy: A combination of strategies using strengths to take advantage of opportunities (score: 1.35)</p>	<p>WO Strategy: A combination of strategies by taking advantage of existing opportunities to suppress weaknesses (score: 1.09)</p>
T	<p>ST Strategy: A combination of strategies by using force to overcome threats (score: 1.35)</p>	<p>WT Strategy: A combination of strategies by minimizing weaknesses while avoiding threats (score: 0.86)</p>

QSPM analysis is carried out to provide recommendations for alternative strategic sequences that the industry can take based on the IFE-EFE matrix condition scheme. The same respondents who evaluated the IFE-EFE matrix also evaluated the QSPM analysis. Table 8 shows the QSPM analysis results using the weight values obtained from the previous IFE-EFE analysis in Table 4 and Table 5. The QSPM calculation using all SWOT components refers to research by Qanita (2020).

Table 8. QSPM matrix

	Weight	Strategy 1		Strategy 2		Strategy 3		Strategy 4	
		AS	TAS	AS	TAS	AS	TAS	AS	TAS
Strength									
Affordable and quality product prices	0.0726	4	0.2904	2	0.1452	1	0.0726	4	0.2904
Have regular customers with an agreement (PTPN V)	0.0726	3	0.2178	3	0.2178	1	0.0726	3	0.2178
There is a defect warranty during distribution	0.0726	4	0.2904	4	0.2904	1	0.0726	3	0.2178
Sales are assisted by a blacksmith cooperative center	0.0645	2	0.1290	2	0.129	1	0.0645	1	0.0645
The products offered are diverse: a total of 10 products	0.0565	4	0.2260	4	0.226	1	0.0565	3	0.1695
Highly maintained quality control	0.0806	4	0.3224	3	0.2418	1	0.0806	4	0.3224
Having highly skilled human resources	0.0726	2	0.1452	3	0.2178	1	0.0726	4	0.2904
There is a blacksmith center to improve worker and business skills	0.0645	4	0.2580	4	0.258	1	0.0645	4	0.258
The industry really understands the existing financial flows	0.0726	3	0.2178	4	0.2904	4	0.2904	4	0.2904
Weaknesses									
Quality has not conformed to SNI, just what the manufacturer says	0.0484	4	0.1936	4	0.1936	1	0.0484	4	0.1936
Does not specifically differentiate customer segments	0.0565	3	0.1695	4	0.226	1	0.0565	4	0.226
Relations are only maintained for wholesale customers	0.0484	3	0.1452	4	0.1936	1	0.0484	4	0.1936
Limited human resources and their ability to use available marketing channels	0.0484	4	0.1936	4	0.1936	1	0.0484	4	0.1936
Revenue is only from product sales	0.0403	3	0.1209	3	0.1209	1	0.0403	2	0.0806
Very dependent on the production process	0.0323	3	0.0969	3	0.0969	1	0.0323	4	0.1292
Very dependent on the availability of iron raw materials	0.0323	3	0.0969	3	0.0969	1	0.0323	4	0.1292
Very dependent on blacksmith cooperatives	0.0403	3	0.1209	3	0.1209	1	0.0403	1	0.0403
Recording of manufacture is still very manual and difficult to trace	0.0242	1	0.0242	1	0.0242	4	0.0968	1	0.0242
Opportunities									
Product quality conforms to SNI (especially chisel products)	0.0726	4	0.2904	4	0.2904	1	0.0726	4	0.2904
Cooperation with PTPN V can be used as an attraction for other market segments	0.0645	4	0.258	4	0.258	1	0.0645	4	0.258
Customer relations for all customers can be improved with a personal approach	0.0645	3	0.1935	4	0.258	1	0.0645	4	0.258
Utilization of social media, online sales, and expo activities/bazaars	0.0726	4	0.2904	4	0.2904	1	0.0726	4	0.2904
Higher productivity of oil palm land	0.0645	4	0.258	4	0.258	1	0.0645	4	0.258

	Weight	Strategy 1		Strategy 2		Strategy 3		Strategy 4		
		AS	TAS	AS	TAS	AS	TAS	AS	TAS	
Add product research and development activities	0.0645	4	0.258	4	0.258	1	0.0645	4	0.258	
Expansion of cooperation with major suppliers	0.0726	3	0.2178	4	0.2904	1	0.0726	4	0.2904	
Expand cooperation with city and provincial-level offices	0.0726	4	0.2904	4	0.2904	1	0.0726	4	0.2904	
Using the dashboard to see profit and loss performance	0.0645	1	0.0645	1	0.0645	4	0.258	1	0.0645	
Threats										
Palm oil post-harvest tools are being replaced by machined products	0.0403	4	0.1612	4	0.1612	1	0.0403	4	0.1612	
There are many business actors engaged in similar business fields in blacksmith centers	0.0484	4	0.1936	4	0.1936	1	0.0484	4	0.1936	
Competitors provide better service	0.0323	4	0.1292	4	0.1292	1	0.0323	4	0.1292	
Competitors are superior in using sales channels	0.0484	4	0.1936	4	0.1936	1	0.0484	3	0.1452	
Sales decreased because farmers/companies chose machine post-harvest tools	0.0403	4	0.1612	4	0.1612	1	0.0403	3	0.1209	
Production was halted because sales declined	0.0484	3	0.1452	3	0.1452	1	0.0484	3	0.1452	
Blacksmith moves or quits	0.0565	3	0.1695	2	0.113	1	0.0565	2	0.113	
Termination of membership by the cooperative	0.0484	4	0.1936	4	0.1936	1	0.0484	4	0.1936	
The cost of maintaining human resources and rising raw material prices weighed heavily on the industry	0.0403	4	0.1612	4	0.1612	4	0.1612	4	0.1612	
Total			6.8880		6.9929		2.6212		6.9527	

The QSPM analysis results show that the priority recommendations for implementing strategies that business units can take are strategies 2, 4, 1, and 3, respectively. The strategy of maximizing marketing channels through cooperatives, companies (such as PTPN), government agencies, social media, and e-commerce is the main priority that must be carried out by the micro-small industry of oil palm post-harvest equipment in Kampar Regency, Riau Province. This can be achieved by increasing workers' skills in digital marketing.

CONCLUSIONS

The position of the micro-small industry of oil palm post-harvest equipment in Kampar Regency, Riau Province, was analyzed using the BMC and IFE-EFE matrices to evaluate the industry's current condition. The results of BMC's analysis show that the company focuses on providing affordable and quality post-harvest oil palm equipment products. The results of the IFE-EFE matrix show that the industry is currently in quadrant I, growth and development.

Based on the position analysis results, the company's development strategy uses SWOT and QSPM analysis. The SWOT analysis results show that the main priority strategies are the SO and ST strategies. The strategy focuses more on SO because it follows the IFE-EFE matrix results, focusing on market growth and a strong competitive position.

The priority for implementing the SO strategy obtained from the results of the QSPM analysis is maximizing marketing channels through cooperatives, companies (such as PTPN), government agencies, social media, and e-commerce. The following strategy that must be carried out sequentially is to improve product quality through the provision of skilled human resources and research and development activities,

expanding market potential with diverse products, quality according to SNI, affordable prices, and developing a business financial accounting system (profit and loss dashboard).

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