

BUSINESS STRATEGIC DURING PANDEMI FOR DO IT CHOCOLATE-UNIVERSITY OF PAMULANG

¹Lely Suryani, ²Sasmita Sari Ardaninggar, ³Asih Handayani

^{1,2,3}Pamulang University

Email: dosen02727@unpam.ac.id

Article	Abstract
<p>Article History</p> <p>Received : 25/02/2022 Reviewed : 19/04/2022 Accepted : 06/03/2023 Published : 20/03/2023</p> <hr/> <p>Volume : 24 No : 1 Month : March Year : 2023 Page : 89-104</p>	<p>It has been almost two years since the Covid-19 virus pandemi has impacted health, education, social life, culture, and economy. One of the supporting sectors of the nation's economy that has been dramatically affected by the COVID-19 pandemi is the Micro, Small and Medium Enterprises (UMKM) sector, one of which is DO IT Chocolate, where chocolate tours are usually held, which had to be abolished and then reduced income from gift shops and tourist attractions. The purpose of this paper is to confirm the business strategies that were carried out by DO IT Chocolate during the covid-19 pandemi based on Henri Mintzberg's theory, namely consisting of positions, planning, perspectives, projects, preparation. From the results of this study, it was carried out that to maintain the continuity of DO IT Chocolate, and various strategies were carried out, ranging from determining market segments, product certification to increase consumer confidence, innovating, always paying attention to product quality, promotions, utilizing digital marketing, networking, venturing into traders. and export is a most appropriate strategy during the covid-19 pandemi.</p> <p><i>Keywords: SMEs, pandemi, management strategy.</i></p>

1. INTRODUCTION

It has been almost two years of struggling amid a pandemic due to the Covid-19 virus, extraordinary conditions which have greatly affected the order of people's lives in terms of health, education economy, and social life. All parties, both the community and the government, worked together in dealing with these conditions until finally the pandemic was declared over and there was

no further transmission of the Covid-19 virus (Wijoyo., et al, 2021).

Amongst the various impacts, the economy has had various impacts, especially on people's purchasing power which decreased by 60%. Central Bureau of Statistics (BPS) data for the first quarter of 2019 recorded household consumption of 5.02%, this figure fell in 2020 in the same quarter to 2.84%. In addition, the weakening of investment due to prolonged uncertainty from the pandemic has impacted commodity prices and stopped Indonesia's exports to several countries (Wijoyo., et al, 2021).

Micro, Small, and Medium Enterprises (MSMEs) are one of the supporting sectors of the country's economy which was badly affected during the Covid-19 pandemic. There were at least 37,000 MSMEs involved during the pandemic, of which 82.9% of them were negatively affected and only 5.9% were able to benefit, even 63.9% of MSMEs who benefited experienced a decrease in turnover of more than 30% (Wijoyo., et al, 2021). The existence of MSMEs can build creativity in the local community as well as functioning to maintain and develop elements of tradition and culture besides that also means of distributing community income. (Anggraeni, Hardjanto, & Hayat, 2015). They can reduce the unemployment rate by absorbing labor on a large scale. Therefore, the existence of MSMEs has a role as a job opener for labor-intensive people, utilizing simple and easy-to-understand technology.

DO IT Chocolate is a business unit under the auspices of Pamulang University engaged in ready-to-eat food and snacks. DO IT Chocolate is ready-to-eat chocolate the result of the thoughts, innovation, and creativity of a practitioner and an entrepreneur lecturer at Pamulang University. DO IT has a variety of products including Bigbar, Tiramisu, D'dragon, Kurmond Lollipop, Bandulan Hati, Big Lovers, small bar mix fruits, Cho-crunch and Milk-cornflakes, Amara Ballen. At the beginning of the pandemic, DO IT Chocolate also felt the economic impact where chocolate tours were usually held, namely chocolate-making learning tours by students with visits to workshops which became one of the income for DO IT Chocolate had to be abolished. Then reduced income from souvenir shops and tourist attractions due to closures during the pandemic. Based on the background that has been stated, the purpose

of this paper is to confirm the business strategies implemented by DO IT Chocolate during the Covid-19 pandemic based on Henri Mintzberg's theory, which consists of:

1. What position does "Do IT Chocolate" expect in facing the pandemic?
2. What are DO IT Chocolate's plans for dealing with a pandemic?
3. Will DO IT Chocolate's business perspective change due to the pandemic?
4. What are the newest projects launched during the pandemic?
5. Is DO IT Chocolate ready to execute the plans and projects?

2. LITERATURE REVIEW

Small Micro and Medium Enterprises (MSMEs)

According to Wijoyo (2021), MSMEs are businesses with a small-micro scope managed by both individuals and business entities. Increasing MSMEs businesses in terms of regional potential and market orientation plays a role in building the national economy which can be distinguished from MSME criteria (Wijoyo., et al, 2021).

Based on regulation no. 20 of 2008 states that MSMEs are a pillar of the national economy that should be prioritized to obtain opportunities, support, protection, and broad business development as a form of partiality to people's business groups without neglecting the role of other businesses such as large businesses and state-owned enterprises (BUMN). MSMEs are able to create jobs and reduce the unemployment rate in Indonesia and provide economic services directly to the community. In addition, they also play an important role in the development of a region in the process of equity and increase in income so that they can encourage economic growth and national economic stability.

The character of the entrepreneur

The following are five superior entrepreneurial characteristics based on research by Splashh SoE and the Arrbey Competitiveness Center, including:

- a. Opportunity Seekers

Entrepreneurs don't let business opportunities pass them by.

b. Network Builder

Business people have the character of being good at getting along and being a liaison for making deals, including business deals.

c. Conductor

Entrepreneurs are intelligent individuals and have a leadership spirit in terms of leading others to complete their interests.

d. Hard Worker

Entrepreneurs are hardworking and tireless individuals running their businesses and always have goals and a strong determination to achieve the goals they set.

e. Progress Demander

Entrepreneurs are progress-oriented individuals and often jump forward to achieve goals faster than others.

Successful entrepreneurs certainly have these five superior characteristics. In addition to these five characteristics, successful entrepreneurs need to have basic requirements in the form of the ability to manage risk and competency in managing a business (Handito, 2011).

MSMEs as the Backbone of the Indonesian Economy

MSMEs have an important role as the backbone of the Indonesian economy in the post-pandemic and global recession recovery process. At the National Webinar event held by the Prosperous Justice Party (PKS) on January 16 2020 with the theme "MSMEs are the Backbone of the Nation's Economy, Driving the People's Economy during the Pandemic", Minister of UMKM and Cooperatives Teten Masduki said that business actors in Indonesia are dominated by MSMEs with a national GDP contribution of 60% and has succeeded in absorbing more than 116 million workers from more than 64 million in the non-oil and gas sector. Therefore, MSMEs are dubbed as the backbone of the Indonesian economy, which is hoped to grow from year to year and become a pillar of the national economy (Wijoyo., et al, 2021).

Empowerment of MSME actors has the objectives of (1) actualizing the Indonesian economy which has a balanced, developing, and just character; (2) increasing the ability of MSMEs to become reliable and independent businesses; and (3) developing and expanding the role of MSMEs in the field of regional development, alleviating poverty by creating jobs, so that income will be evenly distributed and the

economy will grow in the regions.

MSME Marketing Strategy

Marketing strategy is a collection of techniques used as a basis for marketing a product and service to achieve the goals set by a business (Wijoyo, 2021). Sofjan (2017) provides a similar definition and summarizes nine marketing techniques for dealing with price and quality wars:

- a. Premium Strategy, luxury brands have very high prices, or "high quality followed by expensive prices"
- b. Penetration Strategy, American designer brands have high quality but affordable prices.
- c. The Superbargain Strategy is the opposite strategy to the premium strategy.
- d. Over-Pricing Strategy is often found in markets where goods with high prices are of medium quality.
- e. Strategy Quality/quality is average, has quality products, and is mid-price.
- f. Bargain strategy, which is a product with medium quality but offered at a low price.
- g. Hit and Run Strategy, namely low-quality goods and low prices.
- h. Counterfeit Strategy (Shoddy Goods), namely goods that have similarities with luxury brands but have low quality and medium prices.
- i. Marketing mix or marketing mix is a marketing strategy to determine the company's success goals in achieving maximum profit.

The 7P concept is a concept in the world of marketing that can be applied to various types of businesses such as MSMEs. 7P consists of products and services, prices, places, promotions, people, processes, and physical evidence and appearances (Sofjan, 2017), namely:

- a. Products and services
- b. The form of an item offered to consumers to meet the needs and desires of these consumers.
- c. Prices
- d. Exchange rates in the form of currency to obtain the products offered.
- e. Places

- f. The area or environment where a business is established.
- g. Promotions
- h. How to market a product, such as choosing the media to be used according to the target consumer.
- i. People
- j. The main points in a business are related to human resources. Recruited based on the desired qualifications of MSME actors. Having quality human resource qualifications is an important requirement in business development and efforts to achieve business goals.
- k. Process
- l. Covering the process flow from upstream to downstream. It also relates to how the process here includes how to treat consumers starting from the ordering process to the consumers in their hands.
- m. Physical Evidence and appearance
- n. Physical appearance is a support for the product offered to gain the trust of consumers.

Business Strategy

A company can have a long business life span when it operates effectively and efficiently level of productivity. The main goal of every business is to get the maximum profit. Various marketing techniques are needed to achieve this goal and compete amid the increasingly fierce world of business competition. The main point in marketing techniques is to create products that are right on target or have quality and competitive prices to satisfy consumers.

In the conditions of the Covid-19 pandemic that has hit the world and has impacted the business climate, utilizing technology through digital marketing is the solution to fighting the phenomenon of limiting physical activity for the community. Seller does not have to meet the buyers physically but has a wider reach domestically and internationally (Ulya, 2020; Riyadi, Mahkota, & Suyadi, 2014; Kaplan, 2012).

Based on literature evidence by Bastian (2015); Jermias (2008); and O'Brien (2003) said that social media is part of digital marketing technology as a solution in

marketing cross-border products that can have a positive effect on a company's financial performance.

Summary of Previous Research

Based on research, the Waroenk Ngemil snack industry can maintain and develop its business by utilizing the internet and social media in its marketing strategy (Rosmadi, 2021). However, the optimization of technology in marketing management requires substantial capital and capable human resources in digital marketing.

Rahman and Suyadi (2014) present an integrated framework by investigating the impact of strategic tools (i.e. enterprise capabilities of business agility, marketing operational efficiency, optimization of innovation capabilities, managing employee satisfaction, and rethinking customer satisfaction) on the survival strategy of SMEs amid the COVID-19 pandemic. The results from SEM support all hypotheses. The results from fsQCA with the same data set show that companies' business agility and optimization of innovation capabilities are necessary conditions for SME survival strategies amid the COVID-19 pandemic.

Positioning Paper

This research confirms the establishment of a business strategy carried out by DO IT Chocolate management to deal with the Covid-19 pandemic by applying Henri Mintzberg's theory that consists of position, planning, perspective, project, and preparation. Based on Rosmadi (2021) managed to obtain data related to business strategy in marketing products through the internet and social media. Based on research by Rahman et al. (2021), company business agility and optimization of innovation capabilities are necessary strategies for the survival of SMEs amid the COVID-19 pandemic.

The novelty of this research is to analyze the right management strategy to maintain the continuity of DO IT Chocolate from determining market segments, and product certification to increase consumer confidence, innovating, always paying attention to product quality, promotion, utilizing digital marketing, networking, reaching traders and exports. The results can survive and maintain their net profit

margin during a pandemic.

3. RESEARCH METHOD

This research was conducted at MSMEs with the brand DO IT Chocolate at Pamulang University. Qualitative research methods will be carried out in this study. The researchers will apply both primary and secondary data. Primary data will be derived from interviews with DO IT management representatives by the Director and Marketing Manager, while secondary from sales data during the 2021 pandemic and literature studies related to research. Interviews with which parties DO IT management represented by the Director and Marketing Manager of DO IT are an embodiment in obtaining primary data in this study. Data analysis technique using a qualitative descriptive model is a data analysis technique that is applied in the context of data collection, data reduction, data presentation, and conclusions. Data collection was carried out in two ways, interviewing the management team to find out the problems faced during the pandemic and obtaining sales data before and during the pandemic as well as data originating from research-related studies. Sales data and study results are used to support interviews. The next step is to reduce the data that has been collected so that the data becomes the focus of research by eliminating unrelated data. The next step is presenting the reduced data through descriptive narrative charts and graphs.

4. RESULTS AND DISCUSSION

The Covid-19 pandemic, which came suddenly, caused crises in various sectors, including business. This condition has an impact not only on large-scale companies but also creates a crisis for MSME actors. Not a few businesses have to go out of business in these conditions. Even business actors argue "The important thing is to survive in business, it's more than enough". On the other hand, many parties take advantage of this condition by optimally utilizing marketing strategies to survive and even make a profit

during a pandemic. Several options can be done to survive the Covid-19 pandemic, especially the most important is implementing an effective and efficient marketing strategy.

Based on sales data and interview results with the management of DO IT Chocolate, various marketing strategies have been implemented to optimally market their chocolate products to survive in the pandemic era (source: Director and Marketing Management of DO IT Chocolate), including:

1. Targeting various segment groups by creating various products. DO IT Chocolate market segmentation by demographic: children aged 5-10 years, youth aged 11-19, and adults aged 20-35. By income level: middle-class and upper-class income.
2. Convincing consumers that DO IT Chocolate products are safe, by obtaining certification and product safety standards to ensure that the products consumed are safe for consumers. The existence of certification and standards can increase the company's positive image and level of trust where a high level of concern for health and safety is



Figure 1. Halal Certification, 2021.

urgently needed in a pandemic. DO IT Chocolate is equipped with PIRT, halal, and BPOM certificates. The following is the DO IT Chocolate certification documentation.



Figure 2. Certificates of DO IT Chocolate, 2021.

3. Carrying out product innovation, DO IT Chocolate carried out various innovations according to consumer needs so that potential buyers could still see the product before, during, and after the pandemic. There are many DO IT product variants with premium quality at affordable prices, DO IT Chocolate product prices start from Rp. 7,500- Rp 42,500, DO IT Chocolate's new product variants, namely D'Dragon and Amara Ballen, carry the chocolate ball concept, where D'Dragon is a chocolate ball with assorted filling, then Amara Ballen a combination of dark and white chocolate with cashew nuts inside. The following is a new DO IT Chocolate product innovation presented in Figure 3.



Figure 3. Product Innovation of DO IT Chocolate, 2021.

4. DO IT Chocolate always pays attention to product quality. Product quality standards are a means of competing with other businesses where DO IT Chocolate always prioritizes product quality before it reaches the customer. DO IT Chocolate maintains quality by having qualified human resources and carrying out production processes by production and health standards stated in the applicable SOPs and quality control (QC) of products before they are marketed.
5. Make Attractive Promos, DO IT Chocolate promotion most likely to be implemented during the Covid-19 pandemic by giving discounts.

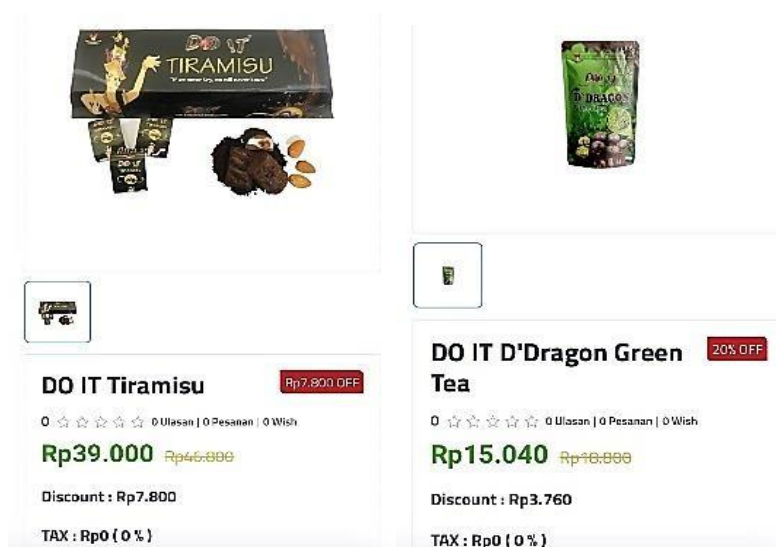


Figure 4. Discount Produk DO IT Chocolate, 2021.

This method is applied by paying attention to consumption patterns and the financial condition during a pandemic, which tends to decline they will prefer discounted products.

6. DO IT Chocolate implements Digital Marketing, starting from social media and the marketplace. Social media that DO IT Chocolate uses include Instagram, WhatsApp, and Youtube.

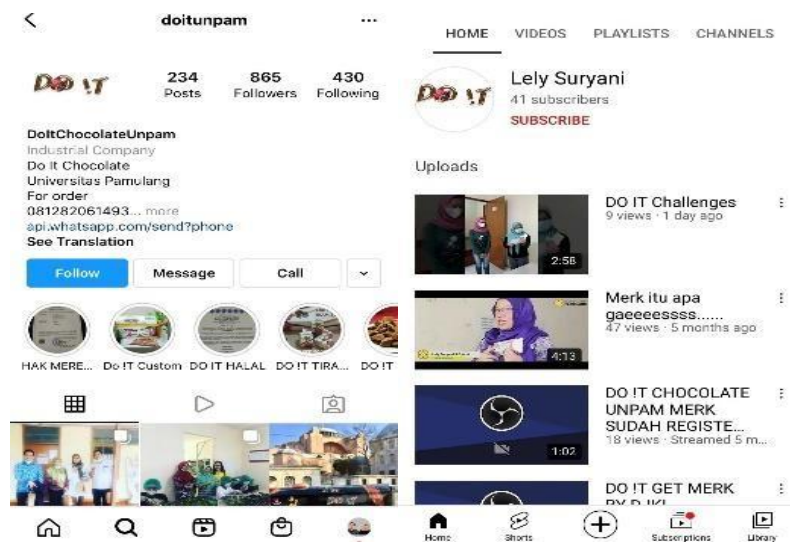


Figure 5. Media Sosial DO IT Chocolate, 2021.

Apart from social media, DO IT Chocolate is also active in local marketplaces, such as Ladara, Siren, Blibli, Gojek, Plaza Banten, Alshop.Ai, Bukalapak.

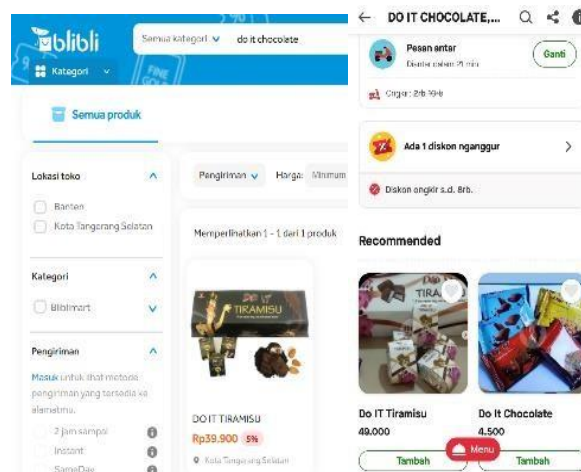


Figure 6. Market Place DO IT Chocolate, 2021.

7. Expanding networking, to reach a broad market domestically and internationally. The director of DO IT became a mentor at the export school, which made DO IT Chocolate have a wider market share due to networking.
8. Becoming a Trader, during the pandemic DO IT Chocolate could not operate optimally, so one way is to become a trader to increase DO IT Chocolate's income which has been carried out until now.
9. Entering international (export) marketing, DO IT Chocolate's marketing is not only in the local market in various cities in Indonesia, but has started to enter international markets such as Turkey, Egypt, and Madagascar.

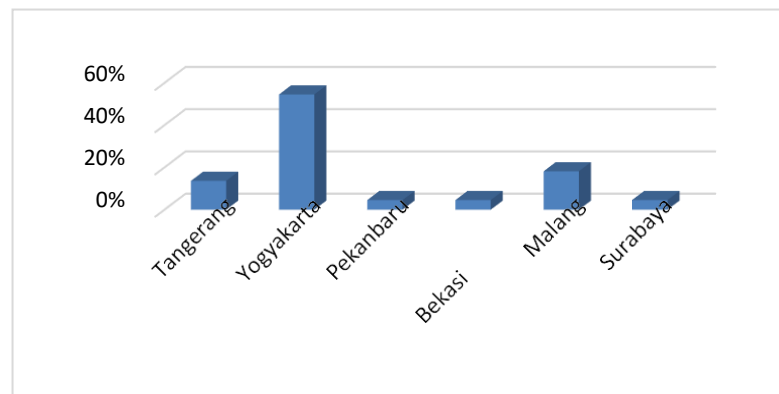


Figure 7. Distribution of DO IT Chocolate in 2020-2021.



Figure 8. Local Marketing of DO IT Chocolate, 2021.

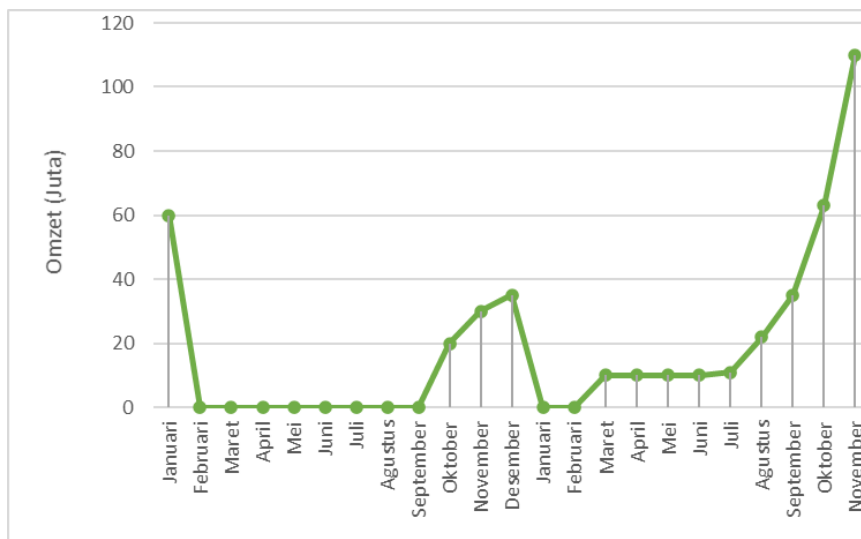
- A. Araya Pekanbaru Store
- B. Bakpia Juwara Store-Bakpiapia-Jogja Pasaraya Yogyakarta Store



Figure 9. International Market of DO IT Chocolate A. Mesir B.Turkey.

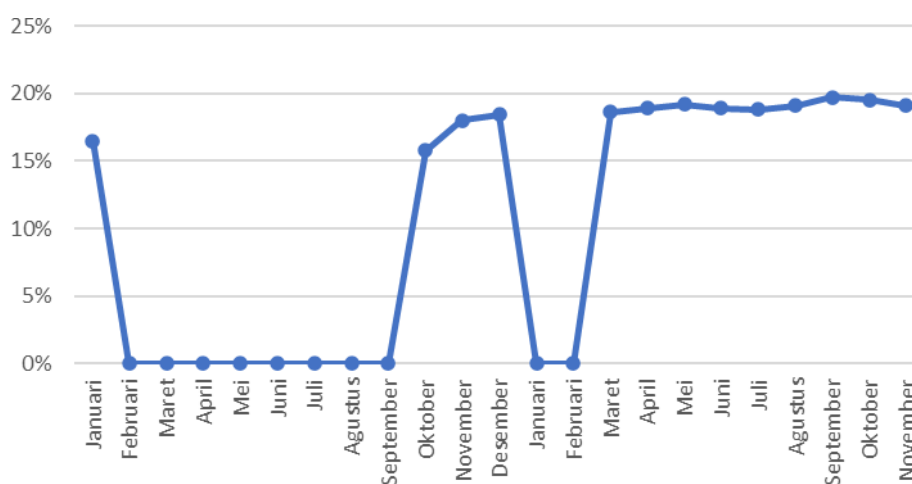
According to experts Wijoyo., et al (2021) stated that digital technology assisted by other strategies was the most effective method to be applied during the Covid-19 pandemic. Research conducted by Bastian (2015); Jermias (2008); and O'Brien (2003), in line with the results of this study which stated that the most consistent strategy for marketing products during a pandemic so that it continues to rise and develop is a strategy that utilizes information technology via the internet and social media as well as assisted by others.

You can see the results of DO IT Chocolate Entry during the pandemic period (January 2020 to November 2021) are as follows:



Graph 1. Sales Growth of DO IT Chocolate During Pandemic, 2021.

The profitability ratio has various measurements, one of which is measured using the net profit margin (NPM). NPM is part of the profitability ratio that aims to show the company's ability to generate net profit after tax. The high NPM value indicates the company's ability to generate profits. DO IT Chocolate during the pandemic (January 2020 to November 2021) are as follows:



Graph 2. Net Profit Margin Growth of DO IT Chocolate During Pandemic, 2021.

5. CONCLUSION

Based on the results of the research described above, it can be concluded that DO IT Chocolate carries out various strategies to maintain business continuity, starting from determining market segments, product certification to increase consumer confidence, innovating, always paying attention to product quality, promotion, digital utilization marketing, networking, venturing into traders and exports are the most appropriate strategies during the co-19 pandemic.

6. BIBLIOGRAPHY

Anggraeni, F. D., Hardjanto, I., & Hayat, A. (2015). Pengembangan Usaha Mikro, Kecil, dan Menengah (UMKM) Melalui Fasilitas Pihak Eksternal dan Potensi Internal (Studi Kasus pada Kelompok Usaha Emping Jagung di Kelurahan

- Pandanwangi Kecamatan Blimbing Kota Malang). *Jurnal Administrasi Publik (JAP)*, 1(6), 1286-1295.
- Bastian, A. (2015). Analisis Strategi Bisnis dan Perancangan Strategis Sistem Informasi pada Perguruan Tinggi Swasta (Studi Kasus: Universitas Majalengka). *Infotech Journal*, 1(1), 55-61.
- Fitri, Y. (2019). Analisis Efisiensi Biaya Produksi Dengan Penggunaan Biaya Standar Dalam Meningkatkan Rasio Net Profit Margin (Studi Empiris Pada Umkm Dendeng Sapi Di Banda Aceh). *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi*, 4(2), 334-343.
- Jermias, J. (2008). The relative influence of competitive intensity and business strategy on the relationship between financial leverage and performance. *The British Accounting Review*, 40(1), 71-86.
- Joewono, H. (2006). *New Business Creation & Entrepreneurship*. Jakarta: Arrbey.
- Kaplan, A. (2012). Invited Comment On The Theme Of the Special Issue Social Media: Back to the Roots and Back to the Future. *Journal of Systems and Information Technology*, 14(2), 101-1-4.
- O'Brien, J. (2003). The Capital Structure Implications of Persuing a Strategy of Innovation. *Strategic Management Journal*, 24(5), 415- 431.
- Pemerintah Indonesia. Undang-Undang (UU) Nomor 20 Tahun 2008 tentang Usaha Mikro, Kecil, dan Menengah. LL Sekretariat Negara No.4866. Jakarta.
- Rahman, M.S., & Suyadi, I. (2014). Pengaruh Kepercayaan dan Kenyamanan Terhadap Keputusan Pembelian. *Jurnal Administrasi Bisnis*, 8(2), 1-7.
- Riyadi, Mahkota, A. P., AbdelFattah F.A., Bag, S & Gani, M.O. (2021). Survival strategies of SMEs amidst the COVID-19 pandemi: application of SEM and fsQCA *Journal of Business & Industrial Marketing*.
- Rosmadi, M.L.N. (2021). Penerapan Strategi Bisnis di Masa Pandemi Covid-19, *Jurnal IKRA-ITH Ekonomika*, 122-127.
- Sofjan, A. (2017). *Manajemen Pemasaran*, Cetakan ke 15. Depok: Penerbit PT Raja Grafindo Persada.
- Ulya, H. N. (2020). Alternatif Strategi Penanganan Dampak Ekonomi Covid-19 Pemerintah Daerah Jawa Timur Pada Kawasan Agropolitan. *el Barka: Journal of Islamic Economic and Business*, 3(1), 80- 109.
- Wijoyo, H. (2021). Strategi Pemasaran UMKM di masa pandemi. *Insan Cendekia Mandiri*.