

Online Shop Minniers' Business Model Development Strategy Using the BCG Matrix Approach

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Abstract. The development of the business world in the current era is developing in almost every country in the world, including the ASEAN region and Indonesia. This shift in business trends has made business competition in Indonesia even tighter, both online and offline sales. This business trend has an impact on the Korean and Thai Fashion businesses. The purpose of this research is to identify Minniers' weaknesses, strengths, threats and opportunities and to recommend appropriate strategies to assist Minniers in developing their business and products. To collect data using primary data and secondary data, the author uses interview techniques with Minniers owners who then use SWOT analysis. While the secondary data collection technique is carried out through various sources such as books and articles, then internal and external factors are weighted. Data is processed using IFE and EFE. The next step is to determine the TOWS Matrix. and the final stage uses the BCG Matrix. The results of this study indicate Minniers are in quadrant I on the IE Matrix and quadrant II on the BCG Matrix. And by using Swot analysis and BCG Matrix, you can find out the current position of the company. This research shows that with proper analysis a company can find solutions in developing its business.

Keywords: Business Model, Swot Analysis, Boston Consulting Group

1. Introduction

Over time, business development in Indonesia has grown rapidly, besides that there have been a lot of products and services that have appeared this year. Because of this, there was intense business competition. For this reason, in order to survive in this competition, it takes a lot of effort to be able to win the market.[1] Online business is no longer a foreign term in Indonesia, whether we are accustomed to using the internet or not. Whatever definition is given to this online business, it is clear that these business people benefit from the internet.[2] In Indonesia, one of the most advanced businesses is in the field of Korean and Thai fashion. Which is where some Indonesians like the K-POP music industry. What's more, people are now having a K-pop fever, not a few children, teenagers to adults talk about this South Korean culture with various features. This rampant K-pop fever is quickly spreading through various media.

Since the Korean film industry has been gaining popularity overseas, Korean fashion and beauty have been highlighted. Korea is also used as a benchmark in matters of beauty. Korean artists and actors indirectly play a role in spreading South Korean fashion trends. It can be said to be successful because now South Korean style fashion is rampant everywhere. The online shop sells various Korean clothes and accessories, and not only that, the electronic products used by their idols are also their role models. Unique, colorful, casual and inspiring are some of the characteristics of Korean fashion or better known as Korean Style. This is one of the reasons why Korean Style has become a new trend in Indonesian society, especially among teenagers. [3]

Fashion is how we present ourselves to the world. the way we dress and apply makeup defines our unique style and sets us apart from others. Fashion in modern modern society has become an inseparable part of one's identity. not surprisingly, the global fashion apparel market alone.[4] And not only that fashion is also only a product of social demands, even though the individual objects it creates or recreates may represent more or less individual needs. social forms, clothing, aesthetic judgments, all modes of human expression, are constantly altered by fashion, but in such a way that fashion is the newest fashion in all these respects affecting the upper classes. the fact that fashion expresses and at the same time emphasizes tendencies toward equalization and individualization and a desire to imitate and stand out, perhaps explains why women in general are its staunchest adherents. the peculiarity that in the early stages of a mode set ensures that a particular distribution is destroyed when the mode spreads and when this element diminishes, the mode also inevitably dies.[5] from the point of view of the manufacturer, the market is often interpreted as a portrait of consumers who will potentially and real become buyers or users of products offered by the company. Companies may view other companies that become consumers as industrial markets, while the general public becomes a market. Management in each function contributes to the preparation of strategies at different levels, marketing has the most scope of contact with the external environment. Marketing is also a component that has an important role in business development. According to Kotler marketing strategy is a marketing mindset that will be used to achieve its marketing goals. A marketing strategy contains strategies specific to the target market, positioning, marketing mix and the magnitude of marketing expenditures.[6]

Market development is a strategy to increase sales by positioning existing product/services in potential markets. In other words, market development expands products/services to new geographies, customer segments, regions, etc. The successful market developments are as follows: (1) the advantages of their proprietary technology into new market, (2) profitable products for consumers in the new market (for example, consumers earn income and need the products), and (3) consumer behavior adaption to the new market. Many market development strategies are to (1) cater to a different customer segment, (2) enter into a new domestic market (regional expansion); (3) invade into a foreign market (international extension). For instance, recently Nike and Adidas, sporting companies, have expanded into Chinese market in order to offer the same products to a new demographic.[7]

Every company wants to beat the competition in the fiercely competitive market of today. individuals with both the knowledge needed to spark innovation for the business. With the help of their imagination, expertise, knowledge, and abilities, people can come up with fresh, original ideas that can give businesses a competitive edge. In addition, there are additional elements that contribute to the company's internal competitiveness, including inspiration, funding, and management support. Meanwhile in his research discusses the ability to innovate companies that can create the latest products and services so that the company's products are in demand by the market. This indicates that a company's competitiveness stems from its capacity to develop its own internal resources, which include leadership support, financial stability, an internal drive to build strengths, and innovations that are consistently developed and have a competitive edge in the market.[8] and the Minnierss online shop business, which focuses more on Korean and Thai fashion, is very promising in Indonesia today and in the next few years. seeing this opportunity,

Minnierss is an online shop originating from the city of Tasikmalaya exploring business in the field of Korean and Thai fashion. With so many online shops engaged in Korean and Thai Fashion in Indonesia. This requires Minniers to pay more attention to what continues to make online shops survive, grow and develop, in this case online shops are increasingly being demanded to move faster in terms of attracting consumers. Online shops are also required to be more creative and innovative so they can continue to compete in the market. several previous studies using the Boston Consulting Group matrix were used to understand the market, optimize portfolios and effective resource allocation. To understand the Boston Consulting Group Matrix, we need to understand how market share and market growth are related. market share is the percentage of the total market being served by the company, either in terms of revenue or in units of volume. the higher the market share, the higher the market proportion that will be controlled. Kotler (2014) says that the Boston Consulting Group analysis method is a method used in preparing a strategic business unit plan by classifying to the profit potential of other firms within the organization.[9]

BCG analysis is a method used in preparing a strategic business unit plan by classifying the company's profit potential, then entering it into the BCG matrix graphically shows the differences between the various divisions in relative market share positions and market growth rates. [10]

2. Method

This study uses a qualitative method with a descriptive approach. This research is based on secondary data collection with the data collection technique used is literature study. Literature study is a data collection technique that is carried out by collecting data and information from various documents such as books, pictures, scientific journals, to other electronic documents that can strengthen certain statements in a study..[11] data collection is done by identifying the company's strengths, weaknesses, opportunities and threats or what is called a SWOT analysis. then do the weighting of internal and external factors. data is processed using Matrix Internal Factor Evaluation and Matrix External Factor Evaluation. after knowing the score for each factor in the Internal Factor Evaluation Matrix and the External Factor Evaluation Matrix, the Weighted Score will be known. The Weighted Score is used to see the position of the company in the IE Matrix quadrant, four main strategies are formulated, namely, Strength and Opportunities Strategy, Weakness and Opportunities Strategy, Strength and Threats Strategy, Weakness and Threats Strategy. The next stage is to determine the priorities that the company will run using the Boston Consulting Group Matrix. The data used in the preparation of this research is in the form of primary data which is directly obtained from the source, in this case the source of this research is the owner and employees and secondary data is obtained from data that was first collected and reported by other people. Secondary data sources include previous research from books or the internet. data collection methods in this study Observation and Interview techniques. data analysis method for the purpose of this study is to use the Boston Consulting Group Matrix.

3. Result and Discussion

The results of identifying internal factors and external factors as well as the weighting results that have been obtained through interviews with the company provide a summary of strengths, weaknesses, opportunities and threats.

Table 1. Product Analysis

No	Factor	Value	Rank	Score
1	Cheap selling price	0,04	5	0,2
2	Attractive packaging	0,05	5	0,25
3	Guaranteed product quality	0,05	5	0,25
4	Products that are constantly being updated	0,04	4	0,16
5	Attractive product display	0,04	4	0,16
6	Do giveaways	0,04	4	0,16
7	Provide promotional prices	0,04	4	0,16
8	Provide cost-effective packages	0,04	4	0,16
9	Giving greeting cards as a form of gratitude to consumers	0,04	4	0,16
10	Good and friendly service	0,04	5	0,2
11	Have a unique product model	0,04	4	0,16
12	Products can be accepted in all circles	0,04	5	0,25

Table 2. Market Analysis

No	Factor	Value	Rank	Score
1	Rising raw material prices	0,02	1	0,02
2	Rising production costs	0,03	1	0,03
3	There is plagiarism in the model / product design	0,02	1	0,02
4	Consumers are impatient when the long order replies	0,03	2	0,06
5	Long delivery time	0,03	2	0,06
6	Inaccessible network	0,03	2	0,06
7	Price competition	0,03	2	0,06
8	Low level of consumer confidence	0,02	1	0,02
9	Fraud by doing hit and run	0,01	1	0,01
10	Many competitors	0,01	2	0,02
11	Unstable economic growth	0,02	2	0,04
12	Competitor product innovation	0,02	2	0,04
13	Shipping costs go up	0,02	2	0,04
14	Emergence of the same ventures	0,02	1	0,02
15	Unstable internet signal	0,02	1	0,02
16	Falsification of proof of transfer	0,02	1	0,02
17	Foreign market entry	0,03	2	0,06

Table 3. Internal Environment Swot Analysis

No	Strenght	Weakness	Opportunity	Threath
1.	Cheap selling price	No warehouse	Indonesia with a portion of the population liking Korean/Thai fashion	Rising raw material prices
2.	Attractive packaging	Less fast service	People's purchasing power is high	Consumers who are impatient when the long order replies
3.	Products that are constantly being updated	Inaccessible network	Huge market demand	Inaccessible network
4.	Attractive product displays	Unknown brand	Many events held	Price competition
5.	Holding a giveaway or giving a promo price	Limited production costs	Rapid development of technology and e-commerce	Many competitors
6.	Good and friendly service	The product failed because the stitches were not neat	Quite a promising prospect	Emergence of the same ventures
7.	Products can be accepted in all circles	Have no employees		Unstable internet signal
8.	Give a greeting card as a form of thanks	Inadequate marketing		Foreign market entry

Tabel 4. Swot Analysis Strategy

No	Strenght-Opportunity	Weakness-Opportunity	Strenght-Threath	Weakness-Threath
1.	The low price offered will attract consumers to buy (S1,O1,O2).	Take advantage of live events in one of the e-commerce to become one of the sponsors. (O3,W3,W4).	Improving product quality while maintaining competitive selling prices and innovating in product development (S1,S7,T2,T3)	Improve internal communication so that the store can run better (W1,T2)
2.	Aggressively promoting products through social media or participating in events by holding giveaways, providing promotional prices and expanding the market. (S4,S5,S6,O3)	Take advantage of the development of e-commerce to expand the network (O4,W3)	Promote products through social media with product innovation from competitors (S6,T3)	Build partnerships with others (W3,T2)
3.	Displaying attractive product displays so that consumers' interest in buying is high. (S3,O1)	Develop products to a wider market. (W3,O2)	Providing promo prices for resellers and opening offline stores (S5,T2)	Looking for investors (W5,T1)

Analisis SWOT

SWOT (Strengths, Weaknesses, Opportunities, Threats) is a strategic planning tool used to assess the strengths and weaknesses of the company's resources and the external opportunities and challenges it faces. SWOT analysis is an important strategic planning tool to assist planners in comparing an organization's internal strengths and weaknesses with external opportunities and threats.[12]

BCG Matriks

The BCG Matrix is a method used in preparing a strategic business unit plan by classifying the company's profit potential. The BCG Matrix has 4 quadrants, namely:[13]

- a. Question: divisions in quadrant I have a low relative market share position, but they are competing in a fast-growing industry. Usually the cash needs of these companies are high and cash income is low. These businesses are called Question marks because the organization must decide whether to strengthen this division by pursuing an intensive strategy (market penetration, market development or product development) or sell it.
- b. Star is Business in quadrant II (also called Star) represents the best long term opportunity for growth and profitability for the organization. Divisions with high relative market shares and high industry growth rates should receive large investments to maintain and strengthen their dominant positions. This category is the market leader but that does not mean it will provide positive cash flow for the company, because it has to spend a lot of money to win the market and anticipate its competitors. Forward, backward and horizontal integration, market penetration, market development, product development and joint ventures are appropriate strategies for this division to consider.
- c. Cash Cow is a division positioned in quadrant III, has a relatively high market share but competes in a slow growth industry. Called dairy cows because they generate more cash than needed, they are often milked to finance other business sectors. Many of today's dairy cows were stars in the past, the dairy division must be managed to maintain its strong position as long as possible. Product development or concentric diversification can be attractive strategies for strong dairy cows. However, when the dairy division becomes weak, a retrenchment or divestment is more appropriate.
- d. Dog is a quadrant IV division of an organization that has a low relative market share and is competing in a low-growth or no-growth industry. They are the dogs in the company's portfolio. Due to its weak internal and external position, this business is often liquidated, divested or trimmed by retrenchment. When a division becomes a dog, retrenchment can be the best strategy.

The BCG matrix is the earliest and simplest model and the best known. considering the difficulty for some companies to obtain industry data such as market share and industry growth, mapping the company's position can be done by modifying the BCG matrix[14].

4. Conclusion

Generate several alternative strategies with strategic priorities, namely market penetration, market development and product development. Based on the BCG Matrix analysis, 7 alternative strategies are produced, namely forward integration, backward integration, horizontal integration, market penetration, market development, product development and joint venture. Based on the analysis from SWOT, TOWS and BCG Matrix, that market penetration, market development and product development are the most important strategies used to advance Online Shop Minniers.

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