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ANALYSIS OF MARKETING STRATEGIES IN INCREASING SALES VOLUME AT PT INDOFOOD SUKSES MAKMUR

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ABSTRACT

PT. Indofood Sukses Makmur Tbk (Indofood) is a leading food solutions company in all business fields, including Branded Consumer Products (“CBP”), Bogasari, agribusiness and distribution. food solutions. SWOT analysis to remain superior and win competition in the market was carried out on this company using a qualitative approach and the case study method. The results of the analysis obtained are strengths in terms of a strong Brand portfolio, expertise in Indonesian taste and professional management, weaknesses and the company in terms of dependence on commodities, employment, distribution, environmental issues and competitors can also compete sustainably by taking advantage of market leadership opportunities, product innovation, international expansion and business diversification, compliance with changing consumer trends, and utilisation of technology and operational efficiency. Meanwhile, threats to companies such as intense competition, changes in consumer preferences, innovation from competitors, health and nutrition issues and government regulations can take advantage of the strength and consistency of their strong brand portfolio.

Keywords: Food solutions, SWOT analysis, market, competitors, taste.

INTRODUCTION

Currently, business expansion is increasingly rapid, and competition between companies is increasingly complex, making marketing strategies an urgent need within companies. A good marketing strategy for a company will increase sales volume and maintain its market position. The consumer goods company PT Indofood Sukses Makmur Tbk implemented this marketing strategy to maintain its previous existence. With the right marketing strategy, you can reach the right consumers, achieve predetermined sales goals, and generate sustainable profits for your company and that guarantees the company's survival in the long term. Marketing strategies can be designed based on market targets and product positioning, creating an image in the customers' minds, PT. Indofood Sukses Makmur uses a marketing mix strategy as the basis for implementing segmentation, targeting and product placement strategies.

The Indonesian food industry has various products, strong brands, and an extensive distribution network. As a leading company in the food industry in Indonesia, they have succeeded in gaining a brilliant position in the local and international food market. In facing intense business competition, this company is required to carry out a SWOT Analysis to maintain its position periodically. PT Indofood is a Total Food Solutions company that manages all stages of food production, from raw materials to finished products available on the market. This company has been known as a leader in various business sectors and was initially founded under PT. Panganjaya Intikusuma was founded in 1990 and has a history of operating in various business fields since the 1980s.

Currently, in carrying out its operational activities, Indofood benefits from economies of scale and the resilience of an economic model consisting of four complementary Strategic Business Groups as follows:

1. Branded Consumer Products (“CBP”)

The CBP Group produces a wide range of branded consumer products with the support of its brands, such as instant noodles, dairy products, snacks, food condiments, nutritious foods and beverages, and speciality foods.

2. Bogasari

The main activity of the Bogasari Group is flour and pasta production, which is supported by transportation and packaging companies.

3. Agribusiness

In Indonesia, agribusiness groups are vertically integrated conglomerates. The entire supply chain is the main subject of activity, from research and development (R&D), selection, cultivation, and processing of palm oil to the production and marketing of palm oil, cooking oil, margarine, and other products. As part of diversifying its operations, this agro-industrial group also grows rubber, sugar cane and other crops.

4. Distribution

Most of Indofood's and its subsidiaries' consumer products and several third-party products are distributed through Indonesia's most comprehensive distribution network.

THEORETICAL STUDY

Marketing, according to Shinta, Agustina (2011: 2), is a process and management that allows a person or group to get what they need and want by creating, offering and exchanging valuable products with other parties or all activities related to product delivery. or services from producers to consumers. From the understanding above, marketing is essential to a business because of its broad scope. Marketers need good collaboration, which means they need adequate management. Shinta, Agustina (2011: 2) says marketing management is an effort to plan, implement (including organising, directing, coordinating), and supervise or control marketing activities in an organisation so that organisational goals are achieved effectively and efficiently. The marketing management function involves analytical actions. In short, it is an analysis to understand a market and its marketing environment better. This will help you determine threats and opportunities to capture the market. According to Pardede (2011:23), strategic management is defined as a series of decisions about how a company will move forward, how to align its divisional goals, how to manage resources in an environmentally friendly way, and other things. Develop the right strategy to achieve your goals. According to Richard L. Daft (2010: 249), strategy is an action plan that includes resource allocation and various actions to deal with the environment, gain competitive advantage, and achieve clearly defined organisational goals. Having a competitive advantage allows a company to meet the needs of the consumer market and provide unique selling points that differentiate it from other companies. Determining how your business differs from other companies is at the heart of strategy formulation. Analysis of fundamental internal and external elements is necessary to develop a strategy. In other words, use a SWOT analysis for Strengths, Weaknesses, Opportunities, and Threats.

MARKETING STRATEGY

Marketing strategies allow businesses to build beneficial relationships with customers and create value for them, according to Kotler and Armstrong (2012:72). Marketing strategies consider factors such as market characteristics, competition, customer needs, and business goals. A marketing strategy aims to create a competitive advantage and generate long-term growth and profitability for the company.

1. Kotler and Armstrong suggest that companies take several steps when determining their marketing strategy. Market Analysis: Businesses need to understand the market they face, including its size, characteristics, trends and customer needs.
2. Market segmentation: After conducting market analysis, the company must divide the market into smaller parts based on comparable customer behaviour, attributes, or needs.
3. Target market: After segmenting the market, the business must decide which segment will be its main target.
4. Market positioning: After identifying the target segments, the company has to position its product or brand in customers' minds compared to its competitors.
5. Marketing Mix: After determining its position in the market, the company must select and establish the appropriate marketing mix components: product, price, location, and promotion.

Marketing mix components must be integrated to achieve the company's marketing objectives. In general, marketing strategy is the process of creating market-oriented strategies in an ever-changing environment. This means that the strategy must be able to meet customer needs, grow customer loyalty, encourage repeat purchases and word of mouth (providing information) to customers, and ultimately be able to grow.

METHOD

This research is qualitative research with a case study approach. This approach emphasises the researcher's role as an essential part of the research, enabling readers to understand the findings fully. A case study is a type of in-depth research where the author thoroughly explores the programs, events, processes and activities of individuals involved in a particular time and situation. This method allows researchers to develop their thinking to overcome the studied case. This case study aims to investigate the SWOT analysis of PT. Indofood Sukses Makmur Tbk (Indofood). SWOT analysis is used to formulate effective strategies based on market conditions, society, opportunities and threats that affect the company. It involves understanding a company's external and internal environment by evaluating its internal strengths and weaknesses.

RESULTS AND DISCUSSION

COMPANY HISTORY

In 1972, Sanmaru Food Manufacturing produced INDOMIE, which stands for Indonesia Mie. Then, in 1977, the Salim Group invested in the instant noodle industry by establishing PT Sarimi Asli Jaya. This company produces SARIMI instant noodles and acquired the producer SUPERMI. In 1990, the Salim Group established a PT Panganjaya Intikusuma subsidiary operating in the snack food sector.

In 1994, the Panganjaya Intikusuma Company merged with the Sanmaru Food Manufacturing Company, changed its name to the Indofood Sukses Makmur Company, and registered its shares on the Indonesia Stock Exchange (BEI).

VISION AND MISSION

Vision: Total Food Solutions Company

Mission:

- a. Providing sustainable solutions to food needs
- b. Continuously improve employee skills, production processes and technology
- c. Contribute to the welfare of society and the environment sustainably
- d. Increasing Sustainable Value for Stakeholders

SWOT ANALYSIS

According to Galavan (2014), SWOT analysis (strengths, weaknesses, opportunities and threats) is an analysis that aims to achieve a valuable and effective implementation strategy based on market and societal conditions at a particular time; opportunities and threats are used to understand the external and internal environment. , then consider the advantages and disadvantages derived from within-company analysis. Meanwhile, according to Alma and Priansa: 2009, SWOT analysis evaluates identification results to determine whether a condition is classified as a strength, weakness, opportunity or threat. SWOT analysis is part of the planning process that an organisation needs to evaluate current conditions and prospects that influence achieving organisational goals. This analysis assesses PT's strengths, weaknesses, opportunities and challenges. Indofood Sukses Makmur Tbk (Indofood) and how the company can overcome this to maintain its superiority in the market. The results of this analysis are as follows:



Tabel 1. Strategi Analisis SWOT

| | | |
|--|---|--|
| | <p>Strengths</p> <ul style="list-style-type: none"> - Strong brand portfolio - Product diversification - Large production scale - Product innovation - Wide market share - Strong distribution network - Commitment to sustainable initiatives - International expansion capabilities - Professional management - Expertise in Indonesian flavors - Many awards and rewards were obtained - Has an internal R&D division | <p>Weaknesses</p> <ul style="list-style-type: none"> - Dependence on commodities - Vulnerable to regulatory changes - Dependence on the domestic market - The need for consistent innovation - Environmental problems - High competition - Dependence on distribution - Employment challenges |
| <p>Opportunities</p> <ul style="list-style-type: none"> - Market leadership - Product innovation - International expansion - Business diversification - Adherence to changing consumer trends - Technology and operational efficiency | <p>Strengths - Opportunities</p> <ul style="list-style-type: none"> - A strong brand portfolio can be achieved and maintained by taking advantage of market leadership opportunities, product innovation, international expansion and business diversification. - Wide market share, strong distribution network, commitment to sustainable initiatives, and international expansion capabilities support the achievement of | <p>Weaknesses - Opportunities</p> <ul style="list-style-type: none"> - Several limited domestic commodities can be circumvented by taking advantage of international expansion to supply or act as a Plan B for limited raw materials. - Employment limitations can be circumvented by the machines or technological sophistication that we have; it is best to develop our human resources to make them more competent. - Environmental problems can be faced with our innovation capabilities, so we don't just focus on products but on the |



| | | |
|--|---|---|
| | <p>all existing opportunities.</p> <ul style="list-style-type: none"> - Expertise in Indonesian flavours and professional management can take advantage of international expansion opportunities - Adherence to changing consumer trends and leveraging technology and operational efficiencies | <p>environment as well.</p> |
| <p>Threats</p> <ul style="list-style-type: none"> - Intense competition - Changes in consumer preferences - Innovation from competitors - Health and nutrition issues - Government regulations - Uncertainty of raw material supply | <p>Strengths-Threats</p> <ul style="list-style-type: none"> - A strong brand portfolio can be a strength in facing intense competition, competitor innovation and health and nutrition issues. . - Having an internal R & D division supports the company in facing changes in consumer preferences and health and nutrition issues - Professional management should be able to find solutions or solutions to problems, such as making a plan B for the problem of uncertainty in the supply of raw materials. | <p>Weaknesses-Threats</p> <ul style="list-style-type: none"> - Even though it is dependent on the domestic market, the company should just focus on the existing market because even though some market shares have shifted, the possibility of them returning to their first choice still exists with the strength that the company has. Companies should focus on maintaining the quality and value they already have. You don't have to rush forward to face problems in the company's weaknesses; instead, you need to analyse the problem. |

So that PT Indofood Sukses Makmur (Indofood) can be better than before and survive in the market, especially with the Indomie brand, the company needs to take various strategic actions. Here are some steps they can consider:

1. Product innovation: Continue to innovate products by developing new flavour variants and various packaging sizes and paying attention to food trends and consumer preferences. Innovative products will continue to attract consumer attention.

2. Healthy product development: Responding to consumer demand for healthier food by developing instant noodle products that are more nutritious and lower in salt. This will help retain or attract consumers who are more concerned about health.
3. Maintained product quality: Maintaining high-quality standards in Indomie production so that consumers feel confident in the product. Consistent product quality is one of the main attractions.
4. Marketing and branding: Continue to invest in marketing and branding to maintain Indomie's positive image. Collaborating with local celebrities or influencers can help promote the brand.
5. Portfolio diversification: Apart from instant noodles, Indofood can consider product diversification in different food sectors. This can help reduce the risks associated with a single product or food category.
6. Supply chain management: Ensure the availability of stable and quality raw materials. This is important to maintain smooth production and avoid supply disruptions.
7. International expansion: Consider expanding into international markets to increase market share and diversify risks. Indomie is already quite popular in several countries, and expanding into the global market could be an opportunity.
8. Sustainability: Pay attention to sustainability in product production and marketing. This could include using sustainable raw materials, eco-friendly packaging, or social initiatives supporting the community.
9. Cost management and operational efficiency: To increase production and distribution efficiency, manage operational costs well. This will help maintain competitive product prices.
10. Collaboration with local suppliers: Leverage local suppliers to support the local economy and reduce international supply risks.

These actions must continue to be evaluated and adapted to market developments and the state of the business environment. Additionally, listening to consumer feedback and continuously monitoring changing trends in the food industry is essential to stay relevant and thriving in the market.

COMPARISON WITH THE COMPANY, WINGS GROUP

PT Indofood Sukses Makmur (Indofood) and Wings Group are two large companies in Indonesia famous for products such as Indomie and Mie Sedap, two instant noodle brands that are very popular in this country.

Wings Group, also known as PT Wings Surya, is an Indonesian company that produces well-known products such as Mie Sedaap, Daia, SoKlin, and Giv. This company mainly focuses on the household, food and beverage sectors, making it one of the leading companies in Indonesia with businesses covering various fields.

Initially, the company started as a small soap distribution but grew rapidly. Wings Group was founded on September 21, 1948, under the name Fa Wings, then changed to Wings Surya in 1991. They also founded Mie Sedaap in 2003. Wings Group, or PT Wings Surya, has built a strong reputation as a leading manufacturer and distributor of products for home care, fabric care, personal care, food and drinks in Indonesia.

The following is a comparison between Indofood (Indomie) and Wings Group (Mie Sedap):

1. Brand and Popularity:

- a. Indofood (Indomie): Indomie is one of the most popular instant noodle brands in Indonesia and has been around since the 1970s. This product has many fans and is famous for the variety of flavours it offers.
- b. Wings Group (Mie Sedap): Mie Sedap is a trendy brand in Indonesia. Indomie may not be well known, but Mie Sedap has gained a significant market share.

2. Product Innovation:

- a. Indofood (Indomie): Indofood continues to innovate its products by developing new flavour variants, packaging and various products according to market trends.
- b. Wings Group (Mie Sedap): Mie Sedap continues to develop new products and experiment with various flavours to attract consumers.

3. Distribution and Availability:

- a. Indofood (Indomie): Indofood has a wide and strong distribution network throughout Indonesia. Indomie can be easily found in various shops and markets.
- b. Wings Group (Mie Sedap): Wings Group also has a good distribution system; Mie Sedap can be found in stores nationwide

4. Product quality:

- a. Indofood (Indomie): Indomie is known for its high-quality standards in instant noodle production. Its products have a positive quality image.
- b. Wings Group (Mie Sedap): Mie Sedap also has good quality standards even though its reputation may not be as high as Indomie.

5. Marketing and Branding:

- a. Indofood (Indomie): Indofood has invested in an effective brand strategy to maintain a strong brand image. They also regularly launch creative advertising campaigns.
- b. Wings Group (Mie Sedap): Wings Group also undertakes significant marketing efforts, perhaps with a smaller budget than Indofood.

6. Product Diversification:

- a. Indofood (Indomie): Apart from instant noodles, Indofood also provides various other food and beverage products such as cookies, drinks and snacks.
- b. Wings Group (Sedap Noodles): Wings Food also provides other products besides instant noodles, but its main focus is instant noodle products.

Competition between Indofood and Wings Group is dynamic, and factors such as changes in consumer trends, product innovation, changes in raw material prices, and changes in government regulations can affect the relative positions of these two companies in the instant noodle market in Indonesia. Both companies continue to strive to maintain and increase their market share through various business, marketing and innovation strategies.

CONCLUSION

PT. Indofood Sukses Makmur Tbk (Indofood) is a leading company in various business sectors, including Branded Consumer Products ("CBP"), Bogasari, agribusiness, and distribution in the field of food solutions. The SWOT analysis identified the company's advantages: a strong brand portfolio, expertise in creating Indonesian-style flavours, and professional management. Meanwhile, there are also areas for improvement, namely dependence on commodities, employment, distribution, environmental problems and competitors. Strengths and weaknesses can be maintained and faced by taking advantage of market leadership opportunities, product innovation, international expansion and business diversification, compliance with changing consumer trends, and utilisation of technology and operational efficiency. Meanwhile, threats to companies such as intense competition, changes in consumer preferences, innovation from competitors, health and nutrition issues and government regulations can take advantage of the strength of the consistency of the intense brand portfolio they have, have essential Indonesian flavours and for weaknesses

the company does not have to rush. take steps quickly, so you only need to focus on your strengths and analyse the problem.

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