

Article

Determining Business Strategies For Conventional Clothing Traders in the Banyuwangu Songgon Market in the Digital Business Era

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Abstract: This research aims to provide business strategy input in facing the dynamics in the digital business era, especially for conventional clothing traders in Songgon market, Banyuwangi. The research carried out in this scientific work is descriptive qualitative research, using observation, interviews and documentation methods. The recommended tactic is a Defensive Strategy, which indicates that the company's internal condition is in a difficult situation. Therefore, companies are advised to use defensive strategies, controlling internal performance so that it does not get worse. This tactic is carried out while continuing to make improvements. The strategy that supports quadrant IV is the WO strategy, namely utilizing social media as a means of promotion, expanding networks, increasing innovation and creativity. There is a need to evaluate the marketing mix strategy and analyze the external and internal environment by applying a SWOT strategy to the Songgon market and conventional clothing traders at the Songgon market also need to adapt by integrating digital technology in their operations, such as opening an online shop or using social media platforms to promote their products. so that it can remain in demand by all groups in today's digital era.

Keywords: Marketing, Business Strategy, Conventional Traders, Digital Business Era, Marketing Mix and Business Environment Analysis (SWOT)

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1. Introduction

In the digital era, many business people are encouraged to use internet services to develop their businesses. Companies that fail to adapt to current developments risk being left behind and experiencing difficulties in competing and surviving. Traders are among the businesses most affected during the Covid-19 pandemic. Conventional traders are traders who still carry out direct buying and selling activities where sellers and buyers are in the same place and meet physically. As a result of the modernization that has occurred in terms of online transactions, conventional traders have had an unfavorable impact from these changes. [1].

The importance of change management in overcoming obstacles and maximizing opportunities in the digital era [1]. For organizations to survive and thrive in today's digital era, outdated methods and procedures must be rethought and new technologies must be used [2]. The existence of an offline to online payment system, a cultural shift with the tendency for buyers to continue shopping online, in fact visits to conventional clothing stores in the market are still the same after the Covid-19 pandemic ended. By using innovative, data-based business strategies and focusing on interesting content, it is

hoped that companies will be able to maintain their business and be able to compete and achieve success in today's digital market.

2. Materials and Methods

In this research, the method used is a qualitative research method [8], qualitative researchers as human instruments, whose function is to determine the research focus, select informants as data sources, assess data quality, analyze data, interpret data, and make conclusions about the findings [4]. The population in this research is: Conventional traders at Songgon market, buyers and customers of conventional clothing stores and Songgon market administrators. The data collection technique in this research is by using triangulation techniques, namely [9]: observation, interviews and documentation. The data analysis technique used in this research is analysis using the Miles and Huberman model [6].

3. Results

Based on the research results, it can be concluded that conventional clothing traders in the Songgon market need to evaluate marketing mix strategies, especially product strategies to innovate and develop their products. Apart from that, some traders still make minimal efforts to build brands to make it easier for customers to remember and recognize their products, even though good products must be able to be identified by consumers. Therefore, products must be accompanied by branding [10]

Business strategy for conventional traders at Songgon market, Banyuwangi in the digital business era [11].

From the results of interviews with informants, most of the Songgon market's conventional clothing traders still rely on offline marketing and participate in marketing their trade through bazaars held at the end of every week along Jln. Ahmad Yani Songgon Krajan. However, as time goes by, the ervernt bazaar has now been dismantled due to complaints from the public who are worried because the burbled and turreted road system has made it difficult for them to carry out activities as usual [12].

There are marketing activities carried out by conventional clothing traders at Songgon market, Banyuwangi:

1. Product

My informant reveal: "In my shop, I sell various kinds of products, not just one type, with guaranteed quality, you can see them first hand, first hand, how good the fabric is and try to see whether they are cheap or whether the customer can bring the goods, first of all, to check whether there will be problems or product defects. ". (Results of an interview with a conventional clothing trader at Songgon market, on June 14 2024.)

From the results of the interview derWith traders, it is known that they apply business strategies, especially product and service strategies, various measures: First, they strive to produce products with good quality. Kerdura, they provide a guarantee to customers if the product is defective or not cheap [13].

2. Price

My informant rsted: "We provide prices according to the quality of the goods at standard pric-es if the price is expensive per purchase, we don't want to worry about selling if the product is expen-sive in the market, the coder in the product, my shop does not immediately nominalize the fixed price which will still result in haggling over the purchase price, so I must consider including production costs, desired loss margin, perceived customer value, and competitive prices in the market." (Results of an interview with a conventional clothing trader at Songgon market, on June 14 2024.)

Based on the research results, it can be concluded that traders set standard prices based on product quality and quantity. Furthermore, there is a process of bargaining over the purchase until an agreed price is reached, which is usually lower than the initial price set by the trader [14].

3. Place

My informant stated: "My shop must always be clean and neatly arranged so that the store makes me feel comfortable and also makes it easier for me when searching for goods that need to be purchased." (Results of an interview with a conventional clothing trader at Songgon market, on June 14 2024.)

Based on the results of research, and also observations, it can be concluded that the trading place for conventional clothing traders at Songgon Market has convenient and safe parking access, there are safe toilet facilities and a shopping center as well as many curlier snacks around the market which are located in areas that are attracted to the market [15].

4. Promotion

My informant stated "The promotions I run only offer items that may be in short supply as well as customers buying goods from our shop and giving discounts if they buy clothes in large quantities. "We only rely on customer loyalty which will probably provide customer service to other people by recommending purchase orders in the store" (Results of an interview with a conventional clothing trader in the Songgon market, on June 14 2024.)

Based on the research results, it can be concluded that conventional clothing traders in the Songgon market need to evaluate marketing mix strategies, especially product strategies to innovate and develop their products. Apart from that, some traders still make minimal efforts to build brands to make it easier for customers to remember and recognize their products, even though good products must be able to be identified by consumers. Therefore, products must be accompanied by branding and promotions. It relate with [7] What traders need to do is to take advantage of technological developments in business activities, such as opening an online shop or using social media platforms to promote their products, so that they can remain in demand by all groups in the digital era. It relate with

Internal and External Environmental Analysis (SWOT) Conventional clothing traders at Songgon Banyuwangi market in the digital business era [16]

Internal factor analysis aims to identify strengths and weaknesses within the company. These in-ternal factors shape strengths and weaknesses, which in turn influence company decisions [6]. The following are some of the strengths and weaknesses of conventional clothing traders in the Songgon market:

Table 1. SWOT analysis of conventional clothing traders in the Songgon market

Strength	Weakness
1. Various products	1. Limited use of social media
2. Quality product	2. The emergence of various store competitors
3. Friendly service	3. Simple facilities and infrastructure
4. Affordable prices	4. Limited cleanliness and security management
5. A sense of family emerges	5. Kiosk area is limited
Opportunities	Treaths
1. Friendly service	1. High competitiveness between market clothing traders, modern markets and e-commerce
2. Bargaining	2. Technological development
3. Strategic location	3. Shifts in culture and societal behavior

After identifying internal factors, namely strengths and weaknesses, the next step is to formulate these factors in the form of an IFAS (Internal Factor Analysis Summary). IFAS is a strategic analysis of internal factors in a company or organization. This analysis is used to understand the picture of strengths and weaknesses in the Songgon market [17].

Table 1. IFAS Matrix Conventional clothing traders in Songgon market

No	Internal factors	Weight	Ratings	Score
Strength (Strength)				
1.	Diverse product choices	0.14	4	0.56
2.	The products offered are quality	0.11	3	0.33
3.	The service is friendly	0.12	4	0.36
4.	Affordable prices	0.10	3	0.30
5.	A sense of family emerges	0.12	4	0.48
Sub. Total		0.59		2.03
Weakness				
1.	Limited use of social media	0.08	2	0.16
2.	There is a lot of competition	0.09	3	0.27
3.	Facilities and infrastructure are still simple	0.08	3	0.24
4.	Simple cleanliness and security management	0.07	2	0.14
5.	Limited kiosk area	0.09	3	0.27
Sub total		0.41		1.8
Total		1.00		3.11

Next are the stages EFAS (External Factor Analysis Summary) is a strategic analysis of external factors in a company or organization. This analysis is used to determine the picture of opportunities and threats in the Songgon market [18].

Table 2. EFAS Matrix Conventional clothing traders in Songgon market

No	Eksternal factors	Weight	Ratings	Score
Opportunities				
1.	Friendly service	0.20	4	0.8
2.	Bargaining	0.10	3	0.3
3.	Strategic location	0.10	3	0.3
Sub. Total		0.40		1.4
Threats				
1.	High competitiveness between conventional clothing market traders, modern markets and e-commerce	0.10	3	0.3
2.	Technological development	0.10	3	0.3
3.	Cultural shifts and community behavior	0.10	3	0.3
Sub total		0.30		0.8
Total		1.00		1.7

Table 3. SWOT Matrix on the Songgon market

Internal	Strength (S)	Weakness (W)
	<ol style="list-style-type: none"> 1. Various products 2. Quality product 3. Friendly service 4. Affordable prices 5. A sense of family emerges 	<ol style="list-style-type: none"> 1. Limited use of social media 2. Various market competitors have emerged 3. Limited facilities and infrastructure 4. Simple cleanliness and security management 5. stall area is limited
External		
Opportunity (O)	SO Strategy	WO Strategy
<ol style="list-style-type: none"> 1. Friendly service 2. Bargaining 3. Strategic location 	<ol style="list-style-type: none"> 1. Maintaining product quality 2. Maintain good working relationships 3. Low production costs 4. Expand the network 	<ol style="list-style-type: none"> 1. Utilizing social media as a promotional tool 2. Expand the network 3. Increase innovation and creativity
Threat (T)	ST Strategy	WT Strategy
<ol style="list-style-type: none"> 1. The high competitiveness of modern markets and e-commerce 2. Technological development 3. Shifts in culture and societal behavior. 	<ol style="list-style-type: none"> 1. Product Differentiation 2. Compete with low prices 3. Maintain good relationships with buyers 	<ol style="list-style-type: none"> 1. Improving the quality of human resources 2. Maintain product price stability 3. Increase buyer confidence

Table 4. Position of conventional clothing traders in Songgon market

IFAS		EFAS	
Strength	2.03	Opportunity	1.4
Weakness	1.8	Threats	0.8
Formula	<u>(SW)</u>	Formula	<u>(OT)</u>
	<u>(2.03-1.8)</u>		<u>(1.4-0.8)</u>
Results (X)	0.23	Results (Y)	0.6

Based on table 5, it can be seen that the IFAS factor analysis is 0.23, while the EFAS factor analysis is 0.5, meaning it is in quadrant IV (negative). When formulated in a SWOT analysis diagram. Based on Figure 1, conventional clothing traders in the Songgon market are in quadrant IV with a defensive strategy. This position indicates that the organization is weak and faces significant challenges. The recommended tactic is a Defensive Strategy, which indicates that the internal condition of the organization is in a difficult situation [19].



Figure 1. SWOT analysis diagram

4. Conclusion

Based on the analysis that has been carried out, it can be concluded that conventional clothing traders in the Songgon market are in quadrant IV with a survival strategy. This position shows that the company is weak and faces significant challenges. The recommended tactic is a Defensive Strategy, which indicates that the company's internal condition is in a difficult situation [20]. Therefore, companies are advised to use defensive strategies, controlling internal performance so that it does not get worse. This tactic is carried out while continuously trying to make improvements. The strategy that supports quadrant IV is the WO strategy, namely utilizing social media as a means of promotion, expanding networks, increasing innovation and creativity

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