

# Optimizing Marketing Strategy through SWOT Analysis in Sales Increase at PT Arhapro

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## ABSTRACT

In the era of the industrial revolution, 4.0 has opened up opportunities and challenges in increasingly fierce competition between companies in the same industry. Companies are required to utilize various effective strategies to increase sales results. This study aims to look at the application of SWOT analysis in building a marketing strategy that is expected to increase sales results at PT Arhapro. The method used is qualitative, with data obtained through interviews and literature studies. The results showed that the application of SWOT analysis was carried out through several stages, namely the identification of the company's internal strengths and weaknesses and opportunities and threats from the external environment. Through the analysis, researchers found that PT Arhapro's strengths lie in product quality and a loyal customer base, while its weaknesses include limitations in promotion. From the external side, the opportunities that can be utilized are the increasing market demand, while the threats come from aggressive competitors. The implication of this research is that SWOT analysis not only strengthens the theory but can be used as a practical guide for companies that can be applied by marketing practitioners in facing various increasingly modern market dynamics. Further research is needed with a wider sample and with more varied methods to deepen the understanding and application of SWOT analysis in various industrial contexts and market dynamics.

### Keywords : SWOT analysis; marketing strategy; sales increase

### INTRODUCTION

The success of a company in maintaining its survival and growth is greatly influenced by the sales results of the products it produces (Suryani & Syafarudin, 2021). In this context, marketing strategy becomes an effective key element in attracting and retaining customers, as well as increasing sales volume and strengthening the company's position in an increasingly competitive market (Baran & Galka, 2016). Research shows that companies that fail to formulate an adaptive marketing strategy tend to experience a significant decline in performance, even bankruptcy. For example, data from a study by Mufarrohah (2021) indicates that around 60% of companies that do not adopt a marketing approach that is responsive to changing consumer trends have difficulty maintaining their market share.

PT Arhapro, a company operating within the contemporary door handle industry, encounters substantial obstacles in sustaining optimal sales performance within an environment characterized by intensified competition (Richey Jr, Chowdhury, Davis - Sramek, Giannakis, & Dwivedi, 2023). Preliminary observations indicate the presence of marketing-related challenges at the research location, including sales stagnation and a deficiency in brand recognition within the broader market. In facing increasingly complex and changing market dynamics (Roberts, 2023), it is very important for PT Arhapro to continuously carry out planning, implementation and even evaluation

activities related to its marketing strategy in order to remain relevant and competitive.

One approach that is often used in marketing management is SWOT analysis, this analysis offers a comprehensive framework for identifying the strengths, weaknesses, opportunities and threats faced by the Company (Benzaghta, Elwalda, Mousa, Erkan, & Rahman, 2021). Through this approach, PT Arhapro is expected to find a more effective marketing strategy, which in turn will encourage increased sales and business sustainability in the future.

Although PT Arhapro has been established since 1991 and has been well-known as one of the good quality companies in the door handle industry, in the last five years, the company has experienced sales stagnation that has the potential to threaten the sustainability of its business (Amankwah-Amoah, Khan, & Wood, 2021). In the midst of an increasingly competitive market with competitors who continue to penetrate the market with their various flagship programs, in addition to increasingly advanced changes in information technology in making rapid changes in consumer preferences, PT Arhapro must dare to see that the marketing strategy that has been implemented is no longer able to drive the expected sales growth.

The urgency of this problem is getting stronger considering that sales are the main driver of revenue or profitability and the competitiveness of the company (Omar, Minoufekr, & Plapper, 2019). This situation and condition raises critical questions regarding the effectiveness of existing marketing strategies and the urgent need to reevaluate the various approaches used. Therefore, this study focuses on the identification and in-depth analysis of marketing strategies with a primary focus on the 4Ps ( product, price, place, promotion ), using a SWOT analysis that aims to find strategic solutions that can improve PT Arhapro's sales performance in this competitive market.

Specifically, this research seeks to identify internal strengths that can be optimized, weaknesses that need to be improved, as well as external opportunities that can be utilized and threats that must be anticipated in a dynamic business environment (Tahmasebi, 2024). By conducting an in-depth analysis of these elements, this study is expected to provide practical and applicable strategic recommendations, which are not only relevant to PT Arhapro, but also to other companies facing similar challenges. The results of this study are expected to provide a significant contribution in helping PT Arhapro formulate a more effective and efficient marketing strategy, so that it can encourage sustainable sales growth and strengthen the company's competitive position in the market.

Although SWOT Analysis has been widely used as a tool for formulating marketing strategies, previous studies tend to focus on general applications without specifically linking it to increasing sales in a particular industry context or company (Murdoch, Marsden, & Banks, 2017). The existing literature shows that most studies focus on theoretical analysis without providing concrete practical guidance for companies facing sales challenges in competitive markets (Ding, Wang, & Zou, 2023). Moreover, there are limitations in research that examines the application of SWOT Analysis comprehensively in companies with the scale and characteristics such as PT Arhapro. Therefore, this study aims to fill the gap in the literature by presenting an indepth case study that not only identifies the strengths, weaknesses, opportunities, and threats faced by PT Arhapro, but also offers strategic recommendations that can be directly implemented to increase sales (Haslindah, Hamdat, & Hanafiah, 2021). Thus, this research not only contributes to the development of theory, but also provides valuable practical insights for business practitioners (Myers, 2019).

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This study highlights the novelty aspect by combining an in-depth SWOT approach in the specific context of PT Arhapro, a company facing significant challenges in increasing sales in a competitive market. Although SWOT is often used in strategy analysis, this study offers a more focused and practical approach, directly linking the results of the analysis to strategic recommendations that can be implemented by the company. The novelty of this study lies in the in-depth exploration of how strengths and opportunities can be optimized, and how weaknesses and threats can be minimized to boost sales performance. The justification for the importance of this study lies not only in its theoretical contribution in enriching the literature on marketing strategy and SWOT, but also in its high practical relevance for similar companies facing similar challenges. Thus, this study is expected to be an important reference for academics and business practitioners who are interested in effective and data-driven marketing strategies.

This research aims to examine the application of SWOT analysis in formulating marketing strategies that are expected to increase sales results at PT Arhapro. By using SWOT analysis, this research will analyze the strengths, weaknesses, opportunities, and threats faced by the company, so as to produce strategies that are more effective and responsive to market dynamics. Hopefully, the results of this study will make a positive contribution to PT Arhapro's sales performance and strengthen its position in the market.

#### **RESEARCH METHOD**

#### **Research Design**

This study uses a qualitative approach with a case study design to analyze PT Arhapro's marketing strategy through the SWOT approach. The case study was chosen because it allows for in-depth exploration of the company's specific context and the strategies it implements (Rashid, Rashid, Warraich, Sabir, & Waseem, 2019). This design is suitable for understanding the internal and external dynamics that affect PT Arhapro's sales performance and identifying strategic steps that can be taken to improve that performance.

### **Data collection technique**

The data in this study were collected through two main methods: in-depth interviews and literature studies. In-depth interviews were conducted with managers, marketing staff, and key stakeholders at PT Arhapro to gain first-hand insight into the ongoing marketing strategies, as well as their views on the strengths, weaknesses, opportunities, and threats facing the company. Literature review was used to review theories and previous research relevant to the topic, as well as to support the SWOT analysis conducted. Secondary data was also collected from company reports, internal documents, and other relevant sources to enrich the analysis.

### **Data Analysis Techniques**

The data collected was analyzed using thematic analysis techniques, which allowed the identification of key patterns in the data that were relevant to the research objectives. The interview results were described and coded to identify themes related to the SWOT components, namely strengths, weaknesses, opportunities, and threats. Data from the literature study were used to validate the interview findings and provide a broader context. A SWOT analysis was then conducted by integrating these findings to identify marketing strategies that could increase PT Arhapro's sales. The results of this thematic analysis are expected to provide concrete and applicable strategic recommendations for the company.

# **RESULT AND DISCUSSION 1. SWOT on PT Arhapro**

SWOT on PT Arhapro				
	Strengths		Weaknesses	
a.	Product excellence:	a.	Limited Resources	
	Products with European (German) quality		The total number of workers at PT Arhapro	
	because the standards used in the production		is relatively small, namely 27 people for an	
	process are German technology standards;		industry like this, so that human resource	
b.	Brand Reputation:		management in the company is still carried	
0.	Griff brand as a leading product brand on the		out using traditional methods (family	
	market has a good reputation and is highly		management).	
	competitive due to its production standards	b.	Lack of Innovation	
		υ.	The German technology in question is the	
	and product quality that consumers can trust.			
c.	Distribution Network:		technology of making handmade keys (	
	PT Arhapro currently has a distribution		Hand Made) which has existed since 1991	
	network in the domestic market and has		until now so that the company has not	
	been a distributor abroad with an orientation		adopted new technology in the production	
	towards middle to upper class consumers		process;	
	including in the property industry, both	c.	Problems in Marketing Management	
	office buildings, luxury apartments/housing,		Management still maintains the distribution	
	hospitals and starred hotels.		market at the middle to upper level due to	
d.	Workforce Loyalty:		product quality, so the product is not widely	
	Almost 75% (20 out of 27 people) of PT		known among the lower classes.	
	Arhapro's workforce are old workers who	d.	Competitors' Products	
	have worked for more than 20 years so their		Competitors also have the same products	
	loyalty to Arhapro can be relied on.		and the quality is almost the same as Griff	
e.	Consumers can Order according to your		but at a relatively cheaper price.	
	wishes:	e.	Not Entering the Retail Market	
	Consumers can make orders according to		PT Arhapro's products do not enter the retail	
	their wishes, both in terms of shape and		market but sales are made directly to	
	color, because Arhapro has its own factory.		consumers, both personal and corporate, in	
	color, occurse randpro hus his own factory.		both state-owned and private companies.	
			companies.	
	Opportunities		Threats	
a.	Trends :	a.	Government policy:	
	Global and domestic economic growth has		With the absence of government policies that	
	begun to pick up after covid19. This has		limit incoming goods, this becomes a threat	
	triggered the growth of the construction and		to Arhapro products, which we know are	
	property industry, so that the market is quite		imported products that are very cheap,	
	wide open in these sectors. Of course, this		resulting in unhealthy competition among	
	condition must be utilized by PT Arhapro so		producers.	
1	that it has a positive impact on its sales and	b.	Human Resources:	
1	profitability.		The majority of the workers have worked for	
b.	Information Technology and		more than 20 years (20 out of 27 people),	
0.	telecommunications:		some have even worked since the factory	
1	The rapid development of technology,		opened, so in this case there is no technology	
1	especially information technology, has		transfer.	
1	become an opportunity for companies to	C	Competitors' Products:	
1		υ.		
1	market their products and reach customer		In this case, Dekson as the main competitor	
1	segments that have not been explored so far.		of PT Arhapro has the same product and	
c.	The Government Policy Regarding the Use		almost the same quality but in terms of price	
1	of Domestic Component Levels (TKDN)		it is still cheaper compared to products from	
1	provides an opportunity for Arhapro and its		PT Arhapro.	
1	products because 100% of the materials use local materials.	d.	Economic conditions: Global economic instability will have a	
1				

d.	3 Million Homes Program: The Prabowo-Gibran government through the Ministry of Public Housing with a program of 3 million houses in a year is opening up new market opportunities for Arhapro.	significant impact on the economy in Indonesia, which will have a direct impact on the production and sales processes of similar industries.
e.	Back to working with Germany; The possibility of re-establishing cooperation with Germany in terms of technology.	

### 2. The Influence of SWOT on Sales and Marketing of PT Arhapro Products

The SWOT analysis applied appropriately and casuistically at PT Arhapro has enabled the company to understand internal and external conditions more deeply and comprehensively. This is very necessary to direct various marketing resources to the most profitable aspects, in addition to being an effort to avoid strategies that are at risk of loss or less effective. SWOT analysis is also very necessary in order to increase efficiency in the sales and marketing process.

Based on the SWOT findings at PT Arhapro above, the following strategies can be designed to utilize the strengths and opportunities while addressing the weaknesses and threats in marketing and sales of PT Arhapro.

### a. Integration of Strengths and Opportunities

PT Arhapro, as a manufacturer of high-quality keys and handles , can take advantage of the advantages of its international standard products (German technology) by using the reputation of the brand "Griff", which has been trusted to expand the market, especially in the property sector which has increased after Covid19.

Integration of strengths and opportunities (SO Strategy) makes PT Arhapro have a competitive advantage in the increasingly growing market. With the superiority of products and reputation that has ever been owned, especially the use of German technology applied in various production processes can be the main attraction in the property market which tends to increase and is intense, especially the government's 3 million houses program.

Griff products in these government projects, the company can expand its market share, while strengthening its brand image as a high-quality product that can be trusted in property development. (Mandhla 2009).

In distributing products, PT Arhapro uses information technology as a very important strategic step in today's digital era. Through the company's professional website , namely <u>https://www.arhapro.co.id/</u> PT Arhapro has entered into more targeted digital marketing to reach new consumers more widely (Charlesworth 2018). This strategy has helped the company increase brand visibility and has enabled the company to access previously untapped or physically unreachable markets, including younger consumers who are more accustomed to transacting through various *online media*. (Charlesworth 2018).

In some of the company's products that have explored the retail market by introducing more affordable products, it can help the company to expand its reach to middle and lower class consumers who are increasingly growing in the domestic market. By presenting high-quality products in a more affordable price segment, PT

Arhapro can increase sales volume and strengthen its customer base, which in turn supports the company's sustainable growth.

### b. Overcoming Weaknesses and Threats

The German technology referred to by PT Arhapro is actually German technology adopted by the company as part of the handmade production process . in 1992, when this technology was actually outdated and needed to be developed.

This requires technological modernization in the production process to prevent weaknesses related to outdated technology and threats from cheap product competition. For this, PT Arhapro can reopen opportunities to cooperate with German companies or others that have the latest technology. This cooperation can be in the form of technology transfer to update the production system with the aim of company efficiency and productivity, in addition to being an effort for the company to train the workforce to be able to operate new technology effectively. Improving the technical capabilities of the workforce and operational efficiency can

significantly reduce production costs and maintain the quality of well-known products while remaining competitive in the market at more competitive prices.

PT Arhapro can also implement competitive pricing strategies in facing price competition with cheaper competitor products without reducing product quality. This can be done by analyzing costs comprehensively to understand the product cost structure and identify areas that can be improved to reduce production costs.

General steps that can be taken by PT Arhapro are optimizing the use of raw materials, operational efficiency and minimizing waste. Thus the company can set competitive prices, so that products remain attractive to price-sensitive consumers while maintaining the reputation of product quality that has been built.

In terms of market and product diversification, especially in overcoming the threat of tight domestic competition and reducing dependence on the local market, PT Arhapro needs to increase exports, especially aimed at countries that value high-quality products with local materials. Several countries in Asia and Europe are very concerned about high-quality products made from domestic raw materials.

In addition, the company needs to introduce new product lines with simpler designs and more affordable prices to be able to compete in the lower-middle market segment. This product diversification will expand market share and reduce the risk that comes from dependence on one type of product or a particular market.

Facing the threat of global economic instability that can affect the supply of raw materials and production prices, PT Arhapro needs to build strategic relationships with local suppliers to reduce dependence on imported raw materials. By relying on domestic suppliers, the company can mitigate the impact of global price fluctuations and supply uncertainty. In addition, it is important to prepare a buffer stock of raw materials to anticipate possible supply and price fluctuations, so that production can continue to run smoothly without being disrupted by external factors. This risk mitigation strategy will increase the company's resilience to global economic disruptions and ensure more stable operational continuity.

By implementing these strategies, PT Arhapro can overcome internal weaknesses and external threats, while remaining focused on sustainable growth and competitiveness in an increasingly competitive market.

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### **Interpretation of Results**

The results of this study indicate that the SWOT analysis applied to PT Arhapro provides in-depth insight into the internal and external factors that influence its sales performance. PT Arhapro's main strengths, such as product excellence and brand strength, play a crucial role in strengthening the company's position in the market. This is in line with the theory of competitive advantage which emphasizes the importance of utilizing internal strengths to gain relative advantage in the market. (Porter 1980, 1998).

These strengths not only strengthen the company's competitiveness but also enable PT Arhapro to take advantage of emerging opportunities in the market, such as new consumer trends or technological innovations, which can improve sales performance. Conversely, identified weaknesses, such as resource constraints or suboptimal marketing management, indicate areas that need improvement. Strategic adaptation theory underlines the importance of addressing internal weaknesses so that companies can adapt to market changes and reduce risk.

By fixing these weaknesses and taking advantage of external opportunities, PT Arhapro can formulate a more effective marketing strategy. External threat analysis also shows that the company must be prepared to face challenges such as intense competition and regulatory changes, which is in line with the theory of risk mitigation in marketing strategy. The interpretation of these results demonstrates how the SWOT approach can be integrated with existing marketing theories to formulate strategies that are more adaptive and responsive to dynamic market conditions.

### **Impact on Theory and Practice**

The results of this study provide significant contributions to both the development of marketing theory and strategic practice in the field. In terms of theory, the findings from the SWOT analysis confirm and extend existing competitive advantage models and strategic adaptation theories by providing empirical evidence on how internal and external factors directly affect sales performance. This study shows that the integration of SWOT analysis into marketing strategy is not just a theory, but can provide real practical guidance for companies in facing market challenges (Benzaghta et al., 2021).

In practice, these findings show that PT Arhapro can formulate a more effective marketing strategy by utilizing existing strengths and opportunities, as well as by addressing the weaknesses and threats faced. The implementation of these recommendations in practice shows how companies can concretely adapt their marketing strategies to increase sales and competitiveness in a competitive market. For example, the results of the study underline the importance of strengthening brand positioning and taking advantage of market trends, which is in line with a data-driven approach to marketing planning (Myers, 2019) .Thus, this study not only adds a new dimension to existing theory, but also provides practical insights that marketing practitioners can apply to improve their sales results and strategy effectiveness. **Research Limitations** 

Although the results of this study provide valuable insights into the application of SWOT analysis in PT Arhapro's marketing strategy, there are several limitations that need to be considered. First, limitations in the available data may affect the depth of the analysis. Data collected through in-depth interviews and literature studies may not fully cover the entire spectrum of factors influencing sales, given the limited time and resources available. In addition, potential bias in interviews may affect the objectivity of the findings, especially if the information obtained is too focused on the perspective of a particular individual or group within the company (Rosenthal, 2016).

These methodological limitations may limit the study's ability to generate broader generalizations beyond the context of PT Arhapro. Furthermore, the application of SWOT analysis to a single case study does not fully reflect the complexity and dynamics that may occur in other companies with different characteristics. This underscores the need for further research that can test the validity of these findings in a broader context or in different industries. These limitations should be considered in interpreting the results and applying recommendations, as well as in planning for future studies that can refine and expand the understanding of the application of SWOT analysis in marketing strategy.

### CONCLUSION

This research shows that the application of SWOT analysis at PT Arhapro makes a significant contribution in formulating an effective marketing strategy. Through the identification of internal strengths and weaknesses as well as external opportunities and threats, the company can develop more targeted strategies to improve its sales results. The results of this study answer the research problem by confirming that the use of SWOT analysis not only helps in understanding the company's competitive position in the market, but also in formulating strategic measures that can be implemented to maximize sales potential and strengthen competitiveness. Thus, SWOT analysis proved to be an essential tool in supporting more informational and contextualized marketing decision-making at PT Arhapro..

In addition, further research can integrate quantitative methods to complement the qualitative data obtained from interviews and literature studies. Methods such as surveys or big data analysis can provide additional insights and measure the impact of proposed marketing strategies more objectively and measurably. Finally, further exploration of how external factors, such as regulatory changes or global market dynamics, affect the implementation of SWOT and company marketing strategies would be beneficial. This can help understand how companies can adapt to rapid environmental changes and develop more resilient strategies . Future research with this approach is expected to further contribute to marketing theory and strategic practice, as well as assist companies in formulating more effective strategies to improve sales performance.

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