

## **Surabaya City Kayoon Flower Market Development Strategy**



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**ABSTRACT:** The right development strategy will affect the level of income generated, this is because the strategy can contribute to the development of the Kayoon Flower Market. Over time, many entrepreneurs have turned to flower traders, and individual florist traders are no exception. The large number of individual florists has resulted in many competitors so the income generated by florists in the kayoon flower market has decreased. Therefore it is necessary to research the Kayoon Flower Market Development Strategy. The sample in this study was 82 respondents and this sample was used as a whole which is called the Census. The data analysis used in this research is SOAR analysis and QSPM Matrix. The results of this study are the implementation of alternative strategies by utilizing the use of social media which can increase product interest through some content and provide information on flower arrangement products.

**KEYWORDS:** Florist, Strategy, SOAR Analysis, Social Media, QSPM Matrix

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### **I. INTRODUCTION**

Development economy the more fast demanding company always reacts to change with a set strategy, Good expects short nor expects long. In principle, each company's objective certain wants to achieve. The strategy is used to see how the business development opportunities of a company in the future. A business strategy greatly influences the long-term welfare of an organization or company. Usually has a timeframe of about five years, therefore business strategies are oriented toward the future (Amirullah Muh. Amin et al, 2018). The right development strategy can affect the sustainability of a business prospect in the future. Ornamental flower traders or floricultural plants are no exception. The development of ornamental plant business activities in the country is associated with increased consumer income, demands for environmental beauty, development of the tourism industry, and construction of housing complexes, hotels, and offices. With the development of the use of ornamental plants, domestic market demand in recent years has increased quite sharply causing the ornamental plant production sector in various regions to become more active and view this as an opportunity to meet consumer needs (Agung et al., 2017). Consumption of floricultural products has also increased in line with the improving economic conditions in Indonesia. With the increasing demand for flowers, many business actors have switched to selling flowers, and the city of Surabaya is no exception. Where, in the city of Surabaya there is a flower market that sells various types of flowers such as bouquets, cut flowers, dried flowers, and decorative flowers. One of the flower markets that sells various types of flowers is the kayoon flower market. At present, there are many individual flower shops which has resulted in the existence of a flower market being threatened because some people prefer individual flower shops as an option for shopping for live and dead flowers. Many competitors can also result in decreased sales so the income received also tends to decrease. There is more and more competition, coupled with the uncertain socio-political and economic conditions of the country, making business actors have to find ways to develop their businesses by changing their business development strategy. The right development strategy will affect the level of income generated, this is because the strategy can contribute to the development of the Kayoon Flower Market. Therefore, it is necessary to research the Kayoon Flower Market Development Strategy in Surabaya City.

### **II. LITERATUR REVIEW**

David (2012) suggests that strategy is a potential action that requires a large number of top management decisions and company resources. Strategy In general the company has a specific goal and to achieve it requires a strategy. Strategies are structured to reduce failure and maximize results (Prihartono, 2012). The development of a business is the responsibility of every entrepreneur or entrepreneur which requires foresight, motivation, and creativity. If this can be done by every entrepreneur, then there is great hope to be able to turn a small business into a medium scale and even become a big business (Anoraga, 2011). Types of Business Development Strategy is a tool for achieving company goals about long-term goals, follow-up programs, and resource allocation

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priorities (Rangkuti, 2009)

1. Product Development Strategy
2. Market Development Strategy
3. Concentrated Development Strategy
4. Innovation strategy

### III . RESEARCH METHODOLOGY

The research was conducted on Kayoon Road, Surabaya City. The selection of research locations was carried out using the purposive method. The sampling technique used is saturated or census samples. According to Sugiyono (2017), the saturated sampling technique is a sampling technique in which all members of the population are used as samples. So the number of samples used in this study was 82 stall owners at the Kayoon flower market. Analysis of the data used is a SOAR Analysis and QSPM Matrix.

### IV . RESULT AND DISCUSSION

This research is based on the results of interviews and filling out questionnaires to kiosk owners at the Kayoon Flower Market in Surabaya, as many as 82 respondents. There are two factors namely internal and external factors. The internal factors consist of factors Strength and Aspiration. While the external factors consist of factors Opportunity and Result The first step that must be done is to calculate the rating on the input data in the SOAR and QSPM analysis.

#### A. Questionnaire Rating Calculation

Rating calculations are carried out to see how many scores are obtained on each of the factors which will be used in inputting the IFE analysis (Internal Factor Evaluation) from EFE (External Factor Evaluation) to generate further scores into the SOAR and QSPM Matrix. The following is the result of rating calculations on internal factors and external factors:

**Table 1. Questionnaire Rating Calculation**

No	Factor	Rating	SOAR	Information
1.	(S1) Customer Service	3,74	Strength	Very good
2.	(S2) Product quality	3,84	Strength	Very good
3.	(S3) Product variants and product price variants	3,68	Strength	Very good
4.	(S4) Product Prices According to Quality	3,78	Strength	Very good
5.	(S5) Capital	3,20	Strength	Very good
6.	(S6) Promotions	3,36	Strength	Very good
7.	(O1) Community purchasing power	3,44	Opportunity	Very good
8.	(O2) Media promotion	3,19	Opportunity	Very good
9.	(O3) Excellent product opportunities	3,59	Opportunity	Very good
10.	(O4) Customer Confidence	3,77	Opportunity	Very good
11.	(O5) Connection with Customers	3,59	Opportunity	Very good
12.	(O6) Permanent Supplier	3,80	Opportunity	Very good
13.	(A1) Interest Renewal	3,31	Aspiration	Very good
14.	(A2) Online product sales	3,51	Aspiration	Very good
15.	(A3) Increasing interest through content	3,27	Aspiration	Very good

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16.	(A4) Compete with other florists	3,57	Aspiration	Very good
17.	(R1) Expanding the Market	3,68	Result	Very good
18.	(R2) Improving Online Marketing with Paid Advertising	2,97	Result	Good
19.	(R3) Increasing sales	3,72	Result	Very good
20.	(R4) Good Cooperation	3,68	Result	Very good
21.	(R5) Improving Employee and Sales Skills	3,61	Result	Very good

Source: Primary data after processing, 2023

Rating calculations that have been carried out on internal factors and external factors show that each element has a different rating value. There is a description of each element, namely very good and good. In this case good information is obtained if the rating on the element ranges from 2.5 to 3.0. Meanwhile, the description is very good if the rating ranges from 3.0 to 4.0

### B. IFAS Matrix

The IFE matrix is used to determine the calculation of the weight and rating of each internal factor (Strengths and Aspirations) which will produce a final score.

Table 2. IFAS Matrix

	Factor	TS	Weight	Rating	Score
Strength	Customer service	2	0,09	3,75	0,33
	Product quality	3	0,13	3,84	0,49
	Product variants and product price variants	3	0,13	3,69	0,47
	Product Prices According to Quality	2	0,09	3,78	0,34
	Modal	2	0,09	3,20	0,28
	Promotion	1	0,04	3,36	0,13
Aspiration	Flower Renewal	2	0,09	3,31	0,29
	Online product sales	3	0,13	3,52	0,46
	Increasing interest through content	2	0,09	3,28	0,29
	Compete with other florists	3	0,13	3,58	0,46
Total		23			3,54

Source: Primary data after processing, 2023

Based on the table above it can be seen that there are 10 elements of strength and aspiration factors which result in a total IFE score of 3.54.

### C. EFAS Matrix

At this stage, weights and ratings will be calculated on external factors, namely Opportunities and Outcomes. Then the results of the calculation of weights and ratings will get a total score which will later be used to analyze the IE matrix (Internal and External).

Table 3. EFAS Matrix

	Factor	TS	Weight	Rating	Score
Opportunity	Community purchasing power	1	0,04	3,44	0,13
	Promotion media	2	0,08	3,19	0,25
	Featured product opportunities	2	0,08	3,59	0,28
	Connection with Customers	3	0,12	3,59	0,43
	Have a regular supplier	3	0,12	3,81	0,46
Result	Expanding Market	3	0,12	3,69	0,44

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	Improve Online Marketing with Paid Advertising	1	0,04	2,97	0,11
	Increase sales	3	0,12	3,72	0,44
	Good teamwork	2	0,08	3,69	0,29
	Improving Employee and Sales Skills	2	0,08	3,61	0,28
Total		24			3,56

Source: Primary data after processing, 2023

Based on the table above, there are 11 factors from the opportunity element and the result obtained is an EFE score of 3.56

### D. IE Matrix

According to David and David (2016) stated that the internal – external matrix positions the various divisions of an organization in a nine-cell view. The IE matrix is used to determine the strategic business unit of a company which consists of 9 positions. The IE matrix consists of 2 parts, namely the X axis which shows the scores from the IFE matrix and the Y axis shows the scores from the EFE matrix. After analyzing the IFE and EFE matrices, the total score will be positioned between the 9 areas that match the score. Following

- Cells I, II, and IV describe the condition of the company as grow and build or grow and build. The strategy that is suitable to be applied is intensive which includes market penetration, market development, and product development or integration strategy which includes forward integration, backward integration and horizontal integration.
- Cells III, V, and VII describe the condition of the company as hold and maintain. Strategies that can be used are market penetration and product development.
- Cells VI, VIII and IX can use the Harvest and divestiture strategy or harvest and divestiture. The strategies that can be implemented are strategic divestment, collongmerate diversification, and liquidation.

Table 4. IE Matrix

		Scores IFE (3.50)		
		Strong (3,0-4,0)	Currently(2,0-2,99)	Weak (1,0-1,99)
ScoresEFE (3.55)	Height (3,0-4,0)	I	II	II
	Currently (2,0-2,99)	IV	IN	WE
	Low (1,0-1,99)	VII	VIII	IX

Source: Primary data after processing, 2023

Based on the table above, it can be seen that the IFE and EFE scores in the IE matrix are in area I (Strong-High) with Grow andBuild Conditions (grow and develop). The strategies that are suitable to be applied are intensive which include market penetration, market development, and product or strategy development. Integration which includes forward integration, backward integration and horizontal integration

### E. SOAR Matrix

The SOAR matrix will be carried out in collaboration or a combination of factors that produce several strategies. There can be more than two collaborative factors and then the weight score will be calculated in the QSPM matrix. The following is a combination of SOAR matrices

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**Table 5. SOAR Matrix**

Matrix SOAR	<p>Strenght (Strength)</p> <p>Customer service</p> <p>Product quality</p> <p>product variants and product price variants</p> <p>Product prices according to quality</p> <p>Modal</p> <p>Promotion</p>	<p>Opportunity (Opportunity)</p> <p>Community purchasing power</p> <p>Promotion media</p> <p>Featured product opportunities</p> <p>Customer trust</p> <p>Connection with customers</p> <p>Have a regular supplier</p>
<p>Aspiration (aspiration)</p> <p>Flower renewal</p> <p>2. Online product sales</p> <p>3. Increasing interest through content</p> <p>Compete with other florists</p>	<p>S-A (Strenght-Aspiration)</p> <p><b>1. STRATEGY 1</b> (s2,s3,s4,s5,s6,a1,a2,a3)</p> <p>Utilizing the use of social media which can increase the number of product enthusiasts through some content and provide detailed information on the flower arrangement products being sold</p> <p><b>2. STRATEGY 2</b> (s1, a4)</p> <p>Improving good service to customers. With this, customer satisfaction will be guaranteed so that customer loyalty will be created. In this way, healthy competition will occur</p>	<p>O-A (Opportunity-Aspiration)</p> <p><b>1. STRATEGY 3</b> (o1,o2,o3,a2,a3,a4)</p> <p>Increase promotions by participating in events so that superior products are increasingly recognized and in demand by the public. Participating in these activities will increase customer confidence in the flower products offered.</p> <p><b>2. STRATEGY 4</b> (a1,o4,o5,o6)</p> <p>Maintain cooperation between farmers and collectors for the long term so that the quality of the products sent is maintained so that customers will feel satisfied</p>
<p>Result (Results)</p> <p>Expanding market</p> <p>2. Improve online marketing with paid advertising features</p> <p>Increase sales</p> <p>4. Good cooperation between parties</p> <p>5. Increasing the skills of employees and sellers</p>	<p>S-R (Strenght-Result)</p> <p><b>1. STRATEGY 5</b> (s5,r1,r2,r3)</p> <p>Utilize paid advertising features so that the marketing reach is wider so that sales volume will increase.</p> <p><b>2. STRATEGY 6</b> (s6,r4,r5)</p> <p>Pay attention to employee performance as best as possible. As well as developing marketing skills to workers by utilizing existing social media</p>	<p>O-R (Opportunity-Result)</p> <p><b>1. STRATEGY 7</b> (o1,o2,r2,r3)</p> <p>Using E-commerce as a sales medium and promotional media by maximizing the number of paid advertising features on social media and paid advertising on E-Commerce so that sales will increase.</p>

**Source:** Primary data after processing, 2023

### F. QSPM Matrix

QSPM (Quantitative Strategic Planning Matrix) is a matrix that offers objective alternative strategies in making decisions about choosing the most appropriate strategy to implement. QSPM is also believed to be an alternative strategy that has the highest attractiveness score (Hasibuan and Amela, 2019). The QSPM matrix technique is designed to determine relative attractiveness and evaluate alternative strategy options that can be implemented objectively, based on internal and external factors that have been identified in the previous EFE and IFE matrices.

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Table 6. QSPM Matrix

Factor	Bobbot	Strategy													
		S1		S2		S3		S4		S5		S6		S7	
		AS	TAS	AS	TAS	AS	TAS	AS	TAS	AS	TAS	AS	TAS	AS	TAS
Strenght															
S1	0,09			3	0,27										
S2	0,13	4	0,52												
S3	0,13	4	0,52												
S4	0,09	3	0,27												
S5	0,09	3	0,27						3	0,27					
S6	0,04	2	0,08								2	0,08			
Aspiration															
A1	0,09	2	0,18					2	0,18						
A2	0,13	4	0,52			3	0,39								
A3	0,09	3	0,27			3	0,27								
A4	0,13			3	0,39	3	0,39								
Opportunity															
O1	0,04					3	0,12							3	0,12
O2	0,08					4	0,32							4	0,32
O3	0,08					4	0,32								
O4	0,12							4	0,48						
O5	0,12							4	0,48						
O6	0,12							4	0,48						
Result															
R1	0,12								4	0,48					
R2	0,04								3	0,12					
R3	0,12								4	0,48					
R4	0,08										4	0,32	3	0,12	
R5	0,08										4	0,32	4	0,48	
Total	1		2,63		0,66		1,81		1,62		1,35		0,72		1,04

Source: Primary data after processing, 2023

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Then the ranking is then carried out by sorting based on alternative strategies that have the highest score to the lowest

**Table 7. Alternative Strategy Rank**

RANK	Alternative Strategy	Total TAS	strategy no.
1	Utilizing the use of social media which can increase the number of product enthusiasts through some content and provide detailed information on the flower arrangement products being sold	2,73	1
2	Increase promotions by participating in events so that superior products are increasingly recognized and in demand by the public. Participating in these activities will increase customer confidence in the flower products offered.	1,93	3
3	Maintain cooperation between farmers and collectors for the long term so that the quality of the products sent is maintained so that customers will feel satisfied	1,56	4
4	Utilize paid advertising features so that the marketing reach is wider so that sales volume will increase.	1,35	5
5	Using E-commerce as a sales medium and promotional media by maximizing the number of paid advertising features on social media and paid advertising on E-Commerce so that sales will increase.	1,04	7
6	Pay attention to employee performance as best as possible. As well as developing marketing skills to workers by utilizing existing social media	0,80	6
7	Improving good service to customers. With this, customer satisfaction will be guaranteed so that customer loyalty will be created so that healthy competition will occur	0,66	2

**Source:** Primary data after processing, 2023

Based on the results of the strategic QSPM matrix calculation above, the 1st ranking position is found in the 1st strategy, namely Utilizing the use of social media which can increase the number of product enthusiasts through some content and provide detailed information on flower arrangement products being sold which has the largest score of 2.73. This is because based on the rating from the questionnaire and also the assumptions of the researcher, this strategy has covered almost all of the factors, so that in the QSPM Attractive Score matrix column that has been given for this strategy is quite large and numerous.

At rank 2-6, the US Score has been given the researcher's assumption based on the conditions in the field. Filling the assumptions of the study combined with the resulting impact of each strategy made. After obtaining the 7 alternative strategies that have been formulated, the strategy that gets priority to be implemented is the strategy that has a TAS value starting from the highest to the lowest. This is due to unpredictable field conditions, so it is possible that the strategy that has the lowest TAS value can be more successful than the one with the highest value when applied to field conditions

## V. CONCLUSION

Based on the results of the analysis that has been carried out starting from using the IFE (Internal Factor Evaluation) matrix, EFE (External Factor Evaluation), IE (Internal External), SOAR (Strength, Opportunity, Aspiration, Result) to QSPM, 7 alternative development strategies can be determined. The strategy that gets priority to be implemented is strategy number 1 with a TAS score of 2.7, namely utilizing the use of social media which can increase the number of product enthusiasts through several content and provide detailed information on flower arrangements and cut flower products being sold. Then the lowest score is owned by strategy number 2 with a TAS score of 0.66 namely improving good service to customers. With this, customer satisfaction will be guaranteed so that customer loyalty will be created so that healthy competition will occur

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