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# THE DEVELOPMENT STRATEGY OF FURNITURE BUSINESS: A CASE STUDY ON THE UD HUDA JAYA IN GRESIK DISTRICT, EAST JAVA PROVINCE, INDONESIA

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#### **ABSTRACT**

The Indonesian furniture market is expected to grow and has consistently ranked among the leading global furniture producers. UD Huda Jaya is one of the micro-businesses operating in the furniture sector and has not yet developed significantly. The aim of this research is to identify both internal and external factors and ascertain strategic priorities for the advancement of UD Huda Jaya Furniture. The study was carried out in Sirnoboyo Village, Benjeng District, Gresik Regency, East Java Province, Indonesia. Six individuals, including the owner, one employee, and four customers, were interviewed to gather information. SWOT and QSPM analyses were employed to formulate the development strategy. According to the IE matrix, the business is positioned in cell V, signifying a hold-and-maintain position, with strategies concentrated on market penetration and product development. The recommended top-priority strategy for UD Huda Jaya involves establishing more collaborations with raw material suppliers and intensifying promotional efforts, with a specific focus on those with the highest TAS value (5.78).

#### KEYWORDS

EFE, Furniture, IFE, MSMEs, QSPM, SWOT, strategy

#### 1. Introduction

Indonesia, being a tropical country, is conducive to the cultivation of various types of wood, benefiting from its geographical location and favorable weather conditions (Puspita, 2016). Woody plants serve a dual purpose as rain-harvesting plants, preventing floods and landslides. The presence of trees significantly impacts the health of both urban and rural communities. Trees in the surrounding environment can absorb air pollution, improving air quality and creating a fresh and stress-relieving atmosphere (Purwanto, 2012). Furthermore, trees or wood play a vital role as a fundamental construction material derived from plants in nature. Hardwood from plants was utilized as building structures, such as frames, predating the advent of steel and concrete (Septiani, 2021). Wood also finds application in crafting various items with high market demand, both domestically and internationally. Examples include creating miniature cars and motorcycles from wood, showcasing its versatility and economic value (Hendriyana, 2017).

The furniture industry in Indonesia is experiencing significant growth, playing a vital role in the nation's economic development (Widhanarto, 2022). The wood and rattan furniture sector in the East Java province has successfully exported wooden furniture products worth USD 868.74 million in 2020 (Disperindag Jatim, 2021). This accomplishment can be credited to the assistance and direction offered by the East Java government concerning the development of the market. Despite the governmental assistance aimed at boosting the export value of micro, small, and medium enterprises (MSMEs) in the furniture industry, the industry faces challenges due to the inadequate organizational structure of companies, leading to inefficiencies in marketing and production processes (Sayekti, 2020). Furthermore, the COVID-19 pandemic has adversely affected the furniture sector, resulting in an 88% reduction in export value for Indonesian companies (Zuraya, 2020).

In 2020, the furniture associations and industry fell short of their export target, achieving only a value of 2.5 billion US dollars instead of the anticipated 5 billion (Sayekti, 2020). The furniture business, particularly UD. Huda Jaya, faced repercussions due to the COVID-19 pandemic. Owing to the social distancing regulations imposed by the government, monitoring raw material extraction became challenging, leading to disruptions in the supply chain for UD Huda Jaya. This, along with the pandemic, contributed to a significant decline in product sales. UD Huda Jaya's market extends beyond the Gresik area to several cities in East Java, and since 2019, it has reached as far as Riau. Their product range includes frames, doors, cupboards, windows, and dining tables, with a monthly sales turnover ranging from IDR 3,000,000 to IDR 10,000,000. UD Huda Jaya encounters numerous challenges in advancing its furniture business. These obstacles include intense competition with other furniture businesses in the Benjeng sub-district, a neglect of long-term development, dependence on traditional production methods devoid of modern machinery, and constrained local marketing efforts. Given this situation, the research objectives are: (1) to recognize the internal and external factors affecting UD Huda Jaya furniture; and (2) to formulate priority strategies for ensuring the sustainable development of UD Huda Iava furniture.

# 2. LITERATURE REVIEW

Crafts involve the creation of objects or products with specific values, such as a high selling price, generating profits for the craftsman (Nurlaela, 2015). The business environment holds significant importance for all business entities, necessitating attention. Within this environment, business actors must comprehend opportunities, competitors, challenges, and threats (Jufri, 2022). The Micro, Small, and Medium Enterprise (MSMEs) sector is divided into three segments (micro, small, and medium enterprises), including standalone businesses, individuals, and other

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business entities that vary in economic criteria like income, capital, and technology utilization (Suci, 2017). The advancement of MSMEs in Indonesia is experiencing notable growth in terms of quality, with substantial governmental support for business development, including the furniture industry, contributing significantly to the country's economic landscape (Sarfiah, 2019). MSMEs' contribution to GDP stood at 59.08% in 2012, reaching 60% by 2018, reflecting the cumulative impact across all economic sectors within MSMEs. Consequently, it is evident that MSMEs play a crucial role in positively influencing society by fostering creativity and innovation for micro, small, and medium enterprises (Azizah, 2020).

A company engages in the formulation of strategies to outline long-term steps aimed at reaching specific objectives (Aulia, 2022). To attain its objectives, every company requires a developmental strategy for its continued existence. In the realm of business development, a development strategy refers to the proactive actions a company must undertake in its managerial decisions (Suhaety, 2021). The SWOT analysis is a systematic process that involves evaluating various decision factors within a company, encompassing strengths, weaknesses, opportunities, and threats (Afatsyar, 2018).

The Internal Factor Evaluation (IFE) matrix is utilized to assess a company's internal elements pertaining to its strengths and weaknesses across various domains such as human resources, marketing, production and operations, finance and accounting, and information (Zulkarnaen, 2018). The External Factor Evaluation (EFE) matrix is employed to appraise external factors affecting a company, encompassing economic, political, and governmental considerations, social and cultural aspects, technology, environment, demographics, industrial market competition, and other pertinent external data. The internal and external (IE) matrix represents an analytical approach derived from SWOT analysis theory, enabling the formulation of strategies by examining a company's position within the matrix. SWOT analysis is a systematic process that involves evaluating several decision factors within a company, including its strengths, weaknesses, opportunities, and threats (Afatsyar, 2018).

Previous research on MSME furniture has been conducted, including studies on strategies for improving product sales at UD Andika Sidotani and marketing strategy at CV Madera Art (Andika, 2022; Fuad, 2019). Recommendations for UD Andika Sidotani emphasize the importance of maintaining top-notch product quality, crafting furniture with meticulous artistry and diverse motifs, ensuring easy access to raw materials, offering customizable product models based on consumer preferences, and leveraging social media as a marketing tool (Andika, 2022). On the other hand, for CV Madera Art, identified strategies, along with their corresponding strategic priorities and priority index values, include providing friendly service, allowing consumers the freedom to choose desired models, capitalizing on the upward trend in house and office constructions for product marketing, and harnessing technological advances for more efficient product promotion (Fuad, 2019).

### 3. RESEARCH AND METHODOLOGY

The research was conducted at UD. Huda Jaya, located in Setran Hamlet, Sirnoboyo Village, Benjeng sub-district, Gresik Regency, East Java Province, Indonesia. The selection of this specific location was intentional, given the significance of UD. Huda Jaya as a prominent MSME specializing in the furniture industry. The products from this enterprise enjoy widespread recognition in Gresik Regency.

Primary data were gathered through observation, interviews, and documentation. Information was obtained from interviews with six individuals, including the owner, an employee, and four customers. In order to elucidate the business operations of UD Huda Jaya, this study employs a descriptive approach (Setiawan, 2019). The determination of the business development strategy aligns with previous research, utilizing SWOT (Strength, Weakness, Opportunity, and Threat) and QSPM (Quantitative Strategic Planning Matrix) analysis (Salva and Setiani, 2023; Zalsadillah and Setiani, 2023). SWOT and QSPM analyses are tools employed to devise suitable strategies and alternative courses of action for business advancement (Raodhany, 2021). The stages of analysis are depicted in Figure 1.

The first stage involved identifying internal and external factors at UD Huda Jaya. Strengths and opportunities within the internal factors were utilized to determine the Internal Factors Evaluation (IFE), while weaknesses and threats were considered for the External Factors Evaluation (EFE). Each positive factor received a rating on a scale of 1 to 4 (very weak to very strong), while negative factors were rated on a scale of 1 to 4 (very strong to very weak). Subsequently, a score was obtained by multiplying the weight and rating (Ridha, 2022). In the second step, a

strategy was formulated using the SWOT matrix, encompassing the strength-opportunity strategy (SO), weakness-opportunity strategy (WO), strength-threat strategy (ST), and weakness-threat strategy (WT).

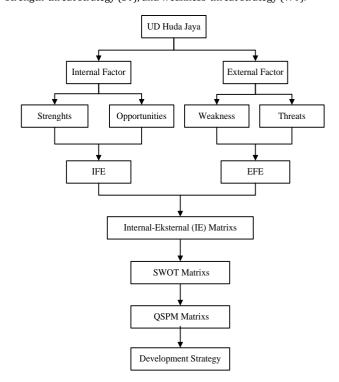


Figure 1: The steps of analysis

The final step involves employing the decision-making strategy through QSPM analysis. The QSPM matrix is utilized to select the most suitable and optimal strategy (Apriyanti, 2014). The QSPM's performance begins with the weighting process, determining the attractiveness scores (AS), and calculating the total attractiveness scores (TAS). AS values range from 1 (not attractive) to 4 (very interesting), with 2 representing somewhat interesting and 3 indicating an interesting score (Qanita, 2020). By multiplying the weight by the AS value, the TAS value is obtained. This TAS value represents the overall score for various alternative strategies. Companies can prioritize strategies that yield the highest TAS value among the available alternatives (Mallick, 2020).

### 4. RESULT AND DISCUSSIONS

## 4.1 General Description of UD Huda Jaya Furniture MSMEs

Established in 2007, UD Huda Jaya is a thriving enterprise in the furniture industry situated in Sirnoboyo Village, Benjeng sub-district, Gresik Regency, East Java Province. Over the years, the business has successfully endured and continues its operations. UD Huda Jaya operates from 08:00 AM to 04:00 PM, maintaining a production capacity of 2 to 3 furniture products per day, including frames, doors, windows, cupboards, tables, chairs, and various other items. The price range varies from IDR 500,000 to IDR 5,000,000, depending on the specific item, difficulty level, and types of raw materials used. Marketing strategies include the direct method (offline) through a home-based shop and order acceptance, as well as the online method involving sales through social media platforms such as:

- 1. Instagram (https://www.instagram.com/hudafurniture.id/),
- Facebook: (https://www.facebook.com/profile.php?id=10008936481 0236&mibextid=9R9pX0
- 3. WhatsApp (+6283134961127)

## 4.2 Internal and External Factors of UD Huda Jaya

The IFE matrix (Table 1) and the EFE matrix (Table 2) reflect the identification of internal and external factors. In the matching stage, a table called the IE (internal-external) matrix with nine cells (I-IX) is utilized to determine UD Huda Jaya's position and is presented in Table 3. The SWOT matrix, depicted in Table 4, outlines alternative formulations categorized into four types of strategies. Conducting an analysis of the internal environment is crucial to recognizing and pinpointing factors contributing to strengths and weaknesses. These factors serve as indicators of the company's ability to effectively execute its operations (Susanthi, 2017).

Internal factors are identified through an assessment of strengths and weaknesses in various aspects, including human resources, production, finance, and managerial functions. This evaluation includes activities ranging from planning and coordination to monitoring and evaluating UD

Huda Jaya's operational processes. Before delving into the analysis of external factors, an initial internal analysis is first carried out by highlighting the strengths and weaknesses of the variables, as depicted in Table 1.

Table 1: IFE Matrix						
Internal Factors	Weight	Ratings	Weight x Ratings			
Strengths	0.10	3.67	0.36			
1. Good raw material inventory management	0.09	3.50	0.31			
2. Good quality product	0.09	3.33	0.29			
3. Good use of social media (WA, IG, FB)	0.08	3.00	0.24			
4. Good relations and communication with workers						
5. Good service	0.09	3.50	0.31			
6. Adequate production machines are adequate	0.08	3.00	0.24			
7. Supervision of the production process						
8. Providing discounts for large purchases	0.08	3.00	0.24			
	0.08	3.33	0.29			
Subtotal of Strengths	0.70		2.28			
Weakness						
1. No offline shop	0.06	2.17	0.13			
2. No business legalities	0.04	1.67	0.06			
3. Lack of labor	0.05	2.00	0.11			
4. Lack of promotion through market places	0.04	1.67	0.06			
5. Inadequate production premises						
6. unable to fulfill all models according to consumer desires	0.04	1.67	0.06			
or analysis to raining an insulation according to consumer desires	0.05	2.00	0.11			
Subtotal of Weakness	0.30		0.53			
Total	1.00		2.81			

Utilizing the provided IFE matrix, a total of 14 internal factors for UD Huda Jaya were identified, comprising 8 strength factors and 6 weakness factors. The total IFE matrix is 2.81, and the strength value (2.28) surpasses the weakness value (0.53). The highest value is attributed to the strength factor, particularly in the effective management of raw material inventory (0.36). This underscores the proprietor's adeptness in managing UD Huda Jaya. The furniture business places significant emphasis on raw material supply, ensuring that, with effective raw material management, the

demand for raw materials is adequately fulfilled. In addition, the most notable weakness factor is the absence of a dedicated physical store, scoring 0.13. This could pose challenges for UD Huda Jaya in reaching consumers seeking to purchase their products. This finding is in line with the situation of other furniture businesses, where the strength value surpasses the weakness value, indicating that in this instance, prioritizing internal environmental strength factors is crucial for addressing the company's weaknesses (Fuad, 2019).

Table 2: EFE Matrix					
External Factors	Weight	Ratings	Weight x Ratings		
Opportunity  1. Availability of various raw materials  2. Advances in production machine technology  3. Technological advances in terms of marketing in the market place  4. Potential to turn consumers into customers and promotional tools  5. There are MSMEs that make good use of furniture business waste  6. Open a similar business in a different location  7. Suppliers of raw materials from various regions	0.10 0.09 0.08 0.10 0.09 0.10 0.08	3.83 3.50 3.17 3.67 3.50 3.67 3.17	0.38 0.31 0.25 0.36 0.31 0.36 0.25		
Subtotal of Opportunity	0.64		2.22		
Threats  1. Increasingly tight competition in quite a lot of areas	0.06	2.33	0.13		
Competitors offer products at lower prices     Measurement errors by consumers     Better service than competitors	0.04 0.04 0.04	1.67 1.67 1.67	0.06 0.06 0.06		
5. Competitor mobile sales <i>door to door</i> 6. Competitor can fulfill all types of consumer desires 7. The increase in raw material prices affects production	0.04 0.04 0.06	1.67 2.67 1.33	0.06 0.16		
Subtotal of Threats	0.36		0.62		
Total	1.00		2.84		

External analysis entails investigating how external conditions can influence the operational scope of the company (Lofian, 2014). The external factors are determined by assessing opportunities and threats associated with consumers, distributors, suppliers, and competitors. Following the analysis of internal factors, an assessment of external factors is conducted, encompassing the exploration of opportunities and

threats. The EFE matrix reveals the identification of 14 external factors for UD Huda Jaya, with an equal number of opportunity and threat factors. The total EFE matrix value is 2.84, indicating that opportunities outweigh threats (2.22 > 0.62). The highest value is attributed to the opportunity factor, specifically the variable of raw material availability (0.38). This signifies the diverse availability of raw materials, as the company sources

materials from various suppliers rather than relying on a single supplier. A robust partnership exists with the company, and the utilization of modern technology can enhance the furniture production process at UD Huda Jaya. Additionally, the most noteworthy concern lies with competitors who have the ability to meet all consumer preferences. This possible scenario could result in losses for the company, as it risks losing customers who currently buy products from UD Huda Jaya—an aspect that cannot be overlooked. These findings are consistent with a previous study, which highlighted that the opportunity outweighs the threat. This underscores the importance of prioritizing opportunity factors to

effectively minimize existing threat factors within the company (Fuad, 2019).

The IE matrix is employed to evaluate a company's position within a matrix consisting of nine cells (I–IX). From the provided matrix, it is clear that the IFE value is 2.89 and the EFE value is 2.99, with both values surpassing the threshold of 2.50. Consequently, it can be affirmed that the status of UD Huda Jaya is deemed favorable, as it effectively leverages its strengths to tackle existing weaknesses.

Table 3: IE Matrix					
IFE EFE	High 3,0-4,0	Medium 2,0-2,99	Low 1,0-1,99		
High 3,0-4,0	I	II	III		
Medium 2,0-2,99	IV	v	VI		
Low 1,0-1,99	VII	VIII	IX		

The results from the IE matrix indicate that UD Huda Jaya furniture MSMEs are positioned in cell V and share a similar situation with Nur Sera Jati furniture businesses in Baubau City (Hasni, 2021). This suggests that the business is presently facing unstable conditions characterized by consistent growth, and it can be effectively managed through a hold and maintain strategy. Appropriate strategies to employ include market penetration and product development. Market penetration entails adjusting market prices, promoting products through both offline and online channels, and improving the quality of furniture. Conversely, market development is pursued to expand market share through collaboration with customers.

5. Production place which has not been adequate

6. Not yet fulfill all model according to need

consumer(W6)

The initial stage in developing a strategy to tackle challenges within UD Huda Jaya involves conducting a SWOT analysis. This analytical tool aids in maximizing strengths and opportunities while also addressing weaknesses and mitigating threats. When assessing current external opportunities and internal strengths, business owners must apply the appropriate strategy. Subsequently, the SWOT matrix is utilized to generate alternative strategies for implementation. The interplay of various strengths, weaknesses, opportunities, and threats significantly influences strategies such as market penetration, market development, and product development. The SWOT matrix serves as a tool to identify strategies customized to specific circumstances, organized into four strategy columns as outlined below.

consumers in purchasing and also

(W1, W2, W5, W6, T1, T2, T5)

managing business legality so that it

can be supervised by the government

	strategy columns as outline					
Table 4: SWOT Matrix						
EXTERNAL	Opportunities  1. Availability of raw materials varies (01)  2. Technology advances production machine (02)  3. Technology advances marketing via market place available (03)  4. The potential to turn consumers into customers and facilities promotion (04)  5. There are MSMEs that utilize waste furniture business well (05)  6. Open a similar business in a different location (06)  7. Suppliers of raw materials from various regions (07)	<ol> <li>Threats</li> <li>It's getting tighter quite a lot of competition in the area (T1)</li> <li>Competitors With offering Products at a cheaper price (T2)</li> <li>Measurement error by consumers (T3)</li> <li>There is better service than competitors (T4)</li> <li>There are traveling Mabel Sales people door to door (T5)</li> <li>There is a furniture industry that can cater for everyone desire model consumer (06)</li> <li>The increase in raw Materials affects production (T7)</li> </ol>				
Strength  1. Management material supplies good standard (S1) 2. Good product quality (S2) 3. Media use good social such us: WA, IG, and FB (S3) 4. Communication and working relationship good to workers at UD Huda Jaya (S4) 5. The service good(S5) 6. Sufficient production machine (S6) 7. Supervision to the Process production (S7) 8. Providing Discounts in purchasing many (S8)	S-O Strategy  1. Improve product quality and maintain the product to keep customers and add new consumers. (S1, S2, S3, S4, S5, S6, S7, O2, O3, O4, O5, O6)  2. Expand the network marketing with increase promotion (S2, S3, S4, S5, O2, O3, O4, O5, O6)	S-T Strategy  1. Establish more collaboration with raw material suppliers and increasing promotions (S1, S2, S3, S5, S6, S8, T1, T2, T4, T6, T7)  2. Maintain product selling prices to maintain consumer loyalty and updating the machine more production modern (S1, S2, S4, S5, T1, T2, T4)				
Weakness 1. Don't have a dedicated offline store (W1) 2. Business legality not yet available(W2) 3. Lack of energy work (W3) 4. Lack of depth promotional matters through market place(W4)	<ol> <li>W-O Strategy</li> <li>Create a platform order sales increase income (W1, W5, O1, O2, O3, O4, O5, O6)</li> <li>Skills training for workers so they can do it fulfill desires consumers and recruitment of new workers (W1, W3, W6, O1, O2, O4, O5, O6)</li> </ol>	W-T Strategy  1. Increase online and offline promotions and improve service good for consumer comfort (W1, W4, W6, T1, T2, T4, T5)  2. Create own offline shop and open it new branch for make things easier for				

04, 05, 06)

3. Update the place production still in progress

simple and processing production waste to get additional income. (W2, W3, W4, W5, O2, O3,

Based on the aforementioned SWOT matrix, various strategic alternatives have been developed, which include:

- Enhance the quality of the products and ensure their ongoing maintenance to retain and attract customers. Alternative strategies include enhancing product quality and ensuring the maintenance of products in order to gain new customers by improving product quality and maintaining products. UD Huda Jaya products are employed not only to retain existing customers but also to attract new ones.
- 2. Growing the marketing network by enhancing promotional activities to boost sales and income at UD Huda Jaya.
- 3. Cultivate stronger collaborations with suppliers of raw materials and elevate promotional efforts.
- Keep product selling prices and quality stable to retain consumer loyalty, and upgrade production machinery to more contemporary models.
- 5. Establish a sales platform to boost revenue.
- Provide skills training for existing workers to align with consumer preferences and hire new employees.
- 7. Upgrade basic production facilities and handle the processing waste to generate additional income.
- 8. Boost both online and offline promotional efforts and enhance

customer service for the convenience of consumers.

9. Establish your own physical store and inaugurate a new branch to simplify the purchasing process for consumers to buy and concurrently handle the business's legal aspects for government scrutiny.

#### 

Among the various possible alternative solutions, the QSPM matrix is utilized to determine which one has the highest priority (Qanita, 2020). The TAS value with the highest appeal score should be used to determine which method is prioritized. The TAS value is utilized, which signifies the maximum overall attractiveness score. Calculating the TAS value involves multiplying the weight value of each internal and external factor by the AS (Kusumah, 2018).

The QSPM matrix identifies three prioritized strategic alternatives. The first priority is strengthening collaborations with raw material suppliers and intensifying promotional efforts. This is indicated by the highest TAS value (5.78), labeled S3. The second alternative, labeled S1 (TAS = 5.34), aims to improve product quality and sustain products to retain and attract customers. The third alternative, labeled S5 (TAS = 5.28), focuses on establishing a sales platform to enhance income and streamline online consumer purchases. This underscores the importance of obtaining raw materials promptly to optimize product yields and leveraging social media for effective product marketing (Andika, 2022).

Table 6: QSPM Matrix									
	Alternative Strategy								
Total Attractive Score (TAS)		S2	<b>S</b> 3	<b>S4</b>	<b>S5</b>	<b>S</b> 6	<b>S7</b>	<b>S8</b>	<b>S9</b>
Internal Factor									
Good raw material inventory management	0.40	0.30	0.40	0.30	0.20	0.20	0.20	0.20	0.30
Product quality is good	0.36	0.36	0.36	0.27	0.27	0.18	0.27	0.27	0.18
Good use of social media (WA, IG, FB)	0.27	0.27	0.27	0.27	0.36	0.18	0.09	0.36	0.18
Good relations and communication with workers at UD Huda Jaya	0.24	0.16	0.24	0.24	0.24	0.16	0.08	0.16	0.27
The product price is affordable according to the quality	0.27	0.18	0.18	0.27	0.18	0.18	0.18	0.27	0.16
Adequate production machines	0.24	0.16	0.16	0.24	0.24	0.24	0.24	0.24	0.27
Supervision of the production process	0.16	0.24	0.24	0.16	0.16	0.32	0.16	0.16	0.16
Discount are given for large purchases	0.09	0.18	0.36	0.18	0.18	0.18	0.18	0.18	0.18
Doesn't have a dedicated offline store yet	0.12	0.06	0.12	0.12	0.24	0.12	0.06	0.06	0.06
There is no business legality yet	0.04	0.08	0.04	0.12	0.12	0.08	0.16	0.04	0.04
Lack of workforce	0.05	0.05	0.10	0.10	0.10	0.20	0.10	0.10	0.5
Lack of promotion through market places	0.08	0.12	0.12	0.12	0.16	0.04	0.04	0.16	0.08
Production premises are inadequate	0.04	0.04	0.12	0.12	0.08	0.04	0.04	0.08	0.12
Not yet able to fulfill all models according to consumer desires	0.10	0.05	0.15	0.10	0.10	0.05	0.05	0.20	0.20
Exter	nal Facto	r							
The availability of various raw materials	0.40	0.10	0.40	0.30	0.20	0.20	0.20	0.20	0.10
Advances in production machine technology	0.27	0.27	0.27	0.18	0.27	0.27	0.27	0.27	0.09
Technological advances in terms of marketing in the market place	0.24	0.32	0.16	0.24	0.24	0.08	0.08	0.24	0.08
Potential to turn consumers into customers and promotional tools	0.30	0.30	0.20	0.40	0.30	0.20	0.20	0.30	0.10
There are MSMEs that make good use of furniture business waste	0.36	0.18	0.18	0.36	0.27	0.27	0.27	0.36	0.09
Open a similar business in a different place/location	0.30	0.30	0.30	0.20	0.40	0.30	0.30	0.40	0.20
Suppliers of raw materials from various regions	0.16	0.08	0.32	0.16	0.16	0.08	0.08	0.08	0.08
There is increasing competition in quite a lot of areas	0.24	0.18	0.24	0.18	0.24	0.18	0.18	0.18	0.12
Competitors offer products at lower prices	0.12	0.08	0.06	0.16	0.12	0.08	0.12	0.12	0.08
Errors in product measurements by consumers	0.12	0.04	0.08	0.08	0.08	0.16	0.12	0.12	0.08
There is better service than competitors	0.12	0.16	0.12	0.04	0.12	0.04	0.04	0.12	0.08
There are mobile furniture sales door to door	0.12	0.04	0.12	0.08	0.12	0.04	0.04	0.16	0.12
There are furniture MSMEs that can fulfill all types of consumer desires	0.06	0.06	0.24	0.06	0.06	0.06	0.06	0.06	0.06
The increase in raw material prices affects Production	0.07	0.07	0.21	0.21	0.07	0.07	0.07	0.14	0.07
Total	5.34	4.43	5.78	5.26	5.28	4.20	3.88	5.23	3.49

#### 5. CONCLUSIONS

UD Huda Jaya possesses a total of 14 internal factors and 12 external factors that impact its business operations. As per the IE matrix, the company is positioned in cell V, commonly known as "hold and maintain" or "maintain and sustain." The SWOT analysis, employing suitable strategies, including market penetration and product development, resulted in the identification of nine alternative strategies. The key strategy for UD Huda Jaya MSMEs is to strengthen partnerships with raw material suppliers and intensify promotional efforts. Enhancing collaboration with raw material suppliers will help avert shortages of high-quality raw materials in the furniture business. UD Huda Jaya can broaden its consumer base and enhance marketing efforts by intensifying promotions on sales platforms such as Shopee and establishing a physical store. Additionally, expanding promotions on popular social media platforms such as WhatsApp, Instagram, and Facebook will contribute to reaching a diverse audience and boosting overall marketing effectiveness.

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