



The Compilation of Competitive Strategy with SWOT Analysis Approach at Bali Tropic Resort & Spa

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Abstract: This study aims to determine the competitive strategy adopted the Bali Tropic Resort & Spa. The subjects in this study were 14 department head managers. This research was tested using a SWOT analysis, namely by identifying various internal and external factors of the company. The analysis of internal factors (strengths and weaknesses) and external factors (opportunities and threats) which were then formulated in the SWOT Diagram and SWOT Matrix. From the results of the analysis on the SWOT diagram, it appears that the position of the Bali Tropic Resort & Spa is located in Quadrant I, which shows that Bali Tropic Resort & Spa faces several opportunities and has various forces that drive these opportunities and it is recommended to carry out the SO strategy by taking advantage of opportunities. Based on the SWOT matrix, the SO strategy that companies can implement is to take advantage of increasingly sophisticated technological developments to facilitate promotional activities and make packages that attract guests' attention.

Keyword: *Marketing strategy, SWOT analysis*

1. Introduction

Companies operating in business environment nowadays have the main challenge of defending themselves in the midst of intense competition. Marketing strategy is the right step that must be taken and realized by every company in order to survive the competition. The strategy for the external environment can be determined by knowing what the threats and opportunities are for the company. After knowing the external environment that is faced, an analysis of the internal environment needs to be done to find out what the strengths and weaknesses of the company are.

Anticipating future competition that can hinder business success, a competitive strategy is needed using SWOT analysis, which is a tool that can formulate a company strategy based on strengths and opportunities, but collectively can minimize weaknesses and threats. The process of returning to strategic decisions is always related to the return of the company's mission, goals, strategies and policies. Thus strategic planning must analyse the company's strategic factors (strengths, weaknesses, opportunities, and threats) in current conditions [1].

The phenomenon of high business competition in the service sector is one of which occurs in the hotel business industry. The rapid growth of tourism in Bali has resulted in the development of the hotel business in Bali currently experiencing very rapid progress. Bali Tropic Resort & Spa is a hotel with a



four-star classification located in the Tanjung Benoa area with a strategic location, hotel design with traditional Balinese nuances that has modern facilities with professional services.

In facing competition, which is a big challenge at this time is the number of star hotels located in the Tanjung Benoa area. The Tanjung Benoa area has many hotels with international standards. Therefore, Bali Tropic Resort & Spa must run all its operations effectively and efficiently, including in the marketing sector. External factors that change from time to time cause companies to adjust between internal and external conditions, so that Bali Tropic Resort & Spa must be able to face market changes that occur at any time. This study aims to determine the strengths, weaknesses, opportunities and threats as a basis for compiling a competitive strategy and to determine competitive strategy planning based on SWOT analysis at the Bali Tropic Resort & Spa.

2. Literature Review

2.1. Strategy

A strategy is a plan that is prepared and managed by taking into account various sides with the aim that the influence of the plan can have a positive impact on the organization in the long term [2]. The process of strategic planning through three stages of analysis, namely the data collection stage, the analysis stage and the decision-making stage [1].

2.2. External Strategy Factor Matrix

External environmental analysis focuses on identifying and assessing trends and events beyond the company's control [3]. Strategic environmental issues that are considered to have a high probability to influence the company, external strategic factors consist of: demographic, legal and political, economic, socio-cultural factors [4]. These external factors affect the formation of opportunities and threats (O and T). Where this factor is related to conditions that occur outside the company that affect the company's decision making [2].

2.3. Internal Strategy Factor Matrix

Internal analysis is an analysis carried out on the company's internal factors to be able to determine carefully the strengths and weaknesses of its strategy which can describe the company's profile [5]. These internal factors influence the formation of strengths and weaknesses (S and W). Where this factor is related to the conditions that occur in the company, which also affects the formation of company decision making [2].

2.4. SWOT Analysis

SWOT analysis is a powerful instrument in carrying out strategic analysis, the efficacy lies in the ability of the determinants of the company's strategy to maximize the role of strength factors and opportunity utilization so as to act as a tool to minimize weaknesses in the organization and suppress the impact of threats that arise and must be faced [6]. SWOT stands for strengths, weaknesses, opportunities, and threats, where SWOT is used as a model in analyzing a profit and non-profit oriented organization with the main objective to find out the state of the organization more comprehensively [2]. SWOT is the identity of various factors systematically to formulate a service strategy [1]. This analysis is based on logic that maximizes opportunities but at the same time minimizes deficiencies and threats". SWOT analysis compares external factors such as opportunities and threats with internal factors such as strengths and weaknesses.

2.5. Competition

Competition in the context of marketing is a condition where a company in a particular product or service market will show its respective advantages, with or without being bound by certain regulations in order to reach its customers [7]. The market position in competition is divided into 4, namely the market leader, competitors market, followers market, and net market. The generic competitive strategy states that companies always place themselves in one of the main aspects, namely the overall cost advantage

strategy or differentiation strategy [7]. If the target is relatively narrow, the strategy will develop into a focused strategy. The purpose of developing strategies and tactics is for the company to be able to compete in all circumstances, especially during unfavorable economic and political conditions.

The definition of competitive advantage is the advantage over competitors is obtained by conveying greater customer value, through lower prices or by providing more benefits in accordance with higher pricing [8].

2.6. Marketing

The term marketing can be interpreted in various contexts according to the company's strategy development [9]. The term marketing that is widely accepted and well known as a marketing concept is marketing based on the recognition of consumer needs. Marketing as a social process where each individual and group gets what they need and want by creating and exchanging products and values with other individuals or groups [9].

3. Research Methods

The quantitative data used in this study are list of the number of star hotels in Bali, weight and rating data from each of the company's internal and external variables. In this research, qualitative data includes information relating to the strengths, weaknesses, opportunities and threats of the company. The data collection procedure in this study was carried out by means of a questionnaire, observation, interview, and documentation. Sampling in this study using purposive sampling. Respondents in this study were the management as an internal party of the hotel as many as 14 people. The analysis technique are as follows:

3.1. Validity Test

The validity test used the Pearson Bivariate formula (Pearson Product Moment Correlation). This analysis is done by correlating each item's score with the total score using the following formula:

$$r_{xy} = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{(n\sum x^2 - (\sum x)^2)(n\sum y^2 - (\sum y)^2)}}$$

3.2. Reliability Test

The reliability of the instrument shows the extent to which a measurement can provide consistent results if a re-measurement of the same symptoms is carried out [10]. Question items or statements can be said to be reliable if they provide a Cronbach Alpha (α) value > 0.60. The reliability test was carried out using the SPSS 16.

3.3. External and Internal Strategy Factor Matrix

Before creating a matrix of external and internal strategic factors, first knowing the External Strategy Factors (EFAS) and Internal Strategic Factors (IFAS) [1], by: compiling column 1 (5 to 10 opportunities and threats), giving the weight of each factor in column 2 ranges from 1.0 to 0.0. To calculate the weight you can use the following formula:

$$\text{Weight} = \frac{\text{Total weight answer for one factor}}{\text{Total weight answers for all factors}}$$

Calculate the rating (in column 3) for each factor by giving a scale ranging from 5 (outstanding) to 1 (poor) based on the influence of these factors on the condition of the company.

$$\text{Rating} = \frac{\text{Total respondent rating for 1 factor}}{\text{Total Respondent}}$$

Multiply the weight in column 2 by the rating in column 3, to get the weighting factor in column 4. Use column 5 to provide comments or notes on why certain factors were selected and how the weighted scores were calculated. Add up the weighting score (in column 4), to get the total weighting score for the company in question.

3.4. SWOT Matrix Diagram

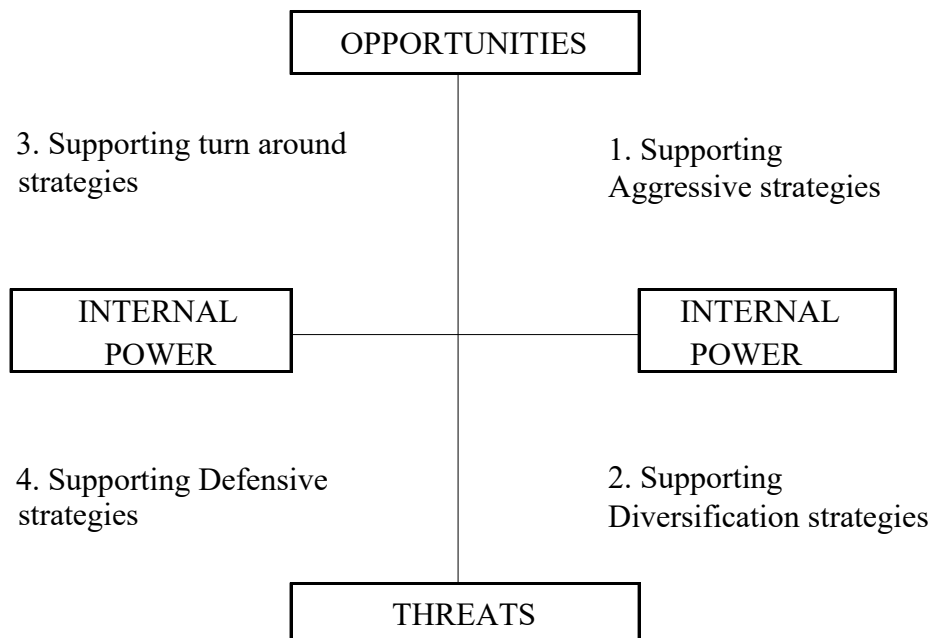


Figure 1. SWOT Diagram

3.5. SWOT Matrix

The optimization of the competitiveness strategy carried out by Bali Tropic Resort & Spa can be found in two aspects, namely the internal and external aspects. This matrix can generate four cells of possible alternative strategies. An alternative strategy which is the right strategy to be implemented by Bali Tropic Resort & Spa. The strategic decision-making process is always related to the development of the company's mission, objectives, strategy and policies. SWOT matrix can be seen in Table 1.

Table 1. SWOT Matrix

<i>EFAS</i>	<i>IFAS</i>	STRENGTH (S) Determine 5-10 internal strength factors	WEAKNESSES (W) Determine 5-10 internal weakness factors
	OPPORTUNITIES (O) Determine 5-10 external opportunity factors	STRATEGY SO Create a strategy that uses your strengths to take advantage of opportunities	STRATEGY WO Create strategies that minimize weaknesses to take advantage of opportunities
	THREATS (T) Determine 5-10 external threat factors	STRATEGY ST Create a strategy that uses strength to overcome threats	STRATEGY WT Create strategies that minimize weaknesses and avoid threats

4. Result and Discussion

4.1. Result

All items in the questionnaire were declared valid, because r weight is greater than r table. Where the r table in this study is 0.5324. The level of significance determined in this test is 5% with a total sample of 14 people. the results of the questionnaire test were declared reliable, marked by the Cronbach Alfa count result which was higher than the minimum limit, which is 0.6.

In order to be able to compete with other hotels, marketing activities are the most important factor in its role in the effort to increase the number of rooms used and increase the use of water sports facilities and spa. To anticipate market competition, Bali Tropic Resort & Spa has established a marketing strategy that is oriented towards increasing sales and segmenting the domestic market. Based on the results of interviews and questionnaires from 14 respondents, the position of Bali Tropic Resort & Spa in the SWOT matrix can be seen in Figure 2 below.

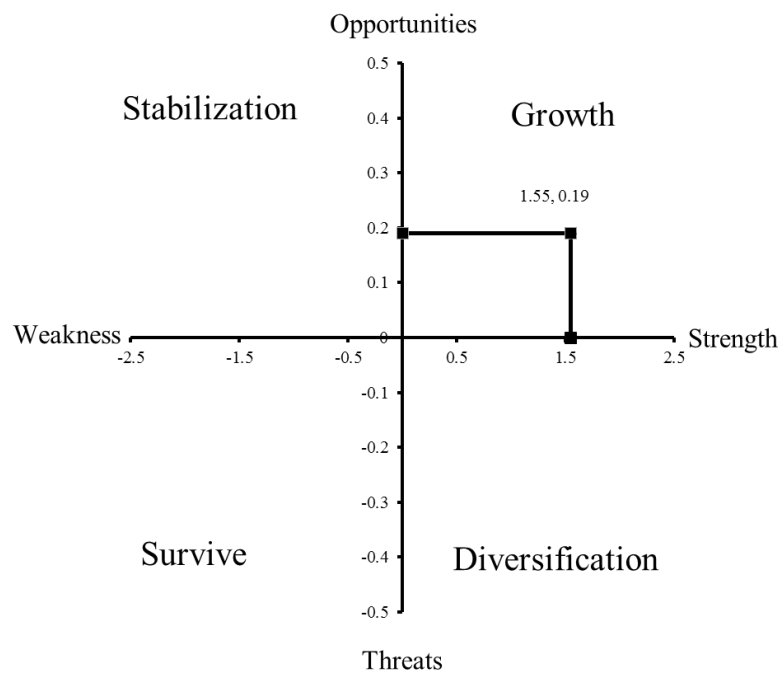


Figure 2. SWOT Diagram

Based on Figure 2, it can be seen that the difference between opportunities and threats is 0.19, and the difference between strengths and weaknesses is 1.55. The position of Bali Tropic Resort & Spa in the SWOT Matrix is in the growth quadrant, and it is recommended to carry out an SO strategy by taking advantage of existing opportunities using the company's strengths.

4.2. Discussion

4.2.1 Analysis of External Factors

The main opportunities that can be exploited by the Bali Tropic Resort & Spa are the number of tourist attractions in Bali, because of course many tourists are on vacation to Bali so they need hotels to stay, technological developments can simplify and accelerate services and channels for promotion to introducing products, good political conditions will affect competition between hotels to be healthy because the tourism sector is running normally, changes in good socio-economic conditions will result

in many people traveling, the number of tourist attractions in Bali and increased purchasing power and consumer appetite. The biggest threat to the Bali Tropic Resort & Spa is the increase in competitor services, price increases and price competition, and besides this, the number of new hotels that have sprung up must also be watched out for.

4.2.2 Analysis of Internal Factors

The main strength that must be maintained and developed by Bali Tropic Resort & Spa is the design of a hotel with Balinese traditional nuances with complete entertainment facilities and offering all-inclusive packages that make it easy for tourists, this must be developed because there are not many hotels in Tanjung Benoa who offer that thing. The weaknesses that must be fixed by Bali Tropic Resort & Spa are the lack of use of the website to convey information about the packages offered and the high price levels of hotel rooms.

4.2.3 Competitive Strategy Bali Tropic Resort & Spa

An attractive product offering strategy by utilizing all the strengths of the hotel, namely the design of a hotel with traditional Balinese nuances that has modern facilities, has the longest beach area in Tanjung Benoa, the taste of a menu that varies from Indonesian cuisine to international dishes, has an all-inclusive package having complete entertainment facilities. Besides that, it is also necessary to improve the quality of existing products, facilities and services to be even better, by making continuous improvements to all hotel products, facilities and services. In addition, there is a need for a product strategy by making packages that attract guests attention to stay with special prices and special facilities. The packages must be packaged in such a way as to become a different product offering from other four-star hotels.

5. Conclusions and Suggestions

Based on the results of research and discussion, it can be concluded that:

Bali Tropic Resort & Spa is supported by a fairly good internal strength, such as complete facilities, good quality products, and services equivalent to a five-star hotel, professional resource support, and good management support. The main opportunity that can be exploited is the number of tourist attractions in Bali that require hotels to stay. The biggest threats are increased competitor services, price increases and price competition. Bali Tropic Resort & Spa has a strong market competitive position in an attractive industry. This shows that Bali Tropic Resort & Spa must continue to make efforts to improve product quality, facilities, services and product distribution. The SO strategy is the right strategy implemented by Bali Tropic Resort & Spa, which means that the company can take advantage of all its strengths and opportunities to win the competition.

The advice can be given based on the results of research that has been done are Bali Tropic Resort & Spa must pay attention to product strategy by continuously improving product quality, available facilities and services as well as offering innovative packages that can expose hotels and make maximum use of the website to promote and provide information about their own products and services facilities as well as events held by Bali Tropic Resort & Spa.

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