Corn processed product development strategy in SMES industry in Gorontalo Province (Limboto Lake Flavour Shirmp Corn Stick at SMES Barakati)

A M Hasan*, A Halid and Hasdiana
Universitas Negeri Gorontalo, Gorontalo, Indonesia.

E-mail: *animhasan@ung.ac.id

Abstract. The objectives of this study are to identify external and internal factors for the barakati IKM, and to analyse the development strategy of limboto lake shrimp flavoured corn sticks carried out by IKM which is located in Barakati Village. The research location is located at IKM Barakati, Barakati Village. The research method uses survey methods and the types and sources of data used are primary data and secondary data. The sampling technique used was purposive sampling technique or deliberate approach and data analysis in the study used SWOT analysis. The results of the study were the factors that influence the development strategy of limboto lake prawn-flavoured corn sticks in Barakati IKM, Barakati Village, Batudaa District, Gorontalo Regency, namely labour (HR), capital (financial resources), marketing of limboto lake shrimp flavoured corn sticks, para. customers and the existence of strong competitors in the world of the food business. The strategy of developing limboto lake shrimp flavoured corn sticks in Barakati Village, Batudaa District, Gorontalo Regency, which is in quadrant I which supports the progressive strategy or SO (strength - opportunity) by using the strengths and opportunities you have to minimize the weaknesses and threats that exist so as to achieve progress.

1. Introduction
One of the sectors that will play a major role in Indonesia's future development is the agribusiness sector. The role of agribusiness, especially in the field of horticulture, has developed quite rapidly, both in the production business, processing industry and market share, the horticulture sector is one sector that really needs to be developed by the government to increase its contribution in agriculture and can also support government efforts to increase farmers' income, increase employment opportunities and conserve natural resources [1]. The need for maize will continue to increase from year to year in line with the increase in the economic standard of living of the community and the progress of the animal feed industry so that efforts are needed to increase production through the availability of human and natural resources, the availability of land and the potential for yields and technology.

Corn is not only a source of feed but can be processed into various processed food products with high economic value. One of the advantages of corn is that it is easily varied into various food menus, either through a simple processing method or mixed with other ingredients [2]. The development of maize farming in Gorontalo Province since 2015 has increased the area of maize land where there has been an expansion of the maize area from 2015 - 2016. In this case, the size of the farm production is related to the narrow area of land used. In addition, other factors that are also suspected of influencing production are the use of superior seeds, balanced fertilization with optimal use of labour.
Analysis of the organization's internal environment is intended to be an activity to assess whether the organization is in a strong position "Strength" or weak "Weaknesses", the assessment is based on the internal capabilities (assets, capital, technology) owned by the organization in an effort to achieve the mission that has been set. Meanwhile, the external analysis of the organization shows the activities of the organization to assess the "Threat" challenges faced and the "Opportunity" opportunities that the organization has in an effort to achieve the organization's mission based on its external environment. Analysis of the organization's internal and external environment in strategic management is called a SWOT analysis. From the results of the SWOT analysis, the organization will determine long-term goals to be achieved with a corporate strategy "corporate strategy", or grand strategy, or business strategy, and determine short term goals or annual goals "annual objectives" to be achieved with a functional strategy or strategy. assigned to the department [3].

The elements of strategic management are [4]:

1.1. Environmental analysis
The strategic management process starts from an environmental analysis or commonly referred to as a SWOT analysis, which is the process of monitoring the organization's environment, both external and internal. Environmental analysis results in the identification of present and future opportunities and threats from the external environment. Besides that, the analysis also results in the identification of the strengths and weaknesses of the company / organization's internal environment.

1.2. Mission formulation and strategic objectives
The second stage in the strategy formulation stage is to determine the direction of the organization in the future. After knowing the opportunities, threats, strengths and weaknesses of the organization. Organizational direction indicators can be seen in the vision and mission of the organization and the goals the organization wants to achieve. The mission of the organization is the purpose for which the company exists, or the reason why the company exists. Targets are specific targets to be achieved or chosen by the company / organization.

1.3. Analysis and strategy selection
The third stage of the strategic management process is strategy analysis and selection. The main focus of organizational strategy is how to determine the best way to face competition. If the environment has been analysed and the direction of the organization has been determined, management can choose the best alternative way to carry out actions in an effort to achieve organizational success.

1.4. Strategy Implementation
The strategy implementation stage includes implementing the actions or activities of the strategies developed in the strategy formulation process. In an effective strategy implementation stage, corporate organizations will not be able to benefit from strategy formulation (environmental analysis and organizational direction determination).

1.5. Strategy control and evaluation
Strategic control is a type of organizational control that focuses on monitoring and evaluating the strategic management process so that there is a match between the time of strategy formulation and strategy implementation, as well as to ensure that strategy implementation can run properly.

Principle strategies can be grouped based on three types of strategies, namely management strategies, investment strategies and business strategies [3].
a. Management strategy includes strategies that can be carried out by management with a macro strategy development orientation, for example, product development strategies, pricing strategies, acquisition strategies, market development strategies, financial strategies and so on.
b. Infestation strategy, this strategy is an investment-oriented activity. For example, does the company want to pursue an aggressive growth strategy or seek to enter into the market, a survival strategy, a strategy to rebuild a new division or a verified strategy, and so on.

c. Business strategy, this business strategy is often referred to as a functional business strategy because this strategy is oriented to the functions of management activities, such as marketing strategy, production or operational strategy, distribution strategy, organizational strategy and financial-related strategies.

SWOT analysis in the SWOT matrix. The SWOT matrix is a tool used to formulate corporate strategic factors. The matrix can clearly describe how the external opportunities and threats faced by the company can be adjusted according to its strengths and weaknesses.

2. Research methods

This research will be conducted for 4 months, namely August to December 2020. The method used is a survey method which is a collection of empirical data based on interviews and observations. This research took place in Barakati Village, Batudaa District, which was determined by using a purposive sampling technique approach or deliberately because the village had already conducted an initial survey so it was feasible to be designated as a research area. The data analysis used in this research are: SWOT analysis. The data analysis technique used in this study is the SWOT analysis which is described descriptively and then to analyse the development factors of limboto lake shrimp flavoured corn sticks at IKM Barakati, the analysis compares external factors, namely opportunities, threats and internal factors, namely strengths, weaknesses [4] then the internal and external factors were analysed using the SWOT matrix to formulate the strategic factors for the development of corn sticks.

Table 1. SWOT matrix

| IFAS | Strengths (S) Internal strength factors | Weaknesses (W) Internal weakness factors |
|------|----------------------------------------|-----------------------------------------|
| EFAS |                                        |                                         |
| Opportunities (O) External opportunity factors | **SO strategy**  
Create a strategy that uses your strengths to take advantage of opportunities | **WO strategy**  
Create strategies that minimize weaknesses to take advantage of opportunities |
| Threats (T) External threat factors | **ST strategy**  
Create a strategy that uses strength to overcome threats | **WT strategy**  
Create a strategy that minimizes weaknesses and avoids threats |

3. Results and discussion

3.1. Characteristics of the community in the household group in the Barakati Village, Batudaa District

The tabulation results from the distribution of questionnaires related to community characteristics Household Profile the Household Group in Batudaa District is the Agricultural Cultivation Household Group. The number of family members from the whole household group is 26 people. The number of family members, the most productive age (15-56 years) were 16 people, 8 were school aged, and 1 was a toddler. As many as 19 family members are still in school, and 12 people are not attending school. Family members who are of productive age, 2 people who have completed education to bachelor level, 10 people who have graduated from high school, 6 people who have graduated from junior high school and 6 who have graduated from elementary school, and none of these members are literate. The main activities are members of productive age (15-56 years), 6 people who are already working, 9 people who are still in school, 4 people work as housewives, and the rest are still unemployed. The total number of male household members is 9 people and 5 women members of the household, neither male nor female...
have work experience. Ownership of corn material in the form of corn waste, only 10% of the total local community have raw materials, namely corn stalks in dry conditions. While the rest do not have the raw material in the form of corn waste.

3.2. SWOT analysis for strategy development

3.2.1. Internal environment. The internal environment is the factors that come from within, which reflect the strengths or weaknesses that exist in the development of IKM Barakati in Batudaa District, Gorontalo District. The internal factors that exist in Dungaliyo District can be explained as follows.

a. Labour: The workers in question are workers who work at IKM Barakati in the processing of limboto lake prawn flavoured corn sticks to the marketing process both within the family and outside the family.

b. Capital (Financial Resources): Capital is an important part of the business, since the beginning of the business, it started with self-capital and assistance from the family.

c. Marketing of Limboto Lake Shrimp Flavour Cornsticks: The business of developing limboto lakeside shrimp flavoured corn sticks at IKM Barakati is in marketing it through promotion on social media or customers who already know can come directly to the IKM location.

3.2.2. External environment. Customer: Customers are an opportunity for businesses to strengthen the purchasing power of quality products. An understanding of the profile of current customers and potential buyers will greatly assist entrepreneurs in formulating their strategies. The customer profile consists of, geographic, demographic, and buyer behaviour variables.

1. There is a competitor: The number of competitors and merchant producers in the corn business is quite strong. The existence of competitors in a business cannot be denied and cannot be avoided. Competition starts from the quality of the products offered to the selling price.

3.3. Identification of internal and external factors

3.3.1. Strength factor development of Limboto Lake prawn-flavoured corn sticks.

a) Increased Production of Corn: With this success, the corn plant in Barakatai Village was developed so that it became a superior product and could increase farmer household income.

b) Beneficial Household Income: Corn can benefit farmers because corn is one of the products needed by consumers as a substitute for rice.

c) High Number of Requests: The demand for the number of limboto lake prawn-flavoured corn sticks is increasing all the time. Demand for Limboto Lake Shrimp flavoured corn sticks is not only from consumers in the household, but from places of sale such as stalls or restaurants that want to market Limboto Lake prawn flavoured corn sticks.

d) Often conducts workforce training: Manpower training is often carried out so that they can evaluate or improve the previous method of work and can add knowledge in the processing of limboto lake shrimp flavoured corn sticks.

e) The workforce has skills: The average workforce who works at IKM barakati has medium and high skills.

f) Product results: Products marketed in good condition are not defective.

3.3.2. Weakness factors development of Limboto Lake prawn-flavoured corn sticks.

a) Don't know how to grow a business: Lack of knowledge of SME entrepreneurs about good business management.

b) Lack of business capital is the most fundamental problem for SMEs: The main problem for SMIs is the lack of business capital as a result of which entrepreneurs cannot increase their production volume to achieve more turnover.
c) Processing Is Still Simple: At IKM Barakati, the method of processing corn sticks with limboto lake prawn flavour is manual or still traditional using limited equipment because of the expensive equipment or technology and the limited capital of farmers in developing a business to process limboto lake prawn flavoured corn sticks.

d) Still a small advantage: The profit from the turnover generated by IKM Barajiti is still relatively small.

3.3.3. Corn processing development opportunity factors.

a) The development of Limboto Lake prawn-flavoured corn sticks gets attention from the local community: The development of limboto lake prawn-flavoured corn sticks at IKM Barakati has received attention from the surrounding community because they like the taste of Limboto Lake prawn-flavoured corn sticks which are marketed at IKM Barakati.

b) There is collaboration between IKM Barakati and stalls or restaurants: The utilization and development of Limboto Lake prawn-flavoured corn sticks carried out by IKM in Barakati Village turned out to be attracting attention from stalls around the location and even with restaurants to work together with IKM Barakati to sell their products.

c) Raw materials are easy to obtain: The raw materials used in the processing of limboto lake shrimp flavoured corn sticks are easy to obtain.

d) Support from the local community: Support from the surrounding community in the IKM business is very helpful for entrepreneurs in promoting their products.

e) Technology support: New technological support for production has a good effect.

3.3.4. Threat factors of corn processing development.

a) Production Management Experiencing Harvest Failure: Production management greatly affects the demand for maize commodity. There are various factors that influence failure in production, namely weather, climate, and pests. The price of cayenne pepper in marketing often fluctuates.

b) Bad economic conditions: In the current state of Covid 19, economic conditions have become so bad that consumers' purchasing power is reduced.

c) Fairly tight business competition: Competition in today's business world is very strong both in the food business. Many entrepreneurs produce products from processed corn that are more attractive and offer different tastes.

3.4. SWOT analysis

In Table 2, it can be seen that the total strength value is 2.13 (this value is obtained from the sum of the strength weights multiplied by the rating to produce a total value). While the total value of the weakness factor is 0.4 (this value is obtained from the sum of the weakness weights multiplied by the rating to produce a total value). This situation shows that the strength factor for the development of limboto lake shrimp flavoured corn sticks in Barakati Village is greater than the weakness factors as an obstacle to the development of limboto lake prawn flavoured corn sticks. The main strength of the development of limboto lake prawn-flavoured corn sticks at IKM Barakati is the frequent training of skilled workers and workers.

In Table 3, it is concluded that the total opportunity value, 2.19, is greater than the total threat value, namely 0.48 (this value is obtained from the sum of the weights multiplied by the rating value to produce a total value). The difference between strengths and weaknesses shows the number 1.73 (the value is obtained from the total strength value minus the total weak value). While the difference between opportunities and threats is 1.71 (the value is obtained from the total opportunity value minus the total threat value). So the business development strategy of limboto lake prawn corn sticks at IKM Barakati is in quadrant 1, which supports an aggressive strategy or SO strategy (Strengths-Opportunities). This shows that in the business development strategy of limboto lake shrimp flavoured corn sticks at IKM Barakati Gorontalo Regency has the strength and opportunity to minimize the weaknesses and threats that exist in Barakati IKM, Barakti Village, Batudaa District, Gorontalo District.
Table 2. Internal analysis of development strategy for Limboto Lake shrimp flavoured corn sticks

| No. | Internal factors                      | Weight | Rating | Score |
|-----|---------------------------------------|--------|--------|-------|
|     | **Strength (Strengths)**              |        |        |       |
| 1   | Increased Production of Corn          | 0.07   | 2      | 0.14  |
| 2   | Beneficial Household Income           | 0.10   | 3      | 0.3   |
| 3   | High Number of Requests               | 0.13   | 4      | 0.6   |
| 4   | Often conducts workforce training     | 0.15   | 4      | 0.6   |
| 5   | The workforce has skills              | 0.15   | 3      | 0.39  |
| 6   | Product results                       | 0.05   | 2      | 0.1   |
|     | **Total strength**                    | 0.65   |        | 2.13  |
|     | **Weaknesses (Weaknesses)**           |        |        |       |
| 1   | Don't know how to grow a business     | 0.10   | 1      | 0.1   |
| 2   | Lack of business capital is the most  | 0.05   | 2      | 0.1   |
|     | fundamental problem for SMEs          |        |        |       |
| 3   | Processing Is Still Simple            | 0.10   | 1      | 0.1   |
| 4   | Still a small advantage               | 0.10   | 1      | 0.1   |
|     | **Total Weakness**                    | 0.35   |        | 0.4   |

Source, Primary Data Processed, 2020

Table 3. External analysis of development strategy for Limboto Lake Shrimp flavour cornsticks

| No. | External Factors                                             | Weight | Rating | Score |
|-----|-------------------------------------------------------------|--------|--------|-------|
|     | **Opportunity**                                             |        |        |       |
| 1   | The development of Limboto Lake prawn-flavoured corn sticks | 0.15   | 4      | 0.6   |
| 2   | There is collaboration between IKM Barakati and stalls or   | 0.15   | 4      | 0.6   |
|     | restaurants.                                                |        |        |       |
| 3   | Raw materials are easy to obtain.                           | 0.12   | 3      | 0.36  |
| 4   | Local community support.                                    | 0.10   | 3      | 0.3   |
| 5   | Technology support.                                         | 0.11   | 3      | 0.33  |
|     | **Total Opportunities**                                     | 0.63   |        | 2.19  |
|     | **Threats (Threats)**                                       |        |        |       |
| 1   | Production Management Experiencing Harvest Failure          | 0.13   | 1      | 0.13  |
| 2   | Bad economic conditions                                     | 0.13   | 1      | 0.13  |
| 3   | Fairly tight business competition.                          | 0.11   | 2      | 0.22  |
|     | **Total Threat**                                            | 0.37   |        | 0.48  |

Source, Primary Data Processed, 2020

3.5. SWOT diagram and SWOT matrix

Barakati, Barakati village, Batudaa district, Gorontalo district, the strategies are formulated in the SWOT matrix table below:

1. SO strategy, by utilizing the strengths (S) of IKM Barakati to take advantage of the opportunities (O) that exist.
2. WO strategy, by overcoming the weaknesses (W) of IKM Barakati to seize the opportunities (O) that exist.
3. ST strategy, by utilizing the strengths (S) of IKM Barakati to avoid existing threats (T).
4. WT strategy, by reducing the weaknesses (W) of IKM Barakati and avoiding the threats (T) that exist.
### Table 4. External and internal environment SWOT matrix

| Internal factors | Strength (S) | Weakness (W) |
|------------------|-------------|-------------|
| 1. Increased Production of Corn | 1. Don't know how to grow a business |
| 2. Beneficial Household Income | 2. Lack of business capital is the most fundamental problem for SMEs |
| 3. High Number of Requests | 3. Processing Is Still Simple |
| 4. Often conducts workforce training | 4. Still a small advantage |
| 5. The workforce has skills | |
| 6. Product Results | |

| External Factors | Opportunity (O) | Strategy (SO) | Strategy (WO) |
|------------------|-----------------|---------------|---------------|
|                  | 1. The development of Limboto Lake prawn-flavoured corn sticks gets attention from the local community | 1. Increasing corn production in the development of Limboto Lake prawn-flavoured corn sticks to increase support and attention from the government | 1. Find out how to properly promote a product so that it quickly grows in the market |
|                  | 2. There is collaboration between IKM Barakati and stalls or restaurants | 2. The high number of consumer orders for Limboto Lake prawn-flavoured corn sticks is because it is influenced by community support in terms of product promotion so that many stalls around Barakati village visit Barakati IKM and buy products for Limboto Lake prawn-flavoured corn sticks. | 2. The existence of good cooperation with other entrepreneurs can generate high profits so that the lack of capital in business can be overcome. |
|                  | 3. Raw materials are easy to obtain | 3. The results of the products released by barakati IKM are in good condition because they are supported by raw materials that are easily obtained. | 3. Management that is still traditional and manual can be overcome by the cooperation of large companies |
|                  | 4. Support from the local community | | |
|                  | 5. Technology support | | |

| Threat (T) | Strategy (ST) | Strategy (WT) |
|------------|---------------|---------------|
| 1. Production Management Experiencing Harvest Failure | 1. With the high number of consumer demand, it is necessary to know the price or information about the corn crop on the market to minimize the price game in marketing. | 1. Increase knowledge of the price information available in the market and expand knowledge to promote processed limboto lake prawn-flavoured corn sticks so that they can develop quickly. |
| 2. Bad economic conditions | | |
| 3. Fairly tight business competition | | |

*Source: processed data, 2020*

The internal factors are then analysed using the SWOT matrix (Strength-Weakness-Opportunities-Threats). To formulate a business development strategy for limboto-flavoured corn sticks at IKM.
Below, is drawn the final analysis in using at tools methodology about SWOT analysis. In this case, the result showed that in the matrix is Quadrant 1, explained that SMEs of Barakati at Gorontalo regency has a good prospective to develop the Limboto Lake Flavour Corn Stick. In another hand this matrix reminds this SMEs of Barakati to achieve the business otherwise the level of aggressive matrix will be maintained in the future.

![SWOT Matrix](image)

**Figure 1. SWOT matrix**

### 4. Conclusions
The factors that influence the development strategy of Limboto lake shrimp flavoured corn sticks at IKM Barakati, Barakati village, Batudaa sub-district, Gorontalo district, namely labour (HR), capital (financial resources), marketing of Limboto Lake prawn flavoured corn sticks, customers and the presence of competitors, strictly in the world of the food business. The strategy of developing Limboto Lake shrimp flavoured corn sticks in Barakati Village, Batudaa District, Gorontalo Regency is in quadrant I which supports the progressive strategy or SO (strength - opportunity) by using the strengths and opportunities you have to minimize the existing weaknesses and threats so as to achieve progress.

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