THE ANALYSIS OF PORTER'S FIVE FORCES IN LUCKY TEXTILE GROUP IN FACING THE COMPETITION OF TEXTILE INDUSTRY.

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ARTICLE INFORMATION
Received: 16th May 2020
Revised: 25th June 2020
Issued: 30th July 2020

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DOI:10.38035/DIJJEFA

Abstract: Lucky Textile Group is one of the textile industries in Indonesia. Lucky Textile Group has 2 subsidiaries, each of which has different processes and production results while maintaining mutual sustainability, namely PT. Benang Citra Indonesia and PT. Eternal Lucky Print. PT. Yarn Citra Indonesia is an industry that produces yarn with the main raw materials, namely cotton, rayon, capital, tencel and cotton blends, while PT. Lucky Print Abadi is an industry that produces woven and finishing fabrics (Printing, Dyeing and White). The raw material for making woven fabric is yarn obtained from PT. Yarn Citra Indonesia or can also be from an outside factory according to the appropriate type of raw material. Then processed into finishing fabrics (Printing, Dyeing and White) according to customer requests including special finishing such as waterproof, anti-fire, anti-bacterial etc. Market competition in Indonesia Even the world is getting stronger with the entry of new competition so this creates challenges that must be resolved. Improving efficiency, innovation and quality in the production process is a way to attract the attention of customers and do not forget to maintain customer confidence by implementing customer responses that encourage and meet customer demands. Through the analysis of 5 porter strengths and SWOT analysis, it is expected that Lucky Textile Group can prepare and build strength in the current and future competition in the textile industry.

Key points: Strategic Management, 5 Porter Forces, SWOT Analysis.

INTRODUCTION

PT. Lucky Print Abadi is a company engaged in the textile industry and is a subsidiary of the Lucky Textile Group. The company is located on Jalan Warung Bongkok, Sukadanau Village, Cikarang Barat, Bekasi, West Java. The number of employees of PT. Lucky Print Abadi currently has as many as ± 874 people with work time divided into three work shifts and nonshift for staff and head offices.

PT. Lucky Print Abadi (LPA) started its business as a textile trading company, especially imported textiles from abroad which was founded in 1960 by Djohansjah Tamin. From selling textile products, slowly Djohansjah Tamin established a textile company by the name of PT. Lucky Djakarta Printing Factory in 1970, after studying the production process until finally it
could produce its own products by having 3 printing machines imported from Hong Kong with 200 workers.

In 1973 PT. Lucky Print Abadi (LPA) has a spinning factory (manufacture of yarn) with 20,000 spindles and weaving with 528 weaving looms. Then in 1981 changed its name to PT. Patal Cimanggis Indah with the establishment of spinning, weaving and printing divisions. PT. Patal Cimanggis Indah was moved to Cibitung in 1989 and changed to the name of PT. Sandang Mutiara Eramulia which has a weaving and printing factory.

The onset of the Asian financial crisis in 1998, PT. Sandang Mutiara Eramulia restructured the company by terminating the employment relationship with the employees of PT. Eramulia Pearl Clothing. After being out of business for two months, the company was renamed PT. Lucky Print Abadi with a new vision and mission and logo. In November 1998 until now. Apart from the Asian financial crisis in 1998 PT. Eternal Lucky Print then becomes stronger and manages to double its growth. 2000 PT. Lucky Print Abadi received an ISO 9002 certificate (quality management system). The growth of PT. Lucky Print Abadi has grown bigger compared to 1970 when it first produced printing fabrics. In 2016 a spinning plant, PT. Yarn Citra Indonesia was built in the same location so that the Lucky Textile Group was formed in the presence of PT. Lucky Print Abadi and PT. Indonesian Citra thread that is in it.

Starting from a local and imported textile trading company, now PT. Lucky Print Abadi has been transformed into a modern company that employs professionals from domestic and foreign countries such as India, China etc. A number of large and modern retailers including H&M, Uniqlo and Guess are its customers.

Vision and mission of the company

Corporate Philosophy

The existence of corporation Is for Contribution towards the improvement of Human Life. Therefore we have to be able to sustain and grow.

Corporate Vision

We envision a "Tree of Life" that nourishes all its surroundings, its people and environment with fresh energy, emitting fragrance and distributing the fruit of excellence to all its stakeholders, who would continuously nurture and sustain this "Tree of Life".
Corporate Mission
To be the customers' first choice in providing goods and services which assure integrity.

Corporate Values
• Integrity
• Professional
• Team Work

Lokasi Lucky Textile Group (PT. Lucky Print Abadi and PT. Benang Citra Indonesia)

(a) Lucky Textile Group Head Office Locations, (b) Lucky Textile Group Factory Location

Production results in every business area
All business activities are managed by 2 Companies:
1. PT Benang Citra Indonesia, handling 10,000 tons of Yarn Business annually
2. PT Lucky Print Abadi, handling annual sales of 25 million meters of Greige and 30 million meters of Printed and Dyed Fabrics.

By end of 2021, the Company is targeting a 30% increase in each activity. Our customers are mainly Industries. As Industrial customers, they are concerned about On-Time Delivery, Quality Consistency and Efficiency.

Yarn Business
Spinning Process

Newly set up in 2017 with brand new machines from Germany, Switzerland and Japan. Production 9,600 ton/Annum.

Customers
Own Consumption - 30%
Local Market sale - 20%
Global Market Sale - 50%

| Type of Yarn                  | Material   | Process Type     | Range   |
|-------------------------------|------------|------------------|---------|
| 100% Cotton                   | Carded     | Ne 16-80         |
| 100% Rayon                    | Combed     |                  |
| 100% Modal                    | Combed Compact |               |
| 100% Tencel                   |            |                  |
| Cotton Blends                 |            |                  |

* also produce all types of fancy slub, CSY, HCS, Dual core and Plied yarn

Greige Business

Weaving Process

Started it's business in 1973s Renovating Factory now with Latest Toyota high speed Air Jet Looms, Karl Mayor Warping and Sizinng mcs. Current Production 25,000,000 meter/Annum and Target Production 36,000,000 meters/Annum by 2021.

Customers
Own Consumption - 50%
Local Market sale - 25%
Global Market Sale - 25%

Type of Greige fabric
Material | Weaves | Width
--- | --- | ---
100% Cotton | Plain 1/1 | 36-80 inch
TC, CVC and TR | Twill 2/1 |  
100% Polyester | Twill 3/1 |  
100% Rayon | Oxford 2/2 |  
100% Tencel | Semi Oxford 2/1 |  
Rayon Tencel Blend | Sateen 4/1 |  
Cotton Tencel Blend | Spandex |  
Linen Rayon Blend | Heavy Dense |  
Linen Cotton Blend |  |  

**Fabric Finishing Printing, Dyeing and White**

We have a modern finishing unit where we print and dye premium fabrics made of natural and cellulosic fibre. We offer creative solutions, the latest trends and a wide range of designs to our customers. We manufacture finished fabrics for fashion, uniform, craft and home-décor for major brands and retailers worldwide. The finishing unit has a capacity of 30,000,000 meters of fabrics per annum.

Printing is our core strength supported by the latest technology in rotary screen printing and digital printing. PT.Lucky Print Abadi strives to integrate sustainability in its products and production process. We offer eco-friendly and conscious products in our range of fabrics.

The manufacturing unit has an advance waste-water treatment facility that converts effluent into fresh water. We attempt to positively contribute to the environment by using sustainable raw material, reducing water consumption and recycling waste. Manufacturing unit is ISO 9001 and Oeko-TEX certified.

**Product Range**

**Fabric Weight**
Sheer weight fabrics in fine yarn counts = 60-100 GSM.
Shirting weight fabrics in medium yarn counts = 101-180 GSM.
Bottom weight fabrics in course counts = 181-400 GSM.

**Fabric Width**
Narrow width = 44/45 inches.
Wide width = 57/58 inches.

**Blends**
100% Cotton, Cotton Stretch, Viscose, Tencel™, Linen, Bamboo, Modal™, Ecovero™.

**Weaves**
Plain, Twill, Sateen, Oxford, Dobby, Herringbone, Cord, Pique.

**Special Products**

PT. Lucky Print Abadi offer innovation in our fabrics through special printing techniques and collaborating with our partners to create high performance, comfort, fashionable and durable textile effects in various textile categories. Special Products of PT. Lucky Print Abadi's offer is as follows:

- **Printing Techniques**
  - Pigment, Resist, Discharge, Lacquer, Gold, Silver, Glitter, Glow in the dark, Neon, Indigo, Transparent, Dip-Dyed, Gradation and Foaming.
- **Special Finishes**
  - **Outerwear**
    - Water Resistant, Water Repellent, Wicking Windows™, UV Protection, Natural Stretch™, Soil Release.
  - **Uniform**
    - Soil Release, Flame Retardant, Odor Control, Insect Protection, Abrasion Resistant, Anti-Bacterial, Anti-Blood and Easy to Iron/Easy Wrinkle.
  - **Fashion**
    - Micro Sanded, Carbon Peach, Brushed-Raised, Chintz, Silky, Seer Sucker, Perfume, Paper-touch and Aloe Vera.

**LITERATURE REVIEW**

1. **5 Forces Model – Michael E. Porter**

   5 Forces Porter Model was first developed by Michael Porter. Porter's 5 Forces is a tool used to analyze how a competitive environment affects the marketing of a product. There are five competing forces, Hapzi (2019):
   a. Threat of new entries
   b. Threat of substitute products
   c. Bargaining power of customers
   d. Bargaining power of suppliers
   e. Rivalry of Competitors

Available Online: [https://dinastipub.org/DIJEFA](https://dinastipub.org/DIJEFA)
Competition in an industry is not only limited to competition among competitors in the end but also from competition that will determine the ability of companies in an industry to make a profit.

![Diagram of Five competing forces at 5 Forces](image)

a. Threat of new entries
   New entrants will increase the level of competition in an industry. Entry of new entrants into the industry depends on the following:
   - **Customer loyalty**
     Customers who have loyalty to the product and will continue to use products from the industry.
   - **Product differentiation**
     Product differentiation is a company that has a brand / brand and customer loyalty related to advertising, customer service, product differences or because the company is the first company to connect the industry.
   - **Investment Cost**
     Large investment needs can create barriers to enter the industry. Will benefit the industry.
   - **Government Policy**
     Policies in operating a network can be one of the obstacles to entering new industries.

b. Threat of substitute products
   The bargaining power of buyers in an industry plays a role in suppressing prices, as well as offering in improving quality or service, and creating competition among competitors. Buyers have strong bargaining power if they fulfill the following:
   - The product purchased is a standard or undifferentiated product. So buyers are sure they will find alternative sellers that offer better offers.
   - The buyer has complete information about a product. As information about demand, actual market prices, and costs incurred by sellers so that the bargaining position will be stronger.
c. Bargaining power of customers
The existence of substitute products or services will limit the amount of potential profits to be gained from an industry, including:
- Replacement product service. Which is easy to get it.
- The more attractive alternative prices offered by substitute products, the tighter the limits of an industry's profits.

d. Bargaining power of suppliers
Suppliers can use the bargaining power of buyers in the industry by increasing prices or reducing the quality of products / services purchased. Suppliers have a strong support position:
- Suppliers are recommended by several companies and focus more on the industry they sell.
- No additional products are sold in the industry.
- The industry is not the only place where suppliers sell their products. If an industry is not the main market for a supplier then the supplier can impose its strength on that industry.
- Supplier of products Suppliers are very important to the success of the manufacturing process or the quality of the products produced by the buyer.

e. Rivalry of Competitors
Competitors in this case are companies that produce and sell similar products, which will compete in fighting for market share. The cause of high competition, namely:
- A balanced number of competitors. The number of companies with the strengths of each company will certainly increase competition in the competition.
- Competitors Diverse competitors. Competitors have different strategies, origins, characteristics, and goals and competitive strategies.
- Weak industrial growth, will make competition an arena of competition for market share for companies that want to expand.
- Lack of product differentiation. When a product / service is seen as a commodity, the choice of the buyer will be based on prices and services, and there will be sharp prices and competitive services.
- Fixed costs. High fixed costs can create enormous pressure on all companies to fill capacity which often leads to rapid price reductions in the event of excess capacity.

2. SWOT Analysis
SWOT analysis is a strategic planning method used in evaluating strengths, weaknesses, opportunities and threats in a project or business speculation. 4 factors that form the acronym SWOT (strengths, weaknesses, opportunities, and threats). This process involves setting specific goals for business or project speculation and identifying internal and external factors that support and which do not achieve these goals.
According to Kotler (2009) SWOT analysis (Strengths, Weakness, Opportunity, Threats) is a way to observe the external and internal marketing environment.
According to Gitosudarmo (2001) The word SWOT is an approach of Strength, Weakness, Opportunity, and Threats, which can be translated as: Strengths, Weaknesses, Opportunities and Threats.
SWOT analysis can be applied by analyzing the factors that affect the company, then applied in the form of a SWOT matrix.

a. **Strength**
   Internal factors are things that support the company in achieving its goals. Strength can be in the form of resources, expertise, or other advantages that may be obtained thanks to financial resources, image, excellence in the market, as well as good relations between buyers and suppliers.

b. **Weakness**
   Internal factors are things that hinder the company in achieving its goals. Weaknesses can be in the form of incomplete facilities, lack of financial resources, ability to manage, marketing expertise and corporate image.

c. **Opportunity**
   External factors are things that support the company in achieving its goals. Opportunities can be in the form of policy changes, changes in competition, changes in technology and the development of supplier and buyer relationships.

d. **Threat**
   External factors are things that hinder the company in achieving its goals. Threats can include the entry of new competitors, slow market growth, increased bargaining power than major suppliers and buyers, technological changes and new policies.

The mindset for analyzing SWOT in to become 3 aspects. The three aspects of the SWOT analysis consist of:

a. **Global aspects**
   The global aspect is a global network and factors can determine the SWOT associated with global aspects, besides the global aspects are outline and international.

b. **Strategic aspects**
   The strategy aspect is a more complex translation into a more medium-term work plan (usually 5 years) that aims to realize what has been formulated by the global plan.

c. **Operational Aspects**
   Operational aspects are aspects that are short-term or less than 5 years. The operational plan aims to describe operationally and in detail the strategic plan.

### 3. 4 Pillars Strategy

4 The advantages of this strategy pillar are compilers of competitive advantage used to develop company competencies that are specific or different from competitors and
superior performance to achieve competitive advantage.

![Diagram of 4 pillars of strategy]

(a) Impact of 4 Strategy Pillars on Unit Cost and Price,
(b) Effect of Quality on Profit

a. Efficiency
   Efficiency is the result of the output / input ratio. Efficiency is determined by the adjusted HR Efficiency of output per worker unit. Quality products are products that are in accordance with their designation.

b. Innovation
   Innovation is finding something new in the operation or manufacturing of products, discussing progress in manufacturing products, management systems, organizational structures, etc. Innovation is a pillar of competitive advantage, because it creates the uniqueness of the company.

c. Quality
   The quality of a product or service must be an attraction for consumers, in addition to increasing future consumers, brand loyalty will also increase because the company has good quality goods and services and is known to many people.

d. Customer to Responsiveness
   Responsive customer (CR) is the ability to win and satisfy customer desires. Superior quality and innovation are integral parts of superior customer response. One important aspect of CR is the CR time required to provide / deliver goods or perform
services. Another aspect of CR that is increasingly developing is adjustment, which is making goods according to individual or group of customer desires.

RESEARCH METHODS

The research method used by the author in conducting this research is descriptive qualitative research method. Satisfactory research on the strategies carried out by Lucky Textile Group in achieving competitive advantage.

The data processing and analysis method used consists of descriptive analysis aimed at discussing the company's mission, company goals, and the characteristics of the products produced. This analysis is intended to provide an overview of the company in general.

The analysis uses Porter's five strengths namely the strategic decision making process related to the vision, mission and goals as well as the present conditions, future conditions related to strategic planning and policies that will be implemented. These strategies and policies are inseparable from the balance and analysis of the existing internal and external environment. In connection with the external environment, it is necessary to do an analysis first of the five porter power models with the aim to improve existing external factors. Porter's five strengths that describe companies in direct and indirect competition related to five things that affect the strength of competition in an industry, including: the entry of new competition, the threat of added products (substitutes), free competition from buyers, the power of supply from suppliers and competition between existing companies.

SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) SWOT analysis is used to develop a company's strategy. This analysis can refute clearly how to determine opportunities and challenges needed by the company in accordance with its strengths and weaknesses. SWOT matrix can produce alternative strategies, namely SO strategy, WO strategy, WT strategy, and ST strategy.

FINDINGS AND DISCUSSION

1. 5 Forces Analysis

Five Force Porter analysis was carried out at PT. Lucky Textile Group:

a) Threat of new entries

| No | Indicator | Analysis | Conclusion |
|----|-----------|----------|------------|
| 1  | The extent of intense and complex competition in the future requires the availability of adequate resources and capital. Indirectly, large corporations / foreign investors have the opportunity to invest their capital in Indonesia. This could mean the creation of new companies in Indonesia or the strengthening of foreign capital over existing competing companies. | High threat |
| 2  | Customer loyalty depends on the compatibility of consumers with the company. Lucky Textile Group customers have regular customers over 50%. | Medium threat |
| 3  | Customer loyalty does not arise automatically, but through the service and good performance of the company. So far, the company has committed to continuing to meet customer needs to satisfy customers | Low threat |
| 4  | The growth of the textile industry is inextricably linked to government policies, as the government has facilitated the licensing and conditioning of growth in the textile industry | High threat |
| 5  | Government policies have a significant impact, like the growth of the textile industry in Indonesia | High threat |
### b) Bargaining power of Customers

| No | Indicator                                      | Analysis                                                                 | Conclusion                                      |
|----|-----------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------|
| 1  | The degree of buyer dominance                 | Buyers are dominated by the apparel and brand industries                 | The power of offers from buyers is high         |
| 2  | Dominance of purchases every year             | The dominance of buyers is very volatile due to the number of inquiries  | Low bid strength from buyers                   |
| 3  | The degree of clarity of the product information | The sales and marketing team confirms the products of the Lucky Textile Group to customers | The power of offers from buyers is high         |
| 4  | The degree of buyer loyalty                   | The number of textile industries that sell the same product, which means that consumers are not dependent or bound on just one product. This affects buyers who have more freedom to choose the lowest offer value with competitive quality. | The power of offers from buyers is high         |

### c) Threat of substitute product

| No | Indicator                                      | Analysis                                                                 | Conclusion |
|----|-----------------------------------------------|--------------------------------------------------------------------------|------------|
| 1  | The demand for substitutes for textile printing products | The number of textile industries in Indonesia producing rotary printing textiles is an inevitable threat, but not many textile printing industries use digital printing. So that the risk of replacement products was minimized by adding the latest automation machine, digital printing, with better results compared to rotary printing. | Low threat |

### d) Power of Suppliers

| No | Indicator                                      | Analysis                                                                 | Conclusion |
|----|-----------------------------------------------|--------------------------------------------------------------------------|------------|
| 1  | Degree of supplier dominance                  | Suppliers are not dominated by just one supplier.                        | Low supplier performance                          |
| 2  | The quality level of the supplier's products  | The quality of the supplier's products is good because the company has standards that the supplier must adhere to. | Low supplier performance                          |
| 3  | The quality of the supplier's products is always constant | The quality of supplier products is not always constant, this is because it adjusts the purchase price with its quality. | Low supplier performance                          |
| 4  | The cost of switching to another supplier     | Switching costs depend on which supplier is used.                        | High bidding power from suppliers                 |
| 5  | Supplier change costs per year                | Supplier switching costs are not always constant every year.            | High bidding power from suppliers                 |

### e) Rivalry of Competitors

| No | Indicator                                      | Analysis                                                                 | Conclusion |
|----|-----------------------------------------------|--------------------------------------------------------------------------|------------|
| 1  | Number of participants                        | The number of competitors in Indonesia is ± 200 textile industries       | High competition |
| 2  | Increasing number of competitors              | Increasing competition every year for 0-1 companies                      | Medium competition |
| 3  | The growth of similar industries every year   | The growth of the textile industry also rose to 15.35%. This achievement shows progress that continues to improve under the pressure of | High competition |
4  Influence of industrial growth on inflation  Industrial growth affects inflation because inflation affects purchasing power  Medium competition

5  Product differentiation with competitors  The textile industry generally has a product differentiation  High competition

6  Differentiation of raw materials  Most companies use the same raw materials  Low competition

7  Production costs  The impact of the weakening dollar has a strong impact on raw material prices and affects rising production costs  Medium competition

Based on the Porter Five Force analysis above, the results show that the Lucky Textile Group company tends to be high. This is evidenced by the number of competitors in Indonesia, namely ± 200 textile industries, an increase in the number of textile industries that produce similar types from 0 to 1 company each year. An increasing number of the textile industry can lead to ever increasing competition. Increased competition is evident in the increasing number of companies that differ from other competitors. In this case, the Lucky Textile Group has a product differentiation, which is a special finishing product that can reduce production costs and still have a quality according to the standards. The main raw materials themselves, most of the Lucky Textile Group, do not differ, so competition for existing raw materials tends to be low.

In order to overcome the ever tougher competition between competitors, the Lucky Textile Group can increase the demand or strengthen the product differentiation by increasing the product quality and maintaining the product quality. Then the Lucky Textile Group can do good marketing and get advice from customers without changing the existing quality standards. Customer loyalty is a factor that can affect the small threat posed by new entrants. In this case, the Lucky Textile Group has fixed customers over 50% of the total customers, so the threat from new entrants is very important. This requires customer loyalty. Customers continue to automatically buy from the same company so they don't switch to the company's new competitors. Customer retention is not easy as the company has to perform and provide maximum service to customers by providing quality products, affordable prices and all kinds of convenience for customers such as easy ordering, easy delivery, etc. to make customers believe in them Company. In addition, government policies pose a threat to the entry of newcomers as government policies have contributed to the growth of the textile industry. In this case, the government has a policy to facilitate corporate licensing and the establishment of the textile industry. This will make it easier for newcomers to enter, which could pose a threat to the Lucky Textile Group. The Lucky Textile Group is not too concerned about the threat posed by replacement products, since customer demand for replacement products is not too high. The Lucky Textile Group produces not only rotary textile printing, but also digital printing, so that the risk of replacement products was minimized by adding the latest automation machine, digital printing with better results compared to rotary printing.

In the textile industry, the Lucky Textile Group, buyers are dominated by the clothing and brand industry. The products marketed by the Lucky Textile Group are semi-finished products that are used as raw materials for the clothing, brand and fashion industries. The dominance of buyers every year is not constant as it depends on the number of buyer requests. By increasing the bargaining power of buyers, the Lucky Textile Group can also provide clear information about its products. In this case, the Lucky Textile Group has a sales and marketing team that offers and provides customers with information about the company's products. Customers can ask directly for the information they need to help customers get clear information about the company's products.
Of course, the company has a supplier to cover the raw material requirements. In this case, the supplier in the textile industry is not dominated by one supplier. Likewise, the Lucky Textile Group has suppliers who have more than one supplier, for example, raw materials from India, China, the USA, etc. This is because the company can use another supplier if there are problems with one supplier and the production process continues to run smoothly. The product quality of the suppliers is not always constant. This is because after the purchase price, the lower the sale price, the lower the quality. However, the Lucky Textile Group already has suppliers with high-quality raw materials, as the company already has standards that must be met by the suppliers so that the company can continue to maintain the quality of the products it manufactures.

Based on the results of the above analysis, the Lucky Textile Group shows several strategies that can be developed to meet competition in an increasingly competitive textile industry. Some strategies that companies can develop include:
1. Adding a product differentiation is a special finish of the fabric, so the product has different types with different functions.
2. Lower prices than the competition. In this case, the company can maintain lower prices than its competitors, but by keeping product quality constant.
3. Improving product quality and maintaining product quality are related to developing work rest skills so that the products being worked on are of good quality and can be maintained.
4. Increase customer loyalty so they can anticipate customer losses and reduce the threat from new entrants.
5. Training and development programs for employees to improve their skills and abilities.

2. SWOT Analysis

| STRENGTHS (S) | WEAKNESS (W) |
|---------------|--------------|
| 1. Integrated textiles | 1. Quality inconsistencies |
| 2. 60 years of experience | 2. Delivery performance on time |
| 3. Manage the family company professionally | 3. Product innovation |
| 4. Famous corporate image | 4. Human resource development |
| 5. Strong belief in the great potential of the textile industry | 5. Market for short wide weaving machines |

| OPPORTUNITIES (O) | STRATEGI SO | STRATEGI WO |
|-------------------|-------------|-------------|
| 1. Indonesia’s domestic textile market is growing | 1. Utilizing and commitment to the company’s image in marketing products in Indonesia. | 1. Conduct training & human resource development to improve the quality of human resources in the face of the growth of the textile market. |
| 2. Indonesian fashion designers who are developing | 2. Using momentum in the development of the domestic and international textile market. | 2. Invest the latest machines to improve product performance and quantity. |
| 3. International brands intend to increase their operations in Indonesia | 3. Develop investment for the growth of the textile market | 3. Doing product innovation according to the needs of the domestic and international markets. |
| 4. The textile industry is classified as a strategic industry | | |
| 5. The bank is ready to support investment | | |
THREATS (T)
1. Indonesian political situation
2. Foreign direct investment will come
3. Currency exchange
4. Import of illegal textiles
5. Not enough local textile experts

STRATEGI ST
1. Maximize resources and recruit textile experts to face the era of free markets and other competitors.
2. Increasing competitiveness through improving the quality of products, human resources, facilities, and efficient services.
3. Maintain & enhance the company's reputation to strengthen brand image.

STRATEGI WT
1. Improve product quality to compete with illegal textile imports.
2. Increasing knowledge of human resources in the field of textiles.
3. Appropriate market segmentation and collaboration with the textile industry in Indonesia in dealing with an unstable political situation.

3. 4 Pillars of Strategy
   a) Efficiency
   The adjustment of the amount of raw materials used in the production process is very calculated with a balanced production planning. In addition, operators or field staff need to expand their regulatory and machine tool expertise so that not only can they use machines better, they can also produce better products by increasing production that can produce with more products produced.

   b) Innovation
   The development of new products, such as design printing, which adapts to current trends, is crucial for the marketing that puts new products together on the market. Of course, this is not spared from the cooperation with the clothing industry, retail brands and domestic and foreign designers. In addition to the further marketing of substances that have specialized, such as antibacterial, air, fire, bulletproof, etc.

   The creation of a new type of fabric with this type of fabric is being done to fill the market with the latest types of fabric models. Of course, the types of raw materials also increase with this innovation.

   c) Quality
   The quality of the manufactured products corresponds to the American, European and Asian standards, which are the target market, so that the quality of the manufactured products can be manufactured as international export goods.

   d) Customer to Responsiveness
   For export marketing, apart from direct distributors to distributors and representatives in Indonesia and abroad, through competitive penetration of international markets such as For example: textile products with service privileges with convenience and punctual delivery offered customer satisfaction.

CONCLUSION ADN SUGGESTION
CONCLUSION
Based on the discussion of the Lucky textile Group strategy, it can be concluded:
The Lucky Textile Group competition with other competitors in the textile industry is very strong, although it can sometimes be weak due to raw materials which mostly depend on foreign countries, so that the rupiah exchange rate plays an important role here. Lucky Textile Group must always be ready to respond to competition in every line of business, both at
global and domestic levels. In addition, Indonesia has not yet registered as a member of the Trans-Pacific Partnership, creating high barriers for companies to penetrate the American and European Union markets. This requires hard work in promoting products like what the Lucky Textile Group does, which always participates in textile exhibitions at home and abroad. The company benefits from being an integrated company. With an integrated system, so the company can supervise the entire production process and can ensure the quality and consistency of production, in addition to the company also allows to streamline cost structures with economies of scale and lower transportation costs, the company also has the ability to set a more competitive selling price.

**SUGGESTION**

The number of textile industries in Indonesia is ± 200, and will increase every year. Increasing the number of the textile industry can overcome the increasingly high and competitive competition. The strategy can be developed by Lucky Textile Group to overcome competition in an increasingly competitive textile industry.

1. Adding product differentiation with special finishing on the fabric, so the product has a variety of types with different functions.
2. The price is cheaper than the competition, in this case the company can maintain a lower price than the defense but by maintaining product quality.
3. Improving product quality and improving product quality, this is related to the development of work quality product improvement skills that are done to have good quality and can be maintained.
4. Increase customer loyalty so as to prevent losing customers and losing the newcomer's defense.
5. Training and development programs to improve skills and skills.

The managing director of Lucky Textile Group said that in pursuit business success, Lucky Textile Group needs the support of our Customers and Suppliers. because, it is important for us to understand and collaborate like partners to ensure long-term mutual benefits.

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