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SWOT ANALYSIS FOR THE DEVELOPMENT OF MARKET POTENTIALS AND OPPORTUNITIES FOCUSING ON THE POTENTIAL OF NATURAL RESOURCES

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Abstract

Development is carried out by mapping based on the potential of each district. However, the potential of its natural resources has not been optimally explored for industrial opportunities due to the absence of supporting maintenance. The results show that most of the potential is in its natural resources. Market opportunities usually meet the interests of individuals, such as brokers who create the largest profit margins. On the other hand, the craft community collects very minimal profits. In fact, human resources have enormous potential but become a problem when there is no regeneration of the younger generation. In addition, corporate institutional factors are needed to increase the potential bargaining position of the district. These factors are highly desirable to guarantee a better price of the material.

Keywords: development industrial potency, market opportunity and natural resource.

INTRODUCTION

Development, which has been felt to have experienced a gap between the most unequal regions, requires more intervention and acceleration so that it can improve the welfare of the community (Dickson et al., 2014). Economic resilience is due to the economic structure supported by the processing industry made from local raw materials (Tabrani, Angkasa, Rahmatika, Firmansyah, & Rahajo, 2022). During the economic crisis, the economic structure made from local raw materials proved to be more resilient, meanwhile the processing industry made from imported raw materials was in a slump, and ironically this industry is located in an industrial development area that already has a complete infrastructure (Lund, Manyika, Woetzel, Barriball,

& Krishnan, 2020). For this reason, it is necessary to develop an area that has a potential natural resource base to be managed through competitive industrial processes (Litvinenko, 2020). This area is a coastal area.

The superior potential of the southern region which is very urgent to be managed is the agricultural sector, the plantation sector and the mining sector. For this reason, in the context of implementing Law no.22 of 1999 concerning regional autonomy and Law no. 25 of 1999 concerning the balance of central and regional finance, it is necessary to have a guide in assisting the development of local raw material processing industries in each region. It is hoped that through the management of local raw materials into an industry that is designed in an integrated manner, it will bring a strong community economic resilience (Irvine et al., 2022). This can also be done by developing potential natural resource areas, especially industrial potentials that have high competitiveness (Dubois, Verkasalo, & Claessens, 2020). By knowing the mapping of natural resources, the potential, especially the potential of industries that have high competitiveness, it is hoped that the development of local industries can be carried out more optimally. Knowledge of industrial patterns should be a reference for industrial development so that a guide is needed in industrial development (Umanailo, 2019). Of course, this guide requires a map of industrial development in all sectors supported by adequate infrastructure strength. Based on the above background, it is necessary to conduct a mapping study of industrial potential. This mapping can be done in the hope of describing the condition of the industrial development of the region.

METHOD

This study also uses a qualitative approach, method and analysis by taking into account its relevance to the problem of this research (case study) (Harrison, Birks, Franklin, & Mills, 2017).

The potential of natural resources (SDA) has not been optimized and human resources (HR) have not been optimally empowered, both in terms of potential and capacity building, it is necessary to map and inventory:

- a. Potential natural resources and human resources
- b. Existing policy support/obstacles
- c. Market opportunities that may be improved

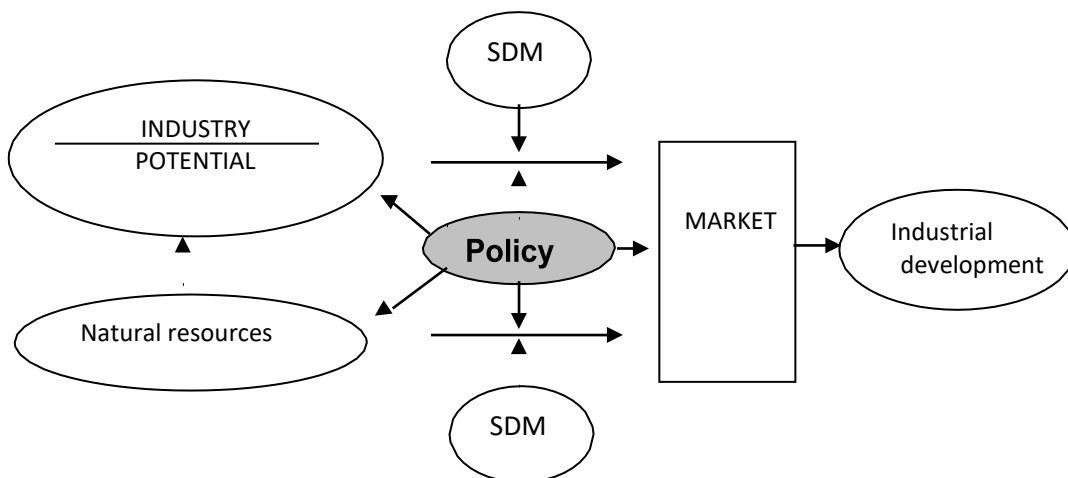


Figure 1 Mindset Mapping and Inventory of Industrial Potential.

Source: Processed by Researchers

RESULTS AND DISCUSSION

1. SWOT Matrix Analysis

SWOT matrix analysis (Strength, Weakness, Opportunity, Treat) is the systematic identification of various factors to formulate corporate strategy (Salman et al., 2021). This analysis is based on logic that can maximize strengths (strategy) and opportunities (opportunity), but together can minimize weaknesses (weaknesses) and threats (threats). This SWOT matrix analysis can clearly describe how the external opportunities and threats faced by the company can be adjusted to its strengths and weaknesses (Gepner, Tien, Dao, & Minh, 2022).

2. SWOT Analysis

As with SWOT analysis in general, the analysis and weighting and ranking of each item from each type of industry has a subjective dimension (Wardhani & Dini, 2020). However, this subjectivity is attempted to be eliminated by the process and results of interviews as well as observations and "conclusions" made by researchers.

Table 1 Key Internal Strategy Factors (IFAS) of Coconut Sugar

No	Internal Strategy Factors (IFAS)	Weight	Rating	Score
STRENGTH:				
1.	Raw materials are widely available	0,15	4	0,60
2.	Products have high economic value	0,10	3	0,30
3.	The product has its own peculiarities	0,05	3	0,15
4.	Products have special consumers	0,05	2	0,10
5.	Availability of sufficient human resources adequate (skills, suitability to the level of need)	0,10	3	0,30
WEAKNESS:				
1.	Small production scale	0,15	4	0,60
2.	Processing is still traditional	0,15	4	0,60
3.	Product development costs a lot	0,10	3	0,30
4.	Still a side job	0,05	3	0,15
5.	Not managed professionally	0,10	3	0,30
Amout		1,00		3,40

Source: Processed Data

Table 2 Factors External Strategy (EFAS) Leading Coconut Sugar

No	External Strategic Factors (EFAS)	Weight	Rating	Score
OPPORTUNITY:				
1.	There is support and attention from the government or related agencies	0,15	4	0,60
2.	The level of product demand is already at the provincial level	0,05	3	0,15
3.	Access (roads, transportation, information) is easy	0,10	3	0,30
4.	Already available industrial centers	0,10	4	0,40

	(institutional)			
5.	There is assistance in the form of equipment and experts	0,10	4	0,40
CHALLENGE:				
1.	There is no trading system that regulates buying and selling prices	0,15	4	0,60
2.	Product competition is already at the district level and outside the district	0,10	3	0,30
3.	Promotion is still at the district level	0,10	3	0,30
4.	Difficulty in penetrating the market, especially outside the Regency	0,10	4	0,40
5.	Lack of capital support	0,05	4	0,20
	Amout	1,00		3,65

Source: Processed Data

Table 3

Internal Strategy Factors (IFAS) Potential Mining Materials Processing Industry

No.	Internal Strategy Factors (IFAS)	Weight	Rating	Score
STRENGTH:				
1.	Raw materials are widely available	0,15	4	0,60
2.	Products have high economic value	0,10	3	0,30
3.	Very large sales turnover	0,05	3	0,15
4.	Mining materials have their own peculiarities	0,05	2	0,10
5.	Having special consumers (industry related to mining)	0,10	4	0,40
WEAKNESS:				
1.	Raw materials are sold directly without being processed to increase selling value	0,15	4	0,60
2.	Natural resources are located bordering other areas	0,10	4	0,40
3.	The survey has never been done	0,15	4	0,60
4.	Development costs are huge	0,10	4	0,40
5.	Road access to the location is still quite difficult	0,05	3	0,15
	Amout	1,00		3,90

Source: Processed Data

Table 4

External Strategic Factors (EFAS) Potential for Mining Materials Processing Industry

No.	External Strategic Factors (EFAS)	Weight	Rating	Score
OPPORTUNITY:				
1.	Promotional activities are often carried out by participating in development exhibitions	0,15	3	0,45

2.	There is support, assistance, attention from the government/relevant agencies	0,15	4	0,60
3.	High product demand	0,10	4	0,40
4.	There is help in the form of experts	0,10	3	0,30
5.	There is good access to information	0,05	3	0,15
CHALLENGE:				
1.	Mining materials have not been excavated yet	0,15	4	0,60
2.	Product competition from several districts that have similar natural resources	0,05	3	0,15
3.	SDA is on the border with other districts	0,10	4	0,40
4.	Productivity is still low	0,05	3	0,15
5.	The need for capital is very large	0,10	4	0,40
Amout		1,00		3,60

Source: Processed Data

3. Analysis Matrix

Based on the scores from the internal factors and external factors, an output matrix in the form of recommendations / conclusions is drawn up.

Table 5 Recommended Matrix

Industry	Strength and Opportunity	Weakness & Challenge	Conclusion
Coconut sugar	Raw materials Government support	Small production scale No arrangement commerce	Requires a marketing management container/cooperative network
Mining material	Pem raw materials	Many have not been excavated Selling raw materials	Survey on the potential for increasing added value of Regency Government Policy

CONCLUSIONS

The potential of the industry is very large, especially when viewed in terms of the potential of its natural resources. However, various supporting factors for the management and utilization of Natural Resources, ranging from: Human Resources (HR), mastery of technology, managerial skills, ease of access (infrastructure), to marketing issues, are still relatively inadequate.

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