

SWOT Analysis As A Digital Marketing Strategy In XYZ Market Company

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Abstract: The purpose of this study is to analyze the strengths, weaknesses, opportunities, and threats (SWOT) as a foundation for formulating digital marketing strategies for the XYZ Market business company. Amidst increasing market competition and a shift in consumer behavior toward digital platforms, XYZ Market needs to optimize its digital marketing strategies to enhance competitiveness and expand market reach. The research method employed is qualitative descriptive with a literature review. The findings indicate that SWOT analysis enables companies to holistically evaluate their market position by considering internal and external factors affecting their business. The SWOT analysis results show that the company's main strengths are product uniqueness and customer loyalty, while its weaknesses lie in the limited use of digital technology. The greatest opportunities come from increasing internet penetration and consumers' growing preference for online shopping, whereas the main threats arise from intense competition and frequent changes in digital platform algorithms. Based on the SWOT findings, recommended digital marketing strategies include optimizing social media use, improving digital content quality, and collaborating with e-commerce partners. This study is expected to serve as a reference for XYZ Market in developing more effective and adaptive digital marketing strategies in response to market dynamics.

Keywords: SWOT analysis, Digital marketing strategy, XYZ Market, Business analysis, Digital transformation.

Abstrak: Tujuan dari penelitian ini adalah untuk menganalisis kekuatan, kelemahan, peluang, dan ancaman (SWOT) sebagai landasan dalam merumuskan strategi pemasaran digital bagi perusahaan bisnis Market XYZ. Di tengah persaingan pasar yang semakin ketat dan pergeseran perilaku konsumen ke arah platform digital, XYZ Market perlu mengoptimalkan strategi pemasaran digital untuk meningkatkan daya saing dan memperluas jangkauan pasar. Metode penelitian yang digunakan adalah deskriptif kualitatif dengan studi literatur. Hasil penelitian menunjukkan bahwa analisis SWOT memungkinkan perusahaan untuk mengevaluasi posisi pasar mereka secara holistik dengan mempertimbangkan faktor internal dan eksternal yang mempengaruhi bisnis mereka. Hasil analisis SWOT menunjukkan bahwa kekuatan utama perusahaan adalah keunikan produk dan loyalitas pelanggan, sedangkan kelemahannya terletak pada penggunaan teknologi digital yang terbatas. Peluang terbesar berasal dari peningkatan

penetrasi internet dan meningkatnya preferensi konsumen untuk berbelanja online, sedangkan ancaman utama muncul dari persaingan yang ketat dan seringnya perubahan algoritma platform digital. Berdasarkan temuan SWOT, strategi pemasaran digital yang direkomendasikan adalah mengoptimalkan penggunaan media sosial, meningkatkan kualitas konten digital, dan berkolaborasi dengan mitra e-commerce. Penelitian ini diharapkan dapat menjadi referensi bagi XYZ Market dalam mengembangkan strategi pemasaran digital yang lebih efektif dan adaptif terhadap dinamika pasar.

Kata kunci: Analisis SWOT, Strategi pemasaran digital, Pasar XYZ

INTRODUCTION

The rapid development of digital technology has brought significant changes in the way companies carry out their marketing activities. With the rapid growth of digital platforms like social media, e-commerce, and search engines, consumers are becoming more engaged online. This shift requires businesses to adopt modern, fast, and targeted marketing strategies. In this landscape, digital marketing has become a crucial and cost-effective approach, enabling companies to reach a broader and more segmented audience efficiently digital era (Adam et al., 2022).

XYZ Market as one of the business actors in the consumer goods trading sector faces major challenges amidst tight market competition and rapid changes in consumer preferences. To sustain and grow, businesses must have a clear understanding of their internal strengths and weaknesses, as well as the external factors that influence their operations. Therefore, SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis is an important tool that can help companies identify relevant strategic factors as a basis for formulating effective digital marketing strategies.

Digital marketing is the strategy of promoting products and identifying target markets through online digital platforms, utilizing various tools such as social media networks. The acceptance of technology and the internet in society is very broad so it is not surprising that digital marketing activities are the main choice for companies or organizations and one of them is in the market. Digital marketing based on electronic media can use advertisements on television or radio, while those based on internet media such as marketing through social media or e-commerce. The advancement of information technology and the rise of digital marketing are expected to mark a turning point in the shift from traditional marketing methods to more modern and digital-based strategies. Using digital marketing, not only on marketing elements but will have an impact on all business activities as a whole, both a business that is already large and national in Scale refers to the overall size of a business, while a small-scale business operates on a limited scope with fewer resources and a smaller market reach (Ali & Yulasmi, 2022).

Product is an important component that must be used to meet customer needs and wants. Innovative and high-quality products will attract customers. Prices must be set by considering competitors' prices and customer purchasing power. To make a product easily accessible to target customers, businesses must carefully choose the right location and distribution channels. Effective promotion plays a key role in driving sales by clearly communicating the product's value to consumers. Meanwhile, product quality serves as a crucial competitive advantage companies that consistently offer superior products will experience rapid growth and long-term success, outperforming their competitors (Putri et al., 2024).

By conducting a comprehensive SWOT analysis, XYZ Market can maximize its strengths and opportunities, while anticipating weaknesses and threats that may hinder business growth. Strategies formulated based on the results of the SWOT analysis will be more focused and relevant to the company's actual conditions and the dynamics of the digital market.

Therefore, this research is important to provide a strong basis for strategic decision making, especially in developing competitive and adaptive digital marketing strategies (Ali, 2023).

METHOD

This study uses a quantitative descriptive method by describing facts and explaining conditions based on available numerical data, and analyzing its truth based on the data obtained. The analysis method used is SWOT Analysis using the company's IFAS (internal factor analysis) EFAS (external factor analysis) analysis method, and also in the form of a table diagram. This study employs a quantitative descriptive approach to systematically analyze the XYZ company's digital marketing strategy using data-driven insights. By using SWOT Analysis, as well as the IFAS (Internal Factor Analysis) and EFAS (External Factor Analysis) methods, companies can gain deeper insight into the internal and external factors that influence their marketing strategy.

The purpose of writing this article is:

- 1) Identify and analyze internal and external factors that influence digital marketing strategies
- 2) Analyze SO, ST, Wo and WT Strategies at XYZ Market Company
- 3) Prepare IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary) matrices to evaluate opportunities and threats from the external environment.
- 4) Determine the company's strategic position through SPACE (Strategic Position and Action Evaluation) analysis.

RESULTS AND DISCUSSION

1) Identify and analyze internal and external factors that influence digital marketing strategies

Digital Marketing Strategy

Digital marketing strategy is a structured plan as created to achieve the right marketing of a company. This plan aims to find target markets, create messages and offers that are pleasing to customers, and contact and influence target groups using various means and channels. All of this is designed to promote products, services, or brands through digital media. Digital marketing strategies are promotional efforts and market research carried out online using various methods such as social media. The digital environment now not only allows devices to connect individuals, but also opens up opportunities for people to interact with anyone around the world. Marketing strategies that usually include interactive and integrated methods help create relationships between producers, market intermediaries, and potential buyers (Setiantono & Ali, 2025).

Marketing strategy plays a crucial role in introducing innovative products to the market by building awareness, increasing interest, and growing customer trust, thereby ensuring optimal market penetration. In addition, service quality is an important factor in retaining and expanding the customer base by providing a satisfying experience and building good relationships with them. An effective marketing strategy allows businesses to target customers more precisely and efficiently while fostering positive experiences that enhance customer satisfaction. (Azhari & Ali, 2024).

SWOT Analysis

SWOT analysis is a comprehensive assessment of an organization's internal strengths and weaknesses, conducted with careful consideration to ensure accurate evaluation. In addition, this analysis also includes an assessment of opportunities and threats originating from the external environment. In a SWOT analysis, the most effective strategy for achieving an organization's mission is to leverage its strengths and seize available opportunities, while mitigating threats and addressing weaknesses to enhance overall performance. One method used by business actors to achieve the desired target is to define a marketing strategy. In developing a marketing strategy, relevant information is essential to guide its formulation and ensure effectiveness (Ali & Sumantyo, 2022).

SWOT analysis is also a powerful instrument in determining strategy, the power lies in the ability of strategy makers to maximize the role of strengths and utilization of opportunities so that it also acts as a tool to minimize weaknesses in the organizational structure that need to be managed properly in order to suppress the impact of threats that arise and must be faced. SWOT analysis can be applied in various ways to increase effectiveness in determining strategy, and this analysis uses a systematic framework to evaluate basic alternatives as material for company consideration (Ali, 2022).

To build a good image for the company, SWOT analysis can be used to determine the right and optimal steps in formulating strategies that are appropriate to a particular situation. In addition, it can see how far the company's position is compared to its competitors who have similar products or services. SWOT analysis is able to measure the company's ability to prevent obstacles from within and from the external environment. Developing an effective strategy enables a company to reduce weaknesses, mitigate the impact of threats, and establish a strong approach to responding to competition effectively (Suriono, 2022).

The first step in a SWOT analysis is data collection. At this stage, not only the data collection process is carried out, but also classification and pre-analysis. Data is generally classified into two categories: external data, which originates from outside sources, and internal data, which is generated within the organization. External data is obtained from the company's external environment, such as market analysis, competition with competitors, relationships with suppliers, government regulations, and social and cultural changes in society. Meanwhile, internal data comes from within the company, covering aspects such as resources, organizational structure, finance, and operations. Companies typically produce various reports, including financial statements, human resource activity records, as well as operational and marketing performance reports (Ali, 2024).

2) Analyze SO, ST, Wo and WT Strategies at XYZ Market Company

Based on the Internal and External Factor Analysis, it can be continued with SO, ST, WO and WT analysis. To effectively address various challenges within a company, thorough research is essential for developing swift and accurate strategies (Buana, 2020). Several key factors must be taken into account in the decision-making process, including:

a) Strength

Market companies that have an innovative culture and experienced digital marketing teams have an advantage in facing digital competition. Effectively utilizing social media and having strong consumer data analysis skills are valuable assets. Additionally, offering high-quality and distinctive products or services enhances customer attraction and fosters loyalty in the digital marketplace.

b) Weakness

Lack of knowledge about digital marketing, limited technology infrastructure. Moreover, insufficient knowledge of digital consumer behavior and poorly managed marketing campaigns can reduce the effectiveness of the overall strategy.

c) Opportunity

The increasing use of the internet, high penetration of social media, and the development of digital technology have opened up great opportunities for market companies to reach more consumers. Additionally, e-commerce and digital advertising platforms enable companies to expand their market reach globally while optimizing costs and implementing more measurable strategies.

d) Threat

Increasingly tight market competition, rapid changes in technology, and unpredictable shifts in consumer behavior. Furthermore, government regulations on data privacy and the threat of cyber attacks pose significant challenges that can impact a company's operations and reputation.

Tabel 1: Matriks SWOT Perusahaan Pasar XYZ									
Factor Internal	 Strengths High brand awareness Advanced digital marketing technology High customer loyalty Partnership with influencers Partnership with influencers. 	 Weaknesses 1. Lack of innovation in digital content strategy 2. Limited budget for digital advertising 3. Low conversion from traffic to sales 4. Lack of human resources who are experts in digital marketing 5. Lack of utilization of analytical data. 							
Factor Eksternal	 Opportunities 1. Growth of internet users and e-commerce 2. Increasing online shopping trends 3. Advances in AI technology and automated marketing 4. Partnerships with influencers and digital communities 5. Changes in consumer preferences to digital. 	Treaths1. Tight competition with major competitors2. Changes in digital platform algorithms3. Strict regulations regarding data privacy and digital advertising4. Rapid changes in consumer trends5. Dependence on third parties.							
Factor Internal Factor Eksternal	 Strengths-Opportunities Maintaining the quality of goods and prices so that consumers remain interested in fashion needs (S2, S3; O3, O5) Providing good service to consumers so that they become sustainable consumers (S3, S4; O4) Utilizing technology to introduce brands by opening online outlets (S1, S5; O1, O2) 	 Weaknesses-Opportunities 1. Leveraging technological advances for promotion (W1; O1) 2. Leveraging technological advances to improve employee capabilities. (W3; O1) 3. Innovation models for consumer appeal (W4; O5) 							

Strengths-Treaths	Weaknesses-Treaths
1. Compete with foreign	1. Recruiting employees in
brands by innovating but at	needed areas, such as
more affordable prices	printing that reduces quality
through promotions (S1,	& marketing errors, creating
S2, S3; T1, T2, T3)	unique promotions to
2. Implement a raw material	increase market company
stock strategy to anticipate	profits (W1, W2, W3; T2,
spikes in raw material	T3)
prices (S1; T4)	2. Following trends and
3. The government can help	innovating products and
by limiting shoe imports to	providing better discount
more widely used local	management capabilities.
brands (S1; T5)	(W1, W4; T2)
	3. The government helps
	implement raw material
	price increase policies.
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Companies can choose from four alternative product marketing strategies (Samsudin & Waluyo, 2021). These alternative marketing strategies include:

- 1) The SO (Strength-Opportunity) strategy leverages a company's internal resources and strengths to capitalize on external opportunities, driving growth and competitive advantage. The goal of the SO strategy is to apply the WO, WT, and ST methods.
- 2) The WO (Weakness-Opportunity) strategy focuses on addressing a company's internal weaknesses while leveraging external opportunities to enhance overall performance and competitiveness.
- 3) The ST (Strength-Threat) approach employs the company's ability to either lessen or completely eliminate external risks when conditions permit.
- 4) The WT (Weakness-Threat) strategy helps companies navigate difficult situations by addressing weaknesses and mitigating external threats, ensuring resilience and adaptability in a competitive environment.
- 3) Prepare IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary) matrices to evaluate opportunities and threats from the external environment.

IFAS and EFAS Strategy in XYZ Market Business Company

IFAS (Internal Factor Analysis Strategy) and EFAS (External Factor Analysis Strategy) are used to analyze internal and external factors that affect farming. The IFAS matrix shows the internal conditions of the company, including strengths and weaknesses, while the EFAS matrix describes opportunities and threats based on rating calculations and weights (Rika Widianita, 2023).

Weighting is assigned within a range of 0 to 1, reflecting the combined influence of strengths, weaknesses, opportunities, and threats. The weight value is determined by analyzing various internal and external factors affecting the company's digital marketing strategy. Meanwhile, factor ranking is based on its level of impact on the business, scored on a scale of 1 to 4—where 1 represents the most influential factor and 4 the least. This ranking is established through discussions with the company owner to ensure accuracy and relevance. The weight and score of each element are then added up. Strengths are added up with weaknesses, while opportunities are added up with threats, resulting in a mapping that can be used as a basis for formulating a more effective digital marketing strategy.

No	Factor-Factor	Weight	Rating	Score
	Strengths (S)			
1.	High brand awareness	0,36	2	0,72
2.	2. Advance digital marketing technology		3	0,66
3.	3. High customer loyalty		2	0,56
4.	4. Strong e-commerce infranstructure		2	0,40
5.	Partnerships with influencers	0,26	3	0,78
Subtotal		1,32		3,12
Weaknesses (W)				
1.	1. Lack of innovation in digital content strategy		1	0,25
2.	2. Budget constraints for digital advertising		2	0,46
3.	3. Low conversion from traffic to sales		1	0,20
4.	Lack of human resources who are experts in digital marketing	0,10	1	0,10
5.	Lack of utilization of analytical data	0,15	2	0,30
Subtotal		0,93		1,31
Total		2,25		4,43

Tabel 2: Calculation IFAS

Tabel 3: Calculation EFAS

No	Factor-Factor	Weight	Rating	Scor		
	Opportunities (O)					
1.	Growth of internet users and e-commerce	0,30	2	0,60		
2.	The increasing trend of online shopping	0,26	3	0,78		
3.	Advances in AI technology and marketing automation	0,22	3	0,66		
4.			2	0,48		
5.	Consumer preferences shift to digital	0,30	2	0,60		
Subtotal		1,32		3,12		
Threats (T)						
1.	Tight competition with big competitors	0,10	1	0,10		
2.	Changes in digital platform algorithms (Google, Meta)	0,23	2	0,46		
3.	Strict regulations regarding data privacy and digital	0,25	2	0,20		
4.	advertising Rapid changes in consumer trends	0,15	1	0,25		
. 5.	Dependence on third party platforms	0,10	1	0,20		
Subtotal		0,93		1,31		
	Total			4,43		

4) Determine the company's strategic position through SPACE (Strategic Position and Action Evaluation) analysis.



Figure 1. A Quadratic Diagram IFAS & EFAS

How to find out the diagram above:

- a) The X-axis is located on the horizontal line between strengths and weaknesses
- b) The Y-axis is located on the vertical line between opportunities and threats
- c) The line that indicates upwards (aggressive) is the result of the calculation of 3.12 1.3 = 1.81

The diagram and table above based on the results of the SWOT calculation will be used to inform the development of production functions and operations of the shoe production business at Market Company XYZ. After conducting a SWOT analysis, Market Company XYZ has a score where Strengths (S) are lower than Opportunities (O), indicating a strategic focus on leveraging external opportunities. Additionally, the company has a stable growth plan that aligns with its policy direction, ensuring sustainable business development. Internal and external positive elements are generated from the table above which indicate that Company XYZ's strengths are relatively greater than its weaknesses and the environment it currently faces is greater than its threats. As a result, Market Company XYZ has the capacity to transform potential into superior results and output. Expanding Market Company XYZ's involvement in various activities aligned with its expertise, while enhancing its functions and leveraging available opportunities, is the right strategic direction. This approach serves as the foundation for the company's growth strategy. Based on the analysis in Table 3, the chosen strategy focuses on stable growth. Consequently, Market Company XYZ can implement a gradual role expansion in the future, prioritizing key areas according to strategic importance. Based on the matrix applied, the right approach shows that to ensure customer satisfaction, service assurance services related to product quality information must be offered (F. et al., 2020).

CONCLUSION

Based on the results of the SWOT analysis, IFAS Matrix, EFAS Matrix, and SPACE it can be concluded that:

- Internal and external factors that influence the marketing strategy of Market Company XYZ can be said that Company XYZ has a growing internal position, while the results of the EFAS matrix analysis show that Market Company XYZ has a strong external position because it is able to use opportunities to overcome threats very well. IFAS-EFAS and the SWOT matrix, then the strengths, weaknesses, threats, and opportunities of Company XYZ are good.
- 2) SO, ST, Wo and WT strategies at PT. XYZ are prioritized on SO strategies.
- 3) The IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary) matrices for evaluating opportunities and threats from the external environment are in Quadrant I (first), meaning aggressive.
- 4) Determine the company's strategic position through SPACE (Strategic Position and Action Evaluation) analysis.

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