MANAGEMENT AND BUSINESS

The Effect of Swot Analysis and Computer Information Technology (Ict) In the Digital Business 5.0 On the Development of Culinary Msmes In Pematang Siantar City, North Sumatra

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ABSTRACT

This study aims to determine the effect of SWOT analysis and Information Technology in the digital business era 5.0 in the city of Pematang Siantar. This research shows many results in the form of a description or phenomenon that occurs regarding how SWOT analysis and Information Technology in the Digital Business Era 5.0 can affect the development of local MSMEs in Pematang Siantar City, North Sumatra. In addition, researchers also took some sample data on local MSMEs which were used to show the progress of local MSME businesses in Pematang Siantar City both in pictures, or other data presented by researchers. The method used in this research is a qualitative research method with a descriptive approach. In this method, the author explains to the readers about what is presented through exposure in the form of words conveyed through the author's own language based on several sources such as books and internet sites which are in the form of images, graphs, or tables taken from several sources for this research.

Keywords: *SWOT analysis, information technology, digital business*

1.   INTRODUCTION

Nowadays, local MSMEs in Indonesia are increasing rapidly in the fields of culinary, fashion, agribusiness and other fields. Quoted from ((Databooks, 2023) the Ministry of Cooperatives and Small and Medium Enterprises noted that there are 64.2 million micro, small and medium enterprises (MSMEs) in Indonesia in 2021. On the other hand, Indonesian MSMEs are able to take 97% of the workforce, provide 57% of Gross Domestic Production (GDP), and are able to contribute 15% to national exports. Furthermore, it is predicted that MSMEs in Indonesia can certainly develop if MSMEs do not face challenges such as lack of knowledge of digitalisation, lack of capital, and difficulty in penetrating international markets. Thus, the government is expected to continue to pay attention to MSMEs in Indonesia so that they can lead

to a developed country and have high potential to compete with foreign countries such as Japan, Europe, China, and other developed countries.

SWOT analysis is a strategy used in analysing and helping a person or business in determining strengths, weaknesses, opportunities, threats related to planning before starting a business. SWOT analysis can be used to make the right decisions in developing good or effective business strategies and plans. In digital marketing SWOT analysis is very useful for developing sustainable businesses, determining marketing strategies, and improving the performance of appropriate marketing strategies. In establishing Culinary MSMEs, SWOT analysis is very useful for business continuity to keep operating and making the right decisions in establishing these culinary MSMEs so that they are right on target to whom to sell their products, where to place them, what are the weaknesses and strengths of their products, and whether these products can continue to be in demand by consumers. In addition, when making a SWOT analysis for culinary MSMEs, it is necessary to make a 5W + 1H problem formulation, namely What (What), Where (Where), When (When), Who (Who), Why (Why), and How (How). This is used to gather the information needed to create an effective business plan before starting operations.

The role of information and communication technology (ICT) in increasing the presence of MSME products in the form of handicraft and food products that benefit the creativity of the community. One form of information technology is the emergence of the Internet, widespread information networks, and the existence of e-commerce companies, which provide another option for business people. In addition, the development of information technology in Indonesia, its constraints and expectations. The role of technology seems to be very integrated in human life today. It can be said that humans are highly dependent on the benefits of information and communication technology (ICT) and the role of ICT should not be underestimated in the business world either. Nowadays, many entrepreneurs are changing their thinking from traditional offline marketing sales to online sales via the Internet. The benefits of the Internet cover all areas of life, including business. Its function is to promote/campaign for products, interact with consumers, or find references for products you want to sell. With the Internet/online business, everything becomes easier and everyone can connect and build their own business ecosystem.

Pematang Siantar City is one of the cities in North Sumatra Province and is the second largest city after Medan. The location of Pematang Siantar City is very strategic, which is located on the Cross Sumatra Highway. So that Pematang Siantar City has many culinary MSMEs ranging from local snacks, fast food, and many types. This certainly makes Pematang Siantar City a tourist city visited by many people, starting from local tourists or foreign tourists. One of the famous MSMEs in the city of Pematang Siantar is Roti Ganda. Roti Ganda is visited every day, especially to taste soft bread and studded with chocolate ceres and sugar apple jam. In addition, Pematang Siantar City also has many culinary MSMEs that are not inferior to Roti Ganda.

2. RESEARCH METODOLOGY

In making this research, we made this research using a qualitative method with a descriptive approach. Where, this research method emphasises the depiction of data taken based on the research title above, such as graphs, images, and tables in accordance with the research title. And in this study also uses the author's own

language which has been based on taking various data from sources / references taken by the author for this study.

According to Sukmadinata (2017: 72) in (Krisnan, 2022) states that "Descriptive research is a type of research that aims to describe or explain existing phenomena, both natural and caused by humans, including activities, characteristics, changes, relationships, similarities, and differences between one phenomenon and another including differences".

The data collection techniques used in this study are:

1. Observation

Observation is the activity of carefully observing a particular subject at a research site to assess the situation at the research site or prove the validity of the research conducted, research can also use tests, questionnaires, and pictures to make observations. According to (Cresswell, 2010) qualitative observation is observation where the researcher goes directly to the field and observes the behaviour and activities of people in the research site.

2. Secondary Data

Secondary data is the type of data in research depending on how it is obtained. This means that research data sources are obtained and collected by researchers indirectly, but in collaboration with other stakeholders and are supporting data to improve the quality of research. Quoted from (Azis, 2023) Secondary data according to Sugiyono (2018) is data obtained indirectly by researchers or data collectors. It is called indirect because the data is obtained through intermediaries, namely other people or documents listed in books or internet sites.

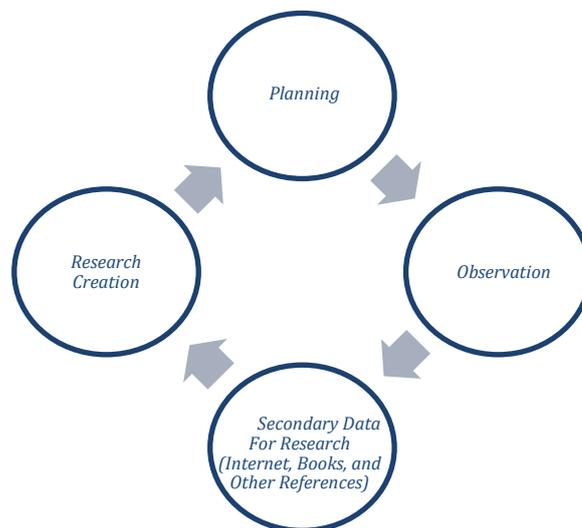The research framework is made as follows:

Figure 1. Research Freamwork

3.   RELATED RESEARCH/LITERATUR REVIEW

Definition of SWOT Analysis

SWOT analysis is the identification of several factors used systematically to formulate a company's strategy in order to develop strategic planning and strategic management designed to identify weaknesses, opportunities, and threats related to business or business competition. Although SWOT analysis is very simple, it is very useful in developing a business strategy for a project. (Meilinaeka, 2022)

Benefits of SWOT Analysis

Quoted from (Great Nusa, 2023), it is explained that SWOT analysis is very valuable for carrying out digital marketing strategies today, as follows:
1. Determine Marketing Objectives.
2. Determine Digital Marketing Strategy.
3. Improve Marketing Strategy Performance.

Factors Affecting SWOT Analysis

According to (Mohammadi, 2022) When using SWOT analysis to develop a strategy, there are factors that affect it Internal and external factors also have an effect in SWOT analysis. The following factors can have an impact:

1) Internal Factors

   Internal Factors in SWOT analysis consist of strengths and weaknesses Identifying internal factors usually includes: The company's experience, both successful and unsuccessful, finances in the Business, resources owned by the company, and the company's strengths and weaknesses.

2) External Factors

   External factors in SWOT analysis include opportunities and threats Identifying external factors usually includes: Environment, Government regulations, Cultural trends, ideologies, social, and economic policies, current events, sources of capital, and Technological developments.

Definition Of Information Technology

Information technology is the study, design, implementation, development, support, or management of computer-based information systems, specifically computer hardware and software applications. Information technology uses electronic computers and computer software to convert, store, process, protect, transmit, and receive information securely. Information technology is very important today along with the many organizations that apply information technology to support their organizational activities. (Amira, 2022)

4.   RESULTS AND DISCUSSION

Making SWOT Analysis of Culinary MSME Samples in Pematang Siantar City

In making a SWOT Analysis for business of culinary MSMEs in Pematang Siantar City, it must have a problem formulation such as the usual 5w+1H. Therefore, this is presented in the table now:

Table 1. 5W+1H Problem Formulation

Methods Used	Example Of Problem Formulation
What	What type of business to create?
	What is the name og the business?
	What is the purpose of the business?
Where	Where is the business located established?
When (Kapan)	When was the business established?
Who (Siapa)	Who owns the business?
Why (Kenapa)	Why was the business established?

After we use the 5W+1H method. Of course we will get the answer to the method used. Next, start the SWOT Analysis fo find out the potential success and failure of the business before starting business. Therefore, a SWOT analysis can be made for the sample below:

Table 2. SWOT Analysis of Culinary MSME Samples in Pematang Siantar

MSME SAMPLE	SWOT ANALYSIS			
	Strength	Weakness	Opportunities	Threats
Toko Roti Ganda *(a)*	Strength and well known brand	Limited space	Expanding a limited space	Increase in raw material prices
	Diverse and quality products	Lack of promotion	Improving promotion	Competition from online bakeries
	Strategic location	Intense competition	Opening new branches outside the city	Changes in consumer tastes
	Affordable price		Developing new products	
	Good service			
	Available on Online Foof order app			
Roti Ketawa Sambo *(b)*	Unique and delicious flavors	Limited production capacity	Increased demand	Increasingly fierce competition
	Distinctive texture	Lack of promotion	Market expansion	Increase in raw material prices
	Strong and well-known brand	Unattaractive packaging	New product development	Changes in customer tastes
	Affordable price		Social media utilization	
	Ease of Access			

Based on table 1.2, it can be seen from making a SWOT analysis for the samples of Toko Roti Ganda *(a)* and Roti Ketawa Sambo *(b)* that they a major influence on the sustainability of the business. Because sample *a* has the potential to increase

competitiveness because it has advantages that can be compared to sample **b**, namely there are food orders that can be ordered online through the gofood and grabfood applications. Meanwhile, sample **b** does not have online food ordering for consumers who do not visit the store. On the other hand, there are many similarities in the strength, weakness, opportunities, and threats sections. Therefore, making a SWOT Analysis for Culinary MSMEs in Pematang Siantar is very important and influential for the sustainability of the business.

The Effect Of Information Technology On Samples Of Culinary MSMEs in Pematang Siantar City

Basically, information technology plays an important role in Culinary MSMEs in Pematang Siantar City which is indicated by the use of the tools or information technology as a payment platform such as QRIS, EDC, and Bank Transfer, besides that there is also computerization to create consumer order numbers, a system for recording financial activity transactions carried MSMEs without having to record manually so that this can be monitored by the owner to employess remotely, E-Commerce to conduct transactions via online with consumers. The presence of information technology plays an important role in supporting the success and smooth running of Culinary MSMEs in Pematang Siantar City. The following table the use of Information Technology in the sample of Culinary MSMEs in Pematang Siantar City:

No	Sampel UMKM	Sampel Name	Types Of Information Technology						Number Of Ticks (X1)	Cross Sum (X2)
			QRIS	EDC	Bank Transfer	Cashier Post System	Order Number Computerisation	E-Commerce		
1.	Toko Roti Ganda	a	✓·	✓	✓	x	x	✓	4	2
2.	Roti Ketawa Sambo	b	✓	x	✓	x	x	x	2	4
3.	Aplus Café and Resto	c	✓	✓	✓	✓	✓	✓	6	0
4.	Voi Churros	d	✓	x	✓	✓	x	✓	4	2
5.	Chatime Siantar	e	✓	✓	✓	✓	✓	✓	6	0
6.	France Bakery	f	✓	✓	✓	x	x	✓	4	2
Total Sum Of Each X1 and X2									26	10
Total Amount X1 + X2									36	
Average Number									6	

Figure 1. Use Information Technology For Culinary MSMEs in Pematang Siantar

Based on Figure 1.2 , the use of information technology in the Pematang Siantar Culinary MSME sample, there are 6 types of information technology indicators used to measure the use of information technology. It can be concluded that the complete use of information according to these indicators is only found in samples **c** and **e**, which shows that the numbers in both samples c and e have a value of X1= 6 and X2= 0. In addition, for the total number of each X1= 26 and X2= 10, while the total X1+X2 = 36, and the average number is 6. It can be concluded that the influence of information Technology plays a very important role in Culinary MSMEs in Pematang Siantar City to increase stability in the current Digital 5.0 business era.

The Relationship Between SWOT Analysis and Information Technology to The Development Of Culinary MSMEs in Pematang Siantar City

Based on the discussion above, there is a relationship between SWOT Analysis and Information Technology, namely from the data listed in the table, it has significance for the development of Culinary MSMEs in Pematang Siantar City such as making

SWOT Analysis which is well made in making decisions in the business plan for Culinary MSMEs based on 5W+1H along with a table describing samples of making effectives SWOT Analysis. In addition, the indicators used in this type of information technology use 6 indicators such as QRIS, EDC, Bank Transfer, Cashier Post System, Computerized Order Numbers, and E-Commerce. Both, have an important relationship with each other in the development of Culinary MSMEs in Pematang Siantar City.

5. CONCLUSION

As for the conclusions for this study as follows :

- Based on table 1.1 regarding making of SWOT analysis sample **a** has the potential to increase competitiveness because it has advantages that can be compared to sample **b**, namely there are food orders that can be ordered online through the gofood and grabfood applications.

- Based on table 1.3, the use of information technology in the Pematang Siantar Culinary MSME sample, there are 6 types of information technology indicators used to measure the use of information technology.

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