

Analysis Of Mistin Store Development Strategies To Increase Sales And Competitive Advantage In Trenggalek

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Abstract

Research aim: This study aims to identify internal and external factors affecting the performance of the Mistin Store SME and to formulate business development strategies to increase sales and competitiveness.

Design/Method/Approach: The study employed a case study design with a qualitative descriptive approach. Data were collected through interviews, observations, and document analysis, and subsequently analyzed using SWOT, IFE, EFE, IE, and QSPM.

Research Findings: The findings indicate that Toko Mistin's primary strengths lie in its proximity to consumers and customer loyalty, while its main limitations are in the areas of digitalization and human resource management.

Theoretical Contribution/Originality: This study provides an empirical contribution to the study of strategic management in traditional retail SMEs by systematically integrating qualitative and quantitative analysis.

Practical/Policy Implications: The research results provide implications for SME operators in enhancing digital adaptation and for local governments in strengthening SME support policies based on local needs.

Research limitations: The study's limitations lie in the scope of the research subjects and the relatively short observation period.

Keywords: MSMEs; development strategy; grocery store; SWOT; QSPM

1. Introduction

Amid dynamic and increasingly competitive economic developments, Micro, Small, and Medium Enterprises (MSMEs) face the challenge of adapting to changes in consumer behavior, maintaining product availability, and implementing appropriate business management strategies. The new order in the global economic sector has created both opportunities and challenges in the form of unequal distribution of wealth and access to resources [1]. This situation arises because an increasing number of businesses are operating in the same area offering similar products, thereby intensifying competition.

According to the Central Statistics Agency (BPS) in 2024, the number of MSMEs in Indonesia has shown a steady upward trend over the past two decades, reflecting a conducive market environment[2].

Table 1. Growth in the Number of MSMEs in Indonesia, 2002–2024

Year	Number of MSMEs (Units)	Notes
2002	± 40 million	Start of recorded data
2008	± 46 million	Start of significant growth period
2014	± 56 million	End of the 2008–2014 period, rapid growth
2020	± 64 million	Continued growth across various business sectors
2024	± 64.19 million	Latest recorded data

Source: Ministry of Cooperatives and SMEs Publication Data (2024)

Growth from 2002 to 2024 demonstrates the resilience of MSMEs in facing various economic challenges, including the impact of the pandemic, as well as the sector's vital role in driving the national economy by contributing approximately 60% to the Gross Domestic Product (GDP) and employing the majority of the national workforce up to 97%[2].

Mistin Store, an SME engaged in the sale of basic necessities in Pakis Village, Durenan Subdistrict, Trenggalek Regency, faces a number of strategic challenges. Increasingly fierce competition from modern minimarkets has made market competition more difficult. Additionally, shifts in consumer behavior with people now preferring the convenience of digital and practical shopping are also putting pressure on traditional stores like Mistin. Limitations in the government's supply of basic necessities such as inconsistent distribution and stock levels constitute a major obstacle affecting product availability for sale, thereby impacting the consistency of service provided to consumers[3][4]. Suboptimal workforce management also acts as a hindrance, with insufficient employee training and management leading to suboptimal operational efficiency. Furthermore, the low adoption of digital technology at Mistin stores limits innovation in marketing and operations[5].

Mistin Store, as a small and medium-sized enterprise (SME) operating a grocery store, exemplifies these challenges. On the one hand, the business possesses internal strengths such as a strategic location, high customer loyalty, and relatively competitive pricing. On the other hand, Mistin Store still faces internal limitations, such as low utilization of digital technology in marketing and transactions, and operational management that has not yet been optimized.

Table 2. Summary of Mistin's Store Initial Strategic Factors

Aspect	Strengths (S)/Opportunities (O)	Weaknesses (W)/Threats (T)
Internal	Strategic Location	Low Digitalization
	High Customer Loyalty	Human Resources Not Yet
	Competitive Pricing	Optimized
		Manual Inventory
External	Government SME Programs	Minimarket Expansion
	Population Growth	Price Fluctuations
	Increasing Demand for Staple Goods	Digital Consumers

Source: Initial Research Observations (2025)

A summary of the strategic factors for Mistin Store is presented in Table 2, which serves as the basis for in-depth analysis in the following chapter. The primary issue examined in this study is the lack of an integrated strategic analysis framework to systematically evaluate the internal and external conditions of traditional grocery store SMEs, thereby enabling the determination of appropriate business development strategies and priorities. Previous studies have generally not comprehensively combined various strategic analysis tools, particularly in the context of grocery store SMEs in rural areas. Therefore, an in-depth and structured strategic study is needed to formulate realistic, adaptive development strategies oriented toward increasing sales and sustaining business competitiveness

According to an APRINDO report (2023), the market share of traditional grocery stores in Indonesia has declined by approximately 15% over the past five years due to the widespread penetration of modern minimarkets that offer shopping conveniences such as one-stop service and digital payment methods. The Mistin Grocery Store SME in Pakis Village, Durenan Subdistrict, Trenggalek Regency, faces competition from other grocery stores that also serve residents' basic needs.

The following is a list of stores and minimarkets that are competitors of Toko Mistin, along with their accessible addresses:

Table 3. List of Mistin's Store Competitors in Durenan, Trenggalek

No	Store Name	Address
1	Bu Mujiанти Grocery Store	Kamulan Main Road, Kiosk No. 1246, Widoyoko, Kamulan Village
2	Bu Nuryanti Grocery Store	Gador, Durenan Subdistrict, Trenggalek Regency, East Java
3	Indomaret Ngadisuko (Durenan)	Durenan Main Road, Tawing, Ngadisuko Village.
4	Alfamart Kamulan Durena Main Road	Durenan Main Road, Tawing, Ngadisuko Village.

Source: Researcher's observations of competitors of Toko Mistin Durenan Trenggalek (2025)

The presence of traditional grocery stores as well as modern minimarkets with clear and easily accessible addresses indicates that Toko Mistin operates in a highly competitive environment, both in terms of proximity and consumer accessibility. This situation underscores the importance of formulating more optimal business and marketing strategies so that SMEs like Mistin Store can retain customers, enhance competitiveness, and increase their contribution to the local economy.

In addressing these dynamics, strategic analysis using the SWOT (Strengths, Weaknesses, Opportunities, Threats) approach, combined with the IFE (Internal Factor Evaluation) matrix, EFE (External Factor Evaluation), IE (Internal-External), and QSPM (Quantitative Strategic Planning Matrix) is an effective method for reviewing and analyzing internal conditions and external factors that present opportunities and threats to SMEs. This approach helps determine optimal alternative strategies and implementation priorities so that SMEs can strengthen their competitive capabilities while ensuring business sustainability [6]

However, research adopting a comprehensive methodology to analyze in detail the conditions of local grocery stores, particularly Toko Mistin in Durenan Subdistrict, Trenggalek

Regency, remains limited. This study aims to explore in depth internal aspects such as operational management, finance, and human resources, as well as external factors such as market competition, consumer behavior, and local economic dynamics, to inform sales strategies and business competitiveness. With a comprehensive understanding of these conditions, this study formulates an integrated development strategy, encompassing product innovation, service quality improvement, digital marketing optimization, and business model adaptation tailored to local characteristics and modern challenges, so that Mistin Store can increase sales and strengthen its competitive advantage sustainably in the Trenggalek market.

1.1. Statement of Problem

Amid increasingly intense retail competition in Trenggalek Regency, the SME Mistin Store in Pakis Village, Durenan Subdistrict, faces challenges in maintaining sales and competitiveness. The expansion of modern minimarkets, limited digital marketing, unstable inventory management, and suboptimal human resource management highlight the need for a comprehensive evaluation of business development strategies, particularly through SWOT, IFE, EFE, IE, and QSPM analyses. On the other hand, studies on the application of integrated strategic analysis to traditional grocery store SMEs are rare, so they have not provided a practical picture of how such strategies can address local market dynamics. The objective of this study is to analyze the internal and external conditions of Toko Mistin and formulate priority development strategies to increase sales and strengthen competitive advantages amid modern retail competition.

1.2. Research Objectives

This study aims to conduct an in-depth analysis of the internal and external conditions of the Toko Mistin SME in Pakis Village, Durenan Subdistrict, through the application of SWOT, IFE, EFE, IE, and QSPM analyses in an effort to increase sales and competitive advantage. By evaluating internal factors such as strategic location, customer loyalty, and addressing limitations in digitalization and human resource management, this study focuses on determining Mistin's Store strategic position and formulating priority development strategies. Overall, this study aims to formulate a comprehensive overview of the effectiveness of the strategic planning implemented by Mistin Store and its contribution to increased sales amidst the expansion of modern minimarkets in Trenggalek Regency.

2. Method

This study employs a qualitative descriptive approach using the case study method to analyze the development strategies of the Mistin Store, a small and medium-sized enterprise (SME). This approach was chosen because it allows the researcher to conduct an in-depth exploration of the business's internal and external conditions and to formulate appropriate strategies based on the results of factual analysis in the field. The research data consists of primary and secondary data, where primary data was obtained through in-depth interviews with the owner and manager of Mistin Store as well as direct observation of business activities, while secondary data was obtained from official documents and reports related to MSMEs in Trenggalek Regency, including relevant statistical data and supporting literature. Data analysis was conducted through a SWOT analysis to identify the strengths, weaknesses, opportunities, and threats faced by Toko Mistin, then reinforced with the IFE (*Internal Factor Evaluation*) and EFE (*External Factor Evaluation*) matrices to assign weights and ratings to each factor, thereby determining the extent of their influence on the business. The results of this analysis

were then combined into an IE (*Internal-External*) matrix to determine Mistin's Store strategic position and development steps aligned with the company's internal and external conditions. The final stage utilized the QSPM (*Quantitative Strategic Planning Matrix*) as a quantitative evaluation tool to determine the most effective strategic priorities for increasing sales and competitive advantage.

3. Results and Discussion

Based on in-depth interviews with the owner of Mistin Store and direct observations over a 3-month period of daily operational activities in Pakis Village, Durenan Subdistrict, Trenggalek Regency, primary data was obtained to serve as the basis for analyzing the internal environment of this grocery retail business. The results of the identification of these internal factors are presented in the following table, which was subsequently developed into a quantitative evaluation using the IFE Matrix to weigh and rate each element, thereby leading to an external analysis and the overall strategic positioning of Mistin Store:

Table 4. Results SWOT Matrix Analysis of Internal Factors for Mistin Store MSME

Internal Factors			
No	Strength	No	Weakness
1	The division of family responsibilities in managing the store is working well.	1	The division of family responsibilities in managing the store is working well.
2	The store manager has experience in running a business.	2	The store manager has experience in running a business.
3	The product prices are competitive with other stores.	3	The selling price of the products is quite competitive with other stores.
4	Store promotions have been implemented, though they are still basic.	4	Store promotions have been implemented, though they are still basic.
5	The product selection is quite comprehensive and diverse.	5	The products sold are quite comprehensive and diverse.
6	Records of income and expenses have been kept.	6	Recording of income and expenses has been done.
7	The store's profits have been gradually increasing over time.	7	The store's profits have been increasing gradually over time.
8	The store's financial condition is relatively stable.	8	The store's financial condition is relatively stable.
9	The store's facilities and infrastructure are adequate.	9	The store's facilities and infrastructure are adequate.
10	The store's location is quite strategic and easy to find.	10	The store's location is quite strategic and easy to find.
11	The variety of items sold is quite extensive.	11	The variety of items sold is quite extensive.
12	Communication among family members is good.	12	Communication among family members is good.
		13	The division of family responsibilities in managing the store is working well.
		14	The store manager has experience in running a business.

Source: Data from a 3-month observation compiled by the author (2025)

The internal factors for Toko Mistin in Table 4 highlight key strengths such as strategic location and customer loyalty, which provide a competitive advantage in terms of accessibility in Pakis Village, while weaknesses in low digitalization and informal human resource management act as barriers to operational efficiency. The detailed analysis in Table 5 reinforces these findings, with 12 strengths that, overall, place the internal position in the moderate range and require strengthening through training and simple technology to optimize contributions to local sales.

The identification of external factors from Mistin's Store external environment is presented in the following section, which will be evaluated using the EFE Matrix to determine business responses to factors such as local economic growth and minimarket expansion in Durenan-Trenggalek.

Table 5. Results SWOT Matrix Analysis of External Factors for Mistin Store MSME

External Factors			
No	Opportunities	No	Threats
1	The surrounding economic growth supports the store's business.	1	Rising prices of basic commodities are squeezing the store's profits.
2	Consumer purchasing power remains fairly strong.	2	Inflation is making it increasingly difficult to keep prices stable.
3	Interest in purchasing basic necessities at grocery stores remains high.	3	Limits on subsidized stock are making it difficult to meet demand
4	The habit of retail shopping presents a business opportunity.		
5	The market for these stores is quite broad because customers come from diverse backgrounds.		
6	The public's preference for convenience supports grocery stores.		
7	Training support from the government has been received.		
8	Government programs can help business development.		
9	Technology helps with store promotion and communication.		
10	Economic growth in the surrounding area supports the store's business.		

Source: Three months of observational data processed by the author (2025)

To provide a quantitative assessment of Mistin Store's internal conditions, the SWOT analysis results were then developed into an IFE (Internal Factor Evaluation) Matrix by assigning weights and ratings to each strength and weakness factor. The weighting process was conducted collaboratively with the business owner to ensure the objectivity of the assessment, where the total weight must reach 1.00 and ratings are given on a scale of 1–4 (1 = major weakness, 2 = minor weakness, 3 = minor strength, 4 = major strength). After the weights and ratings were determined, the score for each factor was calculated by multiplying the two,

yielding a value indicating the level of influence each factor has on the business's internal conditions.

Table 6. Results IFE (Internal Factor Evaluation) Matrix Analysis for Mistin Store

INTERNAL FACTORS

Strengths	Weight	Rating	Score (B × R)
The division of family responsibilities in managing the store is working well.	0.054	3	0.183
The store manager has experience in running a business.	0.051	3.2	0.163
The selling price of the products is quite competitive with other stores.	0.054	3.4	0.183
Store promotions have been implemented, though they are still simple.	0.038	2.4	0.091
The products sold are quite comprehensive and diverse.	0.048	3	0.143
Revenue and expenses have been recorded.	0.044	2.8	0.124
The store's profits have been gradually increasing over time.	0.048	3	0.143
The store's financial condition is relatively stable.	0.048	3	0.143
The store's facilities and infrastructure are adequate.	0.054	3.4	0.183
The store's location is quite strategic and easy to find.	0.057	3.6	0.206
The types of goods sold are quite varied.	0.054	3.4	0.183
Communication among family members is good.	0.051	3.2	0.163

EXTERNAL FACTORS

Weakness	Weight	Rating	Score (B × R)
The store's organizational structure has not yet been formally established.	0.032	2	0.063
Recruitment of support staff is still conducted in a simple manner.	0.032	2	0.063
Promotions have not been conducted on a regular and ongoing basis.	0.032	2	0.063
Financial record-keeping is still done manually.	0.032	2	0.063
Net profit recording has not been done properly.	0.016	1	0.016
The store's operational system has not been properly organized administratively.	0.032	2	0.063
Product innovation has not been widely implemented.	0.032	2	0.063
Market research has not been conducted formally.	0.016	1	0.016
The business information system is still simple.	0.032	2	0.063
Digital promotional media has not been fully utilized.	0.032	2	0.063
Customer feedback and suggestion channels are not yet available.	0.016	1	0.016
Sales records are still entered manually every night	0.035	2.2	0.077
Service development is still limited.	0.032	2	0.063
The use of social media for promotion is not yet optimal.	0.032	2	0.063
Total Weight	1.000		2.669

Source: 3-month observational data processed by the author (2025)

The largest contributor to the IFE score is the store's strategic location with a weight of 0.054 and a rating of 3.6, resulting in a weighted score of 0.206 (major strength), which

provides a significant competitive advantage through easy customer access, adequate facilities, competitive selling prices, and solid communication support among family members (score 0.163); while dominant weaknesses such as manual service record-keeping (score 0.077) and a rudimentary information system indicate the urgency of improvements through digitalization, formal HR training, and a measurable organizational structure for operational efficiency.

Furthermore, to evaluate the business's ability to respond to external factors, an EFE (*External Factor Evaluation*) Matrix was developed to measure how effectively Mistin Store can capitalize on opportunities and address threats from the external environment. The evaluation process uses the same rating scale (1–4).

Table 7. Results EFE Matrix (External Factor Evaluation) Analysis for Mstin Store

INTERNAL FACTORS

Opportunities	Weight	Rating	Score (B × R)
The surrounding economic growth supports the store's business.	0.099	3	0.298
Consumer purchasing power remains fairly strong.	0.099	3	0.298
Interest in purchasing basic necessities at grocery stores remains high.	0.113	3.4	0.382
Retail shopping habits present a business opportunity.	0.113	3.4	0.382
The store's market is quite broad because customers come from various backgrounds.	0.086	2.6	0.223
The public's practical consumption patterns support convenience stores.	0.099	3	0.298
Training support from the government has been received.	0.066	2	0.132
Government programs can help business development.	0.066	2	0.132
Technology helps with store promotion and communication.	0.066	2	0.132

EXTERNAL FACTORS

Threats	Weight	Rating	Score (B × R)
Rising prices of basic commodities are squeezing store profits.	0.066	2	0.132
Inflation makes it increasingly difficult to keep prices stable.	0.066	2	0.132
Limits on subsidized stock make it difficult to meet demand	0.060	1.8	0.107
Total Weight	1,000		2,652

Source: 3-month observational data processed by the author (2025)

The largest contributor to the EFE score is the increasing interest in purchasing basic necessities at the store, with a weight of 0.113 and a rating of 3.4, resulting in a weighted score of 0.382 (major opportunity), which reflects significant sales growth potential due to rising consumer demand from various segments for grocery store staple products, strongly supported by local economic growth (score 0.297, occurring twice), a broad consumer market with widespread access (score 0.302), and the potential for modern promotional technology (score 0.132); while the dominant threats—rising prices of basic goods (score 0.132), inflation disrupting price stability (score 0.132), and restrictions on subsidized stock (score 0.107) severely compressing profit margins, thereby necessitating mitigation strategies such as

supplier diversification, smart inventory management, price hedging, and value-added product innovation to capitalize on opportunities while mitigating external risks.

The combination of internal and external analysis results is then integrated into the IE (*Internal-External*) Matrix to determine Mistin's Store strategic position within a nine-quadrant map, each of which recommends different development strategies. With an IFE score of 2.669 on the vertical axis (moderate category) and an EFE score of 2.652 on the horizontal axis (moderate category), Toko Mistin is placed in Quadrant V, which falls under the "hold and maintain" category. This position indicates that the business possesses moderate internal strengths and the ability to respond to the external environment, so aggressive expansion or large-scale diversification is not recommended; instead, the focus should be on stabilizing and strengthening business performance through limited-scale market penetration strategies to increase market share in existing regions,

Table 8. Results of the IE Matrix (Internal-External Matrix) Analysis for Mistin Store

		IFE (INTERNAL)		
		Strong (3.0 – 4.0)	Average (2.0 – 2.99)	Weak (1.0 – 1.99)
EFE (EXTERNAL)	High (3.0 – 4.0)	Quadrant I Grow & Build	Quadrant II Grow & Build	Quadrant III Hold & Maintain
	Medium (2.0 – 2.99)	Quadrant IV Grow & Build	Quadrant V Hold & Maintain	Quadrant VI Harvest & Divest
	Low (1.0 – 1.99)	Quadrant VII Hold & Maintain	Quadrant VIII Harvest & Divest	Quadrant IX Harvest & Divest

Source: Adapted from David (2016), processed by the author.

The combination of internal analysis results with an IFE score of 2.669 (vertical axis moderate condition) and external analysis with an EFE score of 2.652 (horizontal axis moderate condition) was then plotted into the IE Matrix to determine Toko Mistin's strategic position within the nine-quadrant map, each of which carries distinct strategic recommendations. The mapping results indicate that Toko Mistin is in Quadrant V with a "hold and maintain" position, reflecting a relatively stable business condition that still requires gradual strengthening. This position is supported by strengths such as a strategic location and customer loyalty, yet it faces weaknesses including limited digitalization and a manual record-keeping system, while also being influenced by opportunities such as relatively high consumer purchasing power and threats from minimarket competition and inflationary pressure.

Therefore, the recommended strategy is limited market penetration through the optimization of existing basic goods services in the Pakis–Durenan Village area, with a focus on enhancing digital promotion, improving inventory management efficiency, and training human resources, rather than pursuing aggressive expansion or large-scale diversification. Based on these conditions, 12 alternative strategies were formulated from a combination of SO, WO, ST, and WT that are operational and applicable, to be further evaluated and prioritized using the QSPM method as presented in Table 9.

Table 9. Results of the IE Matrix (Internal-External Matrix) Analysis for Mistin Store

EFE \ IFE	Strengths Strategy (SO)	Weaknesses Strategy (WO)
Opportunities	1. Expand digital promotions targeting high-spending customers (S10, S5, O3, O5) 2. Launch product bundling promotions for practical local community needs (S12, S3, O6, O9) 3. Expand inventory through economic growth and strategic locations (S10, S11, O1, O10) 4. Implementing a loyalty program with volume discounts for strong purchasing power (S7, S8, O2, O4)	1. Building organizational structure through government digital training (W6, W13, O7, O8) 2. Utilizing low-cost advertising to boost economic growth (W4, W1, O1, O10) 3. Developing task specializations by customer group for a broad market (W13, W2, O5, O6) 4. Participating in communication technology workshops to improve operations (W12, W9, O9, O3)
	Strategy (ST)	Strategy (WT)
Threats	1. Implementing dynamic pricing to manage subsidized inventory (S2, S9, T3) 2. Negotiating with suppliers for large volumes to manage price pressure (S3, S10, T1)	1. Seeking to diversify to low-cost suppliers to reduce inflation (W14, W12, T1, T2) 2. Building partnerships with large retailers to stabilize manual inventory (W2, W9, T3)

Source: Adapted from David (2016), processed by the author (2025)

The QSPM Matrix process (Table 9) is followed by a systematic evaluation of the Attractiveness Score (AS) on a 1–4 scale for each of the 12 strategic alternatives against the 12 key strategic factors from the IFE/EFE, comprising 6 internal strengths (strategic location, high customer loyalty, competitive pricing, management experience, comprehensive and diverse product range, strong family communication), 6 internal weaknesses (manual financial record-keeping, minimal digital utilization, informal organizational structure, irregular promotions, limited product innovation, informal market research), 6 external opportunities (local economic growth, strong purchasing power, high demand for basic necessities, government training programs, accessible promotional technology, a broad market across various demographics), and 6 external threats (rising prices of basic commodities, unstable inflation, restrictions on subsidized stock, expansion of Indomaret/Alfamart minimarkets, consumer shift toward digital, supplier supply fluctuations).

AS 1 indicates an unattractive strategy (minimal factor response), AS 2 is average, AS 3 is attractive, and AS 4 is highly attractive based on the strategy's effectiveness in leveraging strengths/opportunities or addressing weaknesses/threats simultaneously. Each AS is multiplied by the factor weight to obtain the Total Attractiveness Score (TAS) per factor, then summed to yield the overall TAS for the entire strategy, as presented in Table 10 for implementation priority ranking, where the digital marketing strategy excels with AS 4 dominating the internal technology gap and external minimarket threats.

Table 10. QSPM Matrix Calculation Results for Mistin Store

No	Strategy Alternative	STAS Value
1	Expand digital promotions targeting high-interest shoppers	6,267
2	Building partnerships with major retailers to stabilize manual inventory	5,622
3	Utilizing low-cost advertising to boost economic growth through promotions	5,585
4	Expanding inventory through economic growth and strategic locations	5,342
5	Implementing dynamic pricing to manage subsidized inventory	5,293
6	Attending a communication technology workshop to improve operations	5,102
7	Launching a product bundle promotion for local communities	5,069
8	Implementing a loyalty program with volume-based discounts that boost purchasing power	4,440
9	Developing task specializations by broad market customer group	4,189
10	Conducting high-volume supplier negotiations to manage pricing pressure	4,046
11	Seeking to diversify to lower-cost suppliers to reduce inflation	3,972
12	Building organizational structure through digital government training	3,362

Source: Adapted from David (2016), processed by the author (2025)

The QSPM calculation results in Table 10 show that the strategy "Expanding digital promotions targeting high-basic-purchase-interest segments" ranks first with the highest Total Attractiveness Score (TAS) of 6,267, far surpassing other alternatives, thanks to an Attractiveness Score (AS) of 4 across 12 critical factors such as minimal technological weaknesses, minimal threats from minimarket penetration, and high purchasing power opportunities. The second strategy, "Building partnerships with large stores to stabilize manual inventory" (TAS 5.622), effectively addresses the instability of subsidized supply, followed by low-cost advertising (5.585) and inventory expansion (5.342), while the organizational structure strategy ranks lowest (3.362) though it remains relevant in the long term.

These priorities reflect the urgency of digital adaptation for traditional retail SMEs facing modern competition, with digital marketing capable of reaching young consumers via WhatsApp Business, QRIS, and Gojek delivery, bridging the technology gap while capturing market share from minimarkets in Durenan. To ensure the effective implementation of priority strategies through regular monitoring, specific Key Performance Indicators (KPIs) are outlined in Table 11, including a revenue target of +15%, a repeat purchase rate of 84%, and a stock-out rate of <10%, with measurable corrective actions

Table 11. Key Performance Indicators (KPI) for Strategy Implementation Evaluation

Key KPIs	12-Month Target	Measurement Method	Frequency	Follow-up if Failed
Revenue Growth	+25% (15 Million)	Daily Sales Report in Excel	Monthly	Revision of digital promotions
Repeat Purchases	84% from 70%	Loyalty cards + WhatsApp database	Quarterly	Add 7% discount
Online Orders	100/month	WhatsApp/Gojek Log	Weekly	Delivery retraining
Stock-out Rate	<10%	Inventory Report	Weekly	Strengthen Departmental MoU

Source: 3-month observational data processed by the author (2025)

Monitoring is conducted using a simple Microsoft Excel-based dashboard managed directly by the business owner to track the progress of each KPI in real-time. If an evaluation during a specific period reveals that a target has not been met, corrective actions are taken in accordance with established protocols; for example, if revenue growth has not reached 15% by the sixth month, the frequency of digital promotions via WhatsApp and social media posts is increased from three times a week to daily, accompanied by special discount offers for purchases made through digital platforms.

4. Conclusion

This study aims to comprehensively analyze the internal and external conditions of the Mistin Store SME and formulate effective priority strategies to enhance sales and competitive advantage. The approaches employed include SWOT, IFE, EFE, IE, and QSPM analyses, thereby providing a structured overview of the business's position and appropriate development directions.

The research results indicate that Mistin Store possesses key strengths such as a strategic location, high customer loyalty, competitive pricing, and relatively effective family-run business management. However, there are weaknesses that still need improvement, such as a manual record-keeping system, low utilization of digital technology, and an informal organizational structure. An IFE score of 2.669 indicates that internal conditions are at a moderate level. Meanwhile, from an external perspective, available opportunities include local economic growth and high demand for basic necessities, although the business faces threats such as inflation, rising prices of basic commodities, and competition from modern minimarkets like Indomaret and Alfamart, with an EFE score of 2.652.

Based on this combination of scores, Mistin Store is in Quadrant V of the IE Matrix with a “hold and maintain” position, indicating that business conditions are relatively stable but require gradual strengthening. Therefore, the recommended strategy is limited market penetration through operational optimization and service improvement, rather than aggressive expansion. The strategic focus is directed toward strengthening digital promotions, improving inventory management efficiency, enhancing human resource capacity, and maximizing the utilization of local market opportunities.

Furthermore, the QSPM analysis yielded 12 prioritized strategic alternatives, with four key strategies for the short to medium term: expanding digital promotions, strengthening supply partnerships, utilizing low-cost advertising, and implementing dynamic pricing. The

implementation of these strategies is supported by performance indicators such as a 15% increase in revenue, an 84% increase in repeat purchases, achieving a minimum of 100 online orders per month, and reducing stock-out rates to below 10%. However, this study has limitations in its scope, which covers only one SME with a three-month observation period; therefore, further research is recommended using a longitudinal approach and involving more business entities to ensure more comprehensive and generalizable results.

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