

## Business Development Strategies for Nentu Handicrafts in Korihi Village, Lohia Sub-District, Muna District

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### Abstract

This study aims to identify and analyze craftsmen's strategies in the development of Nentu handicraft businesses in Korihi Village, Lohia District, and Muna Regency. This type of research was descriptive and used a qualitative approach. The population and sample in this study were 30 craftsmen from Korihi Village. Data were collected through observation, questionnaires, and documentation. The data analysis method used was SWOT analysis. The results of this study indicate that the craft business development strategy that needs to be carried out by artisans based on the SWOT analysis is as follows: SO Strategy: Utilizing raw materials, variants/models, steep labor, and durable quality woven, as well as improving good relations with consumers and helping artisan craftsmen who are supported by the PEMDA will be able to develop strategies for the development of certain crafts. WO Strategy: Encouraging brand/trade labels, improving facilities and infrastructure by expanding sales reach by leveraging good relations with consumers, and helping the artisans' economy supported by the PEMDA so that they can develop certain handicrafts in Korihi Village. ST Strategy: Increasing raw materials, variants/models, skilled labor, and durable quality of woven fabrics can overcome competition from craftsmen and price competition with similar products and changing consumer tastes. WT's strategy: Encouraging trademark promotion by improving the facilities and infrastructure of artisans, as well as expanding sales reach to reduce price competition and artisans with similar products, and reduce changes in consumer tastes.

**Keywords:** *Business Development Strategy, Nentu Craft, SWOT.*

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### INTRODUCTION

Handicraft business development is largely determined by entrepreneurial skills, motivation, work environment, capital, and technology. Many entrepreneurs develop their businesses by increasing creativity and innovation to make their products more attractive and in great demand by consumers. The more the entrepreneur improves the quality, creativity, and innovation to make the product more attractive, the more consumers will consider and compare the product elsewhere to increase revenue for the entrepreneur (Karambakuwa & Bayat, 2022). According to Kadjim (2011), the craft is an endeavor carried out continuously with a spirit of perseverance, persistence, dexterity, high dedication, and wide-ranging power in doing work. Craft is interpreted as the focus of earning or making craft art not because of the nature of diligence, but rather from a person's skillful nature in producing a craft product.

Sofjan Assauri (2016), suggests that strategy is actually a careful selection of a series of actions or ways to be carried out, to achieve one or more predetermined goals. Freddy Rangkuti (2017), strategy is the long-term goals of a company, as well as the

utilization and allocation of all resources that are important to achieve these goals.

Strategy is a means to achieve a long-term goal. Business strategies include geographic expansion, diversification, acquisition, product development, market penetration, austerity, divestment, liquidation, and *joint ventures*. The word strategy comes from the Greek "*strategos*" which means "military commander." According to Fattah (2015), strategy is a formula for how a business competes, the goals to be achieved, and the policies needed to achieve these goals.

A business generates certain benefits that run with the capital used to create it. In a business, there are several important factors such as business potential and opportunities. Business is a form of work that carries out activities permanently and continuously for profit, whether carried out by individuals or groups in the form of legal entities or not in the form of legal entities, established and domiciled in a place.

According to Isnaini Nurrohmah (2015), business development is a form of effort for the business itself to develop and reach a point or peak towards success. Business development is carried out by businesses that have started, and there is a possibility of further progress.

According to Sedarmayanti (2014), the internal environment consists of two variables (strengths and weaknesses) that are in the company but usually not in the short-term control and top managers. All organizations have strengths and weaknesses in various functional areas. No company was equally strong or weak in any area. The strengths of a company that cannot be easily matched or imitated by competitors are referred to as differentiating competencies.

According to Sedarmayanti (2012), the external environment comprises two parts: the work environment and the social environment. The work environment consists of elements or groups that are influenced or affected by a company's operations.

Muna Regency, one of the districts in Southeast Sulawesi Province has traditional handicrafts that are no less charming handicrafts commonly called woven nentu, one of which is nentu handicrafts originating from Korihi Village, Lohia District. The woven craft of hata nails (nentu) is a handicraft woven with the basic ingredients of the vine stems. The woven Nentu handicraft made from Nentu plants has now entered the market share of the Makassar, Java, and Sumatra islands, and this product continues to increase in line with increasing consumer demand. However, the development of the Nentu craft business cannot be separated from the factors that influence it, both internal and external.

Based on this, this study aims to identify and analyze craftsmen's strategies for the development of

Nentu handicraft businesses in Korihi Village, Lohia District, and Muna Regency.

## METHODS

The type of data used in this research was descriptive with a qualitative approach. Data sources: Primary and secondary data were used in this study. Primary data were obtained from craftsmen through field surveys concerning the objects to be studied and adapted to the needs, in this case, recording and direct observation of the condition of business development of Nentu handicrafts in Korihi Village, Lohia District, Muna Regency. Secondary data were obtained from BUMDES (Village-Owned Enterprises). The population and sample used were 30 Nentu craftsmen. The sampling technique used in this study was a census. Sugiyono (2012) census sampling is a technique in which all members of the population are sampled.

The data collection methods used in this study were observations, questionnaires, and documentation. The data analysis method used is SWOT analysis, followed by formulating strategies using IFES Matrix analysis, EFAS, and SWOT Matrix.

## RESULTS AND DISCUSSION

### Respondent Characteristics

#### 1. By Gender, Age, and Education Level

The characteristics of these respondents were obtained from observations and questionnaires to Nentu craftsmen, as presented in the following table:

Table 1. Characteristics of Respondents Based on Gender, Age, and Education Level of Nentu Craftsmen in Korihi Village

| No. | Characteristics of Craftsmen | Total (30 people) | Percentage (%) |
|-----|------------------------------|-------------------|----------------|
| 1   | Gender                       |                   |                |
|     | a. Male                      | 1                 | 3,3%           |
|     | b. Female                    | 29                | 96,7%          |
| 2   | Age Group                    |                   |                |
|     | a. 30-31 years old           | 10                | 33,3%          |
|     | b. 41-50 years old           | 11                | 36,7%          |
|     | c. 51-60 years old           | 3                 | 10,0%          |
|     | d. 60-75 years               | 6                 | 20,0%          |
| 3   | Education Level              |                   |                |
|     | a. SD                        | 23                | 76,7%          |
|     | b. SMP                       | 4                 | 13,3%          |
|     | c. HIGH SCHOOL               | 3                 | 10,0%          |

Source: Primary Data Processed, 2023

Table 1 shows the characteristics of respondents of Korihi Village nentu craftsmen based on gender; 29 respondents were female (96.7 %). The results of the characteristics of Nentu craftsmen based on age groups show that the number of respondents aged 30-50 years is 21 people or 70%, which shows that the age group between 30-50 years is more than the age group between 51-75 years with only 30%. The characteristics of respondents based on the last level of education show that the number of respondents for elementary school graduates (SD) was as many as 23 people or 76.7%, which shows that the majority of Nentu craftsmen only graduated from elementary school, while the rest graduated from junior high school and high school as seven people or 23.3%.

2. Based on Number of Workers

Labor is defined as everyone who can do work that produces goods or services that are useful for themselves or society in general. The characteristics of respondents based on the labor of nentu craftsmen are presented in the following table.

Table 2. Characteristics of Respondents Based on the Number of Nentu Craftsmen Workers in Korihi Village, Lohia District, Muna Regency

| Hamlet Name               | Gender |        | Total |
|---------------------------|--------|--------|-------|
|                           | Male   | Female |       |
| Dusun Dampaka (Hamlet 1)  | -      | 57     | 57    |
| Tombula Hamlet (Hamlet 2) | 1      | 42     | 43    |
| Total                     | 1      | 99     | 100   |

Source: RPJM Korihi Village 2016-2021

Table 2 shows the number of nentu craftsmen workers in Korihi Village, totaling 100 craftsmen divided into two hamlets, including a Dampaka hamlet with 57 craftsmen and a Tombula hamlet with 43 craftsmen, but currently nentu craftsmen are still actively weaving nentu are 30 people.

**Korihi Village Nentu Craft Business Development Strategy Based on SWOT Analysis**

1. *Internal Strategic Factors Analysis Summary (IFAS) Matrix*

Internal strategic factors from the results of the assessment of the weight and rating of the internal factors of the Nentu craft business in Korihi Village, Lohia Sub-district, can be presented as follows.

Table 3. Internal Strategic Factors Analysis Summary (IFAS) Matrix of Nentu Craft Business in Korihi Village

| Internal Factors                                   | Weight | Rating | Score |
|--|--------|--------|-------|
| <b>Strength (S)</b>                                |        |        |       |
| 1. Raw materials are easily available              | 0,12   | 3      | 0,36  |
| 2. Many product variants or models                 | 0,14   | 4      | 0,56  |
| 3. Skilled labor                                   | 0,14   | 4      | 0,56  |
| 4. Durable webbing quality                         | 0,14   | 4      | 0,56  |
| Subtotal   | 0,55   | 15     | 2,04  |
| <b>Weakness (W)</b>                                |        |        |       |
| 1. Sales promotion is still limited                | 0,11   | 3      | 0,33  |
| 2. No trademark yet                                | 0,13   | 4      | 0,52  |
| 3. Sales reach is still limited                    | 0,10   | 3      | 0,30  |
| 4. Facilities and infrastructure are still limited | 0,12   | 3      | 0,36  |
| Subtotal   | 0,45   | 13     | 1,51  |
| Total  | 1,00   | 28     | 3,55  |

Source: Primary Data Processed, 2023

Based on Table 3, internal factors show the strength factor of many product variants or models; skilled labor and durable woven quality is the highest

category in the Nentu craft business in Korihi Village, with a score of 0.56. The weakness factor shows that not having a trademark is a weakness in the

development of Nentu handicraft businesses, with a score of 0.52 higher than the other weakness factors. In the table above, the strength factor shows the highest score compared to the weakness factor, where the strength factor score is 2.04 and the weakness is 1.51 with an overall score of 3.55.

## 2. External Strategic Factors Analysis Summary (EFAS) Matrix

The external aspects are divided into opportunities and threats found in the Nentu craft business in Korihi Village, Lohia District, and Muna Regency. The external strategic factors from the assessment of the weight and rating of the external factors of the Nentu craft business in Korihi Village, Lohia District, can be presented as follows.

Table 4. External Strategic Factors Analysis Summary (EFAS) Matrix of Nentu Craft Business in Korihi Village

| External Factors                                  | Weight      | Rating    | Score       |
|---|-------------|-----------|-------------|
| <b>Opportunity (O)</b>                            |             |           |             |
| 1. Local government support (PEMDA)               | 0,13        | 3         | 0,39        |
| 2. A good relationship with customers             | 0,20        | 4         | 0,80        |
| 3. Helping the economy of craftsmen               | 0,18        | 3         | 0,54        |
| <b>Subtotal</b>                                   | <b>0,51</b> | <b>10</b> | <b>1,73</b> |
| <b>Threat (T)</b>                                 |             |           |             |
| 1. Competition of craftsmen with similar products | 0,17        | 3         | 0,51        |
| 2. Price competition with similar products        | 0,17        | 3         | 0,51        |
| 3. Changes in consumer tastes                     | 0,15        | 3         | 0,45        |
| <b>Subtotal</b>                                   | <b>0,49</b> | <b>9</b>  | <b>1,47</b> |
| <b>Total</b>                                      | <b>1,00</b> | <b>19</b> | <b>3,20</b> |

Source: Primary Data Processed, 2023

The table above shows that the opportunities in the development of Nentu handicraft businesses in Korihi Village have good relationships with consumers, with a score of 0.80 higher than other opportunities. The biggest threat faced was the competition between similar craftsmen and price competition, with a score of 0.57. The table above shows that the opportunities in Nentu craft business

development are greater than those where the opportunity score is 1.73 and the threat is 1.47.

## 3. SWOT Matrix

SWOT analysis is used to determine the development strategy of the Nentu craft business in Korihi Village, Lohia Sub-district, and Muna Regency. This analysis is based on internal and external factors and produces four (4) possible alternative strategies. The results are shown in the following table.

Table 5. SWOT Matrix Analysis of the Internal Environment and External Environment of Nentu Craft Business in Korihi Village, Lohia District, Muna Regency

|  |   |  |
|--|---|--|
| <b>Internal Factors</b>  | <b>STRENGTHS (S)</b>  | <b>WEAKNESSES (W)</b>  |
| <b>Factor External</b>   | <ol style="list-style-type: none"> <li>1. Raw materials are easily available</li> <li>2. Many product variants or models</li> <li>3. Skilled labor</li> <li>4. Durable webbing quality</li> </ol>   | <ol style="list-style-type: none"> <li>1. Sales promotion is still limited</li> <li>2. No trademark yet</li> <li>3. Sales reach is still limited</li> <li>4. Facilities and infrastructure are still limited</li> </ol>  |
| <b>OPPORTUNITIES (O)</b>   | <b>SO STRATEGY</b>  | <b>WO STRATEGY</b>   |
| <ol style="list-style-type: none"> <li>1. Local government support.</li> <li>2. Good relationship with customers.</li> <li>3. Helping the economy of artisans.</li> </ol>                          | <ul style="list-style-type: none"> <li>➤ Utilizing raw materials, variants/models, skilled labor, and durable woven quality by improving good relations with consumers and helping the economy of craftsmen supported by PEMDA will be able to develop a Nentu craft development strategy.</li> </ul> | <ul style="list-style-type: none"> <li>➤ Creating a brand/trade label, improving facilities and infrastructure by expanding the range of sales promotion by utilizing good relationships with consumers, and helping the economy of craftsmen supported by PEMDA to develop Nentu crafts in Korihi Village.</li> </ul> |
| <b>THREATS (T)</b>   | <b>STRATEGY ST</b>  | <b>WT STRATEGY</b>   |
| <ol style="list-style-type: none"> <li>1. Competition from artisans with similar products.</li> <li>2. Price competition with similar products.</li> <li>3. Changes in consumer tastes.</li> </ol> | <ul style="list-style-type: none"> <li>➤ Improving raw materials, variants/ models, skilled labor and the quality of durable plaits can overcome artisan competition and price competition with similar products and changes in consumer tastes.</li> </ul>   | <ul style="list-style-type: none"> <li>➤ Creating a trademark by improving the facilities and infrastructure of craftsmen, as well as expanding the range of sales promotion to reduce price competition and craftsmen with similar products and reduce changes in consumer tastes.</li> </ul>                         |

Source: Primary Data Processed, 2023

Based on Table 5, the SWOT analysis produces four (4) possible alternative strategies:

- a. Strength-Opportunity (S-O) Strategy: Utilizing raw materials, variants/models, skilled labor, and durable woven quality, as well as improving good relations with consumers and helping the economy of craftsmen supported by PEMDA, will enable the development of a Nentu craft development strategy.
- b. Weakness-Opportunity (W-O) Strategy: Create a brand/trade label and improve facilities and infrastructure by expanding the range of sales promotion by utilizing good relationships with consumers and helping the economy of craftsmen supported by the local government develop Nentu crafts in Korihi Village.
- c. Strength-Threat Strategy (S-T): Improving raw materials, variants/models, skilled labor, and the

- d. Weakness-Threat Strategy (W-T): Creating a trademark by improving the facilities and infrastructure of craftsmen and expanding the range of sales promotion to reduce price competition and craftsmen with similar products and reduce changes in consumer tastes.

**Discussion**

**Nentu Craft Business Development Strategy in Korihi Village**

Based on the results of observations and questionnaires, information was obtained about the strengths, weaknesses, opportunities, and threats possessed by Nentu craft businesses in Korihi Village using SWOT analysis. Formulation of Nentu craft business development strategies in Korihi Village using

SWOT analysis. The analysis combined strengths, weaknesses, opportunities, and threats. Based on the strengths, weaknesses, opportunities, and threats possessed by the Korihi Village Nentu craft business, four alternative strategies were obtained that can be implemented by craftsmen in developing Nentu craft businesses:

### 1. **SO (Strength-Opportunities) Strategy**

Based on the results of the SWOT matrix, the SO strategy in the development of Nentu handicraft businesses in Korihi Village is to utilize raw materials, variants/models, skilled labor, and durable woven quality by improving good relations with consumers and helping the economy of craftsmen supported by PEMDA will be able to develop new handicraft development strategies. The available raw materials being able to produce Nentu crafts produced by a skilled workforce that is certainly professional in weaving, to produce various variants or models of crafts with durable woven quality, both large shapes such as *busara* and small crafts such as key chains.

Opportunities can be utilized in this craft business by building good communication with consumers to create long-term cooperative relationships, in addition to utilizing the role and support of the local government (PEMDA), which encourages craftsmen to continue producing and developing Nentu craft businesses to help the economy of craftsmen in Korihi Village.

The results of this study are similar to the SO strategy with the results of previous research conducted by Yunida Tri Andari, Lutfi Aris Sasongko, and Eka Dewi Nurjayanti (2019), who concluded that the S-O strategy: making business plans including production layout, product variations (production), and marketing to increase customers. This study shows that, in carrying out the SO strategy, it is necessary to increase raw materials, variants/models, skilled labor, and durable woven quality so that it is supported by the local government.

### 2. **WO (Weaknesses-Opportunities) Strategy**

The resulting WO strategy based on the SWOT matrix involves creating a brand/trade label, improving facilities and infrastructure, and expanding the range of sales promotions by utilizing good relationships with consumers and helping the economy of craftsmen supported by PEMDA to develop Nentu crafts in Korihi Village.

To minimize the weaknesses in the Nentu handicraft business in Korihi Village, including making a brand/trade label. Furthermore, by organizing, completing, and improving the provision of facilities and infrastructure that can support the production activities of Nentu handicrafts, such as the procurement of buildings or places to make and accommodate all handicraft products from craftsmen. Conduct and improve the promotion of nentu handicrafts in Korihi village through print media, such as newspapers and brochures, and through electronic media or online media such as *Facebook, Instagram, WhatsApp, and YouTube*. Promotion and innovation in production activities are important for attracting consumer interest.

The results of this study are in line with research conducted by Muhammad Lucy Prasetyo (2020) that, in developing the WO strategy, it is necessary to increase promotions that are still lacking by utilizing online buying and selling applications such as *Facebook, WhatsApp, Instagram, etc.*, to reach a wider market.

### 3. **ST (Strengths-Threats) Strategy**

The resulting ST strategy based on the SWOT matrix is to improve raw materials, variants/models, skilled labor, and the quality of durable plaits that can overcome craftsmen competition and price competition with similar products and overcome changes in consumer tastes.

Based on the results of observations and questionnaires to respondents, it is shown that using all the internal strengths that exist in the Nentu craft business in Korihi Village can overcome all external threats that will occur by increasing the main raw materials in the form of rattan and Nentu to produce various types of crafts with durable woven quality from the skilled hands of craftsmen, which can reduce and overcome craftsman competition and price competition with similar products and overcome changes in consumer tastes with strategies carried out can meet the target achievement that is right on the target. According to Rosnawintang (2021), applying the right strategy in the industry requires a skilled workforce to create various product variants (differentiation) to obtain quality handicrafts and reduce the level of competition.

### 4. **WT (Weaknesses-Threats) Strategy**

The resulting WT strategy based on the SWOT matrix creates a trademark by improving the

craftsmen's facilities and infrastructure and expanding the range of sales promotions to reduce price competition and craftsmen with similar products and reduce changes in consumer tastes.

Based on observations and questionnaires, the results of the SWOT matrix show that the WT strategy in the form of making a trademark makes the Korihi Village nentu craft a differentiator with other nentu crafts by improving the craftsmen's facilities and infrastructure for both buildings and tools in weaving nentu and expanding the range of sales promotions through print and *online* media can avoid threats that will occur both in price competition and with craftsmen with similar products and reduce changes in consumer tastes. Therefore, there is a need for quality and loyalty of craftsmen to be able to compete with similar craftsmen to avoid threats, in addition to improving and maintaining the quality of woven nentu crafts that can adjust consumer tastes if consumers are not satisfied with marketed crafts.

The results of research conducted by Putu Satya Ary Narendra and I Gusti Ayu Ketut Sri Ardani (2020), in developing a WT strategy, the things that need to be done are: conducting skills training to increase labor, stocking raw materials to reduce transportation costs, seeking relationships with related parties such as the government to introduce products to other countries, and seeking funding loans or establishing cooperation with investors. In this study, we develop a WT strategy by creating a trademark by improving craftsmen's facilities and infrastructure and expanding the range of sales promotions, which can reduce price competition and craftsmen with similar products and reduce changes in consumer tastes

## CONCLUSION

Based on the results of the research and discussion of the Nentu craft business development strategy in Korihi Village, what needs to be done by craftsmen based on SWOT analysis is as follows:

SO (Strength-Opportunity) Strategy: Utilizing raw materials, variants/models, skilled labor, and durable woven quality as well as improving good relations with consumers and helping the economy of craftsmen supported by PEMDA will be able to develop a nentu craft development strategy. WO (Weakness-Opportunity) Strategy: Create a brand/trade label and improve facilities and infrastructure by expanding the range of sales promotions by utilizing good relations

with consumers and helping the economy of craftsmen supported by PEMDA to develop nentu crafts in Korihi Village.

ST (Strength-Threat) Strategy: Improving raw materials, variants/models, skilled labor, and durable woven quality can overcome craftsmen's competition and price competition with similar products and changes in consumer tastes. Weakness-Threat (WT) Strategy: Creating a trademark by improving the facilities and infrastructure of craftsmen as well as expanding the range of sales promotions to reduce price competition and craftsmen with similar products and reduce changes in consumer tastes.

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