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(Research/Review) Article

SWOT and CSF Analysis of the Ground Fish Business at Alang - alang Lebar Market Palembang

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Abstract: The city of Palembang, traversed by the Musi River, is well suited for industrial development in the fisheries sector. The area is renowned for its distinctive regional cuisine, one of which is pempek which is a processed fish product. Entrepreneurs supporting the supply of raw materials for processed fish products include ground fish businesses. The ground fish industry continues to expand, with business owners striving to maintain and enhance product quality and service standards to remain competitive and promote growth. In this regard, the decisions made by leaders significantly impact an organization's ability to achieve its objectives. Therefore, appropriate methodologies are required to analyze the key factors influencing success or failure. SWOT analysis helps identify external opportunities and threats as well as internal strengths and weaknesses. Additionally, CSF analysis provides a clearer interpretation of key elements, defines essential activities, and supplies relevant information. Furthermore, this research proposes strategies to enhance efficiency, effectiveness, and value at every stage of the value chain. It is expected that this analysis will assist businesses in optimizing resources and improving the competitiveness of ground fish enterprises in the market. This study aims to provide a comprehensive analysis of strategic measures that can enhance the competitive advantage of ground fish businesses in the fisheries and food processing sectors.

Keywords: CSF Analysis, Ground Whitefish, Market, SWOT Analysis.

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1. Introduction

The development of the fisheries industry is an initiative by the Palembang city government to improve the economic wellbeing of the community. Palembang, traversed by the Musi River and known for its various traditional fish-based culinary specialties, supports the advancement of the fisheries sector. Usaha mikro, kecil, dan menengah (UMKM) sector plays a crucial role in realizing this development. One of the most popular types of UMKM is the ground fish business. Ground fish refers to fish meat processed into a finer form, making it easier to use in various processed products [1]. Ground fish is also one of the popular processed fish products in the Palembang area and its surroundings, including at the Alang-Alang Lebar Market.

Ground fish serves as an affordable and versatile protein source that can be transformed into various dishes such as fish nuggets, fish sausages, and more. Common fish species used for ground fish production include Spanish mackerel, snapper, tuna, and snakehead fish [2]. However, ground fish businesses in Alang-Alang Lebar Market still face several challenges, such as a lack of quality standards, unattractive packaging, and limited business capital. To address these challenges, an in-depth analysis of the internal and external factors influencing the sustainability of the ground fish business is necessary.

This study employs SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) to assess the impact of the internal and external environment on business strategies aimed at increasing the revenue of ground fish enterprises in Alang-Alang Lebar Market, Palembang. Additionally, identifying Critical Success Factors (CSF) is essential to determine the key elements that must be prioritized to ensure business resilience and growth [3].

The aim of the research is to analyze SWOT and CSFs in ground fish businesses at Alang-Alang Lebar Market, Palembang. The findings are expected to provide a comprehensive overview of the industry's conditions and strategies that can be implemented to enhance competitiveness and sustainability.

2. Preliminaries or Related Work or Literature Review

To assess the strengths and weaknesses of a company, particularly in the field of marketing, a SWOT analysis is used. SWOT analysis includes internal strengths, weaknesses, and opportunities, as well as external opportunities and threats. SWOT analysis can emerge directly or indirectly as a result of competition with other companies. SWOT analysis is a widely used method in strategic planning because it provides a clear overview of the internal and external conditions of a business or organization, helping formulate effective strategies aligned with the existing situation [4].

SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) is a strategic planning technique used to evaluate a project's or business's strengths, weaknesses, opportunities, and threats [5] [6] [7]. SWOT analysis serves as the initial stage of strategy formulation. Beyond identifying external threats and internal weaknesses, it also seeks a strategic alignment between external opportunities and internal strengths, enabling companies to determine the best strategic choices to pursue [8] [9].

The SWOT matrix is a tool for organizing an organization's strategic factors, clearly illustrating how external opportunities and threats can be aligned with internal strengths and weaknesses. IFAS (Internal Strategic Factors Analysis Summary) is a summary or formulation of internal strategic factors categorized under strengths and weaknesses [9].

Strengths – Internal organizational conditions, including competencies, capabilities, or resources owned by the organization, which can be utilized to address opportunities and threats.

Weaknesses – Internal organizational conditions where competencies, capabilities, or resources are difficult to use in responding to opportunities and threats.

Opportunities – External situations that have the potential to be advantageous. Organizations within the same industry generally benefit when faced with such conditions. For example, if a particular market segment has not yet been entered by competitors, it presents an opportunity for any organization that successfully identifies and penetrates that market.

Threats – External situations that have the potential to cause difficulties. Organizations within the same industry generally face disadvantages or challenges when confronted with such external conditions.

Companies must implement strategies to remain competitive among their rivals. SWOT analysis is considered one of the most fundamental analytical methods, useful for examining a topic or issue from four different perspectives. The analysis results in recommendations for maintaining strengths and leveraging existing opportunities while minimizing weaknesses and avoiding threats. When applied correctly, SWOT analysis helps identify overlooked or hidden aspects.

Given these considerations, several key points should be noted when conducting a SWOT analysis:

SWOT analysis can be highly subjective, meaning two individuals may analyze the same company but arrive at different SWOT conclusions. Analysts must be realistic when describing internal strengths and weaknesses. Concealing weaknesses or failing to articulate strengths can render strategic recommendations ineffective. The analysis should be based on current conditions rather than ideal or hypothetical situations. Avoid "grey areas," unnecessary complexity, and excessive analysis.

3. Proposed Method

3.1. Research Time and Location

This research was conducted at Alang-Alang Lebar Market in Palembang City, which is one of the main trading centers for fishery products and processed fish goods. The study was carried out in April 2025, with data collection involving direct field observations, interviews with ground fish business operators, and a review of relevant literature.

3.2. Research Method

This study employs a qualitative research method with a descriptive approach. This approach is used to explore and understand the factors influencing the sustainability of ground fish businesses in Alang-Alang Lebar Market.

The data sources used in this study include:

Primary data, obtained through direct observation of ground fish trade activities and interviews with business owners and stakeholders in the fisheries industry.

Secondary data, collected from books, scientific journals, previous research reports, and official documents related to the development of the fisheries industry in Palembang.

3.3. Data Analysis Method

The collected data was analyzed using SWOT Analysis (Strengths, Weaknesses, Opportunities, and Threats) to assess the internal and external factors affecting ground fish businesses. Additionally, the study applies IFAS (Internal Strategic Factors Analysis Summary) and EFAS (External Strategic Factors Analysis Summary) matrices to identify strategic factors contributing to business development.

The SWOT analysis in this study will refer to four key strategies:

SO Strategy (Strengths – Opportunities): Utilizing internal strengths to optimize market opportunities.

WO Strategy (Weaknesses – Opportunities): Leveraging external opportunities to overcome internal weaknesses.

ST Strategy (Strengths – Threats): Using strengths to mitigate potential external threats. WT Strategy (Weaknesses – Threats): Reducing weaknesses and avoiding threats that may impact business sustainability.

The data analysis process is conducted systematically, considering each factor in the SWOT, IFAS, and EFAS matrices to provide strategic recommendations for the growth and competitiveness of ground fish businesses in Alang-Alang Lebar Market.

4. Results and Discussion

4.1. Internal Factor Analysis Summary (IFAS)

The analysis of the internal environment is conducted to understand the internal factors affecting the development of ground fish businesses at Alang-Alang Lebar Market. These internal factors will serve as a reference for determining marketing strategies.

Table 1. Internal Factor Analysis Summary/ IFAS (Strengths)

No	Statement	Average Score
1	The demand for ground fish is relatively high.	4.2
2	Ground fish is always fresh and of high quality.	4.1
3	The ground fish production process is simple and efficient.	3.8
4	Ground fish is affordable for consumers.	4.3
5	Raw materials for ground fish are easily available.	4.1

Table 2. Internal Factor Analysis Summary/IFAS (Weaknesses)

No	Statement	Average Score
1	The quality of ground fish products is inconsistent.	3.2
2	The packaging of ground fish is not visually appealing.	3.5

No	Statement	Average Score
3	The business capital is limited.	3.9
4	Competition is very intense.	4.1
5	Ground fish storage is not always hygienic.	3.4



Figure 1. Snapper and Snake head Ground Fish Business at Alang-Alang Lebar Market, Palembang.

4.2. External Factor Analysis Summary (EFAS)

To assess the external conditions affecting ground fish business operators at Alang-Alang Lebar Market, an analysis of external factors is conducted. These factors include external conditions beyond the organization, encompassing both available opportunities in the market and barriers or threats originating from external sources.

Through EFAS analysis, the opportunities and threats faced by ground fish businesses can be identified, allowing for the formulation of appropriate marketing strategies to optimize business performance and sustainability.

Table 3. External Factor Analysis Summary /EFAS) (Opportunities)

No	Statement	Average Score
1	The demand for ground fish continues to increase.	4.3
2	There is an opportunity for product diversification.	4.0
3	Social media marketing is effective.	4.5
4	Partnerships with restaurants can enhance sales.	4.2
5	New technology improves production efficiency.	4.1

Table 4. External Factor Analysis Summary /EFAS) (Threats)

No	Statement	Average Score
1	Competition from other sellers is intense.	4.2
2	The price of raw materials fluctuates frequently.	3.8
3	Customers prefer products from other sellers.	3.5
4	New technology increases production costs.	3.6
5	Changes in government policies affect business operations.	3.7



Figure 2. Snapper and Spanish Mackerel Ground Fish at Alang-Alang Lebar Market, Palembang

5. Comparison

SWOT Analysis Discussion of Ground Fish Business at Alang-Alang Lebar Market 1. Strengths

The analysis results indicate that ground fish has a high demand at Alang-Alang Lebar Market, with an average score of 4.2. This aligns with the basic supply and demand theory, where products with high demand demonstrate strong market [10]. Additionally, the statement regarding the affordability of ground fish, which scored 4.3, suggests that the product has a competitive price advantage [11]. The ease of obtaining raw materials, with a score of 4.1, is also a critical factor in maintaining production sustainability [12]. However, the production process still requires efficiency improvements, scoring 3.8, indicating a need for better production management to enhance effectiveness and efficiency.

2. Weaknesses

In the weakness category, the primary concern is the inconsistent quality of ground fish products, which scored 3.2. According to [13]. unstable product quality can lead to a decline in customer trust and market loyalty. Another weakness is the less appealing packaging (score 3.5). Packaging plays a crucial role in product marketing, particularly in attracting consumer attention and preserving product quality for longer durations [14].

The high level of competition at Alang-Alang Lebar Market (score 4.1) also presents a significant challenge. According to Porter intense competition in an industry can reduce profit margins if not balanced with product differentiation strategies[15]. Additionally, less hygienic storage conditions for ground fish (score 3.4) need improvement by implementing better sanitation standards in the seafood supply chain [16].

3. Opportunities

The most promising opportunity is social media marketing, with a score of 4.5. [17]. suggest that digital marketing can significantly enhance product visibility and accessibility to a broader market segment. Furthermore, the opportunity for product diversification (score 4.0) can be leveraged to add value for consumers [18].

Partnerships with restaurants and other food businesses (score 4.2) can be an effective strategy for business expansion. A study by Zeithaml et al. (2017) highlights that collaboration with the food service sector can significantly increase product demand [19]. Moreover, utilizing new technologies to improve quality and production efficiency (score 4.1) can provide a long-term competitive advantage [20].

4. Threats

Competition from other sellers with a score of 4.2 is the primary threat to the sustainability of the ground fish business. According to Porter (2008), businesses operating in highly competitive markets must implement strong differentiation strategies. [21].

The fluctuation in raw material prices (score 3.8) can also affect business stability, as explained in Hull's (2012) price risk management theory [22]. Additionally, customers preferring products from other sellers (score 3.5) indicate areas where quality or pricing must be improved to enhance competitiveness [23].). Lastly, changes in government policies (score 3.7) can impact the trade and distribution regulations of ground fish, requiring businesses to be adaptable to policy shifts [24].

CSF Analysis Discussion of Ground Fish Business at Alang-Alang Lebar Market

The Critical Success Factors (CSF) Analysis of the ground fish business at Alang-Alang Lebar Market, Palembang highlights several key elements crucial to business success. Product quality and freshness play a fundamental role in enhancing customer satisfaction and market loyalty (Kotler & Keller, 2016), while hygienic production standards ensure food safety (FAO, 2018). Strategic location and accessibility contribute to increased sales [19]. whereas competitive pricing serves as a major factor in attracting consumers [25].

Furthermore, product variation and innovation are essential for maintaining competitiveness and creating added value [18, [26]. Customer service quality significantly influences consumer satisfaction (Aaker, 2011), while efficient inventory management optimizes operational performance [12], [27]. Additionally, social media marketing presents a significant opportunity to expand market reach [17].

By effectively managing these critical success factors, the ground fish business at Alang-Alang Lebar Market can strengthen its competitive edge and achieve sustainable growth within the fisheries industry.

6. Conclusions

The SWOT and CSF analysis highlights that the sustainability and competitiveness of the ground fish business at Alang-Alang Lebar Market rely heavily on product quality improvement, marketing optimization, and operational efficiency. Standardizing quality and production control is essential to ensuring consistency, while enhancing packaging design and hygiene can improve product value and consumer trust. Digital marketing via social media offers an effective strategy for expanding market reach, complemented by strategic partnerships with restaurants and culinary businesses to boost sales volume. Furthermore, implementing more efficient production technology can lower costs and enhance product quality, while differentiation strategies are necessary to remain competitive in a saturated market. By adopting these strategies, the ground fish business has the potential for substantial growth and long-term viability despite prevailing market challenges.

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