

Digital Marketing Development Strategy of Sharia Cooperative

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Abstract

The development of Sharia Cooperatives faced obstacles due to the Covid-19 pandemic situation. Many people no longer use sharia cooperatives in carrying out their daily lives, especially the owner of business. This situation requires innovation by utilizing digitization technology. One of the form of technology that can be used is digital marketing, with digital marketing communications and transactions can be carried out at any time. This study focuses on mapping the characteristics of Islamic cooperatives and evaluating the performance of Islamic cooperatives as well as producing business strategy models for Islamic cooperatives. The method used is descriptive qualitative with SWOT analysis techniques. Sampling method use non-probability sampling (snowball). The participants in this study were the management of the Baiturrahman Mitra Umat Sharia Consumer Cooperative (KKS), Bojong Gede, Bogor, West Java, totaling 6 informants. The results of the study show that the Baiturrahman Mitra Umat KKS is a cooperative that has a strong and growing market. The Baiturrahman Mitra Umat PSC can carry out two types of strategies, namely intensive strategies and integrative strategies. Intensive strategies can be carried out by cooperatives in the form of market penetration and market and product development. The integrative strategy can be carried out by cooperatives in the form of forward integration, backward integration, and horizontal integration.

Keywords: strategy, digital marketing, sharia cooperatives

1. Introduction

Cooperatives are an independent organization and become one of the pillars of the economy in Indonesia. Cooperatives are run so that they can achieve the aspirations and needs of their members in carrying out social, economic and cultural patterns that are in line with the principles of the cooperative values that are run. In practice, cooperatives are divided into two, namely conventional cooperatives and sharia cooperatives. Sharia cooperatives are non-governmental groups as people's economic institutions that seek to develop productive and investment businesses based on sharia principles (AS Rusydiana and A. Devi, 2018). existing sharia principles such as the values of togetherness, welfare, kinship, and mutual justice (Angriani and H. As'ari: 2021).

The development of cooperatives in Indonesia continues to grow. This development is marked by the growth of cooperatives in Indonesia. But in this development there are many obstacles (Sitepu & Hasyim.,2018). Based on data from the Ministry of Cooperatives and SMEs, as of the end of December 2019, the number of sharia cooperatives or Sharia Savings and Loans Cooperatives (KSPPS) in Indonesia was around 4,046 units out of the total number of Savings and Loans Cooperatives (KSP) of 16,549 units. As a country with the largest Muslim population in the world, Indonesia should be able to develop sharia cooperatives. To develop sharia cooperatives in Indonesia, the government must be able to play a greater role by conducting socialization to the community, providing guidance, and through support for sharia cooperative development programs (N. Zuairina, 2020).

The development of Sharia Cooperatives is experiencing obstacles due to the existing Covid-19 situation. Many people are no longer using sharia cooperatives in carrying out their daily lives, especially business people. This requires innovation from sharia cooperatives to

overcome these obstacles, one way that can be done is to utilize existing technology. Information and telecommunications technology has become a trend in the life of every individual, every time, every time and every second humans use technology. Activities began to be made easier with various facilities offered, ranging from communication, information, transactions, education, entertainment to even the most personal needs that can be served with technology (M. Danuri.,2019). One form of technology that can be used is digital marketing. With digital marketing, communication and transactions can be done any time / real time and can be global or global. With the large number of chat-based social media users and it is increasing day by day, it opens up opportunities for all elements to develop their market in the grip of a smartphone (T.Pradiani.,2018).

The purpose of this study is to map the characteristics of sharia cooperatives and evaluate the performance of sharia cooperatives as well as produce a business strategy model of sharia cooperatives, proposed plans for implementing alternative strategies in facing business competition.

Based on the above background, the following problems can be formulated:

1. What are the characteristics of sharia cooperatives?
2. How is the performance that has been carried out by sharia cooperatives?
3. What are the business strategy models and alternative strategic plans for sharia cooperatives in facing business competition in the digital era, especially from the digital marketing aspect?

2. Literature Review

2.1 Sharia Cooperative Concept

2.1 Definition of Cooperative

Cooperative comes from the word co which means together and operation which means work, so that etymologically, cooperatives can be interpreted as cooperation. Meanwhile, in terms of terminology, a cooperative is an association or organization that works together to improve the welfare of members (R. Safitri, A. Kurniawati, and D. Haryadi.,2019). Usually cooperatives are based on the principle of kinship. The existence of cooperatives is able to change the economic level and welfare of the community. Cooperative is a legal entity or business established by an active group (Hutagalung and S. Batubara, 2021).

Based on Law Number 17 of 2012 concerning Cooperatives in article 1 it is stated that A cooperative is an entity established by an individual or a cooperative legal entity, with the separation of the wealth of its members as capital for running a business, which fulfills shared aspirations and needs in the economic, social and cultural fields in accordance with the values and principles of cooperatives. The purpose of cooperatives is to improve the welfare of cooperative members in order to create an advanced, just, and prosperous society based on Pancasila and the law (M. Apriyana and S. Hasbi, 2015).

2.2 Sharia Cooperative

A sharia cooperative is a cooperative business entity that runs a business in the field of savings and loans and financing based on sharia principles and according to the regulations set by the National Sharia Council of the Indonesian Ulema Council (DSN-MUI). Sharia cooperatives are a form of syirkah which means association in running capital for the purpose of making a profit (profit-oriented) (SA Izza.,2020).

Sharia Cooperatives are divided into two forms, namely Sharia Savings and Loans and Financing Cooperatives (KSPPS) and Sharia Savings and Loans and Financing Units (USPPS). Based on Permenkop and UKM No. 11/2017 concerning Sharia Savings and Loans and Financing Businesses by Cooperatives, KSPPS and USPPS have a different meaning, namely KSPPS is a cooperative whose business activities are saving, lending and financing according

to sharia principles, including managing zakat, infaq, alms, and waqf. Meanwhile, the USPPS of Cooperatives is a cooperative business unit which is engaged in saving, borrowing and financing according to sharia principles, including managing zakat, infaq, alms, and waqf as part of the business activities of the cooperative concerned.

2.3 Sharia Cooperative Business Strategy

2.3.1 Business Strategy Concept

Mintzberg argues that the word 'strategy' can have several meanings, namely a plan (a plan), a ploy (a ploy), a pattern of behavior (a pattern of behavior), a position in relation to others (a position in respect to others), and a position in respect of others. perspective (a perspective). The definition of strategy as a plan is the most widely used definition. Several business strategies follow this model. Planners tend to produce internal documents detailing what the company will do for a certain period of time in the future (D. Campbell et al, 2002).

According to Michael Porter, not everything a business does is a strategy. A business strategy is a specific business choice and action, with clear and unique characteristics. Companies with business strategies can be the best based on their uniqueness(L. Iruthayasamy.,2021). Meanwhile, according to Chandler, strategy is a tool to achieve company goals in relation to long-term goals, follow-up programs, and resource allocation priorities. In addition to achieving company goals, the strategy also aims to maintain the sustainability of the organization in the environment around the organization carrying out its activities (LH Sari.,2018)

There are three levels of strategy that are widely applied, namely corporate level strategy, business unit level strategy or competitive strategy and functional level strategy. Corporate-level strategy deals with determining what the company will be and what its business will be, and consists of three main issues, namely strategic direction, portfolio strategy and parent company strategy. Business unit-level strategy deals with how companies compete and seek to achieve competitive advantage. While the functional or operational level strategy discusses various functions or operational activities such as recruitment, marketing, and distribution (SA Faradiza.,2019).

2.3.2 Business Strategy Evaluation

Business strategy cannot be formulated or adapted to changing circumstances without a strategy evaluation process. Strategy evaluation is an important part of the process of building an organization, whether carried out by individuals or as part of an organization's review procedures. According to Richard Rumelt, there are four criteria in strategy evaluation, namely consistency, consonance, advantage, and feasibility. Consonance and advantage are based on the company's external assessment, while consistency and feasibility are based on the company's internal assessment (Adnina et al, 2021).

a. Consistency

There are three signs where organizational problems can cause strategy to be inconsistent, namely: 1) if there are policy-related problems and issues continue to be resolved at the top level; 2) if managerial problems continue with personnel changes if they rely on the underlying issue not on the person or its members; 3) if the success of one organization means having the failure of other organizations.

b. Suitability

The strategy must adapt the business to its environment by taking into account internal and external factors in carrying out development. This relates to the match between planning and implementation. A strategy represents an adaptive response to the environment both internal and external to the organization and to changes that are and will occur.

c. Superiority

A good strategy will create and maintain a competitive advantage. When carrying out the strategy evaluation stage, it is important to ascertain whether the organization has the capabilities, abilities, skills needed for the strategy to be formulated.

d. Appropriateness

Strategy should not weaken existing resources. So the strategy taken must encourage the organization to move forward and solve the problems that occur.

2.4 Digital Marketing

2.4.1 Understanding Digital Marketing

Digital marketing or digital marketing is an innovative way of reaching individual consumers using databases, cost-effective, and more timely (Rauf et al., 2021). Digital marketing can also be defined as the use of digital technology to create a channel in order to reach potential recipients that help realize company goals through meeting consumer needs more effectively. (Dahniar et al., 2021).

In entering the era of digital technology, digital marketing management is a planned action to market products and create customer loyalty requires a directed and measurable concept. Measurable means that marketing activities have been well planned by considering the factors that affect the results obtained in accordance with the planned targets. This concept is a reference for organizations to direct the marketing concept to understand consumer behavior so as to create profitable customer relationships. The marketing concept is different in every organization. However, it basically refers to five basic concepts, as follows:

a. Production Concept

The philosophy of this concept is that the goods and services produced can be sold cheaply, are available in various places, and are easy to find. The marketing strategy is carried out through production cost efficiency and strengthening the distribution system. Mass production system is a step taken by marketers to be able to achieve the goal of minimizing production costs. This concept can run according to plan if demand exceeds the goods produced.

b. Product Concept, the meaning of this product concept is based on consumers preferring products that offer the best quality. Buying decisions by consumers are not influenced by price. Marketers use the strategy of preparing superior products at prices that match the quality offered. If this product concept is not carried out through market research, it will create products that are not in accordance with market tastes.

c. Sales concept, the meaning of this concept emphasizes the sale of products for profit alone without considering consumer tastes and the value obtained by consumers for the products being marketed. Efforts to support this concept of products are carried out massively to get as many sales as possible. The product offered is usually not the product that is needed. However, there is persuasion through promotions that influence consumers to be willing to buy the products offered.

d. Marketing Concept, this concept focuses on consumers. Products are created in accordance with market tastes by conducting market research and establishing relationships with consumers so as to create consumer loyalty which will certainly have an impact on the achievement of marketing objectives. In practice, the concept of marketing is different from the concept of sales. The sales concept is based on products produced by factories, focuses on existing products, uses sales and promotion tools to influence consumers with the aim of profiting through sales volume. Meanwhile, the starting point marketing concept is the target market with a focus on customers using integrated marketing tools to gain profits through customer satisfaction.

e. Social Marketing Concept This social marketing concept emphasizes social and environmental responsibility in marketing activities. In other words, there is harmonization between the company's goals with customer satisfaction and long-term welfare. Social

marketing markets products with the principles of empowering the community. An example of the implementation of social marketing is sugar products marketing granulated sugar in the community as well as actively empowering the community to provide access to sugarcane plantations produced by the community with certain quality standards.

2.4.2 Digital Marketing Dimension

As part of marketing, digital marketing follows the marketing mix theory by Kotler and Keller. Marketing mix is a company's marketing tool used to achieve marketing objectives formulated with the 4Ps, namely product, price, place, and promotion. (Hidayah et al., 2021).

a. Product

A product is something that can be offered in the market to get the attention of customers so that they will buy, use, or consume the product to fulfill a need. This marketing mix element means managing product elements. This element includes planning and developing the right products and services to be marketed, as well as making changes to existing products and services by adding other actions that have an impact on various kinds of products and services.

b. Price

Price is the exchange rate of a product and is expressed in monetary units. The exchanged value is determined by the buyer and seller in a bargaining mechanism or is determined by the seller equally for all buyers.

c. Place

The element of place is a factor in the availability of sufficient quantities of production goods. Companies need to determine the exact location and time for each product, both those that have been distributed and those that will be issued.

d. Promotion

Promotion is the activity of communicating the advantages of a product or service, and encouraging customers to buy or use the product or service.

According to Yazer Nasdini, there are six things that are indicators of digital marketing, namely: (Aryani, 2021):

a. Accessibility

Accessibility can be defined as the user's ability to access various information and services available online in advertisements. Generally, accessibility relates to how users can access sites on social media.

b. Interactivity

Interactivity is the ability of reciprocal communication that occurs between advertisers and customers or consumers, as well as responding to input received by each party.

c. Entertainment

What is meant by entertainment or entertainment in this context is the ability of an advertisement to provide something fun or entertaining to customers or consumers. Generally, many advertisements are entertaining and insert information.

d. Credibility

Credibility or trust is the level of consumer or customer trust in the advertisements that appear. Advertisements need to display reliable, neutral, competent and specific information.

e. Irritation

Irritation or annoyance is an annoyance found in online advertising. This interference leads to fraud or a bad consumer experience of online advertising.

f. *Informativeness*

The ability to supply information to consumers is the essence of an advertisement. An advertisement must describe the product in a real and true way in order to provide economic benefits for consumers.

2.5 SWOT concept

SWOT (Strength-Weakness-Opportunity-Threat) analysis is one of the business unit strategic planning instruments that evaluates the overall strengths, weaknesses, opportunities, and threats to a business or company. This tool is used to observe the marketing environment, both internal and external (Alimin et al., 2022).

a. **External Environmental Analysis (Opportunities and Threats)**

A marketing is said to be good if it can find, develop, and profit from existing opportunities. Opportunity marketing is the area of buyers' needs and wants where the company has a great opportunity to satisfy those needs in a profitable way. Environmental threats are challenges that occur due to unwanted trends or developments, and can reduce sales or profits. The decline in sales or profits is caused by the absence of defensive marketing actions.

b. **Internal Environment Analysis (Strengths and Weaknesses)**

Every business needs to evaluate the strengths and weaknesses that exist within the scope of the business or company. The ability to find interesting opportunities and take advantage of opportunities are two different things.

The IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary) methods are extensions of SWOT analysis. This method is used to compare the internal analysis strategy (strengths and weaknesses) with external analysis (opportunities and threats). The IFAS matrix is an analytical tool that provides conditions within the company to find the strengths and weaknesses of a company, while the EFAS matrix provides conditions outside the company to find opportunities and threats owned by the company. (Mutiara, 2021).

Analysis with the IFAS matrix is carried out by providing an assessment and weighting each data obtained relating to the internal factors of an organization or company (strengths and weaknesses) to state internal factors in quantitative units with a scale ranging from 1-5 (very unimportant). to very important). The EFAS matrix is an assessment and weighting of each external factor with the same scale (Kurniawan & Abidin, 2019).

3. Research Methodology

This research uses exploratory qualitative. This method is used to identify the e-marketing process in sharia cooperatives to fight the business impact of the Covid-19 pandemic. The type of data is primary data which is a direct answer from informants regarding the e-marketing process. Data collection techniques using the interview method. The sampling design uses non-probability sampling (snowball), a method used to identify, select and take samples in a continuous network or chain of relationships. (Igwenagu, 2016) The analysis technique of the e-marketing program is carried out through data collection, data reduction, data presentation and drawing conclusions. Furthermore, the analysis of the recovery program for sharia cooperatives uses the Business Model Canvas because this method is able to explain, assess, and visualize the empowerment model. The research subjects in this study are the management of the sharia consumer cooperative Baiturrahman Mitra Ummah, Bojong Gede, Bogor, West Java, while the object of research in this study is a business model, in the form of a Business Model Canvas which is being run by a sharia cooperative. Primary data sources come from interviews with sharia cooperative management while secondary data from books, archives, data in sharia cooperatives. The number of members of the Baiturrahman Mitra Ummah sharia cooperative is as follows:

Table 1. Number of Members of the Baiturrahman Mitra Ummah KKS 2019-2021

Fiscal year	Member (person)		
	Man	Woman	Amount
2019	165	152	317
2020	148	192	340
2021	152	198	350

Source: Baiturrahman Mitra Ummah sharia cooperative

4. Discussion

4.1 IFAS/EFAS Matrix

4.1.1 Internal Environmental Analysis (IFAS)

Table 2. Internal Environmental Analysis

STRENGTH			
Statement	Rating	Weight	Score
Has a large number of members	2.33	0.09	0.22
There is a "ball pick-up" service for members in an affordable area	3.00	0.06	0.19
RAT reporting is carried out in a disciplined manner	3.33	0.03	0.10
The health level of the cooperative is quite good	2.33	0.09	0.22
Have a good relationship with residents so that promotions can enter events	2.33	0.09	0.22
Employees have an emotional bond with cooperative members	2.67	0.06	0.17

Family principles	3.33	0.09	0.31
The cooperative's average annual income increases	2.33	0.09	0.22
Good management administrative skills	2.00	0.06	0.13
The working facilities in the cooperative are adequate	1.67	0.09	0.16
Flexible financing procedures	3.00	0.03	0.09
Have an active sharia supervisory board	2.00	0.09	0.19
Planned cash disbursements	2.00	0.09	0.19
TOTAL		1.00	2.40

WEAKNESS			
Statement	Rating	Weight	Score
The scope of the cooperative market segmentation is wide even reaching outside the region	1.67	0.07	0.12
have a website that makes it easy to access information	1.00	0.14	0.14
Has carried out digital transformation and marketing through social media such as Instagram	1.33	0.14	0.19
Strategic office location and crowded with people	1.67	0.21	0.36
Have a branch office	1.33	0.07	0.10
The existence of human resources is very sufficient and adequate	1.67	0.21	0.36
Can disburse financing up to a large amount	1.00	0.07	0.07
Already integrated fintech or financial technology in financing / savings and loan services	1.33	0.07	0.10
TOTAL		1.00	1.43

Based on the IFE matrix above, it can be seen that the advantages of cooperatives include the number of members, services provided, reporting discipline, cooperative health, relations with employees and members, finance, infrastructure, and the existence of DPS. The advantages of cooperatives resulted in a score of 2.4. The weaknesses of cooperatives include market segmentation, the absence of a website and digital integration, office locations that are rarely visited, a small number of human resources, the absence of branch offices, and difficulties in financing large amounts at once. The weakness of the cooperative resulted in a score of 1.43. Thus, the total score generated on the IFE matrix is 3.8.

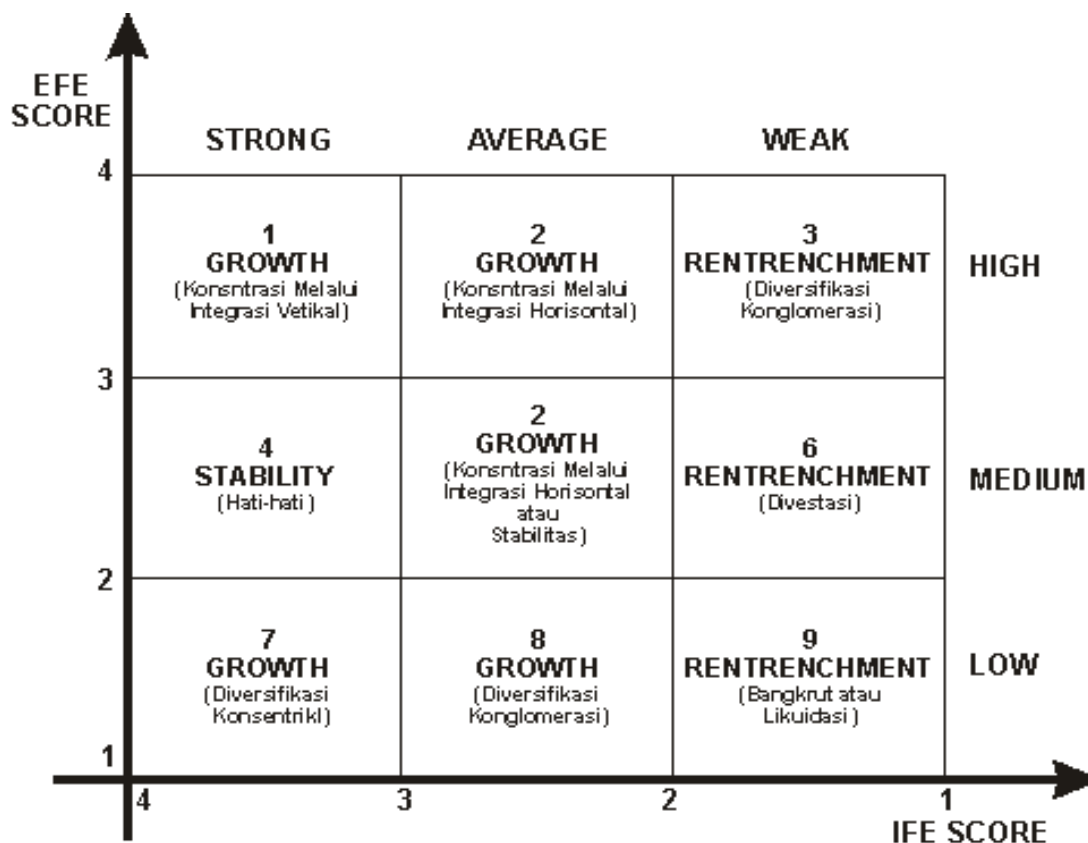
4.1.2 External Factor Analysis (EFE)

Table 3. External Environmental Analysis

OPPORTUNITY			
Statement	Rating	Weight	Score
The number of home industry SMEs around the cooperative	1.67	0.16	0.26
There are still many potential prospective members who have not been educated	2.33	0.11	0.25
The existence of promotional channels in the environment around the cooperative such as community groups, ta'lim assemblies, etc.	2.00	0.16	0.32
There is a similar sharia cooperative which is located not far from the cooperative	2.00	0.16	0.32
The high community need for capital assistance	2.67	0.16	0.42
The high promotion of word of mouth method by members	2.00	0.11	0.21
There is support from the Cooperatives and Kelurahan Office	1.67	0.16	0.26
TOTAL		1.00	2.04

THREATS			
Statement	Rating	Weight	Score
Public literacy is still low regarding Islamic finance	1.00	0.15	0.15
Low public interest in sharia cooperatives	1.67	0.23	0.38
There are competitors who have integrated digital systems	2.00	0.23	0.46
Digital integration is very relevant to the needs of cooperative consumers	1.33	0.23	0.31
The rise of conventional banks and Islamic financial institutions	1.67	0.15	0.26
TOTAL		1.00	1.56

Based on the EFE matrix above, it can be seen that the opportunities for cooperatives include the number of MSMEs around the cooperative, potential prospective members who have not been educated, community-oriented promotion channels are available (ta'lim assembly, community, and so on), the absence of similar sharia cooperatives, community needs for capital, word of mouth promotion, and support from the Department of Cooperatives and SMEs. Cooperative probability produces a score of 2.04. The threats to cooperatives include low Islamic financial literacy, low public interest, the presence of competitors and digital integration of competitors, as well as the rise of conventional banks and other LKS. The total of all EFE factors is 3.6



Picture1. Internal-External Matrix (IE)

Based on the IE matrix, the Baiturrahman Mitra Ummah KKS is in quadrant I which indicates that the cooperative market is strong and growing. Thus, cooperatives can perform backward, forward, and horizontal integration, market penetration, market and product development.

4.2. SWOT Matrix

Table2. SWOT Matrix

	Strength (S)	Weakness (W)
	<ol style="list-style-type: none"> Has a large number of members There is a "ball pick-up" service for members in an affordable area RAT reporting is carried out in a disciplined manner The health level of the cooperative is quite good Have a good relationship with residents so that promotions can enter events Employees have an emotional bond with cooperative members Family principles The cooperative's average annual income increases 	<ol style="list-style-type: none"> The coverage area of the members reached is too narrow Do not have websites and social media to access cooperative information Haven't done digital marketing yet The office location is less visible because you have to go further into the complex Don't have a branch office yet Very few human resources Not able to do large amounts of financing

	<ol style="list-style-type: none"> 9. Good management administrative skills 10. The working facilities in the cooperative are adequate 11. Flexible financing procedures 12. Have an active sharia supervisory board 13. Planned cash disbursements 	<ol style="list-style-type: none"> 8. Not yet integrated fintech or financial technology
<p>Opportunity (O)</p> <ol style="list-style-type: none"> 1. The number of home industry SMEs around the cooperative 2. There are still many potential prospective members who have not been educated 3. The existence of promotional channels in the environment around the cooperative such as community groups, ta'lim assemblies, etc. 4. There is no similar sharia cooperative which is located not far from the cooperative 5. The high community need for capital assistance 6. The high promotion of word of mouth method by members 7. There is support from the Cooperatives and Kelurahan Office 	<p>Strength-Opportunity (SO)</p> <ol style="list-style-type: none"> 1. Mapping the type and level of business for strategies to increase business class 2. Expanding the reach of the "pick up the ball" service area for savings and financing payments for MSMEs that are located far from cooperatives 3. Opening special services that sell commodity products such as staples at prices that are more accessible to the public 4. Improving the social function of cooperatives by holding social charity activities and investigating communities experiencing financial difficulties around the cooperatives 5. Improving communication and relations with the Cooperative Office and Bojonggede Village intensively regarding cooperative programs and services 	<p>Weaknesses-Opportunities (WO)</p> <ol style="list-style-type: none"> 1. Conducting digital coaching for cooperative employees related to website creation and social media marketing 2. Partnering with financial technology (fintech) to facilitate member transactions
<p>Threat (T)</p> <ol style="list-style-type: none"> 1. Public literacy is still low regarding Islamic finance 2. Low public interest in sharia cooperatives 3. There are competitors who have integrated digital systems 	<p>Strength-Threat (ST)</p> <ol style="list-style-type: none"> 1. Carry out special guidance related to sharia transactions for cooperative members 2. Strengthen and promote ball pick-up services for less active cooperative members 3. Building partnerships with fintech provider companies to make it easier for members to make 	<p>Weaknesses-Threats (WT)</p> <ol style="list-style-type: none"> 1. Partnering with Islamic economic education institutions to educate and brand sharia cooperatives to the public 2. Performing digital integration and financial technology and holding digital simulations for the community

<p>4. Communities around cooperatives have less digital literacy</p> <p>5. The rise of conventional banks and Islamic financial institutions</p>	<p>transactions with cooperatives</p> <p>4. Promote flexible financing and simple procedures</p>	<p>3. Strengthening the branding of sharia cooperatives in terms of products with simpler procedures than banks and LKS</p>
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4.3 Proposed Business Strategy of Baiturrahman Mitra Utman's Sharia Consumer Cooperative (KKS) Bojonggede Online

According to the Manager of the Baiturrahman Mitra Ummah KKS, Mr. Ibnu Thoriq, the presence of the cooperative was motivated by the condition of the Bojonggede area which was rife with cases of moneylenders and mobile banks that disturbed the community. The Covid-19 pandemic has made it difficult for people to get household goods. In addition, the community around the cooperative also holds many home-based events such as celebrations and others that require affordable food ingredients. Cooperatives help overcome the problems of moneylenders and mobile banks in Bojonggede with sharia schemes and contracts. Cooperatives also attach the name "consumer cooperatives" because they are consumer-oriented in meeting consumptive needs. Cooperatives help the community in financing MSMEs and household goods.

However, based on the researcher's observations, the Baiturrahman Mitra Ummah KKS still has not integrated the digital system, has its own social media, as well as an official website. Information about cooperative products is very difficult to reach and access, so people must come to the office first to find out about cooperative products.

Based on the analysis of the WO and WT matrices, in forming a strategy for online cooperative marketing activities, the Baiturrahman Mitra Ummah KKS can integrate digital systems using internet advertising services. Advertising through the internet can be done by creating special social media accounts such as Instagram and Facebook for promotion and providing information related to cooperatives and Islamic financial products. In Indonesia, the use of social media has increased. Indonesia is recorded to consist of 202.6 million internet users and 170 active social media users as of January 2021 (*Indonesian Digital Report 2021*, 2021). As of February 2022, there are 204.7 million internet users and 191.4 million active social media users (*Indonesian Digital Report*, 2022). Within a year, internet users increased by 2.1 million population and social media users increased by 21.4 million so that social media has a great opportunity in cooperative marketing. The same thing was also proposed by Mr. Safri Haliding, a cooperative expert from the 7 Karya Cooperative Development Team, that if the cooperative does not yet have a website and social media, then this should be the most prioritized in cooperative development. According to him, Indonesia has problems in terms of marketing so that digitalization is needed in terms of marketing. By using e-marketing or digital marketing, cooperatives are able to get as many members and even investors as possible in sharia cooperatives.

In addition to using social media, KKS Baiturrahman Mitra Ummah can also consider having an official cooperative website as a source of cooperative product information as well as making it easy for prospective new members to obtain cooperative information such as company profiles, addresses, contact persons, social media accounts, and product information. latest. The cooperative site can also be

equipped with online new member registration features, financing applications, and others.

KKS Baiturrahman Mitra Ummah may also consider integrating financial technology (fintech) to facilitate member transactions in paying obligations such as contributions and sharia financing installments based on mudharabah, murabahah, and musyarakah contracts. Financial technology is also able to automatically provide member account financial reports online via email or WhatsApp. To integrate financial technology, cooperatives can build partnerships with fintech provider companies such as PT Finnet Indonesia.

4.4 Proposed Business Strategy for Baiturrahman Mitra Utman Cooperatives (KKS) Baiturrahman Bojonggede Offline

Based on information from the Cooperative Manager, Mr. Ibnu Thoriq, the Baiturrahman Mitra Ummah KKS has many members and is in an environment where there are many MSMEs that are home industries. KKS Baiturrahman Mitra Ummah also has a ball pick-up service for members for payment of fees and financing installments. Cooperatives are also located in a lively community, such as majlis taklim, housewives, and so on. The financing carried out by cooperatives is also flexible without any guarantees, except for people or members who come from areas far from the cooperative and do not have previous closeness to the cooperative's internal. Financing carried out by cooperatives is flexible and more nurturing for members and MSMEs.

However, with these various strengths and opportunities, cooperatives face many obstacles in offline activities such as member participation which only reaches 30% - 40%. Then, there are very few human resources in the cooperative in terms of quantity, so sometimes the manager of the cooperative, Mr. Ibnu Thoriq, serves the members directly. In addition, the proliferation of mobile banks and moneylenders in Bojonggede has become a separate competitor for cooperatives. The Baiturrahman Mitra Ummah PSC has a goal to prevent moneylenders and mobile banks from disturbing the people of Bojonggede. The competitors of the Baiturrahman Mitra Ummah KKS are not limited to mobile banks and moneylenders, but also the rise of Islamic banks and financial institutions that are more systematic in their savings and financing products so that they are safer.

Some of the proposed strategies that can be recommended for cooperatives are mapping the level and type of business carried out by members. According to Mr. Safri Haliding, mapping the level and type of business carried out by members helps cooperatives develop strategies to raise the MSME class, from those initially unqualified for financing at banks to qualifying. Then, other inputs were proposed from Mr. Mahfud Malik, Director of Desto Teknologi Madani, that it is highly recommended that there be a model for sharia cooperatives related to risk mitigation. Risk mitigation is needed because financing or channeling money to MSMEs is very risky due to the gap between the necessities of life and business needs. Good risk mitigation signifies a healthy cooperative. Risk mitigation models that can be recommended can be in the form of standard.

Based on the SWOT analysis, cooperatives are also highly recommended to strengthen ball pick-up services by increasing the ball-pick-up coverage area for cooperative members who live far from the cooperative. Then, on the basis that the cooperative is a consumer cooperative that is oriented to the needs of the surrounding community, it is highly recommended for the cooperative to open a special stand that sells products, food ingredients, and household goods at affordable prices from goods

that are more expensive. when purchased from the direct market. To overcome the participation of members who are less active, cooperatives and strengthen ball pick-up services for cooperative members as well as holding several trainings and workshops for empowering members to reactivate members who are vacuum.

5. Conclusion and Recommendation

From the description of the research above, it can be concluded that the Baiturrahman Mitra Ummah PSC is a cooperative that has a strong and growing market. KKS Baiturrahman Mitra Ummah can carry out two types of strategies, namely intensive strategies and integrative strategies. Intensive strategies that can be carried out by cooperatives are in the form of market penetration and market and product development. The integrative strategies that can be carried out by cooperatives are in the form of forward integration, backward integration, and horizontal integration. Cooperatives can also combine strengths and opportunities in developing future strategies.

Based on the results of research on cooperatives, we recommend that cooperatives implement the following strategies:

1. Mapping (mapping) the type and level of business in financing services as the first step in the strategy to increase the business class of MSMEs financed by cooperatives, so that MSMEs are able to upgrade to obtain financing from banks,
2. Expanding the reach of the “pick up the ball” area in savings services and financing installment payments for MSMEs,
3. Integrating digital systems as a means to make it easier for cooperatives to work effectively,
4. Opening special services that sell commodity products such as staples at prices that are more accessible to the public,
5. Improving the social function of cooperatives and conducting investigations into communities experiencing financial difficulties around cooperatives,
6. Improving communication and strengthening relations with the Cooperative Office and the Bojonggede Village Office intensively.

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