

- Strategy is a fundamental pattern of present and planned objectives, resources deployment, and interactions of an organization with markets, competitors and other environmental factors (Earache et. Al., 1999:8).
- Marketing Program is part of marketing process which transforms marketing strategies into marketing programs. To transform marketing strategy into marketing program, marketing managers must make a basic decision on marketing expenditure, marketing mix, and marketing allocations.
- Marketing Mix is the set of controllable, tactical marketing tools that the firms blends to produce the response it wants in the target market (Kotler and Armstrong, 1999: 47).
- Market Segmentation is the act of identifying and profiling different groups of buyer who might require separated products.
- Market Targeting is the act of selecting one or more segments to enter.
- Market Positioning is the act of establishing and communicating the product's key distinctive benefits in market (Kotler, 2000:314)
- SWOT Analysis is an analysis that is done in order to know the internal condition of a company that is reflected by its strength and weaknesses, also the external condition that is reflected by the opportunity and threat. The basic assumption of the SWOT analysis is that an effective strategy is

maintaining a sustainable position in which the firm will have competitive advantages. Mintzberg description of a firm's strategy as perspective is based on the realization that the strategy of a firm is nothing but an ingrained way of perceiving the world around the firm. Certain organizations pursue aggressive strategy and introduce pacesetter technologies because they wish to dominate their business environment in the midst of uncertain future, while some other organizations tend to follow a set of strategies on the assumption that the world around them will remain stable. This difference in the perspective of two organizations creates a difference in the strategies to be pursued. Viewed from this angle, a strategy is really a 'concept' that resides in the minds of key managers who pursue them and also try to enhance their acceptance, by building a consensus and commitment among people around the chosen course of action.

By knowing the importance of strategy in a firm, of course, it also needs a good management, which in the end this strategy will develop into one unity of strategic management.

The most significant improvement in the management processes came in the 1970's, when "long range planning", "new venture management", "planning, programming, budgeting", and "business policy" were blended. At the same time, increased emphasis was placed on environmental forecasting and external consideration in formulating and implementing plans. This all-encompassing approach is known as strategic management.

If structural approach is used in the industrial economic so the first analysis is upon the market structure. There are many market structures, and these will lead to different managerial implication.⁸

- A). Monopoly Market with the one company characteristic that rule 100% of market share and barriers to entry is very high. There is no competitor, therefore, the opportunities become high and bring profit. In that condition, the company can implement any kind of business strategy they want. The bargaining position of that company is very high. Consumers have no alternative. One thing to be noted that the monopolist position will have no use if they can not control the high operational cost so that it will over the expected selling.
- B). Dominant Oligopoly Market. If one of the existing companies in the market has market share around 50% to 100%. Thus, the company will also try to maintain their market share and their profit.
- C). Tight Oligopoly. If four of the existing companies hold 60% to 100% of the markets share. Usually one of the companies is able to be a market leader. But usually they choose not to compete to each other, because among them does not get an enough profit. Then, these companies will make collusion.
- D). Loose Oligopoly. In this characteristic, there are many sellers and they offer goods that can function as substitutes. Related to that reason, none of the

⁸ Suwarsono (1994), Manajemen Strategik: Konsep, Alat Analisa, dan Konteks. UPP AMP YKPN pp. 63-73

In the process of making the strategy all components of the company management will give its contribution. The marketing function has the biggest relationship with the external environment, while the external environment is beyond the control of the company. Because of that, marketing mix must be arranged appropriately so it can function as the correct weapon to face the company's competitors. This weapon at least can function as a breakthrough to the castle of competitors which dominate the market, or to be able to survive in the tight competition or moreover it is able to win the market competition which at the end can superior another competitor. Because of that, marketing strategy as the company's weapon must be in conformity with the condition of the market and the condition of the competitors faced by the company.

2.3. SWOT Concept

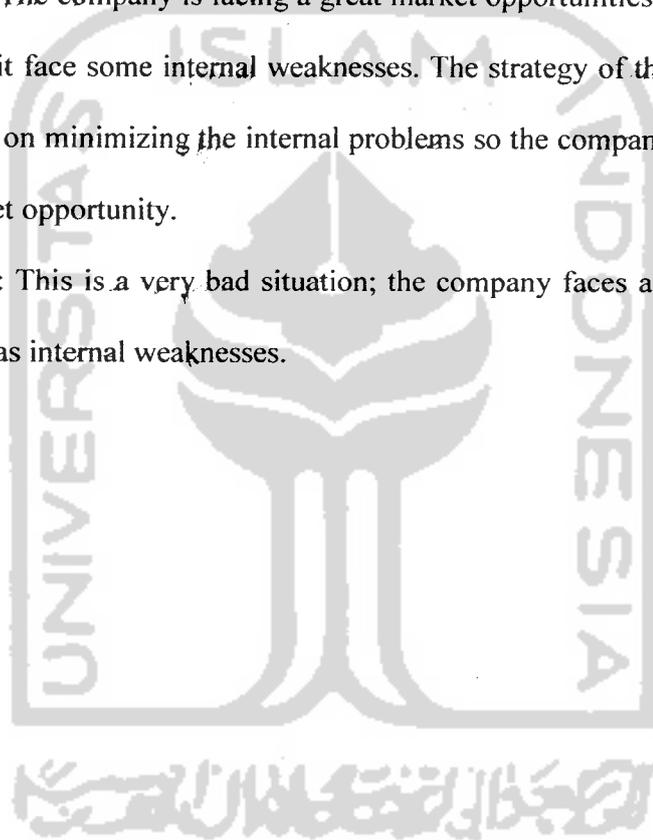
Industry in Indonesia is now getting ready to face a much more competitive arena than before. In order to do that, Industry needs *Strength-Weaknesses-Opportunities-Threats* (SWOT) analysis to find the best strategy for the competition coming.

SWOT analysis is a systematic way to identify the internal factor and the external factor of the company and the way to find the best strategy to be used. Strength and Weaknesses is from the internal environment of the company, while the Opportunities and Threats are from the external environment of the company. This analysis is based on the assumption that a strategy will work effectively if the

Second Quadrant: Even though the company is facing threats, the company still has the internal Strength. Strategy that must be applied in this condition is using all the strength in making use of the Long-term opportunity by using diversification strategy (product/market).

Third Quadrant: The company is facing a great market opportunities, but on the other side, it face some internal weaknesses. The strategy of the company must focus on minimizing the internal problems so the company can gain better market opportunity.

Fourth Quadrant: This is a very bad situation; the company faces all kind of threats and has internal weaknesses.



important to the product (weight of importance = 0.0714). But the product rating is below average (rating = 2).

6. Design and Model

Toyota Kijang Innova has an old school model; there is many square lines in its design. Comparing to its competitor, it seems like Innova models has a conservative model.

Even though this variable is important to the product (weight of importance = 0.0892). But the product rating is average (rating = 5).

4.2.3. External Analysis

External environment of the product which can give influence to the product performance is divided into macro and micro environment. Macro environment included demography, economy, politics or law, socio-cultural and technology. And micro environment included customer, supplier, competitor, and distribution channel. The main reason why the customer buys the product is how strong the product can give satisfaction related with product general performances.

threat on global economic and political condition and the response from its competitors. Since there are many competitors in the same segment, but the tight competition in this business make the company consider the customer satisfaction as the highest priority.

d. W ~ T strategy

The strategy created from this cell is the performance and efficiency strategy. In this cell, management should be able to minimize weaknesses in order to defeat the threat. By improving performance and efficiency strategy, PT. Toyota Astra Motor can minimize the chance from its competitors to steal the market share. Then it, can defeat its main threat of response from the competitors and global economic and economic condition. In order to get better general performance, the company management can solve the weaknesses first by improving the product performance, implementing new technology and feature. So, by this way hopefully the general performance of the product.