COMPETITIVE INTELLIGENCE STRATEGY: STUDY ON INCREASING THE SUPERIORITY OF MSME IN PALEMBANG CITY

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Abstract
BI which is actually technology-based has provided tools and software that can be utilized by every company and MSME to increase competitiveness and business success. However, there are still many MSME players who have not utilized this technology. The purpose of this study is to analyze the stages of competitive intelligence strategies that can increase the competitiveness and success of MSME businesses. Analyze business intelligence implementation strategies in improving the competitiveness and success of MSME businesses. This research uses qualitative methods with a case study approach with SWOT analysis and Porter Theory. The focus of research will be carried out on MSMEs that have superior products in Palembang City, namely Songket and Pempek. The techniques used to collect data are: interviews, observation, and documentation. Data analysis in this study was carried out in 6 stages. The results of this study show that every MSME needs the right strategy that can include market development, or even strategic partnerships to overcome various threats and take advantage of opportunities in the Palembang MSME market by modernizing their business activities. The competitive strategy of MSME development intelligence to increase its competitiveness and business success includes local resources and expanding strong business networks, expanding marketing reach so that products will be better known by consumers, innovation in MSME business models, better decision making through knowledge and understanding of intelligence on data and information can provide excellence, and optimal MSME management such as data collection of all business activities which is more organized and planned. Obstacles and challenges from the implementation of competitive intelligence strategies in increasing the competitiveness and success of MSME businesses in the region, lack of technological knowledge and inability to compete in data utilization are threats that need to be overcome. So that with support from the local government or assistance programs for MSMEs through training, they can overcome these obstacles.

Keywords: competitive, intelligence, business, MSMEs

INTRODUCTION
In the majority of organizations whether corporate or other businesses, Competitive Intelligence (CI) and Business Intelligence (BI) play a very important role in generating useful information as well as creating more correct decisions (Cheng et al., 2020). The application of strategy in a business basically results in the ability to collect, analyze, and use information related to opponents, consumers, and other market factors that contribute to the advantage of business
competition. This capability is called *Competitive Intelligence* (CI). CI is an important component of business strategy. It helps a business understand its competitors, identify new opportunities and better predict market trends. CI is a sub-type of BI. CI involves companies collecting and analyzing large amounts of data, but the majority of this information is about the company's competitors. The goal is to use this information to develop business strategies to outperform competitors. The main difference between BI and CI is their orientation and scope. BI is inward-facing, aiming to improve the company's internal systems. CI is outward-facing, intended to improve the company's competitive position in the market (Safegraph, 2023).

It can be said that CI is a more specialized type of BI. Since BI is concerned with improving all aspects of a company's operations, it naturally observes how prepared the company's internal systems are in the face of competitors' strategies and other events affecting the industry as a whole of which it is a part. The other part is looking outside the company to try and predict what competitors will do, and what events affect the market, so that the company can hypothesize what exactly to prepare for. It can be concluded that BI and CI should be applied to a business. BI as a strategy may be familiar among business people with large-scale businesses. This is inversely proportional to small-scale businesses such as MSMEs that do not know much about BI. MSMEs are known to have not been able to apply technology well in their business activities. There are issues still faced by MSMEs in the application of information technology (Pelletier & Cloutier, 2019). In fact, there are still found companies that have not used technology or business intelligent applications in their business activities (Steven et al., 2021). This phenomenon is unfortunate considering that BI itself can actually help a business. BI can actually help organizations or companies in making smart decisions based on data. However, MSMEs' lack of attention to BI has resulted in them remaining in lagging areas.

The lack of attention of MSMEs to BI also occurs in the Palembang area. There are still many MSME implementations in Palembang City that have not relied on technology (Mavilinda et al., 2021). Palembang City actually has the same opportunity in introducing its superior products. However, there are still businesses that are not aware of the existence of technology that can help them in raising superior products such as songket and pempek fabrics which are basically still unable to compete with superior products from other regions such as batik or rendang which are already known internationally. The main cause of superior products such as songket and pempek is still on a national scale is the absence of application of technology. BI with its technology can actually be utilized by every business in Palembang City. BI technology can be used in lifting Palembang City's superior products and generating competitive business.

This research uses qualitative methodological procedures with research subject matter is the leading product MSMEs in the Palembang area. The objectives of this *Business Intelligence* Unit are: Increase Profit, *Sustainability*, Nourish the company, Differentiation (by looking at competitors / opponents). From the phenomenon that has been explained, this research is meant by modern marketing strategy with intelligence, which is very different from conventional marketing strategies.
Business intelligence in this study refers to Law 17 on intelligence where, the activities of the Business Intelligence unit in MSME superior products are able to collect data is a form of LID or investigation, while PAM or its security by securing or preventing leakage or loss or failure of efforts caused by the negligence of one's own party, or the opposing party or due to natural disasters, while in applying GAL is to change the estom (emotions, attitudes, behavior, opinions, motivations) of the target, from those who originally did not agree or were not unilateral with us to the direction we wanted, for strategic purposes. In this study, although MSMEs are not large companies, Business Intelligence is important for MSMEs, to increase the advantage of competitors.

The use of technology that is still minimal in Palembang City is the basis or reason for raising this research. Another reason is the opportunity for superior products from Palembang City such as Songket and Pempek which can be raised to a higher level. When viewed from the explanation above, that technology from BI is able to help superior products from Palembang City to compete internationally. Every MSME in Palembang City should utilize BI technology to increase competitiveness and achieve business success. BI can also guarantee the success of a superior MSME product in the 5.0 era, where in this era every business activity often involves technology. The discussion in this study uses SWOT analysis. SWOT analysis is a tool that helps build and develop a business for the better through the analysis of advantages, disadvantages, opportunities and threats. Strengths and weaknesses refer to the internal conditions of MSMEs that companies can control and change, while opportunities and threats refer to external conditions that affect MSME business activities that are beyond the control of MSMEs (Gurel, 2017). After conducting a SWOT analysis, companies can use it as a basis for determining the chosen competitive strategy, whether MSMEs are more suitable to use low cost, differentiation or response strategies so that companies will be better able to compete with their competitors. As with MSMEs that carry out this LID, PAM, GAL, It is hoped that these MSMEs can outperform or improve from others by using intelligence.

The absence of an effective Competitive Intelligence (CI) and Business Intelligence strategy is a Significant problems in the effort to realize organizational success (Hawking & Sellitto, 2015). Business Intelligence (BI) refers to technology, programs, and applications to collect, integrate, analyze, and present business information to encourage more precise decision making. A BI strategy is a roadmap that allows companies to measure their performance and seek competitive advantage and truly "listen to their customers" using data mining and statistics.

BI is often associated with the involvement of technology and applications in this case BI itself already has various tools in the form of technology and applications that are often used in companies. In the world of business intelligence, there are various tools that function to create reports or monitor sales development, visualize data, and analyze data. Tableau is one of the tools that is often used by every company whose main function is data visualization or visualizing data needed by users (Suhendar & Hikmatunnisa, 2022). The existence of technology and applications from the realm of business intelligence can actually help users or company leaders to make a decision. However, it should be noted that every company needs to have skills in implementing

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each BI technology. Various forms of BI technology and applications have been present in the midst of business competition. It is possible that the practice of using BI technology and applications is still unknown and is not even used by companies, especially companies at the middle to lower levels such as MSMEs. Every level of business or business should start adapting to various BI technologies.

Other problems identified related to the research topic can be seen from the point of view of MSMEs. Sigit et al (2023) explained that MSMEs have not been able to utilize technology that supports their business activities. In the operating system there are several obstacles including the stage of recording transactions that are still carried out using the general ledger, the capture of sales data every day or month is still not Realtime and there is no coding of goods to give labor difficulties at the stage of finding goods requested by customers. Likewise, the management and inspection of product stock and recording of customer names are still recorded in the general ledger. This illustrates that there are still issues faced by MSMEs in the application of technology (Pelletier & Cloutier, 2019). Terdapat perusahaan yang tetap pada sistem tradisional merupakan isu selanjutnya. Masih ada ditemukannya perusahaan yang belum menggunakan aplikasi business intelligent dalam kegiatan bisnisnya (Steven et al., 2021). Having companies stick to the traditional system is the next issue. There are still findings of companies that have not used business intelligent applications in their business activities This will certainly slow down business activities carried out, especially in decision making. Companies that still maintain this traditional nature are actually not only happening in Indonesia. In fact, many businesses in various countries are still slow and have not implemented effective business analytics as part of their strategy and utilize available data (Purnamasari et al., 2022). In other words, the slowness of a business activity illustrates that the business has minimal use of technology. The main issue formed is the need for a Competitive Intelligence strategy analysis to increase the competitiveness and success of MSME businesses. Competitive Intelligence (CI) strategy is analyzed to explain the condition of an MSME in running its business. There are several steps or strategies that can be utilized by MSMEs in order to increase competitiveness and business success, namely: business alignment, understanding organizational and cultural conditions, and the application of technology. The three steps above should be applied by MSMEs as a form of applying business intelligence strategies.

METHOD RESEARCH

The interview will be conducted on two types of MSMEs, namely Songket Cloth and Palembang Pempek. Although unstructured interview techniques are used, an interview guideline is necessary. This interview guideline is a research instrument so that the data collection process remains on the research objective. Observation in this study was carried out in two methods, namely direct observation and indirect observation. Observation can be done directly by visiting the location and observing. Then record the results of these observations and document them as observations. Observation can also be done indirectly by listening to the explanation or story of the source.

Data sampling is carried out by purposive sampling techniques, namely determining certain criteria. This sampling technique is often used in qualitative research because it produces complete data related to information in in-depth research. The suitability of the sample to the research objective is the reason for purposive sampling, thereby increasing the accuracy of the study and confidence in the data and results (Campbell et al., 2020). To adjust the sample to the research objectives, the selected resource persons must have experience. In the interview process, the speakers who participated in this study consisted of 6 people with details of 3 people
from MSMEs Kain Songket and 3 people from MSMEs Pempek Palembang. All resource persons are stakeholders from each MSME, who are also MSME workers or employees who have more experience and understand about the implementation of CI & BI in a business. MSMEs involved in this research are also under the supervision of the Palembang Cooperatives and SMEs Office.

This study cites the stages of data analysis from Castleberry & Nolen (2018) sebagai rujukan untuk pengolahan data penelitian. Analisis data menjadi bagian sangat It is important because the results of the analysis will obtain a finding, both substantive and formal. The data analysis consisted of three activity streams by Miles and Huberman (Emzir, 2011) What happens together is data reduction, data modeling, and drawing / verifying conclusions, with triangulation.

RESULT AND DISCUSSION

All MSMEs involved in this research are under the auspices of the Cooperative and Small and Medium Enterprises Office of Palembang City. This office is the implementing element of government affairs in the field of Cooperatives and Small and Medium Enterprises. The establishment of the Palembang City Cooperatives and Small and Medium Enterprises Office in accordance with Palembang Mayor Regulation Number 59 of 2016 concerning the Position, Organizational Structure, Duties and Functions and Work Procedures of the Palembang City Cooperative and Small and Medium Enterprises Office, which was formed to implement the provisions of article 4 of Palembang City Regional Regulation Number 6 of 2016 concerning the Establishment and Regional Apparatus of Palembang City and Palembang City Regional Regulation Number 12 of 2012 concerning Changes Second to Palembang City Regional Regulation Number 9 of 2008 concerning the Formation, Organizational Structure and Work Procedures of Palembang City Regional Office.

This service has the following vision and mission:
Vision: Palembang Emas Darussalam Year 2023
Mission:
1. Realizing a religious, cultured, ethical society, through the development of a culture of integrity supported by a clean, authoritative and professional government.
2. Creating an innovative and creative and highly competitive people's economy.

The Office of Cooperatives and Small and Medium Enterprises of Palembang City has the task of assisting the Mayor in carrying out government affairs in the field of Cooperatives and Small and Medium Enterprises and assistance duties. The Office of Cooperatives and Small and Medium Enterprises of Palembang City carries out the duties in question having the following functions:

a. Formulation of technical policy
b. Policy implementation, in accordance with the scope of its duties
c. Administration of government affairs and public services
d. Implementation of evaluation and reporting in accordance with the scope of their duties
e. Implementation of service administration in accordance with the scope of its duties
f. Implementation of other functions assigned by the Mayor related to his duties and functions
Currently, in Palembang City there are 1,103 MSMEs that have been operating and recorded by the Office of Cooperatives and Small and Medium Enterprises (Pratiwi, 2022). From the figures above, 6 MSMEs have been selected to be involved in this study. Here's the description:

Table 1 Interviewee's Data

<table>
<thead>
<tr>
<th>No</th>
<th>Name of MSME</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pempek Caca</td>
<td>Jl. MP. Mangkunegara, 8 Ilir, Kec. Ilir Tim. II, Palembang, South Sumatra 30114</td>
</tr>
<tr>
<td>2</td>
<td>Pempek Flamboyant Celentang</td>
<td>Jl. Brigadier General Hasan Kasim No.1516, Bukit Sangkal, Kalidoni District, Palembang City, South Sumatra 30163</td>
</tr>
<tr>
<td>3</td>
<td>Pempek Winda 999</td>
<td>Jl. Brigadier General Hasan, Bukit Sangkal, Kalidoni District, Palembang City, South Sumatra 30114</td>
</tr>
<tr>
<td>5</td>
<td>Mega Fashion</td>
<td>Jl. Pipa No.3686, Suka Bangun, Kec. Kemuning, Palembang City, South Sumatra 30128</td>
</tr>
<tr>
<td>6</td>
<td>Cheap Convenience Store</td>
<td>Jl. KH Wahid Hasyim, 1 Ulu, District Seberang Ulu I, Palembang City, South Sumatra 30255</td>
</tr>
<tr>
<td>7</td>
<td>Pempe Candy</td>
<td>Jl. Rajawali no 550, Palembang 30114</td>
</tr>
</tbody>
</table>

The ability of competitiveness in the era of globalization plays an important role as a wheel of economic growth. So that it will affect economic growth in each company and its business income. Every company must have a strategy in developing its business. Business development is certainly not easy, especially competitors in the classification business are quite a lot, not only competitors from within the country and even foreign companies that have been recognized in Indonesia. From the results of the research above, it explains the competitive strategy of intelligence in increasing the competitiveness and success of MSME businesses in the Palembang City Area. Competitiveness is related to the ability of an MSME to produce a product of goods and services so as to meet market demand, including domestic or international while maintaining or increasing the income of the company and its workers. As an effort to build competitive advantage and form more value so that it can rely on resources, capabilities and business networks owned.

Based on Porter's Five Forces analysis, MSMEs in the Palembang City Area can design more effective business development strategies, face competition, and take advantage of opportunities in the market by maximizing some of the traits and strengths of competitive pressure associated with five forces, namely the threat of new entrants, supplier strength, buyer power, substitute goods, and company competition in the industry. So that it can change competition in a direction that supports the company, puts competitive pressure on competitors, and can even define a business model for MSMEs. The results of the above research through the analysis of the Five Forces Porter model that affects the business environment of MSMEs in the Palembang Region show that competition between similar companies is a serious challenge. One of them is by starting to modernize their business activities to maximize because they tend to still
use technology such as social media. MSMEs can take a strategic approach, and map the goals of MSMEs, so the urgency of competitive intelligence strategies in MSMEs can be clearly seen. Every MSME needs to understand the condition of the organization and culture in a transformational manner from its current state to the desired future to increase the effectiveness of its organization in creating value and increasing the desired results to its stakeholders or customers.

MSMEs are faced with several challenges and opportunities in increasing their competitive advantage. The threat of substitute products, the bargaining power of buyers, and the intensity of competition need to be carefully managed to ensure the sustainability of MSME business. Understanding and strategizing suppliers' bargaining power and managing barriers to entry can help MSMEs strengthen their position in a dynamic business environment. The right strategy can include market development, or even strategic partnerships to overcome various threats and take advantage of opportunities in the Palembang MSME market. MSMEs can choose the right communication strategy to do marketing. Therefore, competitive intelligence strategies can play an important role in helping MSMEs face and overcome these challenges, by taking advantage of existing opportunities. In the SWOT analysis that has been carried out previously, the total IFAS score is 1.96 and the total EFAS score is 1.17. From the total IFAS and EFAS scores, a reference point for the SWOT quadrant matrix will be formed to determine the competitive strategy of intelligence in increasing the competitiveness and business success of MSMEs in the Palembang City Area. So that researchers can make recommendations to find out the strategy. The SWOT quadrant matrix can be seen in Figure 3.

Based on Figure 3, it can be seen that the intelligent competitive strategy in increasing the competitiveness and business success of MSMEs in the Palembang City Area is in a position between the axes of opportunities and strength, namely Quadrant I. This means that MSMEs in the Palembang City Area are advised to carry out aggressive strategies by utilizing internal strengths (strength) to benefit from external opportunities to achieve increased business competitiveness and success. From the results of the SWOT matrix, it shows that the position in Quadrant I provides an intelligent competitive strategy in increasing the competitiveness and success of MSME businesses in the Palembang City Area. The factors of strategy and opportunities can be seen in the table below:
<table>
<thead>
<tr>
<th>Category</th>
<th>No</th>
<th>Factor</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>S</td>
<td>1</td>
<td>Expanding marketing reach so that products will be better known by consumers</td>
<td>0,49</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Innovation in MSME business models includes identifying market trends, and adjusting business strategies quickly.</td>
<td>0,49</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>The existence of a strong business network or local partnership can be a force in increasing the competitiveness of MSMEs.</td>
<td>0,43</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Better decision making through intelligence knowledge and understanding of data and information can provide an edge.</td>
<td>0,41</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>The availability of local resources that can be utilized by MSMEs to improve production or product quality.</td>
<td>0,37</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Optimal management of MSMEs such as data collection of all business activities that are more organized and planned.</td>
<td>0,33</td>
</tr>
<tr>
<td>O</td>
<td>1</td>
<td>The existence of support from the local government or assistance programs for MSMEs can be an opportunity to increase competitiveness.</td>
<td>0,52</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Adoption of new technologies in production and marketing processes, increasing the competitiveness of MSMEs in local and regional markets for the future.</td>
<td>0,46</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Improving MSME operational efficiency through a better understanding of supply chains and business processes.</td>
<td>0,30</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Growth of regional market economies</td>
<td>0,26</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>MSMEs with superior products can promote their products to the international level</td>
<td>0,26</td>
</tr>
</tbody>
</table>

Competitive intelligence strategies to increase the competitiveness and success of MSME businesses in Palembang City need to utilize internal strengths such as local resources and expand strong business networks, expand marketing reach so that products will be better known by consumers, innovation in MSME business models, better decision making through knowledge and understanding of intelligence on data and information can provide advantages, and optimal management of MSMEs such as data collection of all business activities that are more organized and planned. Meanwhile, it is necessary to pay attention to weaknesses such as limited capital and lack of technological knowledge to avoid potential obstacles.

Opportunities such as government support and regional market growth need to be optimized. The existence of support from the local government or assistance programs for MSMEs can be an opportunity to increase competitiveness. Increased operational efficiency and adoption of new technologies are opportunities that can be exploited, while technological uncertainty and the inability to compete in data utilization are threats that need to be addressed. A careful and planned approach to implementing competitive intelligence strategies can help MSMEs optimize their potential and face challenges in a dynamic business environment. In addition, utilizing high intelligence knowledge and encouraging innovation, MSMEs need to
overcome obstacles such as high implementation costs and lack of trained human resources. This research is relevant to previous research conducted by (Bhatiasevi &; Naglis, 2020) showing that compatibility, technology readiness, top management support and competitive pressure have a positive relationship with business intelligence adoption. The application of business intelligence positively impacts internal processes and learning and growth in terms of organizational performance.

Taking advantage of the opportunities that can be felt in implementing competitive strategies for MSME intelligence in the Palembang City Area is considered something new, but they need to learn about this. Therefore, it is necessary to develop aspects of intelligence strategy to create competitive business competitions. The implementation of competitive intelligence strategies has a positive impact on increasing the competitiveness and success of MSME businesses in Palembang City. It is hoped that this strategy will provide a solid basis for further development in supporting the growth and competitiveness of MSMEs at the local and regional levels.

CONCLUSION

Based on the results and discussion of competitive intelligence strategies in increasing the competitiveness and business success of MSMEs in Palembang City with the analysis of Porter's Five Forces Model (Porter’s Five-Forces Model) and SWOT analysis using as an effort to increase the competitiveness of MSMEs, it can be concluded as follows:

Based on the results of Porter's Five-Forces Model analysis, every MSME needs the right strategy that can include market development, or even strategic partnerships to overcome various threats and take advantage of opportunities in the Palembang MSME market by modernizing their business activities.

The results of SWOT analysis showed that coordinate points (X, Y) were obtained (1.96; 1,17) so that an intersection point is obtained in quadrant I which shows that MSMEs in the Palembang City Area are advised to carry out aggressive strategies by utilizing internal strengths (strength) to benefit from external opportunities to achieve increased competitiveness and business success.

The competitive strategy of MSME development intelligence to increase its competitiveness and business success includes local resources and expanding strong business networks, expanding marketing reach so that products will be better known by consumers, innovation in MSME business models, better decision making through knowledge and understanding of intelligence on data and information can provide excellence, and optimal MSME management such as data collection of all business activities which is more organized and planned.

Obstacles and challenges from the implementation of competitive intelligence strategies in increasing the competitiveness and success of MSME businesses in the Palembag Region, namely limited modes, lack of technological knowledge and inability to compete in data utilization are threats that need to be overcome. So that with support from the local government or assistance programs for MSMEs through training, they can overcome these obstacles.
REFERENCES


Research, 3(2), 10361–10370.


