



Indonesian Car Rental Business Strategy Analysis of PT. Intiprima Karya Usaha

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Abstract: In the era of digital globalization, the purpose of this study was to describe the business strategy in the mining car rental business, especially at PT. Intiprima Karya Usaha Balikpapan, and recommends business strategies that can be used by PT. Intiprima Karya Usaha Balikpapan so that the company can survive in the face of competitive pressures and become superior in facing business competitors in the same field. Business strategy or competitive strategy aims to emphasize improving the competitive position of goods or services in the industry. This research uses descriptive qualitative method. Data collection techniques were carried out by interview method and in selecting informants using purposive sampling. This research was conducted by analyzing the external and internal environment and then doing a SWOT analysis and matrixed it so that it could produce a business strategy for PT. Intiprima Karya Usaha Balikpapan. With this strategy the company can achieve the desired goals and can survive in the face of existing competitive pressures.

The price of the car ranges from Rp. 300,000,000 - Rp. 350,000,000 for the latest version. This makes mining entrepreneurs choose to rent because of the need to use a lot of units but the unit price is quite expensive if they have to buy new. This opportunity is certainly quite attractive for car rental entrepreneurs to increase their income by offering units to mining entrepreneurs of course by offering excellent vehicle conditions and satisfying service.

Index Terms: SWOT Analysis, Descriptive Qualitative, Business Strategy

I. INTRODUCTION

The coal mining industry is a business that is still the prima donna in the business world. Activities at the mining site certainly cannot be separated from the transportation needs. The increasing need for transportation equipment brings opportunities for four-wheeled automotive companies, especially mining car rentals, which are very much needed by workers at mining sites as a more efficient and dynamic means of transportation.

The existence of this great opportunity makes many car rental companies appear, especially in the East Kalimantan area. Not all cars can be used considering the conditions and rough terrain in the mining area, the cars used must support operational tasks which not only have high cruising capabilities, but also a tough machine to carry across areas with unusual road conditions. The car must also be able to transport the equipment needed required in mining operation areas and capable and agile to maneuver on wet or unpaved roads without slipping. Cars that are usually rented by entrepreneurs are cars that drive four wheels (4x4) such as the Mitsubishi Triton HDX Double Cabin, Single Cabin, Ladder Frame Double Axle SUV and Toyota All New Hilux.

The formulation problem of this journal is how to maintain the mining car rental business of PT. Intiprima Karya Usaha to survive and compete with other entrepreneurs and how to attract new costumers and maintain the loyalty of all consumers.

The purpose of this study was to describe the business strategy in the mining car rental business, especially at PT. Intiprima Karya Usaha Balikpapan, and recommends business strategies that can be used by PT. Intiprima Karya Usaha Balikpapan so that the company can survive in the face of competitive pressures and become superior in facing business competitors in the same field.

II. THEORITICAL

FRAMEWORK Strategy Management

A series of decisions and actions that result in the formulation and implementation of plans to achieve the goals of an enterprise is the definition of strategic management. Strategic management involves long-term, future-oriented decision-making and requires a considerable amount of resources, the participation of top management is very important. Strategic management involves the planners in a three-stage process, namely corporate, business, and functional levels and support personnel.

Enviromental Analysis

Environmental analysis is divided into external environment and internal environment. Pearce II and Robinson define the external environment as factors beyond control that influence the company's choice of direction and action, which in turn also affects the organizational structure and internal processes. The internal environment is the environment within a company whose elements affect the company either directly or indirectly. This analysis is intended to determine the relative strengths and weaknesses of the organization compared to its competitors.

SWOT

Analysis

Definition of

Strength

Strengths are resources, skills, or other advantages related to the company's competitors and market needs that the company hopes to serve. Strength is a special competition that gives a company a competitive advantage in the market place.



Definition of Weakness

Weaknesses are limitations or deficiencies in resources, skills, and capabilities that effectively hinder the company's performance. These limitations can be in the form of facilities, financial resources, management capabilities and marketing skills which can be a source of company weaknesses.

Definition of Opportunity

Opportunity is an important situation that is profitable in the corporate environment. Important trends are one source of opportunities, such as technological changes and increasing relationships between companies and buyers or suppliers are a picture of opportunities for companies.

Definition of Threat

Threats are important unfavorable situations in a company's environment. Threats are a major nuisance to the company's current or desired position. The existence of new or revised government regulations can be a threat to the company's success.

Definition of SWOT Analysis

SWOT analysis is a way to systematically identify various factors in order to formulate corporate strategy. This analysis is based on the logic of maximizing strengths and opportunities, but at the same time minimizing weaknesses and threats. The SWOT analysis considers the external environmental factors, opportunities and threats faced by the business world as well as the internal environment strengths and weaknesses. The SWOT analysis compares the external factors of opportunities and threats with the internal factors of strengths and weaknesses so that from the analysis a strategic decision of an organization can be taken.

SWOT Matrix

According to Rangkuti, the SWOT matrix is divided into four types of strategies:

1. SO Quadrant (Strength-Opportunities) is a strategy that uses all the strengths we have to seize opportunities.
2. WO Quadrant (Weakness-Opportunities) is a strategy that minimizes weaknesses to seize opportunities
3. ST quadrant (Strength-Threats) is a strategy that is prepared by using all the strength possessed to overcome threats that will occur.
4. Quadrant WT (Weakness-Threats) is a strategy that is prepared by minimizing weakness to avoid existing threats.

RESEARCH METHODS

A. Company Brief

PT. Intiprima Karya Usaha is a company engaged in mining car rental and general machinery and equipment construction business which was founded on December 1, 1998 by the owner of the company named Charles Chandra. Currently the car rental business owned by PT. Intiprima Karya Usaha is located in East Kalimantan, covering Samarinda, Melak and Tenggarong.

The company has an office in Balikpapan, precisely on Jalan MT. Haryono No. 12 RT. 041/010 Damai Village, South Balikpapan, Balikpapan, East Kalimantan 76114.

B. Types of Research

The type of research used is qualitative, descriptive research, namely research by describing or describing the data that has been collected as it is without intending to make conclusions that apply to the public. Qualitative research methods produce descriptive data in the form of written or spoken words from people and observable behavior.

C. Data Collection Technique

This study uses interviews which use a questionnaire as an interview tool. The aim is to find problems more openly where the resource persons are asked for their opinions and ideas. In conducting interviews, researchers need to listen carefully and record what is stated by the informant.

Respondent Selection

Determination of respondents is aimed at certain people who have accurate information or called purposive sampling.

Data Analysis Technique

The technique used is based on Moleong theory, namely:

1. Examining all data from interviews, observations and recordings in the field, as well as documents / company data that are studied for their relationship to each other
2. Assess each of the five strengths *porter* to find out which external factors have the most influence
3. Do *content analysis* on the results of the interview which will be used as the basis of the five forces analysis *porter*
4. Develop the company's marketing strategy
5. Drawing conclusions on the research conducted.

III. RESULT AND DISCUSSION

A. External Environmental Analysis

Competition Between Similar Companies

The number of competitors in the Balikpapan area is quite a lot, which is around 25 companies. Meanwhile, at the sites located in Samarinda, Tenggarong, and Melak alone there are more than 50 companies. The increasing number of companies makes the competition very tight. Companies whose names are known first are also increasingly expanding, such as Assa Rent Balikpapan. But in this case PT. Intiprima Karya Usaha did not experience a significant decline in sales or turnover, this is because consumers are not easy to switch and are always satisfied with rented cars and maximum care when there is damage.

Potential Entry of Newcomers

Newcomers to the car rental business have several barriers that make it difficult to compete with older companies. This is because it requires large capital, as well as the difficulty of finding customer loyalty. However, this does not rule out the possibility that new potential competitors will not be able to fulfill all of them. But it can be seen that experience and capital are the main things that new competitors must pay attention to in order to compete with existing companies.

PT. Intiprima Karya Usaha itself feels that the presence of new entrants is enough to reduce turnover, although not significantly.

Bargaining Power of Suppliers

In conducting a car rental business, of course, PT. Intiprima Karya Usaha has many suppliers in buying cars. Supplier from PT. Intiprima Karya Usaha itself is from car dealers and showrooms whose safety is certain. For the supplier's bargaining price according to the market price of the car at that time, cars with high bargaining power will usually be rejected unless there are other considerations, such as the needs of consumers who will rent with high offers and good car conditions. Not all of the used cars offered by dealers or showrooms are purchased even though the price is right, but still look at and pay attention to the quality of the car and consumer needs.

Consumers of PT. Intiprima Karya Usaha are mining entrepreneurs who need cars to be used for operations or only to support needs at mining sites, for example to transport workers' consumption. For tenant coverage only around the Samarinda, Melak andTenggarong areas. To serve customers themselves, staff from PT. Intiprima Karya Usaha is always wholehearted and loyal to consumers.

In reaching an agreement on car rental prices, consumers have a strong bargaining power so that PT. Intiprima Karya Usaha must provide a discount. To further satisfy consumer desires, PT. Intiprima Karya Usaha will also provide compensation that consumers want as long as it can be fulfilled and PT. Intiprima Karya Usaha itself is ready to accept input, criticism, and suggestions from consumers.

B. Internal Enviromental Analysis

Marketing

Marketing by PT. Intiprima Karya Usaha has quite a lot, starting from making business cards, printmedia or newspapers as well as advertising from the internet. To analyze the needs of tenants, the marketing department always asks what car they want and offerscompetitive prices compared to other competitors to attract consumers. PT. Intiprima Karya Usaha also hasstaff who always serve the needs of tenants because the rental of cars to mining sites is also accompanied by mechanics and admin sections who are ready to provide spare parts when there is damage that causes the car to notoperate.

Finance

Estimated capital needed by PT. Intiprima Karya Usaha for its unit requires around six billion rupiah. While the estimated cost per month for operating costs is around 50 million rupiah.

In minimizing the occurrence of errors in the financial management process, the owner of PT. Intiprima Karya Usaha.

Production and Operation

In checking the car carried out by a mechanic from PT. Intiprima Karya Usaha before being rented out so that the rented car is definitely in a state ready to be used and if there is any damage it will be repaired by a mechanic who has been provided by PT. Intiprima Karya Usaha. Payment transactions are made by transfer accompanied by an invoice and tax invoice at the end of each month.

Human Resources

The recruitment process carried out by PT. Intiprima Karya Usaha is that applicants provide a CV (Curriculum Vitae) and then will be called by the company and a test interview will be conducted, after that if the company feels suitable, it will make a salary agreement between the two parties and provide work rules. In providing training and development to employees, it is done by being taught over time so that over time they will understand themselves, the most important thing is to havea desire to learn. As for employees who already have experience, they understand that they are still under supervision. For mechanics themselves, if they are able to repair damaged cars and generate more vehicle rental time, they will be given incentives.

SWOT Analysis

Based on the results of observations and field observations as well as the results of interviews conducted with employees of PT. Intiprima Karya Usaha, then the results are obtained SWOT analysis as follows:

<p>Internal</p> <p>External</p>	<p>Strength</p> <ol style="list-style-type: none"> 1. One of the most wellknown mining car rental companies in Balikpapan 2. Performance of reliable company staff 3. PT. Intiprima Karya Usaha always prioritizes good car quality 4. Have sufficient experience in the mining car rental field 5. Able to provide competitive prices to attract consumers. 	<p>Weakness</p> <ol style="list-style-type: none"> 1. There are many similar companies 2. There are employee who are still in the learning stage about repairing cars and company administrati on
<p>Opportunity</p> <ol style="list-style-type: none"> 1. Consumers don't easy switch 2. Provided a car replacement if any Damage 	<p>SO Strategy</p> <ol style="list-style-type: none"> 1. Open a new branch make it easier for employee performanc e cars rented out (S1, S2, S3, 	<p>WO Strategy</p> <ol style="list-style-type: none"> 1. Provide site area training to monitor employees crease (W2, O1)

3. Have a supplier safe and quality	S4, S5 in O1 2. Dare to stock a lot of sales cars substitute (S1, S2, S3, S4, S5, O2, O3)	2. Increase Promotion (W1, O1, O2)
Threats 1. There are so many other car rental businesses in Balikpapan and on site 2. Newcomer dare to offer low price 3. Rental marketing others cars have own website make more famous 4. The price of spareparts is expensive 5. Bargaining power strong consumer	ST Strategy 1. Must always maintain and improving the quality of open service to consumers in places consumers are not easily reach switch to other competitors (S1, S2, S3, S4, S5, T1, T2, T3, T5) 2. Creating new innovations (S1, S2, S4, S5, T1, T2, T3)	WT Strategy Expanding the market by opening new branches in places that have not been reached by mining car rental entrepreneur (W1, T1)

Suggestion

Based on the conclusions that have been described, the tions that will be given to PT. Intiprima Karya are:

- a. PT. Intiprima Karya Usaha could consider opening a new branch to expand the rental area as well as looking for many other suppliers who sell cars at cheaper and quality prices so that a complete car stock is available.
- b. PT. Intiprima Karya Usaha must improve employee performance by providing special training, and PT. Intiprima Karya Usaha always makes new innovations in marketing and unit maintenance to retain customers and attract new customers to rent.

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IV. CONCLUSION

Based on the research methodology and the results of the discussion, it can be concluded:

How to maintain the mining car rental business of PT. Intiprima Karya Usaha in order to continue to survive and compete with other entrepreneurs is to think of strategies that can increase sales and not reduce turnover. The company can carry out a market development strategy by opening new branches to expand the area in order to increase the company's turnover, especially in locations close to mining sites, and the business that can be done by PT. Intiprima Karya Efforts to attract new consumers and maintain the loyalty of all consumers is:

To carry out a market penetration strategy by always maintaining the quality of cars and improving services to consumers so that consumers do not easily switch. to other competitors as well as more aggressively promoting through the internet and social media. The bargaining power of consumers is very strong as a result of the many competitors who rent out similar products and provide cheaper prices so that PT. Intiprima Karya Usaha must provide price reductions to satisfy consumers.