SUMMARY

NIDYA NANDA HARAHAP. The formulation for marketing strategy priority of Oil Palm Planting Materials (OPPM) in Pusat Penelitian Kelapa Sawit (PPKS). Supervised by ARIF IMAM SUROSO and AGUS MAULANA.

Pusat Penelitian Kelapa Sawit (Indonesian Oil Palm Research Institute) abbreviated PPKS is one of the research institutes for oil palm commodities (Elaeis guineensis), which develops the sale of Oil Palm Planting Materials (OPPM) as the main source of company funding (60%). Therefore, if there is an instability of OPPM sales in a company, it will hamper the corporate activities. Based on the MPOB (2017), there has been an increase in CPO prices over the past three years amounting to 623 US$/MT in 2015, increased to 790 US$/MT in 2016, and increased to 815 US$/MT in 2017. Increasing CPO price should trigger oil palm industry to increase CPO production by replanting and new planting. However, there was a decrease in national OPPM demand which also caused a decrease in OPPM sales, one of which was PPKS.

The decrease of national OPPM sales is caused by two main factors, namely: (1) The existence of a moratorium related to the land clearing for oil palm plantation. (Presidential Instruction No. 10 of 2011, Presidential Instruction No. 6 Year 2013, Presidential Instruction No. 8 year 2015, and Presidential Instruction No. 6 year 2017). The extension of the moratorium limits the palm businessmen not to expand new land for newly planting. This inevitably impacts on the decrease in demand of national OPPM, particularly in PPKS. (2) Number of producers in OPPM industry.

As previously mentioned, the decline in OPPM sales is a problem for PPKS that relies on the sale of OPPM as the main source of funding. Therefore, an effort is needed to increase OPPM sales. Currently, increased business competition and limited market share force PPKS to seize the market share of competitors in order to increase its sales. According to Pleshko LP and Richard AH (2012), the market share of a company depends heavily on the number of suitable marketing strategies. Based on the above explanation, it is necessary to conduct a research to formulate the proper marketing strategy for PPKS in order to increase OPPM sales.

In order to be superior in the rivalry, PPKS conducted an election of marketing strategy concerning to the criteria that affect the election process of marketing strategy, using Analytical Network Process (ANP) method. The alternative marketing strategy in this study was based on SWOT analysis. The result of this research showed that the main strategy that is suitable to increase the sales of PPKS is Alternative 1 (Positioning Product Strategy) by providing products in accordance with market needs currently, optimizing research activities by company experts, using appropriate technology, and improving treatment products. By providing products in accordance with market needs, the company may apply the positioning product strategy to build the good image, position, and meaning of the product in the minds of the target consumers (0.091276), and Alternative 5 (Service Quality Strategy) by improving service quality as an attraction for customers, arranging order scheduling method in order to avoid
scheduling errors that will harm the company or consumer later, providing online sales system of OPPM, developing online service system for product consultation, and developing after-sales service. (0.081756).

Keywords: Analytical Network Process (ANP), marketing strategy, oil palm planting materials, oil palm planting materials industry, SWOT.