

Superior Product Development Strategy Towards One Village One Product In Jombang District

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Abstract: Product development for UKM in Jombang Regency can be carried out through the One Village One Product (OVOP) approach so that the potential of each village has its own advantages so that UKM in the village can improve their products and become an icon of a village. The purpose of this research is to formulate a model One Village One Product strategy in Jombang Regency, East Java. This research was conducted in Jombang district with 11 sub-districts with a qualitative descriptive approach through observation, surveys, interviews, questionnaires and secondary data obtained from the Small Industry Office and cooperatives. Data analysis using SWOT analysis. The development strategy is to improve product quality, develop the competitiveness of potential UKM products in each village and improve skills in a directed and integrated manner for local, national and global markets with promotions and the need for local government commitment to provide institutional guidance and strengthening

Keywords: Regional Development, UKM Products, SWOT

1. Introduction

The potential of natural resources that exist in the East Java region, especially in Jombang Regency, needs to be developed for economic activities based on natural resources that can stimulate regional development, raise people's living standards, and create jobs. This strategy needs to be supported by various aspects, including capital for the role of local governments, entrepreneurs and business people, as well as coordination of various related institutions. So that it can develop the UMKM sector in supporting the people's economy through increasing product competitiveness. The development of the UMKM sector will continuously undergo adjustments in line with developments in technological advances and the results of economic development that can contribute to the economy. In addition, small and medium industries can utilize information as an initial solution, including through information literacy, the ability to use technology to access information, the ability to search, sort and select appropriate information, and the ability to implement information.

In facing the challenges and demands of the strategic environment both domestically, regionally and globally, it is time for the UMKM development strategy to be upgraded to a strategy that synergizes UMKM strategy development with a regional approach. With a variety of superior products in each region, UMKM used economic development needs to be continuously improved because it can strengthen the country's economy. The OVOP program was launched as a breakthrough to drive domestic production, especially by developing local special products that have been carried out for generations (1) Regional development, aims to make regional growth evenly distributed and gaps between regions can be reduced. Regional disparity is a challenge in itself in building regional economies in the era of autonomy, and has an impact on competition in each region towards accelerating regional economic development that is focused. One of the efforts to overcome inequality is by developing growth centers and superior products. Approach to developing regional potential in one region through the one village one product (OVOP) movement by utilizing resources to produce a unique product according to regional characteristics that can improve regional economic performance and community welfare, especially rural communities. OVOP is a community movement that in an integrated way seeks to increase public awareness of regional potential and wealth as well as one approach towards clustering superior products on a micro, small and medium scale (UMKM) so that they can develop towards a wider market (2), OVOP can reduce poverty levels (3), because it has a significant impact on income (4). Product development that is able to compete in the global market while still emphasizing local added value and encouraging the spirit of creating community self-reliance will reduce the gap between development activities in cities and rural areas by developing a people's economy based on local potential. The OVOP movement aims to improve the welfare of the community, especially at the village level through a series of productive business activities in order to increase the income of the community (5) The purpose of this research is the development of OVOP products.

2. Research Methods

The research was carried out in the strategic area of Jombang Regency, East Java Province, covering 21 sub-districts with a qualitative description approach. Data collection methods in this study used observation,

surveys, interviews, and secondary data obtained from related agencies.

The OVOP program approach uses a development approach by clustering small and medium enterprises with the aim of selecting regional superior products so they can develop and enter a larger and wider market. By focusing on one regional superior product, the concept of one village one product can act as a revitalization activity for the development of small industries in rural areas.

3. Data collection

1. Identification of the condition of the existing economic potential in the Jombang Regency area from primary and secondary data. Secondary data is in the form of economic potential, product competitiveness, infrastructure, spatial planning, institutions, city icons and investment potential in Jombang Regency obtained by means of explore data from the Central Bureau of Statistics, Jombang City Master Plan, Jombang City RPJM, and several preliminary studies. While the primary data was carried out by field surveys on the condition of city infrastructure, market potential, city crowd nodes, in order to obtain validity and confidence in the data, confirmation was carried out by conducting in-depth interviews with stakeholders.

2. Obtain an overview of the potential that results in sustainability, industry critical points through descriptions of data obtained from surveys, observations and interviews to determine key factors and variables related to the preparation of the one village one product concept model and the revitalization of the UMKM sector.

4. Results and Discussion

Determination of Featured Products

The superior strategy is based on the one village one product (OVOP) concept, namely by selecting and determining the superior product commodities in a group. Most of the products have their own segments and market shares, the characteristics of the products are maintained, namely the participation of micro and medium entrepreneurs from the local area.

Table 1 Regional Leading Products Commodities of Industrial Products and Services in Jombang Regency in 2021-2022

Years			2021	2022
Number	District	Village	Superior Product	
1	Gudo	Plumbogambang	Manik-manik	Manik-manik
		Mejoyolpsari	Manik-manik	Manik-manik
2	Diwek	Jatipelem	Manik-manik dan batik tulis	Manik-manik dan batik tulis
		Bulurejo	Kitchen set	
		Kedawong	Tape ketanhijau	Tape ketanhijau
3	Mojoagung	Mancilan	Furniture	Furniture
		Mojotresno	Cor kuningan	Cor kuningan
4	Mojowarno	Cetakgayam	Furniture	Furniture
		Wringinpitu	Furniture	Furniture
		Selorejo	Furniture	Furniture
		Rejoslamet	wallet	wallet
		Gedangan	rooftile	rooftile
		Karanglo	rooftile	rooftile
5	Bandar KM	Gondek	rooftile	rooftile
		Pagerwojo	Furniture	Furniture
6	Sumobito	Bangkalan	Daurulangalmunium	Daurulangalmunium
		Kendalsari	Daurulangalmunium	Daurulangalmunium
7	Kesamben	Jombok	Daurulangalmunium	Daurulangalmunium
8	Ngoro	Banyuarang	Alat dapur	Alat dapur
9	Jogoroto	Tambar	Alat dapur	Alat dapur
10	Kabuh	Sumberingin	Anyaman pandan	Anyaman pandan
		Genenganjasem	Anyaman pandan	Anyaman pandan

		Kabuh	Anyaman pandan	Anyaman pandan
		Sumbergondang	Anyaman pandan	Anyaman pandan
		Kauman	Anyaman pandan	Anyaman pandan
		Kedungjati	Anyaman pandan	Anyaman pandan
		Mangunan	Anyaman pandan	Anyaman pandan
		Tj. Wadung	Anyaman pandan	Anyaman pandan
		Marwoyo	Anyaman pandan	Anyaman pandan
		Karangpakis	Anyaman pandan	Anyaman pandan
		Sukodadi	Anyaman pandan	Anyaman pandan
		Pengampon	Anyaman pandan	Anyaman pandan
		Sumberaji	Anyaman pandan	Anyaman pandan
		Munungkarep	Anyaman pandan	Anyaman pandan
		Manduro	Anyaman pandan	Anyaman pandan
11	Ploso	Dadi tunggal	Anyaman pandan	Anyaman pandan
		Pager tanjung	Anyaman pandan	Anyaman pandan
		Kedungdowo	Anyaman pandan	Anyaman pandan
12	Plandaan	Pelabuhan	Anyaman pandan	Anyaman pandan
		Tandowulan	Anyaman pandan	Anyaman pandan
		Plandaan	Anyaman pandan	Anyaman pandan
		Sumberejo	Anyaman pandan	Anyaman pandan
		Pojokklitik	Anyaman pandan	Anyaman pandan
13	Ngusikan	Manunggal	Anyaman pandan	Anyaman pandan
		Mojodanu	Anyaman pandan	Anyaman pandan

		Ngampel	Anyaman pandan	Anyaman pandan
		Cupak	Anyaman pandan	Anyaman pandan
		Asemgede	Anyaman pandan	Anyaman pandan
		Kromong	Anyaman pandan	Anyaman pandan
14	Kudu	Bakalanrayung	Anyaman pandan	Anyaman pandan
		Sumbernongko	Anyaman pandan	Anyaman pandan
		Bendungan	Anyaman pandan	Anyaman pandan
		Sumberteguh	Anyaman pandan	Anyaman pandan
		Sidokaton	Anyaman pandan	Anyaman pandan
		Katemas	Anyaman pandan	Anyaman pandan
		Kepuhrejo	Anyaman pandan	Anyaman pandan
		Made	Anyaman pandan	Anyaman pandan
15	Wonosalam	Wonomerto	Olahan kopi ekselsa	Olahan kopi ekselsa
		Jarak	Olahan kopi ekselsa	Olahan kopi ekselsa
		Panglungan	Olahan kopi ekselsa	Olahan kopi ekselsa

Selection and determination of superior products can be expected as an effort within the framework of development planning including investments that can be carried out in a focused and sustainable manner to increase production activities and local economic growth from upstream to downstream. All production activities are in a supply chain, the concept of superior product development is not a partial development but requires support and intervention from all parties involved in its implementation including infrastructure support, distribution and marketing channels, raw material supplies, financial institutions, regulation and other supporting factors. Thus, superior product development can be achieved if the basic assumption is fulfilled, namely the existence of synergy between various sectors and supporting sectors.

The superior product development strategy is a product development range that can be viewed from several regional as well as sectoral aspects and is carried out in stages and continuously through good planning and the right strategy. The basic strategy for developing superior products includes optimizing the potential of the district's superior products by developing superior products as growth node areas by ensuring the continuity of scale expansion for superior programs. This will encourage an increase in investment in an area.

The application of the concept of one village one product (OVOP) has three basic principles, namely: i)

commodities are managed and based on local resources that have global competitiveness, ii) innovative and creative that is sustainable; iii) put forward the human resource development process. Through the OVOP approach, it can also be an option to help achieve self-sufficiency to increase competitiveness and excellence which are regional characteristics. In its implementation, the concept of one village one product adapts to the character and objectives of empowering the economic potential of each rural area and sub-district which has potential privileges, uniqueness and uniqueness. These characteristics can be an attraction and make the potential for superior product development. Empowerment of UMKM based on One Village One Product is a joint effort from both the UMKM, the government, the community and all stakeholders to increase the added value and independence of UMKM based on the unique regional potential they have. This is not only in the context of economic interests but is also able to encourage equality between rural and urban areas.

SWOT analysis

SWOT analysis is used to formulate policy strategies in order to determine the application of superior products in facing competition. Thompson (2008) states that SWOT analysis is very simple but a very simple tool is a very powerful tool for increasing capacity and identifying poorly performing company resources, market opportunities and external threats for the future of a better company. This SWOT formulation is based on strengths, weaknesses, opportunities and threats. The implementation of this strategy is carried out carefully with regard to competition, applicable regulations/conditions, business cycles, expectations from consumers and other factors that can identify opportunities and threats. Strategic planning must understand the suitability between internal strengths and external forces. In the process of determining competitive strategy and making organizational decisions, policy makers in an organization need to understand management strategy, investment strategy, and business strategy, so that they are in line with the expected goals. The SWOT analysis stage is carried out by creating an IFAS (Internal Strategy Factor Analysis Summary) matrix and an EFAS (External Factor Analysis Summary) matrix. The IFAS matrix is prepared based on the company's strengths and weaknesses, while the EFAS matrix is prepared based on the opportunities and threats faced by the company.

The development of potential in determining the regional superior product of Jombang district requires the right strategy to be successful in determining the direction of policy in the context of the success of the community's economic growth program. From the identification and indicators of each internal factor and external factor, the next step is to develop a strategy to determine policy directions in determining superior products.

Table 2 Conditions of Internal and External Factors Potential Regional Superior Products of Jombang District Area

Internal Factors	Strength Factors (S)	Weakness Factors (W)
External Factors	1. Business location 2. Product quality 3. Determination of featured products 4. Sales/turnover	1. Business management 2. Bookkeeping management 3. Product marketing 4. Management is not yet integrated
Opportunity Factors (O)	S-O Strategy	W-O Strategy
1. Availability of raw materials 2. trending demand for featured products 3. Marketing media 4. Local government support	1. Maintain and increase 2. Improve the quality of production commodities 3. Improve product quality and utilize marketing media 4. Improve cooperation between parties and utilize resources	1. Develop products plans in a professional manner 2. Directed and integrated commodity development in production and marketing systems 3. Carry out targeted promotional activities and system to expand the market
Threat Factors (T)	Strategi S-T	Strategi W-T
1. Raw material prices 2. Business competition 3. Changes people's tastes 4. People's purchasing power decreases	1. Develop featured products competitiveness 2. Stabilize market conditions of existing products 3. Develop product innovation and diversification 4. Maintain prices and reduce production costs	1. Develop networks and partnerships with industry 2. Improving the management system to improve product quality and marketing 3. Adding a variety of product sales that are currently favored by consumers

		4. Product development according to community needs
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Based on table 2 above, the SWOT analysis shows that the SO strategy results in a strategy to increase commodity production in order to meet the needs and demands of the community/consumers, given the availability of raw materials and the strategic location of Jombang district to distribute their products. Whereas in the aspect of distributing commodity results and expanding marketing, you can utilize existing marketing media, especially in the field of information technology in the form of digital marketing. Besides that, strong local government support in developing superior products with regulations that facilitate and facilitate both facilities and infrastructure, assistance to micro businesses. Patterns of cooperation and partnerships need to be developed considering that there are mutually supportive linkages between UMKM and large businesses/industry, linkages refer to various kinds of interactions and mutual relations between economic activities in a region (6)

The WOT strategy produces a quality professional superior product planning strategy considering the availability of sufficient raw materials, in order to meet the needs of the local community in the Jombang region and other regions. In fact, these superior products have been marketed to the East Java region and several provinces in Indonesia. It is necessary to develop the production process in stages from the conventional production pattern to a more modern one, so that the results produced can be faster and bigger. Another strategy that can be carried out in expanding the market is to cooperate with sponsors in the form of exhibitions in several cities in Indonesia. Partnership pattern development needs to be developed in the framework of community economic development with the concept of empowering all components of society. The OVOP concept can act as a momentum for rural revitalization (7)

The ST strategy results in the development of superior product competitiveness by improving quality to maintain sales turnover and maintain production process costs, because there are trends and possibilities for the cost of raw materials whose prices fluctuate and even increase. Most of the raw materials used by micro and small industries in Jombang come from outside the Jombang area, so it is necessary to increase efficiency and effectiveness in their use in the production process.

The WT strategy produces a strategy that can be developed, namely the local economic development partnership which is an approach that aims to stimulate local economic development in order to integrate the regional economy into a market economic system. Such development and integration is achieved by focusing on groups and strengthening linkages between local producers and markets at regional, national and even wider levels. The partnership program is an approach that develops a pattern of cooperation that involves all components of society, business actors and local governments that facilitate the linkage of all aspects of economic activity.

The selection and determination of superior products that have been carried out and the application of the SWOT analysis can be carried out in an economic transformation process strategy in the form of encouraging small businesses to create the following conditions:

1. The development of small businesses (UMKM) plays a role in creating economic conditions in order to form a competitive market mechanism
2. Encouraging small businesses (UMKM) to become part of industrial activities (industrial linkage) as suppliers to large industries
3. Increasing the impetus for economic growth from the strength of the domestic economy into the process of expanding employment opportunities and forming entrepreneurs evenly
4. The process of changing small businesses (UMKM), which are the majority of traders towards manufacturing businesses, is expected to contribute to creating added value in economic growth.

5. Conclusion

Regional superior products of industrial commodities and services in Jombang Regency from each sub-district in the form of beads are in Gudo District, Batik in Kec. Mojoagung, Furniture in kec. Mojowarno, while kitchen utensils and pandan plaits are in Munungkerep district.

Determination of superior products that have been carried out by SWOT analysis, the strategies that can be carried out are: Small business development (UMKM) plays a role in creating economic conditions so that a competitive market mechanism is formed; Encouraging small businesses (UMKM) to become part of industrial activities (industrial linkage) as suppliers to large industries; Increasing the impetus for economic growth from domestic economic strength into the process of expanding employment opportunities and forming entrepreneurs evenly; The process of changing small businesses (UMKM), which are predominantly traders towards manufacturing businesses, is expected to contribute to creating added value in economic growth.

6. Suggestion

One Village One Product (OVOP) is a regional development strategy through the application of superior products in each region. For this reason, product quality is needed, developing the competitiveness of potential UKM products in each village and increasing skills in a directed and integrated manner for local, national and global markets with promotions and the need for local government commitment to provide institutional guidance and strengthening

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