Enhancing the Competitiveness of Subsidized Housing through VRIO, PESTEL, and Porter's Five Forces Analysis

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ABSTRACT

This study aims to identify the internal and external factors influencing the development of the subsidized housing business in Kuningan City View, Kuningan Regency. The research methods used include qualitative and quantitative approaches, with primary data obtained through observation, in-depth interviews, and questionnaires, as well as secondary data from relevant literature. The analysis was conducted using the VRIO tool for internal factors and PESTEL and Porter's Five Forces for external factors. The research results show that the main strengths are the strategic location and high-quality after-sales service, while the main threats are intense competition and rising land prices. The conclusion is that the most effective strategy is to highlight high-quality after-sales service as an added value in promotions to maintain customer trust even as property prices rise. This study provides insights for subsidized housing developers in improving operational efficiency and competitiveness in a dynamic market.

Keywords: After-Sales Service, Competitive Advantage, Kuningan City View, PESTEL Analysis, Porter's Five Forces, Subsidized Housing, VRIO Analysis

INTRODUCTION

Indonesia has experienced significant population growth, with the latest population exceeding 278 million people, according to Databoks in 2023. Several potential scenarios are considered based on the analysis of population growth from 2020 to 2050. In a scenario following current trends, the annual population growth between 2020 and 2025 is estimated at around 1.08%, indicating an increasing need for housing infrastructure. In a more optimistic scenario, this growth is projected to be slightly higher at 1.09% for the same period, while a moderate scenario predicts similar growth rates (BPS, 2020).

Recent data shows a high number of households without homes, with housing backlog data cited from HREIS & BP Tapera (2022) and published by the Katadata Insight Center recording a backlog of 12,169,774 households without homes in 2018, which increased to 12,715,297 households in 2021. Housing backlog refers to the shortage in housing development in an area or country and is often used to assess the need for housing.

West Java Province is one of the main development centers due to its large population and competent economic growth. Many strategic economic sectors are located in West Java Province, as suggested by Nurjanah, Kusnendi, and Juliana (2019) and confirmed by BPS in 2020, showing West Java as having the highest population in

Indonesia, with 49,935,858 people. However, challenges arise regarding the availability and accessibility of decent and affordable housing, as evidenced by 2020 BPS statistics showing that only about 52.28% of households can afford decent housing options. This situation highlights the complex challenges West Java Province faces, including infrastructure issues arising from population density.

Kuningan is one area in West Java with high access to decent and affordable housing, reaching 75% (BPS, 2023). This fact shows a significant demand for affordable housing in this area. Everyone has the right to proper housing and a healthy environment, as stated in Article 40 of Law No. 39 of 1999 on Human Rights, which reads, "Everyone has the right to reside and live decently." The government has implemented a subsidized housing program for the community in response to infrastructure issues. This program is designed to provide access to quality housing at affordable costs, especially for low- to middle-income families.

Subsidized houses are part of a government program from the Ministry of Public Works and Public Housing (PUPR), as outlined in Ministerial Decree No. 242/KPTS/M/2020. Subsidized houses are built at affordable prices through mortgage schemes, either conventional or sharia, with price, land area, floor area, and income limits for the target groups who can utilize them. The government provides a subsidized housing program for low-income communities (MBR) to own homes. Buyers who wish to use the subsidized housing facilities under the Housing Financing Liquidity Facility (FLPP) program must meet several criteria set by the Ministry of Public Works and Public Housing (PUPR). These requirements include being an Indonesian citizen, registered as a resident in a certain district/city, never receiving housing subsidies or financial assistance from the government for homeownership or construction, and being single or married. This information is regulated in Article 3, Paragraph 2, of Ministerial Regulation No. 35 of 2021.

The program involves private sector developers, who are trusted to help realize and sell subsidized housing products. The subsidized houses sold by developers must meet government-set quality standards, ensuring all subsidized houses have guaranteed-quality buildings at low prices. In 2023, the price of subsidized landed houses in Indonesia is set by the government at IDR 162 million to IDR 168 million, while the price of subsidized flats ranges from IDR 288 million to IDR 385 million, including value-added tax (VAT). However, some developers charge higher prices for subsidized houses, typically between IDR 190 million and IDR 250 million, usually for houses with higher building quality or more strategic locations.

PT Dunia Usaha Milik Bersama, a housing developer in Kuningan Regency, built Kuningan City View (KCV) in 2018 to provide housing for low-income communities, including millennials. The quality and size of subsidized houses in KCV comply with government standards in Ministerial Decree No. 242/KPTS/M/2020, ensuring the same quality as similar housing. However, field realities show that the sales or occupancy rate of subsidized houses in KCV has not met expectations, with very few buyers. In 2023, there were 60 subsidized housing projects in Kuningan Regency, causing KCV to compete with many other subsidized housing projects to attract buyers. This research aims to understand the strategic dynamics involved in subsidized housing development deeply. Using Kuningan City View as a case study, it will analyze the factors influencing the success of subsidized housing development. The analysis results are expected to provide insights for subsidized housing developers to improve operational efficiency and positively impact the community. Additionally, this research aims to design business strategies that can enhance project competitiveness, address changing market needs, and respond to economic dynamics. Overall, this research is expected to benefit subsidized housing

developers, the government, and the community.

Kuningan City View is a housing project developed by PT Dunia Usaha Milik Bersama in Kuningan Regency, West Java. According to Nurhidayat (2023), KCV has a strategic location on Mochamad Yamin Street near the Kuningan Ring Road, an alternative to Cirebon. Internal data from PT Dunia Usaha Milik Bersama shows that sales at KCV until 2022 were unsatisfactory and did not meet targets, with only 21 houses built out of the targeted 500 units (developer data can be seen in Figure 1).

Despite the high demand for subsidized houses, including among millennials, exemplified by a study by Annisa et al. (2021) referring to Dickerson (2015), which emphasizes that the desire for homeownership remains a valued aspiration among millennials, in line with Article 40 of Law No. 39 of 1999 on Human Rights, stating that everyone has the right to reside and live decently. Competition in the subsidized housing sector pushes companies to have capabilities that provide a competitive edge. Currently, KCV adopts planning and strategy formulation using a general subsidized housing strategy blueprint. However, after evaluation, it was found unsuitable for the company's current conditions and needs.

Companies that do not expand their business risk losing market share due to competition. Therefore, understanding the right business development strategies and identifying factors that can support and hinder this development is essential. The appropriate strategy development will be key to competing in the subsidized housing industry. Based on the context described above, this research aims to answer the following questions: What are the internal and external factors affecting the subsidized housing in Kuningan City View? What are the alternative business strategies for subsidized housing in Kuningan City View? What is the priority business strategy for subsidized housing in Kuningan City View?

Based on the problem formulation, the research objectives are: To identify internal and external factors affecting the success of the subsidized housing development at Kuningan City View. To design alternative business strategies to enhance the competitiveness of Kuningan City View subsidized housing. To determine the priority business strategy most suitable for implementation in Kuningan City View subsidized housing.

This research is expected to provide practical and academic benefits for the company. Contribute to the developers of Kuningan City View subsidized housing by increasing sales and competitiveness. Contribute to the development of knowledge, particularly in business management and housing. This research aims to formulate alternative strategies, determine priority strategies, and provide managerial implications to enhance the competitiveness of the subsidized housing developer KCV, developed by PT Dunia Usaha Milik Bersama.

METHOD

This research was conducted at KCV Housing. KCV Housing is a residential project built by PT Dunia Usaha Milik Bersama in Kuningan Regency, West Java. The study period was from February 2024 to April 2024. The data consists of both primary and secondary data, encompassing qualitative and quantitative information. Primary data was obtained directly through observation at the research site, interviews, and questionnaires completed by respondents. This information is crucial to illustrate the internal and external environment of the company. Meanwhile, secondary data was sourced from literature, publications, and scientific journals relevant to the research topic.

Data collection was carried out in two stages. In the first stage, the researcher conducted interviews with respondents to gather information about the internal and external factors affecting the development of the subsidized housing business. Interviews was conducted with the Director, Operational

Manager, Sales personnel, representatives from the Ministry of PUPR, and academics using purposive sampling or respondent criteria determination.

In the second stage, the researcher will distribute questionnaires to the respondents to assess SWOT factors through pairwise comparisons. The results of these comparisons was then used to identify the most significant influencing factors. Data processing and analysis was performed both qualitatively and quantitatively. Qualitative data was presented descriptively to provide an overview and identify the internal and external factors of KCV Housing. Quantitative data, in the form of weightings for internal and external factors, will then be used for decision-making and strategy development prioritization.

The research on the development strategy of KCV's subsidized housing business adopts the strategy formulation concept from David (2017) as a reference framework. David (2017) outlines three stages in strategy formulation: the input stage, the matching stage, and the decision-making stage, all of which aim to address the three research objectives.

The initial stage of the research involves analyzing and identifying external and internal factors, which are then grouped into opportunities and threats from external factors and strengths and weaknesses from internal factors. Subsequently, five key external and internal factors are selected as the basis for SWOT analysis and the formulation of alternative strategies using the TOWS matrix. This process involves discussions, in-depth interviews, and questionnaires completed with expert informants, both external and internal, including the Chief Executive Officer, Operational Manager, Sales personnel, Director of PUPR, and academics.

The final stage of this research is determining the priority business strategies to be implemented by KCV Housing. This is done using A'WOT analysis and Expert Choice 11 software based on data obtained from respondent questionnaires. This process ensures that the chosen strategy is the best for KCV Housing and that empirical data and input from various experts in the field support the decision.

RESULTS

External Factor Analysis

This study employs two analytical methods to understand the external factors affecting the subsidized housing business, namely industry analysis using Porter's Five Forces approach and PESTEL analysis. The PESTEL analysis aims to provide an overview of the macro conditions influencing the subsidized housing sector, encompassing political, economic, social, technological, environmental, and legal aspects. Meanwhile, Porter's Five Forces is used to delve deeper into the dynamics of the subsidized housing industry, focusing on the level of competition and its impact on the business.

The respondents in this study will play an active role in determining the extent of influence each external factor variable has. Through these two analyses, the study aims to identify the challenges and opportunities faced by the subsidized housing industry, as well as formulate appropriate strategies to address competition and leverage existing macroeconomic conditions.

Table 1 External Macro Factors

No	External Macro Factors	Opportunities/Threats
A	**POLITICAL ASPECTS**	
1	The presidential election in 2024 may bring changes in government policies, including housing policies.	Opportunity
B	**ECONOMIC ASPECTS**	
1	The Indonesian economy is predicted to grow by 5% - 5.1% in 2024.	Opportunity
2	The cost of iron raw materials for building subsidized houses has increased from Rp6,500 to Rp13,000.	Threat

3	The movement of the rupiah against the dollar is causing an increase in food prices, thus reducing the purchasing power for subsidized houses.	Threat
4	The benchmark interest rate has risen to 6.25%.	Threat
C	**SOCIAL ASPECTS**	
1	The population of Indonesia increased by approximately 0.14% from 2022 to 2023.	Opportunity
2	The percentage of poverty decreased from March 2022 to March 2023.	Opportunity
3	The unemployment rate decreased to 5% from February 2022 to February 2023.	Opportunity
D	**TECHNOLOGICAL ASPECTS**	
1	The growth of modular building trends and green construction.	Opportunity
2	The implementation of technologies such as BIM (Building Information Modeling) and automation in construction.	Opportunity
E	**ENVIRONMENTAL ASPECTS**	
1	Climate change may affect the demand for housing in certain areas.	Threat
2	Scarcity of water and other natural resources may increase the cost of building houses.	Threat
F	**LEGAL ASPECTS**	
1	Consumer protection under Law No. 8 of 1999.	Opportunity
2	Construction permit regulations under the Minister of Public Works and Housing Regulation No. 8 of 2022.	Opportunity
3	Government Regulation No. 44 of 2021 concerning Housing and Settlement Areas.	Opportunity

The external factors of Kuningan City View subsidized housing consists of industry external factors. These industry external factors were obtained by conducting observations and interviews with experts and then classified as opportunities or threats. Porter's Five Forces analysis tool was used to identify the impact of the industry's external environment on the Kuningan City View subsidized housing business from the threat of new entrants, bargaining power of suppliers, threat of substitute products, and rivalry among existing competitors. Fifteen factors were identified from the industry's external environment; six were classified as threats and nine as opportunities.

Table 2 External Industry Factors

No	External Industry Factors	Opportunities/Threats
A	**COMPETITIVE RIVALRY AMONG COMPANIES**	
1	The number of subsidized housing businesses in Kuningan Regency currently amounts to 23 active developers.	Threat
2	Subsidized housing businesses in Kuningan Regency have varying architectural quality.	Opportunity
B	**POTENTIAL NEW COMPETITORS**	
1	The new competition in the subsidized housing business in Kuningan Regency is relatively high, with an average of 14 new housing projects each year.	Threat
2	Several banks offer competitive interest rates with flexible loan periods, making it easier for prospective developers to obtain capital.	Opportunity
3	Prospective developers need to acquire various types of licenses and permits, which involve significant costs and long processes.	Opportunity
C	**POTENTIAL SUBSTITUTE PRODUCTS/SERVICES**	
1	The launch of green subsidized houses in Kuningan in December 2023 prioritizes environmental friendliness and energy efficiency.	Opportunity
2	Non-subsidized (commercial) housing products in Kuningan Regency.	Threat
3	A higher percentage of people prefer to build their own houses rather than buy subsidized houses from developers.	Threat
D	**BARGAINING POWER OF SUPPLIERS**	
1	Raw materials such as cement, bricks, and sand are widely available in Kuningan.	Opportunity

2	Developers collaborate with landowners without needing to own the land themselves.	Opportunity
3	Land prices are rising every year, which in turn increases house prices.	Threat
4	The increase in raw material prices can affect production costs and ultimately affect the selling price to consumers.	Threat
E	**BARGAINING POWER OF CONSUMERS/CUSTOMERS**	
1	Availability of additional facilities and services.	Opportunity
2	Competitive pricing of subsidized houses.	Opportunity
3	SUSENAS data for 2023 shows a housing backlog of around 9.9 million units, creating high demand.	Opportunity

Based on the results of the internal factor identification through VRIO analysis, 13 internal factors have been selected based on the resources and capabilities of KCV Housing. Each factor is categorized as a weakness or strength based on Competitive Implications: if it falls under SCA (Sustainable Competitive Advantage), the factor is identified as a strength, whereas if it falls under CD (Competitive Disadvantage), the factor is identified as a weakness. Respondents then assessed and re-weighted these strengths and weaknesses to determine the five critical internal factors that will be used in analyzing the internal factor evaluation, as shown in Table 3.

Table 3 Internal Factors

No	Internal Factors	Strengths/Weaknesses
1	Strategic location only 500 meters from Kuningan Outer Ring Road, compared to similar housing in Kuningan District.	Strength
2	Housing built on developer-owned land, not leased land.	Strength
3	Free from flood and landslide threats.	Strength
4	Extensive experience in the property business, with experience managing markets and shophouses.	Strength
5	Good developer reputation, receiving a 4.6 rating on Google Review.	Strength
6	Employees possess knowledge and skills in the subsidized housing sector.	Strength
7	Satisfactory after-sales service.	Strength
8	Housing roads are not fully paved.	Weakness
9	Limited building area compared to commercial houses.	Weakness
10	Marketing coverage is still very small and limited.	Weakness
11	House design lacks distinctive characteristics.	Weakness
12	Limited market segmentation, only for low-income communities (MBR).	Weakness
13	Suboptimal promotion.	Weakness

Based on the results of the questionnaire distribution for the analysis of external and internal factors in Tables 1–4, the next step is to create the IFE and EFE matrices to determine the weight and rating of each of the main external and internal factors, as shown in Tables 4 and 5. The weighted value indicates the relative importance of a factor to the success of KCV Housing, particularly the opportunities and threats that directly impact the company.

Table 4 External factor assessment

No	External Factors	Weighted Value
	Threats	
1	The movement of the rupiah against the dollar, causing an increase in food prices, thus reducing the purchasing power for subsidized houses.	0.154
2	The benchmark interest rate has risen to 6.25%.	0.172
3	Climate change may affect the demand for housing in certain areas.	0.048
4	Scarcity of water and other natural resources may increase the cost of building houses.	0.154

5	The number of subsidized housing businesses in Kuningan Regency currently amounts to 23 active developers.	0.093
6	The new competition in the subsidized housing business in Kuningan Regency is relatively high, with an average of 14 new housing projects each year.	0.080
7	Non-subsidized (commercial) housing products in Kuningan Regency.	0.080
8	A higher percentage of people prefer to build their own houses rather than buy subsidized houses from developers.	0.154
9	Land prices are rising every year, which in turn increases house prices.	0.190
10	The increase in raw material prices can affect production costs and ultimately affect the selling price to consumers.	0.122
Opportunities		
1	The presidential election in 2024 may bring changes in government policies, including housing policies.	0.172
2	The Indonesian economy is predicted to grow by 5% - 5.1% in 2024.	0.107
3	The cost of iron raw materials for building subsidized houses has increased from Rp6,500 to Rp13,000.	0.069
4	The population of Indonesia increased by approximately 0.14% from 2022 to 2023.	0.048
5	The percentage of poverty decreased from March 2022 to March 2023.	0.058
6	The unemployment rate decreased to 5% from February 2022 to February 2023.	0.058
7	The growth of modular building trends and green construction.	0.048
8	The implementation of technologies such as BIM (Building Information Modeling) and automation in construction.	0.154
9	Consumer protection under Law No. 8 of 1999.	0.023
10	Construction permit regulations under the Minister of Public Works and Housing Regulation No. 8 of 2022.	0.039
11	Government Regulation No. 44 of 2021 concerning Housing and Settlement Areas.	0.048
12	Subsidized housing businesses in Kuningan Regency have varying architectural quality.	0.154
13	Several banks offer competitive interest rates with flexible loan periods, making it easier for prospective developers to obtain capital.	0.080
14	Prospective developers need to acquire various types of licenses and permits, which involve significant costs and long processes.	0.093
15	The launch of green subsidized houses in Kuningan in December 2023 prioritizes environmental friendliness and energy efficiency.	0.058
16	Raw materials such as cement, bricks, and sand are widely available in Kuningan.	0.058
17	Developers collaborate with landowners without needing to own the land themselves.	0.154
18	Availability of additional facilities and services.	0.080
19	Competitive pricing of subsidized houses.	0.069
20	SUSENAS data for 2023 shows a housing backlog of around 9.9 million units, creating high demand.	0.172
TOTAL		2.990

Internal Factor Analysis

Table 5 Internal factor assessment

No	Internal Factors	Weighted Value
Strengths		
1	Strategic location, only 500 meters from the main alternative road to Cirebon.	0.370
2	Housing built on developer-owned land.	0.330
3	Free from flood and landslide threats.	0.330
4	Extensive experience in the property business, with experience managing markets and shophouses.	0.413
5	Employees possess knowledge and skills in the subsidized housing sector.	0.293
6	Satisfactory after-sales service.	0.370
Weaknesses		
1	Housing roads are not fully paved.	0.081
2	Limited building area.	0.046
3	Marketing coverage is still very small and limited.	0.127

4	House design lacks distinctive characteristics.	0.103
5	Limited market segmentation, only for low-income communities (MBR).	0.127
6	Suboptimal promotion.	0.127
	TOTAL	2.942

The calculation of weights value is derived from the average values of the questionnaires distributed to five experts: the CEO of KCV, the operational manager of KCV, the KCV sales team, the director of PUPR, and an academic. Subsequently, the weights and ratings are multiplied to determine the value of the opportunities and threats KCV Housing faces. The EFE matrix includes factors gathered from information related to the company's external factors, including government policy, the economy, social and technological factors, and industry competition analysis. This information is then summarized by identifying external factors in the form of opportunities and threats that impact the KCV Housing business. Opportunities are chances that the company can leverage to formulate the right strategies in competition. In contrast, threats are conditions where the company faces challenges from competitors or consumers.

From this understanding, the EFE matrix in Table 5 shows that the opportunities faced by KCV Housing consist of 20 primary factors. Among these main factors, the most dominant influences are the presidential election in 2024, which may bring changes in government policies, including housing policies, and the SUSENAS data for 2023, which shows a housing backlog of around 9.9 million units, creating high demand, both with a weighted value of 0.172. This indicates that the subsidized housing sector has the opportunity to continue growing due to the high demand. On the other hand, the threats faced by KCV Housing consist of 10 primary factors, with the most dominant threat being the rising land prices each year, causing house prices to increase, with a value of 0.190. This threat can lead to higher house prices, reducing people's interest in buying subsidized houses. With a total weighted score of 2.990, which is above the average weighted score of 2.5, KCV Housing can effectively respond to opportunities and threats as considerations in formulating future strategies.

The internal capability of a company is marked by its strengths and weaknesses. Strengths mean the company's ability to perform all tasks well due to its resources or other advantages relative to competitors and the needs of consumers served or targeted by KCV Housing. In other words, strengths are specific competencies. Conversely, weaknesses represent conditions where KCV Housing is less capable of executing development effectively due to limitations or deficiencies in community resources. Based on the Internal Factor Evaluation (IFE) matrix in Table 6, the most dominant strength is extensive experience in the property business, with experience managing markets and shophouses, with a value of 0.413. This indicates that KCV Housing's property business experience is unquestionable.

On the other hand, the most dominant weaknesses are the limited and small marketing coverage, the limited market segmentation only for low-income communities (MBR), and suboptimal promotion, each with a weighted value of 0.127. This shows that KCV Housing still needs to maximize its marketing potential. Furthermore, a weighted score above 2.5 indicates that the company is internally strong. KCV Housing's total weighted score is 2.942, placing it in a robust internal position.

Company Position Analysis

	Total Nilai IFE			
	4,00	3,00	2,00	1,00
Total Nilai EFE	3,00	I	II	III
	2,00	IV	V	VI
	1,00	VII	VIII	IX

Figure 1 IE Matrix

In this study, the results of the Internal Factors Evaluation (IFE) matrix and the External Factors Evaluation (EFE) matrix are combined into a total weighted score matrix. In this matrix, the total IFE score is placed on the vertical axis, while the total EFE score is placed on the horizontal axis. The total weighted score obtained for the IFE matrix is 2.992, and for the EFE matrix, it is 2.994. Based on these scores, the position of Kuningan City View Housing can be depicted in Figure 4 within the matrix.

The matrix is divided into nine boxes, with the total EFE and IFE scores each divided into three segments: 4.00, 3.00, 2.00, and 1.00. The IFE score of 2.992 is close to 3.00, placing it in the second vertical row, and the EFE score of 2.994 is close to 3.00 in the first horizontal column. This indicates that Kuningan City View Housing is in box V of the matrix, which signifies a Hold and Maintain position. Companies that fall into cells III, V, or VII are typically advised to follow a hold and maintain strategy; market penetration and product development are commonly used strategies for such companies (David et al., 2017).

Selection of Alternative Strategies

	Strenghts (S) 1. Strategic location only 500 meters from the Kuningan Outer Ring Road, compared to similar housing in Kuningan District. 2. Housing built on developer-owned land. 3. Free from flood and landslide threats. 4. Extensive experience in the property business, with experience managing markets and shophouses. 5. Satisfactory after-sales service.	Weaknesses (W) 1. Housing roads are not fully paved. 2. Marketing coverage is still very small and limited. 3. House design lacks distinctive characteristics compared to competitors. 4. Limited market segmentation, only for low-income communities (MBR). 5. Suboptimal promotion.
Opportunities (O) 1. Presidential election that can bring changes in government housing policies. 2. Implementation of technologies such as BIM and automation in construction. 3. Varying architectural quality of housing in Kuningan Regency.	SO 1. Utilize the strategic location and BIM technology to enhance design and construction efficiency. (S1, O2) 2. Maintain customer loyalty and trust through after-sales service and referral programs that offer incentives to buyers who successfully recommend the houses to friends or family,	WO 1. Improve architectural design by relying on local architects to create unique and attractive designs that stand out from competitors. (W3, O3) 2. Strengthen marketing, especially in digital media, to more effectively target MBR in line with new housing policies. (W5, O1, O5)

4. Developers can collaborate with landowners without needing to own the land themselves. 5. Housing backlog of around 9.9 million units according to SUSENAS data for 2023, creating high demand.	despite changes in presidential policies. (S1, S5, O1, O5)	
Threats (T) 1. The movement of the rupiah against the dollar, causing an increase in food prices and impacting the purchasing power for subsidized houses. 2. The benchmark interest rate has risen to 6.25%. 3. Scarcity of water and other natural resources, which can increase the cost of building houses. 4. A higher percentage of people prefer to build their own houses rather than buy subsidized houses. 5. Land prices are rising every year.	ST 1. Highlight high-quality after-sales service as an added value in promotions to maintain customer trust even as property prices rise. (S5, T5)	WT 1. Increase the effectiveness of promotions with marketing campaigns that highlight the benefits of buying a house compared to building one, focusing on safety, comfort, and investment value. (W5, T4) 2. Hold regular housing exhibitions with free consultation sessions with banks and financial experts, providing complete information and mortgage installment simulations to potential buyers. (W4, T2) 3. Expand current marketing areas by targeting other strategic locations and tailoring promotional messages to increase awareness and reach. (W2, T1, T4) 4. Focus on strategic partnerships with construction material suppliers to reduce costs and ensure comprehensive road infrastructure development. (W1, T3, T5)

Figure 2 TOWS Matrix

1. SO (Strengths – Opportunities) Strategy

- Utilizing a strategic location and BIM technology to enhance design and construction efficiency (S1, O2): A strategic location is often interpreted as being easily accessible by various modes of transportation. This aspect is crucial because it facilitates the logistics and transportation of building materials to the project site, ultimately reducing waiting time and shipping costs. For example, KCV Housing, located near an alternative road to Cirebon, speeds up the distribution of building materials. On the other hand, BIM (Building Information Modeling) is a series of technologies and coordinated policy processes in a digital model, which is then realized in the form of three-dimensional images (Ramadhan et al., 2020). Combining a strategic location with the use of BIM technology speeds up the construction process of subsidized houses and enhances the quality and sustainability of the construction project. By leveraging a location that facilitates building materials distribution and implementing BIM, KCV Housing can reduce rework and increase construction efficiency, as noted by Sarifudin et al. (2024). This also helps reduce waste and improve the effective and efficient use of resources.

- Maintaining customer loyalty and trust through after-sales service and implementing a referral program that

provides incentives to buyers who successfully recommend houses to friends or family despite changes in presidential policies (S1, S5, O1, O5): The relationship with consumers is not limited to sales transactions but continues through quality after-sales service that creates customer satisfaction. This satisfaction then helps build loyalty to the product and a positive image in the community (Tekwana, 2019). KCV Housing provides quality after-sales services, such as offering repairs for issues that arise after purchase and a customer service centre. Additionally, KCV Housing has launched a referral program that provides incentives to buyers who successfully recommend the property to friends or family. This program strengthens the relationship with customers through rewards, encouraging active participation from customers in promoting the product. Indonesia is undergoing a presidential transition in 2024, which may change existing regulations and laws. These changes can significantly impact business operations and the achievement of organizational goals (Fatma et al., 2024). Therefore, by maintaining customer satisfaction through consistent and high-quality service and encouraging customers to become loyal through the referral program, businesses can more effectively face uncertainty due to policy changes and ensure long-term stability in a dynamic market.

2. WO (Weaknesses – Opportunities) Strategy

- Improving architectural design by relying on local architects to create unique and attractive designs that stand out from competitors (W3, O3): Architectural quality includes modernity, attractive design elements, and aesthetics (Setyawati et al., 2022). According to the Population and Civil Registration Office of Kuningan Regency (2021), there are 18 architects per subdistrict in Kuningan Regency. This opportunity can be optimized through close collaboration with local architects when designing the architecture for KCV Housing. This step will enhance the aesthetics and design quality and drive local economic growth, making this a sustainable strategy for all parties involved.

- Strengthening marketing, especially in digital media, to more effectively target MBR in line with new housing policies (W5, O1, O5): Research by Nurhidayat et al. (2023) shows the critical role of social media in disseminating information about subsidized housing. The study reveals that electronic Word of Mouth (eWOM), subjective norms, and product quality significantly influence purchase intentions. Unfortunately, KCV Housing has not yet maximized social media to promote its subsidized housing. The 2023 National Socioeconomic Survey (SUSENAS) data records a 9.9 million housing unit shortage to meet the population's housing needs. Government regulations stipulate that subsidized house buyers must be between 21 and 50, with a maximum income of Rp 8 million. They must not have previously applied for a mortgage, making the millennial generation starting families the primary target market. According to APJII, in 2022, the age group of 19-34 years has an internet penetration rate of 98.64%. With Indonesia's continuous population growth and increasing internet users, companies are expected to keep innovating by using Internet facilities for product development and effective marketing. Data from Indonesiabaik.id in 2018 shows that most social media users are aged 20-29, with 93.5% having social media accounts. It is very strategic for KCV Housing to start promotional campaigns through social media to reach potential consumers in the MBR group and help reduce the existing housing backlog.

3. **ST (Strengths – Threats) Strategy**
- Highlighting high-quality after-sales service as an added value in promotions to maintain customer trust even as property prices rise (S5, T5): As explained by Nurahmani et al. (2022), the continuous increase in land prices every year indicates that land is an economic commodity whose value or price never decreases. This phenomenon also drives up property prices, including subsidized houses. In this situation, developers must innovate and formulate effective marketing strategies to attract buyers by improving the quality of after-sales service. With high-quality service, buyers will not regret even if property prices rise. The after-sales service offered by KCV Housing guarantees its commitment to continuously prioritize customer satisfaction by providing consistent and responsive support after purchase. This reinforces its commitment to quality, not just at the initial transaction but also sustainably. Buyers can feel more secure and satisfied with reliable after-sales service even amid rising property prices.

4. **WT (Weaknesses – Threats) Strategy**
- Increasing the effectiveness of promotions with marketing campaigns that highlight the benefits of buying a house compared to building one, focusing on safety, comfort, and investment value (W5, T4): According to data from Susenas MKP 2022 published by the BPS in 2023, "in general, the majority of households that occupy houses with self-ownership status acquire houses/dwellings by building themselves (82.68 per cent). Conversely, very few obtain houses by buying, either from developers (0.62 per cent) or non-developers (2.58 per cent)". Given these conditions, KCV Housing can enhance promotions by highlighting the benefits of buying a house compared to building one. For example, KCV Housing offers guaranteed 24-hour security, a strategic location promising high investment value, and convenience for buyers who want to avoid the difficulties and lengthy building process. This strategy can attract more buyers looking for practical and beneficial housing solutions.

- Holding regular housing exhibitions with free consultation sessions with banks and financial experts, providing complete information and mortgage instalment simulations to potential buyers (W4, T2): Holding regular housing exhibitions with free consultation sessions with banks and financial experts is a very effective strategy to attract potential buyers, especially for Low-Income Communities (MBR). This activity becomes essential considering the many mortgage applications rejected by banks. According to Eminawati et al. (2022), rejections often occur because applicants need to meet several criteria set by banks as fund providers. A well-organized exhibition can provide the support and assistance potential buyers need, especially those who may be hesitant to purchase houses with a mortgage payment system. Through this exhibition, KCV Housing can introduce existing subsidized housing and provide comprehensive information and guidance to help potential buyers feel more confident as they enter the buying process.

- Expanding current marketing areas by targeting other strategic locations and tailoring promotional messages to increase awareness and reach (W2, T1, T4): Expanding marketing areas by targeting new strategic locations and tailoring promotional messages is vital to increase market awareness and reach. With the current limited marketing area, market research is needed to identify new areas with appropriate demographics and accessibility. Collaboration with local agents and marketing partners can help understand the local market, making market penetration more effective. Promotional messages should also be

tailored to address the threat of exchange rate fluctuations and the preference of people who prefer to build their own houses. Messages should be relevant to the local context and highlight the benefits of buying a house over building one, such as investment value, security, and convenience. Suitable digital and traditional media will help strengthen the message. Marketing campaigns with the right messages across various media will increase product awareness and reach more potential buyers. Through this strategy, the company can strengthen its position in existing areas while increasing reach in new locations with relevant and focused promotional messages.

- Focusing on strategic partnerships with construction material suppliers to reduce costs and ensure comprehensive road infrastructure development (W1, T3, T5): Focusing on strategic partnerships with construction material suppliers is vital to reducing costs and ensuring

comprehensive road infrastructure development. Strong relationships with suppliers can result in more competitive material prices due to discounts or special prices for long-term business partners, thus reducing the total project cost and keeping selling prices competitive. These partnerships also ensure a stable supply chain, reducing the risk of delays or material shortages that can delay the project. In addition, strategic partnerships allow for more integrated planning so that construction material needs align with the road infrastructure development requirements. Reliable suppliers help maintain the quality of materials and construction efficiency, ensuring good road infrastructure to enhance accessibility, property value, and customer satisfaction. Therefore, strategic partnerships with construction material suppliers help reduce costs and ensure comprehensive road infrastructure development.

Determination of Strategy Priorities

Table 6 Alternative Strategy

Strategy	Alternative Strategy	Weight	Priority
ST1	Highlighting high-quality after-sales service as an added value in promotions to maintain customer trust even as property prices rise. (S5, T5)	0.179	1
WO1	Improving architectural design by relying on local architects to create unique and attractive designs that stand out from competitors. (W3, O3)	0.158	2
WO2	Strengthening marketing, especially in digital media, to more effectively target MBR in line with new housing policies. (W5, O1, O5)	0.143	3
SO2	Maintaining customer loyalty and trust through after-sales service and referral programs that offer incentives to buyers who successfully recommend the houses to friends or family, despite changes in presidential policies. (S1, S5, O1, O5)	0.111	4
WT2	Holding regular housing exhibitions with free consultation sessions with banks and financial experts, providing complete information and mortgage installment simulations to potential buyers. (W4, T2)	0.097	5
WT1	Increasing the effectiveness of promotions with marketing campaigns that highlight the benefits of buying a house compared to building one, focusing on safety, comfort, and investment value. (W5, T4)	0.094	6
WT4	Focusing on strategic partnerships with construction material suppliers to reduce costs and ensure comprehensive road infrastructure development. (W1, T3, T5)	0.073	7
WT3	Expanding current marketing areas by targeting other strategic locations and tailoring promotional messages to increase awareness and reach. (W2, T1, T4)	0.072	8
SO1	Utilizing the strategic location and BIM technology to enhance design and construction efficiency. (S1, O2)	0.072	9

Based on the A'WOT analysis, the selection of alternative strategies for KCV's subsidized housing business is determined by the highest weighting or priority. The ST1 strategy was chosen as the most optimal option among the nine evaluated strategies. This strategy prioritizes high-quality after-sales service as an added value in promotional activities, aiming to maintain customer trust even if property prices increase. According to research by Wahjudi et al. (2018), more than having a good product alone is required. Market competition requires exceptional after-sales service. The quality of after-sales service has been identified as a source of revenue and competitive advantage. Research shows a positive correlation between after-sales service quality and customer satisfaction, as well as between customer satisfaction and customer loyalty. In a study on upper-middle-class housing in Surabaya, high-quality after-sales service effectively retained existing customers and attracted new consumers.

This strategy has the highest weight of 0.179. Additionally, the selection process for alternative strategies achieved a consistency ratio of 1.00%. A consistency ratio below 10% indicates that the assessments made by the experts are logical and consistent, reinforcing the validity of the strategic decisions made.

MANAGERIAL IMPLICATIONS

The research results show that KCV Housing has great potential to implement intensive and integrative strategies. KCV Housing is in a good position to leverage its strengths, minimize its weaknesses, and respond effectively to opportunities and threats. Highlighting high-quality after-sales service as an added value in promotions to maintain customer trust despite rising property prices has several significant managerial implications. According to research by Lubis et al. (2021), marketing mix elements such as product, price, promotion, and location significantly impact home purchase decisions. This indicates that these elements need serious attention in marketing campaigns. Here are the managerial implications that the company can implement:

Increased Focus on After-Sales Service.
Investment in Employee Training: Allocating a special budget for training employees in customer service skills is essential. This training should include effective communication, problem-solving, and product knowledge, which are crucial in handling after-sales issues. Research shows that good training can enhance employee skills and improve customer satisfaction (Bariqi, 2018). Well-designed training improves employees' technical and interpersonal skills and builds motivation and commitment to their work. Well-trained employees are more confident in handling customer complaints and inquiries, which can improve the overall customer experience. **Enhancement of Service Facilities:** Management needs to improve facilities that support after-sales service, such as customer service, hotlines, and online platforms. According to research by Hariyanti et al. (2013), customer service activities have a significant relationship with consumer loyalty. Moreover, efficient after-sales service, including easy access through hotlines and online platforms, has increased customer satisfaction and loyalty. A responsive service centre can significantly reduce customer complaints and increase customer retention. Thus, improving these facilities strengthens customer relationships and provides a competitive advantage for subsidized housing.

Effective Communication in Promotion
Utilization of Social and Digital Media: Using social media and other digital platforms to promote the advantages of after-sales service is a highly effective strategy. This can include collecting customer testimonials and providing educational content related to subsidized housing at KCV

Housing. One study shows that companies should recognize the growing popularity of social media among customers and design marketing strategies to meet their needs, thereby providing a satisfying experience for customers (Shadkam et al., 2013). Therefore, using social media and digital platforms to promote after-sales service can help the company reach a wider audience and build stronger customer relationships.

Monitoring and Evaluation
Customer Feedback Collection: KCV Housing should regularly collect and analyze customer feedback regarding their after-sales service experiences. According to research by Maulana et al. (2024), implementing a customer feedback system and actively listening to their suggestions and concerns can help identify areas for improvement and show customers that their opinions are valued. This can be utilized by KCV Housing to address shortcomings in its development.
Employee Performance Evaluation: Employees involved in after-sales service should be regularly evaluated to ensure they meet the service standards set by the company. In line with research by Riyanto (2023), performance evaluations should be conducted so that employees can perform detailed work and achieve organizational goals.

Product Development
Improving Architectural Design: KCV Housing should be able to develop subsidized housing products to differentiate it from its competitors. One approach is to enhance the architectural design of the housing by utilizing local architects to create unique and attractive designs. House designs can be based on the latest housing trends or aligned with the preferences of potential buyers.

CONCLUSION AND RECOMMENDATIONS
Conclusion
The external factors that most affect the business performance of KCV Housing

include the potential change in government policies related to housing due to the presidential election, which opens new opportunities. Meanwhile, the fluctuation of the rupiah against the dollar causing an increase in food prices poses a serious threat to the purchasing power of subsidized houses. On the other hand, the dominant internal factors include freedom from flood risks and a strategic location that provides significant strength to KCV Housing. However, weaknesses such as unpaved housing roads and limited marketing coverage still need to be addressed to improve overall business performance.

The alternative strategies successfully formulated for the development of KCV Housing business include: improving the quality of after-sales service to increase customer trust even as property prices rise, utilizing strategic location and BIM technology to enhance design and construction efficiency, and strengthening marketing, especially in digital media, to more effectively target the Low-Income Community (MBR) market segment.

Based on the A'WOT analysis conducted, the alternative strategies for the development of KCV Housing business were selected based on weighting or highest priority. Among the various evaluated strategies, the ST1 strategy that highlights high-quality after-sales service as an added value in promotions was chosen as the most optimal option, aiming to maintain customer trust even as property prices rise. This strategy stands out with the highest weight of 0.179. The selection stage of alternative strategies achieved a consistency ratio of 1.00%, indicating that the experts' assessments were conducted logically and consistently, reinforcing the validity of the strategic decisions made.

Recommendations
Future research is recommended to focus on a comprehensive evaluation of company performance, including financial analysis, customer satisfaction levels, and its impact on market share. This assessment will determine how effective the implemented

strategies are in improving company operations. Additionally, it is important to explore the impact of current strategies on industry competition. This study will identify how these strategies help KCV Housing face challenges from competitors and changing market dynamics. This will be invaluable for future strategy adjustments. By implementing these recommendations, it is hoped that KCV Housing will not only survive but also thrive in the fierce competition of the housing industry, thereby driving significant improvements in achieving company goals.

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