

The Development Strategy of Natural Skincare (Case Study PT Nectars Natura Karya)

Yazid Hilmi Lubis¹, Dikky Indrawan², Rokhani Hasbullah³

^{1,2,3} School of Business, IPB University Jl. Pajajaran, Bogor, Indonesia 16151

Corresponding Author: Yazid Hilmi Lubis

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ABSTRACT

In recent years, skincare industry has grown rapidly in Indonesia. The growing number of skincare users in Indonesia becomes an opportunity for skincare producers in Indonesia, which is dominated by MSMEs. PT Nectars Natura Karya is one of MSMEs that consistently produce and promote the usage of natural skincare and sustainable products. Like other MSMEs, in particular, Covid-19 pandemic had impacted PT Nectars Natura Karya's business as their sales dropped 30 percent in 2020. Based on those problems, PT Nectars Natura Karya needs to improve the resilience of their business in this post-Covid era. This research aims to identify strategic priorities for PT Nectars Natura Karya to compete with competitors and stay relevant in the market. In order to answer the research question, this research used the EFE and IFE Matrix to identify and evaluate external and internal factors. In the matching stage, external and internal factors were used to generate feasible alternative strategies for PT Nectars Natura Karya. In this stage, the author used IE and SWOT Matrix to formulate alternative strategies. To determine the best strategies for PT Nectars Natura Karya, the author used AHP and TOPSIS methods. The results explain implementing digital marketing and increasing their digital literacy is the best option for PT Nectars Natura Karya. Digital literacy has already become a "have-to-have" skill for SMEs since most of consumers interact and buy products through digital platforms.

Keywords: AHP, MSMEs, natural skincare, PT Nectars Natura Karya, TOPSIS

INTRODUCTION

MSMEs are one of the business units that have an important role in the Indonesian economy. Based on data from the Asian Development Bank (2020), MSMEs in Indonesia contributed 60.5 percent to Indonesia's Gross Domestic Product (GDP) in 2019. The existence of MSMEs that are spread out and reach rural areas can create job opportunities (Maksum et al., 2020). Based on data from Coordinating Ministry of Economic Affairs (2022), MSMEs contributed to the absorption of 96.9% of the total workforce in Indonesia. According to the latest data released by Ministry of Cooperation and Micro, Small, and Medium Enterprises of Indonesia (2019), there were 65,471,134 MSMEs spread throughout Indonesia which were able to absorb a total of 123,368,672 workers.

As a backbone of the national economy, MSMEs have proven its resilience in facing crisis. MSMEs have succeeded in getting through two crises in Indonesia, monetary crisis in 1998 and the Covid-19 pandemic. However, apart from having resilience in facing crisis, MSMEs are still considered fragile and have several problems. According to Kemenangan (2022), in general, MSMEs in Indonesia have several similar problems, such as limited working capital, poor understanding of business management, limited technological knowledge, poor financial management, and unable to market their product effectively. These problems happen to lots of MSMEs

because most MSMEs were not properly designed since the beginning. For example, during the Covid-19 pandemic, lots of MSMEs emerged without being properly designed and prepared. MSMEs must be improved considering that MSMEs are still very promising and potential to compete with large companies after the Covid-19 pandemic.

One of the MSME sectors that has great potential to emerge in the post-pandemic period is the beauty or cosmetics sector. In the midst of down in several business sectors, cosmetics industry is actually strengthening. According to data from the Badan Pusat Statistik (BPS), cosmetics industry is currently dominated by MSMEs. The number of cosmetic companies in Indonesia has increased to 913 companies (Badan POM, 2022). In line with the increasing number of cosmetic companies in Indonesia, the cosmetics market in Indonesia is also increasing and managed to recover after being hit by the Covid-19 pandemic (Statista, 2023). In 2022, total annual revenue obtained from cosmetics industry will continue to increase by 7.23 billion US dollars or around 111.83 trillion rupiah (Katadata, 2022).

Table 1 Indonesia’s cosmetic industry revenue projection (2014-2027)

Years	Annual Revenue (in billion USD)
2014	5,91
2015	5,52
2016	5,86
2017	6,15
2018	6,11
2019	6,5
2020	5,93
2021	6,34
2022	7,23
2023	7,95
2024	8,32
2025	8,7
2026	9,09
2027	9,59

Source: Katadata (2022)

According to the report by Trade Attaché of Indonesian Embassy in Tokyo (2021), beauty or make-up preparations and preparations for the care of skin or skincare products are one of the cosmetic products are contributed to the revenue growth. The

skincare market segment in Indonesia is projected to earn revenues of up to 2.1 billion US Dollars in 2025 (International Trade Administration, 2021). After the Covid-19 pandemic, skincare products have become increasingly popular among consumers. The Covid-19 pandemic had shifted consumer behaviour to be more concerned about their health and self-care. During pandemic, skincare products were not only used to clean and beautify, but its also used to maintain their skin health. Some consumers considered skincare were useful to prevent themselves from Covid-19 virus (Choi et al., 2022). According to Choi et al. (2022), skin problems that arise due to continuous use of masks also encourage consumers to use skincare products in order to maintain healthy skin. On the other hand, freedom of information encourages consumers to find out the ingredients contained in the skincare products that they willing to buy. Consumers are aware about skincare products in the market that contained harsh chemicals and has a negative impact on their health in the future. According to Liang (2020), harsh chemicals that contained in skincare products can increase a person's risk of experiencing skin damage, teratogenesis and cancer. The dangers posed by the use of skincare made from harsh chemicals ultimately encourage consumers to return using natural products that come from nature. ‘Back to nature’ trend or the use of natural ingredients also contributes to the increasing number of natural skincare usage. The positive impact from natural skincare products makes natural skincare increasingly popular among consumers. Natural skincare is claimed suitable to use by all skin types, including sensitive skin. Apart from natural skincare’s benefit for health, using natural ingredients that contained inside natural skincare also have positive impact for environment. Professor of Pharmacy UGM, Prof. Endang Lukitaningsih (2022) said that natural skincare can reduce or reduce emissions of materials that are harmful to the

environment both in the planning, manufacturing and application processes.

The public's enthusiasm for using natural skincare products is certainly an opportunity for natural skincare producers in Indonesia. The natural cosmetics industry in Indonesia has the potential to continue to grow along with the increasing number of natural skincare users in Indonesia. According to Ecommerce DB (2023), in 2023, it is estimated that natural skincare market valuation in Indonesia will reach 63.8 million US dollars and it's projected to continue increase with a compound annual growth rate (CAGR) of 11.7 percent from the 2023 to 2027 period. Therefore, growth in the skincare industry can be seen from the growth number of companies which will increase by 20.6 percent in 2022. Currently, 95 percent of the natural skincare industry in Indonesia is still dominated by MSMEs and the rest is controlled by UMB (Ministry of Industry, 2019). Apart from meeting the needs of the domestic market, the high demand from the global market is an opportunity for natural skincare producers from Indonesia. According to the Ministry of Foreign Affairs report (2021), in 2019, the market share of natural skincare in the European Union market reached 21.63 billion euros. Apart from the European Union, demand for skincare products made from natural and environmentally friendly ingredients in Japan is also increasing (Trade Attache of the Indonesian Embassy in Tokyo, 2021). However, the readiness of natural skincare products from Indonesia to penetrate the Japanese domestic market is currently still inferior compared to other ASEAN countries such as Thailand, Vietnam and Malaysia.

In the midst of opportunities to export and the increasing number of skincare usage, there are several challenges for skincare producers. The increasing number of skincare usage in line with local skincare companies that also continued to increase has made the market for natural skincare industry in Indonesia extremely tight. According to the Badan POM, skincare

producers were targeting the same consumers so creativity and unique marketing methods are needed in marketing the product. Therefore, to be able to compete in an increasingly tight industry, natural skincare producers in Indonesia need to increase public awareness towards natural skincare benefits.

One of the skincare producers that has the potential to increase public awareness towards natural skincare benefit is Nectars (PT. Nectars Natura Karya). PT Nectars Natura Karya is one of the MSMEs and in-wall tenant at the business incubator owned by the Bogor Agricultural Institute (IPB), STP IPB. By being under STP IPB, PT Nectars Natura Karya as an in-wall tenant benefits by obtaining financial assistance and business guidance. As one of tenant that has a specialty in the cosmetics and health industry, PT Nectars Natura Karya has quite large potential amidst the proliferation of cosmetic brands and the increasing of skincare usage. PT Nectars Natura Karya is offering organic and natural beauty products which are claimed healthy, safe to use, free from harsh chemicals. By using top quality ingredients, PT Nectars Natura Karya is targeting middle-up consumers who are aware to their skin health. Currently, PT Nectars Natura Karya has around 50 various skincare and personal care products designed for men and women.

In the midst of the cosmetics industry being flooded with products that contained harsh chemicals, the presence of natural and fresh products offered by PT Nectars Natura Karya can be easily accepted by the public. As a result, since its formation in 2019, PT Nectars Natura Karya has a stable revenue. PT Nectars Natura Karya is estimated earned 2.5 billion rupiah from their product sales in 2019. However, in the following year, the Covid-19 pandemic that hit in Indonesia had a direct impact on sales of PT Nectars Natura Karya products. In 2020, PT Nectars Natura Karya's revenue decrease 30 percent compared to the previous year.

Table 2 PT Nectars Natura Karya (2019-2021)

Years	Total Revenue (in billion Rupiah)	Growth (%)
2019	2,5	-
2020	1,75	-30
2021	1,75	0

Apart from experiencing a decrease in revenue, the Covid-19 pandemic also affected the marketing of PT Nectars Natura Karya products. Before the pandemic took place, PT Nectars Natura Karya was generally able to promote their products offline through bazaars or exhibitions. However, the implementation of the mobility restriction policy issued by the Indonesian Government forced PT Nectars Natura Karya to change its marketing strategy. PT Nectars Natura Karya now relies on social media as a channel to marketing their products. By utilizing social media, PT Nectars Natura Karya is also educating potential consumers who are not aware of the importance of using organic and natural cosmetic products. Based on those facts, PT Nectars Natura Karya needs to level-up its business to be better known by the market and increase their sales. Therefore, PT Nectars Natura Karya also needs to develop a business model strategy that can increase sales number, improve product quality, and strengthen services in facing future competition.

This study aims to: (1) identify internal and external environment that influence the sustainability of PT Nectars Natura Karya's natural skincare business (2) formulate feasible alternative strategies for PT Nectars Natura Karya in facing the competition (3) Determine and recommend suitable business strategies for PT Nectars Natura Karya in facing the competition.

METHODS

This study was conducted at the PT Nectars Natura Karya's office located at Jalan Taman Kencana No. 3, Startup Center Building, Science Techno Park IPB, Bogor City, West Java and their factory that located at Komplek Pertanian Loji, Bogor City, West Java. The data collection time required for this study is eleven months, in July-June 2022.

This study was using primary data and secondary data. Primary data was obtained from direct observations at the PT Nectars Natura Karya office and factory, in-depth interviews conducted with internal and external parties from PT Nectars Natura Karya, as well as through distributing questionnaires. Meanwhile, secondary data was obtained from literature studies of scientific journals, books, proceedings, theses and internal documents of PT Nectars Natura Karya.

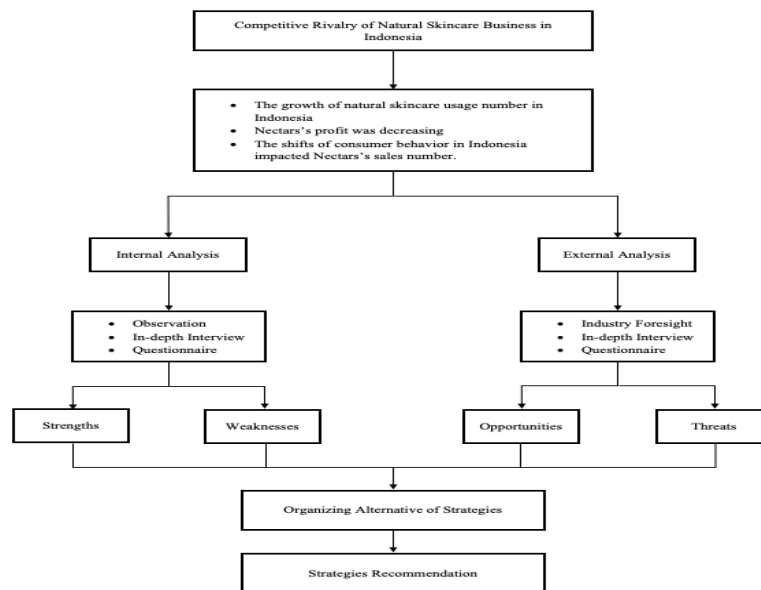


Figure 1 Research Framework

By referring to the strategy formulation framework from David (2011), the data and information that has been collected will be used to formulate business development strategies. At the input stage, internal (IFE) and external (EFE) environmental factors that influence business sustainability will be determined. At the matching stage, alternative strategies that are feasible and suitable to be implemented will be formulated based on internal and external environmental factors. In matching opportunities and threats with strengths and weaknesses, this research will use the IE

Matrix and the SWOT Matrix as a tool. At the decision stage, alternative strategies that have been formulated will be sorted to select the priority strategy. At this stage, the tools that will be used in ordering strategies are the Analytical Hierarchy Process (AHP) and Technique for Order of Preference by Similarity to Ideal Solution (TOPSIS) which will be used to objectively select the best strategic alternative.

RESULT
Business Environment of PT Nectars Natura Karya

Table 3 External Factors Evaluation Matrix of PT Nectars Natura Karya

No.	Key External Factors	Rating	Weight	Total
Opportunities				
1	Export assistance for MSMEs	2,70	0,15	0,41
2	Digital economic growth	4,00	0,09	0,36
3	Consumers prefer to use domestic products	3,37	0,08	0,27
4	The growth of digital technology	3,57	0,12	0,43
5	The increasing number of online shopping	3,57	0,09	0,32
6	Support from governments towards MSMEs	3,48	0,04	0,14
7	Shifts of consumer behavior	2,49	0,03	0,07
8	The availability of natural raw materials in Indonesia	2,35	0,04	0,09
9	Natural skincare products are eco-friendly	3,57	0,06	0,21
Threats				
1	Most of skincare producers are using technologies	2,30	0,07	0,16
2	Global recession in 2023	1,52	0,13	0,20
3	Most of consumers are still hard to define natural skincare	1,32	0,10	0,13
4	Most of skincare product are still using plastic for their packaging	1,32	0,08	0,11
5	Regulations of synthetic chemicals usage in skincare products remains unclear	1,52	0,09	0,14
6	Indonesian consumers are saving more and watch theirs spend	1,43	0,05	0,07
Total			1,00	2,61

Based on the table 3, it shows that PT Nectars Natura Karya has an EFE value of 2.61, which indicates that PT Nectars Natura Karya has a fairly good position in responding to existing opportunities and threats. In this case, the EFE value shows that PT Nectars Natura Karya has been quite good at capturing opportunities and responding to existing threats. The biggest

opportunity that PT Nectars Natura Karya has to capture is the growth of digital technology with a value of 0.43. Covid-19 pandemic has an important role in the growth of digital technology. The pandemic has indirectly encouraged changes in consumer behaviour to shift from physical interactions to virtual interactions.

Table 4 Internal Factors Evaluation Matrix of PT Nectars Natura Karya

No.	Key Internal Factors	Rating	Weight	Total
Strengths				
1	Use safe and healthy natural ingredients	4,00	0,15	0,60
2	Already set their market segment	3,57	0,15	0,53
3	Nectars has its own factory	3,37	0,05	0,17
4	Business owner has close relationships with consumers	3,57	0,10	0,36
5	Formulated by <i>Formula Botanica</i> alumni	3,57	0,10	0,36
Weaknesses				
1	The packaging is not appealing for middle-up consumers	1,15	0,15	0,17
2	Old-school marketing	1,32	0,10	0,13
3	Marketing contents are not engaging and fun	1,52	0,10	0,15
4	Nectars has no website	1,32	0,05	0,07
5	Still using a pre-order (PO) system	2,00	0,05	0,10
Total			1,00	2,64

Based on the table 4, it can be seen that PT Nectars Natura Karya has an IFE value of 2.64 or above 2.5, which indicates a strong internal condition of the company in utilizing its strengths and minimizing existing weaknesses. It can be concluded that PT Nectars Natura Karya has been quite good at managing the resources in their internal environment. The greatest strengths of PT Nectars Natura Karya are use safe and healthy a natural ingredient and they had already set their market segment with the same value (0.60). Compared to other skincare brands, PT Nectars Natura Karya has gone one step further in terms of using natural ingredients. Most of skincare brands in the market recently do not offer healthy skin care products. By using natural ingredients, PT Nectars Natura Karya is very promising as natural skincare that they promote will be known and do not make consumers get bored quickly. This advantage possessed by PT Nectars Natura Karya becomes a differentiator in the cosmetics industry which most of the brands only use the same ingredients. According to the report from McKinsey (2022), 28 percent of respondents said that the reason they looked for and bought new brand products was because they had better quality than the ones they had previously used. In addition, according to data from McKinsey (2022), 31 percent of people in Indonesia changed their lifestyle to become healthier. Health and personal care products are projected to become increasingly popular with the public in the future. Consumers are now starting to pay attention to their nutrition and personal hygiene.

Strategic Business Development Alternatives for PT Nectars Natura Karya

To determine the condition and strategic position of a company, this study used the IE Matrix based on the results of analysis carried out using the EFE Matrix and IFE Matrix. Based on this analysis, a total EFE value was obtained of 2.61 and a total IFE

value of 2.64. From these two values, the results obtained are as shown in Figure 2. In this figure it can be seen that the position of PT Nectars Natura Karya is in quadrant V, which indicates that the company is in a position to maintain. Companies in the fifth quadrant generally have intensive strategic options that can be taken. An intensive strategy is a strategy carried out to increase a company's competitiveness by improving product quality. This strategy includes market penetration and product development.

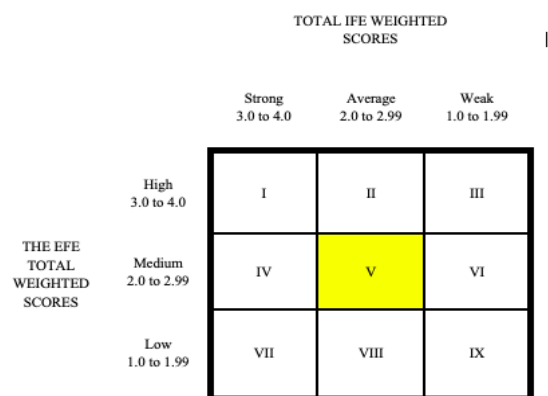


Figure 2 IE Matrix PT Nectars Natura Karya

In implementing the IE Matrix strategy recommendations above, PT Nectars Natura Karya needs to readjust their chosen strategy to their factual conditions and capabilities. Based on that situation, the strategy that is suitable with the conditions and capabilities of PT Nectars Natura Karya is an intensive strategy. The intensive strategy was chosen because PT Nectars Natura Karya needs to increase the company's competitiveness from their internal environment. In this case, PT Nectars Natura Karya needs to develop the new products that can answer consumer needs. Other than that, the factors from the IFE and EFE matrix will be matched and arranged into four types of strategies. The results of the SWOT Matrix application at PT Nectars Natura Karya can be seen in Table 5.

Table 5 SWOT Matrix of PT Nectars Natura Karya

	Strengths	Weaknesses
	Use safe and healthy natural ingredients Already set their market segment Nectars has its own factory Business owner has close relationships with consumers Formulated by Formula Botanica alumni	The packaging is not appealing for middle-up consumers Old-school marketing Marketing contents are not engaging and fun Nectars has no website Still using a pre-order (PO) system
Opportunities	SO Strategies	WO Strategies
Export assistance for MSMEs Digital economic growth Consumers prefer to use domestic products The growth of digital technology The increasing number of online shopping Support from governments towards MSMEs Shifts of consumer behavior The availability of natural raw materials in Indonesia Natural skincare products are eco-friendly	Improve their natural skincare products quality to fit with global standard (S1, S3, S5, O1, O2) Expand to global market (S1, S2, S5, O1, O4, O5) Develop their own retention program to attract consumers (S2, S4, O3)	Improve their digital literacy and implement digital marketing (W2, W3, W4, O2, O4, O5) Recruit professional content writer to manage their social media and website contents (W2, W3, O4, O5) Adopt Enterprise Resources Planning (ERP) to understand consumer needs (W3, W5, O2, O4, O5)
Threats	ST Strategies	WT Strategies
Most of skincare producers are using technologies Global recession in 2023 Most of consumers are still hard to define natural skincare Most of skincare product are still using plastic for their packaging Regulations of synthetic chemicals usage in skincare products remains unclear Indonesian consumers are saving more and watch their spend	Develop high quality natural skincare products that are eco-friendly and affordable for consumers (S1, S3, S5, T4, T5) Use eco-friendly packaging (S3, T4) Collaborate with digital innovation hub to keep up with the latest technology (S3, S5, T1, T5)	Redesign the packaging to be more appealing for consumers (W1, T1, T4) Build and develop website to educate and promote their products to consumers (W4, T3) Build and develop chatbot as their customer service platform (W2, W3, T1, T3)

The formulation of strategy for PT Nectars Natura Karya is carried out by using the AHP method. AHP is used to find solutions to various problems that occur at PT Nectars Natura Karya. The SWOT factors that have been collected were compared in pairs. The following figure is the SWOT-AHP hierarchy that used in this research:

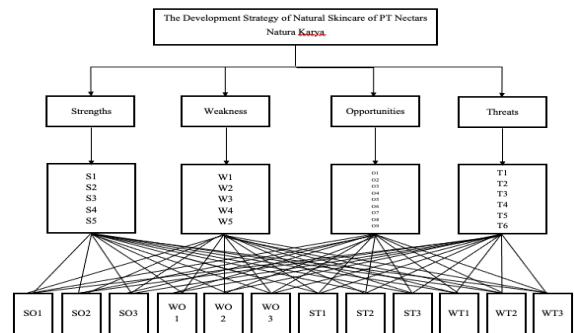


Figure 3 Hierarchy of SWOT-AHP

Table 6 Alternative strategies pairwise comparison

Alternatives	SO1	SO2	SO3	WO 1	WO 2	WO 3	ST1	ST2	ST3	WT 1	WT 2	WT 3	Tota l	Priorit y	Eigen Value
SO1	0,05 7	0,04 8	0,03 5	0,06 5	0,04 9	0,07 2	0,08 1	0,08 7	0,05 2	0,06 6	0,03 8	0,03 8	0,68 8	0,057	1,006
SO2	0,05 1	0,04 3	0,02 3	0,03 5	0,04 5	0,03 6	0,04 0	0,07 5	0,04 9	0,05 9	0,03 5	0,05 2	0,54 5	0,045	1,046
SO3	0,10 9	0,12 3	0,06 6	0,06 5	0,06 9	0,06 7	0,05 2	0,10 8	0,05 9	0,07 2	0,04 1	0,04 4	0,87 5	0,073	1,101
WO1	0,07 8	0,11 1	0,09 0	0,08 9	0,09 3	0,07 2	0,08 9	0,11 1	0,04 7	0,10 0	0,10 0	0,08 4	1,06 3	0,089	0,996
WO2	0,11 8	0,09 8	0,09 8	0,09 7	0,10 2	0,13 3	0,13 4	0,09 2	0,07 5	0,06 1	0,10 3	0,10 5	1,21 5	0,101	0,995
WO3	0,07 0	0,10 7	0,08 7	0,10 9	0,06 7	0,08 8	0,10 1	0,08 0	0,10 7	0,07 6	0,07 2	0,09 1	1,05 5	0,088	1,000
ST1	0,08 8	0,13 8	0,16 1	0,12 6	0,09 6	0,11 0	0,12 6	0,13 1	0,21 1	0,08 7	0,17 9	0,12 3	1,57 6	0,131	1,041
ST2	0,06 5	0,05 7	0,06 1	0,08 0	0,11 0	0,11 0	0,09 6	0,10 0	0,11 9	0,13 1	0,15 9	0,13 1	1,21 8	0,102	1,020
ST3	0,06 8	0,05 4	0,06 9	0,11 7	0,08 4	0,05 1	0,03 7	0,05 1	0,06 1	0,05 9	0,06 4	0,07 5	0,79 0	0,066	1,072

WT1	0,07 1	0,06 1	0,07 6	0,07 3	0,13 8	0,09 5	0,11 9	0,06 3	0,08 5	0,08 3	0,08 4	0,04 2	0,99 0	0,083	1,000
WT2	0,13 5	0,11 1	0,14 4	0,08 0	0,08 9	0,11 0	0,06 3	0,05 6	0,08 6	0,08 7	0,08 9	0,15 4	1,20 2	0,100	1,120
WT3	0,09 1	0,05 0	0,09 1	0,06 4	0,05 8	0,05 8	0,06 2	0,04 6	0,04 9	0,11 8	0,03 5	0,06 0	0,78 2	0,065	1,081

CI= 0,043, CR=0,028

In the final section, pairwise comparison is carried out to determine the performance of each alternative strategy. Based on comparative calculations between twelve alternative strategies, the CR value is 0.028, which is below 0.1. From this pairwise comparison, the strategy alternative with the largest weight value is ST1 or develop high

quality natural skincare products that are eco-friendly and affordable for consumers (0.131).

Strategies Recommendations for PT Nectars Natura Karya

Table 7 Preference score and ranking of alternative strategies

Code	Alternative Strategies	Preference Score	Ranking
WO1	Improve their digital literacy and implement digital marketing	0,793	1
ST1	Develop high quality natural skincare products that are eco-friendly and affordable for consumers	0,753	2
SO3	Develop their own retention program to attract consumers	0,713	3
SO1	Improve their natural skincare products quality to fit with global standard	0,582	4
ST2	Use eco-friendly packaging	0,531	5
SO2	Expand to global market	0,523	6
WT2	Build and develop website to educate and promote their products to consumers	0,477	7
WT1	Redesign the packaging to be more appealing for consumers	0,433	8
WO3	Adopt Enterprise Resources Planning (ERP) to understand consumer needs	0,351	9
WO2	Recruit professional content writer to manage their social media and website contents	0,247	10
ST3	Collaborate with digital innovation hub to keep up with the latest technology	0,241	11
WT3	Build and develop chatbot as their customer service platform	0,174	12

Based on the calculation and ranking results as shown in Table 7, the alternative strategy with the highest preference value and ranking is WO1 or improve and implement digital marketing with a preference value of (0.793). For MSME, digital skills are a must have skill if they want to keep with market and win the competition. Digital services can be utilized by companies to provide services and satisfaction to consumers (Bican and Brem, 2020). In this case, digital services can be optimized by PT Nectars Natura Karya to build communication in promoting their natural skincare products. According to Prasetyawati et al. (2021) marketing communications built through digital services such as social media are effective in facilitating the communication process and more precise in reaching the consumer segments that they want to target. By relying on product marketing via digital platforms, PT Nectars Natura Karya can attract more consumers to buy their products. Hendrawan et al. (2019) stated

that the utilization of digital marketing by MSMEs have a positive effect and proven on increasing product sales.

Managerial Implications

Based on the results of strategy formulation sourced from in-depth interviews, questionnaires, literature studies, and direct observations involving business owners, consumers, and experts, the following managerial implications were obtained:

1. PT Nectars Natura Karya can reach more consumers by implementing digital marketing optimally. All staff at PT Nectars Natura Karya must be prepared to implement digital marketing by studying digital marketing or by attending a bootcamp for digital marketing
2. PT Nectars Natura Karya can meet the needs of various natural skincare products by developing new natural skincare products at affordable prices without having to sacrifice their product quality.

3. Maintain consumer relationships and loyalty by providing various offers such as retention programs. Besides from its useful for retaining consumers, retention programs can be used as marketing to potential consumers.

CONCLUSION

The factor that is the main strengths of PT Nectars Natura Karya are they use safe and healthy natural ingredients and had already set their market segment, while the factor that is the weakness of PT Nectars Natura Karya is their Marketing contents are not engaging and fun. The factor that becomes the main opportunity for PT Nectars Natura Karya is the growth of the digital economy and the main threat for PT Nectars Natura Karya is Global recession in 2023.

Alternative business development strategies that can be adopted by PT Nectars Natura Karya include twelve alternative strategies, namely: (1) Improve their natural skincare products quality to fit with global standard, (2) Expand to global market, (3) Develop their own retention program to attract consumers, (4) Improve their digital literacy and implement digital marketing, (5) Recruit professional content writer to manage their social media and website contents, (6) Adopt Enterprise Resources Planning (ERP) to understand consumer needs, (7) Develop high quality natural skincare products that are eco-friendly and affordable for consumers, (8) Use eco-friendly packaging, (9) Collaborate with digital innovation hub to keep up with the latest technology (10) Redesign the packaging to be more appealing for consumers, (11) Build and develop website to educate and promote their products to consumers, (12) Build and develop chatbot as their customer service platform.

The results show that the priority strategy that can be adopted by PT Nectars Natura Karya is improving their digital literacy and implementing digital marketing. This strategy is the best option for PT Nectars Natura Karya to face competition in the future. Through this strategy, PT Nectars

Natura Karya is directed to study digital marketing first before implementing it.

Declaration by Authors

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