

Marketing Analysis Of PT. PINDAD'S Products In The Era Of The Covid-19 Pandemic In Order To Support The Defense Economy

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ABSTRACT: The era of the Covid-19 pandemic caused the potential threat of a reduction in the state defense budget as stated in Presidential Instruction No. 4 of 2020 and made the Government seek to refocus the budget for handling the COVID-19 pandemic in Indonesia. Refocusing the budget, is seen as an opportunity for PT. PINDAD Persero in exploring product research and development, both existing products in the form of ammunition as an effort to improve quality to reduce the threat of competitors in the future, non-defense equipment products, as well as supporting production of PT. PINDAD Persero which has the ability to produce tools and equipment with forging, press and man chining systems with basic CNC production to support the company's program in manufacturing medical devices in the form of ventilators (respiratory aids for Covid-19 patients) in accordance with government directions to several strategic of BUMN. The purpose of this study is to find out the description of the analysis of marketing strategies that have the most opportunity to win the competition during the Covid-19 pandemic. The data analysis method used is in the form of EFAS and IFAS with a SWOT analysis with a Qualitative Descriptive Model. The results showed that PT. PINDAD Persero has a very dominant power because it is the only BUMN engaged in defense equipment. One of the other unique things is the government's involvement in consumer policy in determining the purchase of products as stated in the state budget plan and protected by the defense law.

KEYWORDS -Marketing, Products PT. PINDAD, Covid-19 Pandemic, SWOT, Defense Economy

I. INTRODUCTION

The era of the Covid-19 pandemic has caused a potential decrease in the state defense budget as stated in Presidential Instruction No. 4 of 2020, where the government seeks to refocus the budget for handling the COVID-19 pandemic in Indonesia[1]. But on the other hand, Indonesia is declared as one of the economic forces to be reckoned with in international competition, where leading economist Jim O'Neil includes Indonesia in the "MINT" group, namely Mexico, Indonesia, Nigeria and Turkey, where the four countries are predicted to become giants. world economy with great economic power[2]. The IMF estimates that the estimated growth of Indonesia's Gross Domestic Product (GDP) in 2021 will be at 4.8%, greater than 40 basis points (bps), even stating that the Indonesian economyIn 2022, it is predicted to grow 6% [3].

In general, the market share which has reached 1% is an indication that Indonesia has been able to be classified as a G-20 group country, but according to the data that has been compiled based on actual GDP, Indonesia is still far from developed countries. Based on graph 1, it can be concluded that if Indonesia's economic strength in the future is realized to increase sharply, then in line with the increase in GDP, defense strength must also be increased. This is the main indicator that makes every company must have the right and

fast strategy to reduce the current tight competition in the defense equipment and equipment industry. The above also has an impact on PT. PINDAD Persero, which used to be the only BUMN engaged in the production of defense equipment and equipment, now has to compete with BUMS in the same field. This competition ultimately has an impact on fluctuating sales, especially in the munitions division in the last five years. In this article, the author will analyze in more depth the phenomenon of competition and underlie the importance of describing the marketing strategy that has the most opportunity to win the competition during the Covid-19 pandemic, in this case related to the defense equipment and defense equipment products of PT. PINDAD munitions division, which aims to increase sales in order to support the defense economy as countries around the world are currently fighting the coronavirus or commonly known as COVID-19[4]. Based on this, the author is interested in making an article about Product Marketing Analysis of PT. Pindad in the Covid-19 Pandemic Era in Order to Support the Defense Economy.

II. RESEARCH METHODS

The article in this study is a qualitative research using a library research approach, that library research is research that utilizes library sources to obtain research data, so that in this study library references are the main source[5]. The study of literature and data sources in this research was carried out by searching and studying various literatures, scientific articles, both in the form of books, journals and other documents related to the Marketing Analysis of PT. Pindad's products which had the most opportunity in the Covid-19 Pandemic Era. Data analysis in this study was conducted through descriptive analysis method, which is defined as an effort to collect and compile data, then analyze the data[6]. In this case, the data regarding the product marketing strategy of PT. Pindad in the Covid-19 pandemic era in order to support the Defense Economy was collected from various sources then researchers analyzed and interpreted the data with a SWOT analysis. SWOT analysis is the identification of various factors that are systematically used to formulate company strategy, based on logic that can maximize strengths and opportunities but simultaneously minimize weaknesses and threats.

III. RESULTS AND DISCUSSION

The process of data analysis for the formulation and preparation of marketing strategies using a marketing mix strategy approach, namely:

Analysis of Marketing Strengths and Weaknesses of PT. PINDAD Product

Products sold by the Munitions Division of PT. PINDAD Persero is an ammunition product with many variants ranging from Munisi Kaliber Kecil (MKK), Munisi Kaliber Besar and Roket (MKBR), Munisikhusus (MUSUS), and munisibahan peledak (HANDAK), so that consumers have full flexibility in choosing the desired product. according to the needs of the battlefield, other than that variant the special munitions products developed by PINDAD have excellent reliability and high accuracy so that PINDAD products are guaranteed to be able to compete with the defense equipment market, both local, private, or imported munitions products.

PINDAD's advantages are also in its modern support line based on CNC and stamping (forging), so it is able to meet the needs of supporting tools made of steel and hard metal very well and is able to compete with several other private production workshops, especially to support the production of industrial products, such as tools, spare parts, metallic crates and so on. On the other hand, the Munitions Division of PT. PINDAD Persero also has a weakness that haunts and often becomes a small pebble that slightly hinders the development of products and product variants produced to support the dynamic defense market demand, this weakness comes from test equipment such as test barrel accuracy and velocity test barrel which are still imported from abroad. country and requires a long procurement process, so the research and development process has been slightly hampered in the last two years. Besides that considering that the raw materials used by the company still depend a lot on foreign suppliers, thus causing the product supply chain flow to be strongly influenced by the government's import policy. It is hoped that in the future local companies, both BUMN and BUMS, will be able to synergize together in building the independence of the domestic defense industry with strategic partnerships

and form a consortium of strategic industries capable of supporting the strength of its supply chain from upstream to downstream.

Promotion

The advantages of promotional activities carried out by PT. PINDAD Persero in marketing defense equipment products, especially munitions products has been regulated in the Law of the Republic of Indonesia number 16 of 2012 article 41 paragraph 1 which reads "The government provides protection in expanding business and increasing the production capacity of the Defense Industry." So in general, the government has guaranteed the continuity of production activities to the sale of the defense industry domestically, where PT. PINDAD Persero is the only strategic industrial SOE in Indonesia which is engaged in the manufacturing of defense equipment. Currently, the main problem is the Covid-19 pandemic which has made the government's concentration focus on solving and resolving the pandemic case, as stated in Presidential Instruction number 4 of 2020 concerning the Budget and the Procurement of Goods and Services in the context of Accelerating the Handling of Corona Virus Disease 2019 (COVID-19) thus impacting the sales of PT. PINDAD Persero in the second quarter of 2020. As for the projection of export sales, PT. PINDAD Persero has great strength where munitions and other defense equipment are produced, able to speak a lot in international shooting competitions such as AARM (ASEAN Armies Rifle Meet) and AASAM (Australian Army Skills at Arms Meet), where with products made by PT. PINDAD Persero, TNI were able to win several important awards, namely 14 times overall AARM champion (1992, 2004, 2006, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2016, 2017, 2018 and 2019) and 12 times in a row overall champion of the AASAM shooting competition.

This is the big potential for promotions carried out by PT. PINDAD Persero in the international arena, in addition to carrying out promotional activities at international scale strategic industry exhibitions such as the Indo Defense Expo and Forum which is regularly held in Indonesia every year, or Maritime/Air Systems & Technologies for Defense, Security and Safety (MAST Asia) which is held in Japan. However, the achievements and active promotions carried out by PT. PINDAD Persero until now has not been able to raise the name of the company in line with BAe System (British Aerospace) from England, then there is Thales from France, North China C.o. from China, FNSS from Turkey, and Poongsan C.o. from South Korea, this is currently the weakness of PT. PINDAD Persero. In addition, in the export policy of defense equipment made by PT. PINDAD Persero, the company will always follow government policies, where the government is the lead integrator in determining the company's sales policy, so that in general the positive aspect that becomes the company's strength in adopting this system is that it is easier for companies to get markets, both the domestic market and the export market for defense equipment, However, this is also a weakness because the company cannot interact directly with the market where without government intervention, especially for the huge potential of foreign markets, we will never get it if there is no G to G policy, or government to government behind the agreement. business or collaboration.

Analysis of Marketing Opportunities and Threats PT. PINDAD

The defense industry defense equipment technology factors from big countries such as America, Britain, France, Turkey, South Korea and China make the main competition for the defense industry come from abroad, this is reinforced by the standardization of market prices for defense equipment products, especially small caliber munitions, so that offers from countries that already have defense industries from upstream to downstream such as the company Norinco (North China Corporation), Poongsan, Thales and Rhastriya India make munitions made by PT. PINDAD Persero, which generally still relies on imported raw materials and components, is unable to compete in price with producers who have great power in terms of material supply their main. Apart from this, the expansion of local private companies that are starting to look at the domestic defense equipment market, such as PT. Sari Bahari, which is located in the city of Malang, makes it necessary to increase vigilance in market competition, although broadly speaking, local competitors do not yet have the capacity to truly fight freely in getting the domestic munitions market. The opportunity that comes and becomes the great strength of PT. PINDAD Persero is a "red plate" factor attached to the defense industry, so it is almost certain that industrial steps have been shaded by laws and government regulations, so that it becomes a top

priority in the fulfillment of domestic defense equipment to support the security and defense of the Republic of Indonesia. In fact, in general, the state-owned defense industry such as PT. PINDAD Persero has an industrial parent with the government's role as sponsor and regulator in this vital sector of the defense industry. Regulation means the control mechanism applied by the government to the defense industry[7].

As a sector that supports national defense, generally industry Defense gets special treatment or rules that are more lax than other industries. However, there are also regulations that limit the defense industry, which are more severe in other sectors. This is what causes the defense industry policy to be like a double-edged knife, which is both sharp and can be an opportunity as well as a threat to the company's marketing strategy. In addition to the above, the opportunity for PT. PINDAD Persero in developing research and development is currently no longer only limited to the development of defense equipment technology, development of industrial machines, electric generators, railway equipment, gas cylinders, cyber security, commercial transport vehicles, heavy equipment and medical devices, making this company have the opportunity major in developing industrial nets in supporting national needs in all fields.

SWOT analysis

Strength

Product

Variants of munitions products are diverse and very much make PT. PINDAD Persero has bargaining power in terms of product variations, Research and development engineering PT. PINDAD Persero also penetrated into medical equipment and industrial needs for the community (civilian), and Product technology of PT. PINDAD Persero which already has a standard NATO (North Atlantic Treaty Organization) so that the quality of the product is able to compete with products from other developed countries[8].

Promotion

Relying on the government's defense budget policy, so that there is certainty of government contracts every year, In export projections, the G to G policy or or government to government so that the potential for industrial cooperation with friendly countries is wide open for PT. PINDAD Persero.

Weaknesses

Product

Not a consumer product, so the market is limited. Economic conditions due to Covid-19 have made munitions not the government's main need.

Promotion

Relying on the government's defense sales policy, so PT. PINDAD Persero cannot freely sell its products to private parties

Opportunity

The status of being a "red plate" company, made PT. PINDAD Persero is like a golden child in the domestic defense industry, so that the need for defense agencies such as the TNI in three dimensions (land, sea and air) provides a wildcard with facilities from the implementation of the Republic of Indonesia Law Number 16 of 2012 Part Seven, Concerning Procurement, Maintenance, and Repair Defense and Security Equipment. Article 43 paragraph 1, which reads: "Users are required to use domestically produced Defense and Security Equipment Tools. Apart from that, currently PT. PINDAD Persero has penetrated into research on commercial products and medical devices, especially in the era of the covid-19 pandemic, making the company conduct in-depth research on ventilators or respiratory aids for medical purposes. On the other hand, the potential for refocusing the government's budget, especially in the strategic industry sector, makes it possible that the fulfillment of defense needs, especially in meeting the basic provisions of the TNI, can be met by diverting the budget for loans, foreign grants (PHLN) to procurement through a domestic loan mechanism (PDN) through opportunities described from the letter of intent BARANAHAN-PINDAD T.A. 2020-2024, regarding the

agreement to meet the needs of the TNI's defense equipment in the amount of 4 billion items, from 2020 to 2024 to maintain the circulation of the domestic budget. Apart from that, the strategic partnership between BUMN and BUMS in Indonesia is able to increase the independence of material supply which until now is still dependent on imported materials from abroad. according to the General Manager of the Munitions Division of PT. PINDAD Persero, Colonel Budhiarto SE., MM, the integration of BUMN is a real effort to support the independence of domestic strategic industries, such as PT. INALUM supports being able to support the supply of raw materials for brasscup, bulletcup, messing/brass strip, billet and several other materials based on copper zinc and tin such as, PT. Krakatau Steel is possible to support the need for steel-based materials, such as spring steel, plate steel, and tools steel as tool raw material, as well as explosive chemical needs such as propellant allows to cooperate with PT. DAHANA, where currently PT. DAHANA is widely known as a company in the commercial explosive sector to support blasting activities in Indonesian mining.

Threats

Competition in the defense equipment industry, especially munitions products, is caliber kecil (MKK), kaliberbesardanroker (MKBR), munisikhusus (MUSUS) and bahanpeledak (HANDAK) found from international competitors, such as Norinco (North China Corporation), Poongsan, Thales and Rhastriya. The local competitor who is engaged in the defense equipment industry comes from a BUMS named PT. Sari Bahari, which has similarities in the types of products produced, with the difference that PT. Sari Bahari still mostly carries out industrial operations at the level of assembling lines only. In addition, the era of the covid-19 pandemic has also become a threat for PT. PINDAD Persero, considering that the government is refocusing the budget for the needs of handling the pandemic case. The next threat comes from the dependence on imports of the main material in the production activities of PT. PINDAD Persero, where in the era of the covid-19 pandemic which caused some countries in the world have implemented a lockdown policy, making the scheduling of material arrivals slightly disrupted and affecting operational activities in the production line of the Munitions Division. Import dependence also makes PT. PINDAD Persero is slightly behind in price competition with foreign suppliers, so the company's cost of goods sold is slightly over budgeted and generally reduces the company's margins or profits.

Based on the SWOT analysis used to discuss the marketing situation of PT. PINDAD Persero, will then formulate a marketing strategy using the company's marketing mix approach which includes products, prices, distribution channels and promotions. So the following will explain the strategymarketing is as follows[9]:

Product

Based on the SWOT analysis above, it can be seen that the munitions made by PT. PINDAD Persero has the main strength in the variety of variants produced, which generally have 4 main variant groups, namely: caliberkecil (MKK), kaliberbesar (MKBR), munisikhusus (MUSUS) and bahanpeledak (HANDAK). From several groups of variants, they are still broken down according to caliber classification, where the smallest caliber is in the 5.56mm caliber variant and the largest is the 105mm caliber, in addition to the caliber of the munitions product variant, it is classified based on the explosive load weight of each variant, with the smallest classification being on the product. TNT 60 grams and the largest was in the BT-500 bomb variant, where the bomb was filled with explosives up to 500 kg. Apart from supporting production line munitions, PT. PINDAD Persero which has the ability to produce tools and equipment with forging, press and manching systems with CNC basic production, so that PT. PINDAD Persero is able to produce supporting needs such as tools, spare parts, packaging and other supporting facilities in-house production with industrial capacity.

Promotion

Based on the SWOT analysis that has been done, it can be seen that the promotions carried out by PT. PINDAD Persero in marketing defense equipment products, especially munitions products by holding the mandate of the Law of the Republic of Indonesia number 16 of 2012 article 41 paragraph 1 which reads "The government provides protection in expanding business and increasing industrial production capacity Defense." It is the main strength of the company, because in general, the government has guaranteed the continuity of

production activities to the sale of the domestic defense industry carried out by PT. PINDAD Persero. Meanwhile, for export sales projections, PT. PINDAD Persero has great strength where munitions and other defense equipment are produced, able to speak a lot in the international shooting competition arena such as AARM (ASEAN Armies Rifle Meet) and AASAM (Australian Army Skills at Arms Meet), boosting the active promotions carried out by PT. PINDAD Persero.

The following below is a SWOT analysis table obtained from previous research from interviews with stakeholders of PT. PINDAD Persero[10].

Table 1 : SWOT analysis of PT. PINDAD Persero

<p>MAIN STRENGTHS</p> <ol style="list-style-type: none">1. Number of Product Variants2. Leader of Domestic Defense Industry Company3. Promotion Through International Shooting Championship4. Good Research and Development (On Alutsista& Commercial Products)5. Experienced Human Resources in the field of Defense Equipment Production <p>MAIN WEAKNESSES</p> <ol style="list-style-type: none">1. High reject rate2. High Material Import Dependence3. Limited consumers4. Government Budget Dependence5. Production Operator Age Gap <p>MAIN OPPORTUNITIES</p> <ol style="list-style-type: none">1. Prospect of Demand Fulfilling TNI's Basic Supplies2. The need for medical devices (Ventilator) in the Covid-19 Pandemic Era3. Indonesian Defense Industry Strategic Partnership4. Government Regulations on Defense Budget Expenditures Through Letter of Interest BARANAHAN-PINDAD 2020-20245. Increase Production Capacity with PMN (State Capital) <p>MAIN THREATS</p> <ol style="list-style-type: none">1. Domestic and Foreign Potential Competitors2. Delay in Supply of Imported Materials Impact of the Covid-19 Pandemic3. Price Competition with Foreign Suppliers4. Decrease in the need for defense equipment due to the Covid-19 pandemic5. The State of the Government Budget Due to the Covid-19 Pandemic
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Based on table 1, it can be seen what opportunities, threats, strengths and weaknesses must be faced by PT. PINDAD Persero.

From the results of the analysis in table 2, the Strength factor has a total score of 1.85 while Weakness has a total score of 1.60.

Table 2.: IFAS RESULTS

Strategy factor	Weight	Rating	Score
Internal :			
• Strength			
1. Number of Product Variants	0,15	4	0,6
2. Leader of Domestic Defense Industry Company	0,15	4	0,6
3. Promotion Through International Shooting Championship	0,05	3	0,15
4. Good Research and Development (On Alutsista& Commercial Products)	0,1	4	0,4
5. Experienced Human Resources in the field of Defense Equipment Production	0,05	2	0,1
Sub-Total	0,5		1,85
• Weakness			
1. High reject rate	0,15	4	0,6
2. High Material Import Dependence	0,15	4	0,6
3. Limited consumers	0,05	1	0,05
4. Government Budget Dependence	0,1	3	0,3
5. Production Operator Age Gap	0,05	1	0,05
Sub-Total	0,5		1,6
Total	1		3,45

As with IFAS, EFAS external strategic factors are also identified, the results of which are in the EFAS Table as follows:

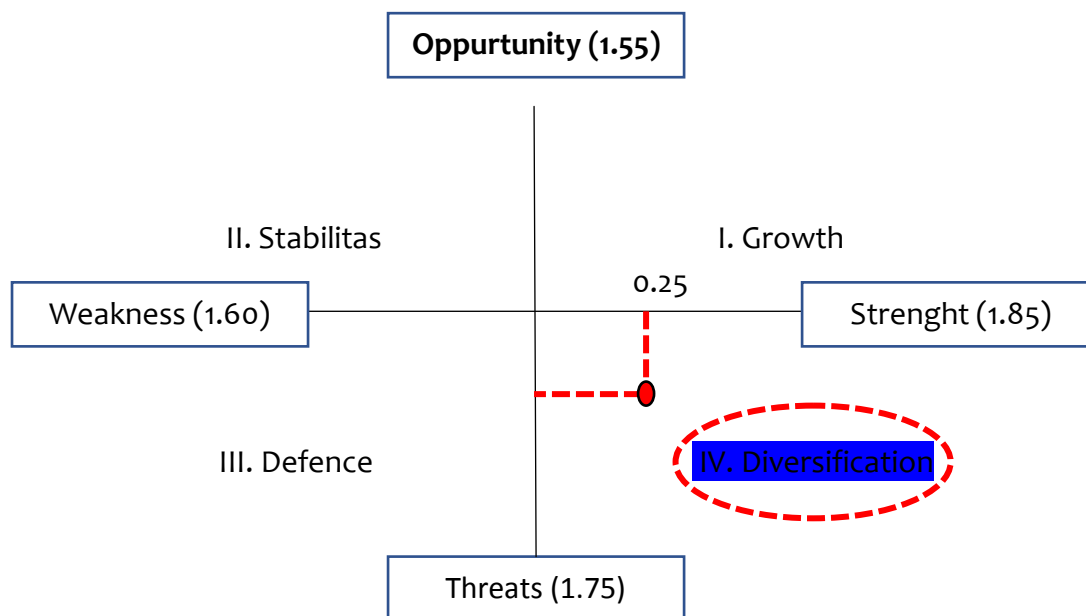
Table 3. EFAS RESULTS

Strategy factor	Weight	Rating	Score
External :			
• Opportunity			
1. Prospect of Demand Fulfilling TNI's Basic Supplies	0,125	4	0,5
2. The need for medical devices (Ventilator) in the Covid-19 Pandemic Era	0,125	4	0,5
	0,1	3	0,3
3. Indonesian Defense Industry Strategic Partnership	0,1	2	0,2
4. Government Regulations on Defense Budget Expenditures Through Letter of Interest BARANAHAN-PINDAD 2020-2024	0,05	1	0,05
5. Increase Production Capacity with PMN (State Capital)			
Sub-Total	0,5		1,55
• Threat			
1. Domestic and Foreign Potential Competitors	0,1	4	0,4
2. Delay in Supply of Imported Materials Impact of the Covid-19 Pandemic	0,1	4	0,4
3. Price Competition with Foreign Suppliers	0,075	2	0,15
4. Decrease in the need for defense equipment due to the Covid-19 pandemic	0,125	4	0,5
5. The State of the Government Budget Due to the Covid-19 Pandemic	0,1	3	0,3
Sub-Total	0,5		1,75
Total	1		3,3

The EFAS table analysis shows that for the Opportunity factors the score is 1.55 and the Threat factor is 1.75. Furthermore, the total score of each factor can be broken down, Strength: 1.85, Weakness: 1.60, Opportunity: 1.55 and Threat: 1.75. Then it is known that the Strength value is above the Weakness value difference (+) 0.25 and the Opportunity value is above the Threat value difference (-) 0.20.

From the results of the identification of these factors, it can be described in a SWOT diagram, which can be seen in the Cartesian Strategy Diagram.

Figure 1 :Cartesian Diagram of PT. PINDAD Persero



Source: Primary data, Cartesian Diagram of Internal and External Data Processing Results of PT. PINDAD Persero (2020)

From Figure 1, then PT. PINDAD Persero has been in the right position to carry out a strategy of diversifying existing products and diversifying the marketing strategy carried out by PT. PINDAD Persero, in order to survive in the era of the covid-19 pandemic that is endemic in Indonesia and the world, and affects the current government budget policy.

Based on table 4 below, it shows that the company's performance can be determined by a combination of internal and external factors.

Table 4. Results of the SWOT Matrix of PT. PINDAD Persero

IFAS (Internal Strategy Analysis Factor)	STRENGTH (S)	WEAKNESS (W)
	1. Number of Product Variants 2. Leader of Domestic Defense Industry Company 3. Promotion Through International Shooting Championship 4. Good Research and Development (On Alutsista and Commercial Products) 5. Experienced Human Resources in the field of Defense Equipment Production	1. High reject rate 2. High Material Import Dependence 3. Limited consumers 4. Government Budget Dependence 5. Production Operator Age Gap
EFAS (Eksternal Strategy Analysis Factor)		
Opportunities (O)	(SO) Strategy	(WO) Strategy
1. Prospect of Demand Fulfilling TNI's Basic Supplies 2. The need for medical devices (Ventilator) in the Covid-19 Pandemic Era 3. Indonesian Defense Industry Strategic Partnership 4. Government Regulations on Defense Budget Expenditures Through Letter of Interest BARANAHAN-PINDAD 2020-2024 5. Increase Production Capacity with PMN (State Capital)	1. Increase the Alutsista product variant in the form of a ventilator to capture market opportunities in the Covid-19 Pandemic era 2. Become a Leader Company in creating upstream-downstream defense industry cooperation with strategic partnerships 3. Maximizing Research and development in increasing production capacity to meet Defense Expenditures for the needs of the TNI with PMN (State Capital) facilities	1. Suppressing high production rejects, in order to increase consumer confidence in fulfilling the basic provisions of the TNI 2. Utilizing Regulations (Laws) to maximize the absorption of the government's budget 3. Reducing import dependence with strategic partnerships in the Indonesian defense industry through efforts to increase TKDN
Treath (T)	(ST) Strategy	(WT) Strategy
1. Domestic and Foreign Potential Competitors 2. Delay in Supply of Imported Materials Impact of the Covid-19 Pandemic 3. Price Competition with Foreign Suppliers 4. Decrease in the need for defense equipment due to the Covid-19 pandemic 5. The State of the Government Budget Due to the Covid-19 Pandemic	1. Improving product variants and quality, considering that PT. PINDAD is a leader company, so it is able to reduce the threat of competitors 2. Focus on local search materials with strategic partnerships between BUMN/BUMS, and PT. PINDAD as company leader 3. Improving research and development to capture non-defense equipment market opportunities in the era of the covid-19 pandemic	1. Suppress the dependence on the government's defense equipment budget to anticipate the decline in the defense budget due to the COVID-19 pandemic 2. Focus on reducing import dependence, to maintain the availability of the main material supply 3. Reducing the reject rate to win price competition with competitors

The combination of these two factors is shown in the SWOT analysis result diagram as follows:

SO Strategy (Supporting Growth Strategy)

This strategy is made based on the company's way of thinking, namely by utilizing all strengths to seize and take advantage of opportunities as much as possible. The SO strategy adopted by PT. PINDAD Persero, namely:

Increasing non-defense product variants in the form of research on the manufacture of ventilator products to capture market opportunities in the era of the covid-19 pandemic and answer challenges from the government, that the Munitions Division of PT. PINDAD Persero is not only capable of producing ammunition but also capable of producing commercial and medical equipment. Become a leader company in creating industrial cooperation upstream-downstream defense with strategic partnerships and maximizing research and development in increasing production capacity to meet defense spending TNI needs with PMN (State Capital) facilities.

ST Strategy (Supporting Diversification Strategy)

Is a strategy in using the company's strengths to overcome threats. ST strategy taken by PT. PINDAD Persero, namely:

Improving product quality variants, considering that PT. PINDAD is the leader of the Indonesian defense industry company, so that it is able to reduce the threat of competitors, Focus on sourcing local material supplies with strategic partnerships between BUMN/BUMS, and PT. PINDAD as a leader company and improve research and development to capture market opportunities for non-defense equipment in the era of the covid-19 pandemic.

WO Strategy (Supports Turn-Around Strategy)

This strategy is implemented based on the utilization of existing opportunities by minimizing existing weaknesses. The WO strategy adopted by PT. PINDAD Persero, namely: Suppressing high production rejects, in order to increase consumer confidence in fulfilling the basic provisions of the TNI, Utilizing regulations (Laws) to maximize government budget absorption and Suppressing import dependence with strategic partnerships in the Indonesian defense industry through efforts to increase TKDN (Level Domestic Component).

WT Strategy (Support Defensive Strategy)

This strategy is based on activities that are defensive in nature and try to minimize existing weaknesses and avoid threats. WT Strategy Develop market share of munitions products made by PT. PINDAD Persero are as follows: Reducing dependence on the government's defense equipment budget, to anticipate the decline in defense budget due to the COVID-19 pandemic, Focusing on reducing import dependence, to maintain the availability of main material supply and Pressing reject rates to win price competition with competitors.

Based on the results of the SWOT analysis of PT. PINDAD Persero has a very dominant power, considering that PT. PINDAD Persero is the only BUMN which is engaged in the defense equipment sector, one of the uniqueness of the marketing strategy in the defense equipment industry is the government's involvement in consumer policy in efforts to determine the purchase of products contained in the state budget plan and protected by the defense law, so that broadly PT. PINDAD Persero is able to control the defense industry market, but the era of the covid-19 pandemic causes a potential threat of a decline in the state defense budget as stated in Presidential Instruction No. 4 of 2020, where the government seeks to refocus the budget for handling the COVID-19 pandemic in Indonesia. The government's refocusing of the budget for handling the COVID-19 pandemic can also be seen as an opportunity for PT. PINDAD Persero in exploring product research and development, both existing products in the form of ammunition as an effort to improve quality to reduce the threat of competitors in the future, as well as research and development of non-defense equipment products, where currently the production line supports PT. PINDAD Persero which has the ability to produce tools and equipment with forging, press and machining systems with basic CNC production to support the company's program in supporting the manufacture of medical devices in the form of ventilators (respiratory aids for Covid-19 patients) in accordance with government directives to several strategic SOEs. This is considered capable of being implemented by PT. PINDAD Persero, considering that this company already has advanced equipment both to support the process of making munitions

and manufacturing munitions support lines, so it is very possible for the main components to be supported by in-house production by PT. PINDAD Persero by taking advantage of the vacancies production.

IV. CONCLUSIONS AND RECOMMENDATIONS

4.1. Conclusions

The conclusion of this article is that the results of the existing product diversification strategy and diversification of the marketing strategy carried out by PT. PINDAD Persero, in order to survive in the era of the covid-19 pandemic that is endemic in Indonesia and the world, and influences the current government budget policy in order to support the defense economy. Diversification of existing products based on defense equipment or munitions is carried out by developing research on non-defense equipment products such as supporting materials for medical devices or ventilators, although in general the Munitions Division of PT. PINDAD Persero does not yet have the capability to manufacture such a device, however, the very sophisticated production line of the Support Department is deemed capable of producing supporting components for the ventilator manufacturing program according to government directives. This is also a very positive answer to the government's challenge, if a research projectThe manufacture of ventilator support materials is considered quite successful, so in general it is able to increase the trust of the government as a stakeholder in national budget policies, and this indirectly is a marketing effort and proves that PINDAD has very good credibility and capabilities both in the production of defense products and in producing products. commercially to prepare defense equipment for the new generation of combat.

4.2. Recommendations

PT. PINDAD Persero is expected to be able to become a leader company in fulfilling domestic material sourcing by integrating companies both BUMN and BUMS to be able to survive in the midst of the difficulty of importing main materials due to the COVID-19 pandemic that is endemic in Indonesia at this time, so that it is hoped that in the future the independence of the defense industry can be achieved. From the ST strategy carried out by PT. PINDAD Persero, it is hoped that although it will not significantly affect the increase in the company's budget performance due to the refocusing of the budget for the impact of covid-19, but the projected improvement in product quality with the right publication mechanism such as joint research and joint training with the TNI or Polri as PINDAD strategic partners is expected to be able to improve the company's performance in the future, apart from that the potential for research on non-defense equipment products such as breathing apparatus (ventilator) in the era of the covid-19 pandemic is expected to be able to increase the credibility and existence of PT. PINDAD Persero, that in addition to having excellent capabilities in the defense equipment industry, PINDAD turned out to be able to answer the government's challenge to produce non-defense equipment products with good functions and able to be used for the benefit of the community in the era of the covid-19 pandemic.

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