



## Proposed Business Strategy and Optimization in the Creative Business Industry (Case Study: CV. Natural House)

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**ABSTRACT:** Creative business industry and along with the digital transformation in Indonesia needs to be explored and expanded further to enable Small Medium Enterprises (SMEs) for it to grow exponentially and effectively since currently, Indonesia is going onto the digital era. Especially after the pandemic, many SMEs in Indonesia have been affected. CV. Natural House is no exception, as transformation and changes are currently taking place in their business system. Natural House is a company that was first established in Yogyakarta operating in the creative business sector and specializing in creative furniture and home decor using recycled materials and upcycle concepts. The drastic changes in the industry have caused the company to have difficulty in several management areas. This research aims to identify those difficulties in the areas that Natural House is currently facing using several analyses for the internal and external ones, such as Root Cause Analysis, Internal Resources Analysis, Value Chain Analysis, Porter's Five Analysis, McKinsey 7S Model, and 7P Marketing Mix. The purpose of conducting the analysis using the models or framework that were mentioned and finding the problems is to find solutions and business strategies that could be implemented in the company. The findings suggest that Natural House is lacking, not only in its human resources and capital areas but also in its marketing management. Furthermore, Natural House is not considered an ideal company's structure as of right now. Because of that, five solutions were proposed by the author to Natural House, namely hiring new employees and talent acquisition, skill training and mentoring employees, marketing optimization through the global marketplace, improving their offline platforms such as joining creative exhibitions/fairs and revamping their showroom or office area, the last is apply scheduled evaluation meeting. By this means, this research offered to achieve business solutions and objectives that Natural House might be considered and found useful for further research and business development.

**KEYWORDS:** creative business, furniture, upcycle, human resources, marketing, talent acquisition

### INTRODUCTION

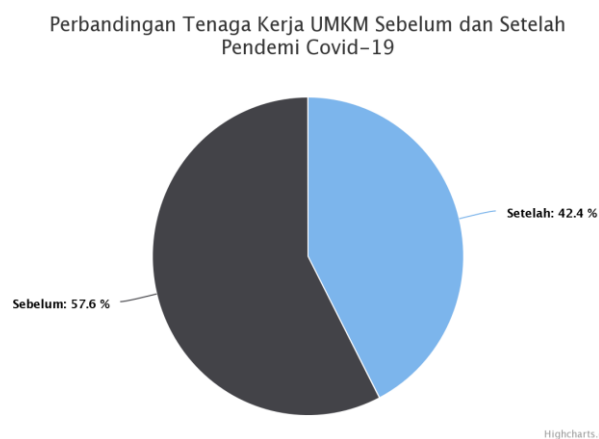
The Indonesian SME (Small and Medium Enterprises) market now contains 62 million SMEs, approximately 98% of these being micro-enterprises. Nonetheless, SME growth in Indonesia still needs much more help and support. Digital transformation in the Indonesian industry has to be expedited further to enable SMEs to grow exponentially and effectively even though Indonesia currently has become the ASEAN-6 digital economy value leader. The digital economy will be a major priority for SME growth in 2022 and beyond. Coming with the biggest GDP contribution from SMEs at 61%, Indonesia also has the biggest digital economy growth and value as of right now.

The potential of the creative economy in the current era of communication technology is very high. Especially since we are entering the digital era, the development of the creative economy and creative business is quite fast and promising. Creativity in the business is widely used to create and develop new products or services. The creative economy itself has no universal definition that can explain the details of the term, as stated by the United Nations Conference on Trade and Development (UNCTAD). The creative economy will constantly change its notion based on the interaction of artistic expression and concepts with intellectual rights, technology, and knowledge. Essentially, the creative industries are built on knowledge-based economic activity.

According to the Ministry of Tourism and Creative Economy (Kemenparekraf), the creative economy in Indonesia itself is split into 17 sub-sectors by the government. Those 17 creative economy sub-sectors are divided into 3 sub-sector categories, namely the leading sub-sectors (culinary, fashion, craft), the priority sub-sectors (music, film, animation, and video, game, applications), and other sub-sectors (performing arts, television & radio, fine arts, photography, architecture, visual communication design, product design, interior design, advertising, publishing). Fashion has until now maintained the creative economy sub-sector with the biggest

contribution to Indonesia's GDP of US\$9 billion. However, the crafts business provides \$4.9 billion to the GDP, whereas the culinary industry adds \$1 billion.

The different categories make the market demand more varied than before. Therefore, due to market interests that will always change, creative business-based companies are required to develop creative products. However, this will be difficult to achieve if it is not balanced with a good business strategy, marketing plan, and operation of the company's internal management. Especially considering the new market after the pandemic COVID-19 impacted many small businesses in Indonesia. One of the creative businesses that the changing demand will impact is the product & interior design sector. The product and interior design company must be able to adjust to the new market. Indonesian SMEs are impacted because of the pandemic COVID-19, not only by the decreased amount of assets and turnover rates but also by the decrease in the number of workers.



**Figure 1.** Comparison of MSME workforce before and after COVID-19  
(source: dinkop-umkm.jatengprov.go.id)

Based on the data from the General Directorate of Land Transportation, online shopping transactions grew by 12 million in 2020 compared to 2019 which increased from 3.1 million to 4.8 million because of the impact of the pandemic.

Besides the fact that COVID-19 impacts the MSMEs and the creative business industry, there are also other factors, and one of the major factors is that the market is currently entering the digital market era. Technology has become one of the most important and prominent things in this fast-paced industry era. However, it would become a barrier for industries that are not equipped and well-informed on how the technology works to improve their business. In a lot of cases, this problem arises because of the lack of resources. Because of the changes in the working culture, access to technology plays an important role in the availability and is a great benefit to workers and employees when several companies and the government implement the Work From Home (WFH) program by allocating employee working hours more flexibly without wasting time getting to and from work. (Heryani *et al.*, 2020). This creative business industry also usually does not misuse the current natural resources and could create new work opportunities. As a result, this creative business industry needs to be consistently developed on a larger scale, in order to support Indonesia's economic development. Furthermore, the participation of businesses as well as the government is required to promote and develop creative industries for SMEs and MSMEs.

## METHOD

For this data analysis, the method that is used to collect data for this research is using a qualitative method. It obtains 3 steps of research questions that are split into RQ1, RQ2, and RQ3. For the data collection, this research uses primary and secondary data. The primary data will be collected through interviews with the key people at CV. Natural House and the secondary data will be collected from the published data that can be found in the public or data that is given directly from CV. Natural House with permission. For this data analysis, the method that is used to collect data for this research is using a qualitative method. It obtains 3 steps of research questions that are split into RQ1, RQ2, and RQ3.



## LITERATURE REVIEW

### A. Theoretical Foundation

#### 1. Small And Medium Enterprises (SME)

When it comes to SMEs, they are the key pillars of most economies in both emerging and developed countries. Indonesia is known to have a very competitive business environment. This was proven by the prevalence of micro, small, medium, and large business classifications. Each form of these company classifications serves a certain purpose and goals. However, the phrase small and medium enterprise (SME), or in Indonesia, it is called UKM, is widely used by many business players. Regardless of growth level, its impact on economic development ranges from 60-80% of industrial employment and 60-70% of GDP (Ahmed et al, 2014).

#### 2. Creative Business Industry

The creative industry is the process of creating a work based on an idea ignited by the creativity of an individual or group of people. The creative industry is one that has outstanding qualities on the side of creativity in producing or creating numerous creative designs related to products or services that were created. (Howkins, 2013). The creative industry is the process of creating a work based on an idea ignited by the creativity of an individual or group of people. The creative industry is one that has outstanding qualities on the side of creativity in producing or creating numerous creative designs related to products or services that were created. (Howkins, 2013).

#### 3. Upcycle Concept

Upcycling is the process of recycling an object in a new form while preserving the original material from which it was produced. It is the reuse of anything that was previously deemed waste. The repurposed object is frequently more practical or appealing than it was before. Unlike recycling, which removes old product waste to generate new items, the originality of upcycled products or things is entirely dependent on the maker's inventiveness. (Sutapa et al, 2019). Another definition of the upcycling concept is a technique that may be performed indefinitely to restore and bring back materials to a malleable, usable state while retaining their latent value, moving resources up the supply chain. (Caine, 2010). Based on Wegener & Aakjær (2016), upcycling is a notion that originated in the areas of technology and industrial design and is related to the concept of sustainable production and consumption.

### B. Conceptual Framework

#### 1. Porter's Five Forces

Porter's Five Forces analysis is a framework that can strategically aid in identifying and analyzing the five variables that influence a company's profitability in any given sector or line of business. Michael Porter established the Five Forces analysis, which centered on providing an analysis of the factors around a company or industry that might influence the appeal of the market. (Kotler & Keller, 2016). The five variables in Porter's Five Forces are (1) threat of new entrants, (2) bargaining power of suppliers, (3) bargaining power of buyers (customers), (4) threat of substitutes, and (5) competitive rivalry. According to the framework, companies should place themselves where among the variables are the weakest, utilize fluctuations in the variables, and shape those variables to their benefit. (Porter, 2008).

#### 2. Marketing Mix Analysis

The primary purpose of manufacturing in business is to obtain a customer who wants to purchase the product. This aim is achievable through the company's marketing approach. The marketing mix framework is one of the marketing frameworks that will be used in this research. In 1960, Jerry McCarthy created the Marketing Mix, commonly known as the 4Ps. Initially, this concept was using only 4 elements of P (Product, Price, Place, Promotion). However, over time, the marketing mix concept has been developed into a more detailed model in 7P (Product, Price, Place, Promotion, People, Process, Physical Evidence) by Booms & Bitner in the 1980s. The new 3 elements were added to make the approach to marketing to be more holistic.

#### 3. The McKinsey 7s Model

The McKinsey 7S Framework is a tool for assessing the effectiveness of companies. It explores the seven critical aspects that contribute to the overall success of the company development: strategy, structure, systems, shared values, style, staff, and skills. It can be linked to any business issue that has to be resolved. (Singh, 2013). This framework was started when McKinsey consultants Tom Peters, Robert Waterman, and Julien Philips created the McKinsey 7s model in the late 1970s or early 1980s, with assistance from Richard Pascale and Anthony G. Athos. Since its creation, this conceptual framework has been widely adopted by researchers and practitioners alike, and it continues to be one of the most prominent strategic planning tools for developing businesses.



## RESULTS AND DISCUSSION

### A. Analysis

#### 1. Internal Analysis

##### Resources

*Human Resources:* The number of Natural House's internal employees is around 15-20 people with the majority of them are long-term employees who have been with Natural House for many years.

*Financial Resources:* Natural House usually uses the company's own capital for its business. The majority of the company's revenue is generated through retail product sales (domestic and international) and the acceptance of interior product production projects for hotels, restaurants, cafés, and other businesses.

*Physical Resources:* Natural House has 2 buildings for their business, one is a local retail store with an office and the other is a workshop studio. Physical resource other than the buildings is technical equipment at the workshop, office and store and cars for delivery and transportation.

*Technological Resources:* Natural House is a CV (commanditaire vennootschap) so the company can conduct official and lawful business activity in compliance with the law and has also owned intellectual property rights for its products. For the products that use wood as the materials, Natural House got SVLK (Sistem Verifikasi Legalitas Kayu) which is an Indonesian legality wood verification so the company that uses wood ensured the origin.

##### Capabilities

**Table I.** Natural House's Capabilities

Areas	Capabilities
Human Resources	High-level trust and loyalty Expert and senior employees
Marketing & Sales	Loyal and old buyers or customers Marketing communication through word of mouth and joining exhibitions or trade expo Retail store sales
Research & Development	Development of new and unique products that were not in the market before
Manufacturing	Have resources to produce their own product Outsourcing and collaboration with other technicians outside the internal management Good quality product
Management	Centralization command (direct from owner / CEO)

(source: author's analysis)

### VRIO Framework

This analysis enables the company to discover the company resources and capabilities that provide them a competitive advantage or not. Natural House has two categories of competitive advantage as follows:

*Sustained Competitive Advantage:* high-level trust and loyal employees, expert and senior employees, loyal and old buyers or customers, development of new and unique products that were not in the market before, have resources to produce their own product, and good quality product.



*Competitive Parity:* Marketing communication through word of mouth and joining exhibitions/expos, Retail store sales, Outsourcing and collaboration with other technicians outside the internal management.

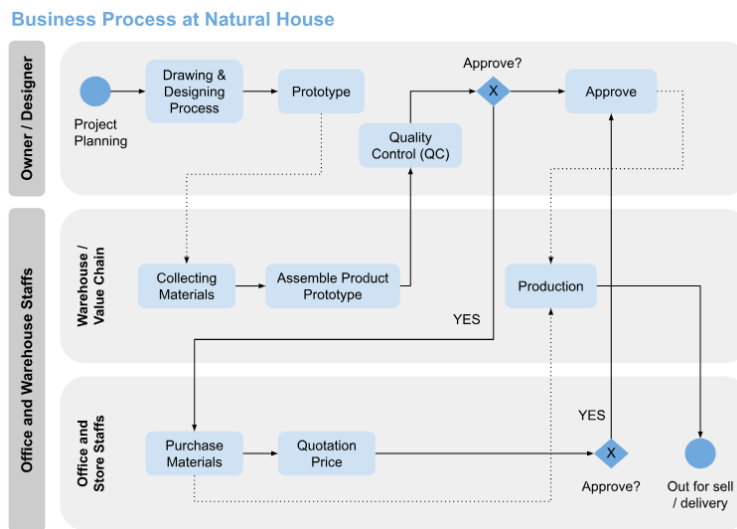
**Value Chain Analysis**

*Primary Activities:* this are activities that directly contribute to the development of a product or the delivery of a service, such as inbound logistics, operations, distributions or outbound logistics, marketing & sales, and follow-up services.

*Support Activities:* the activities or duties completed by the company to support the primary activities and work being carried out to create, market, distribute, and service the items the company is creating are referred to as support activities. This includes finance or infrastructure, human resources, and management information systems or technological development.

**Business Process Analysis**

A business process is a collection of correlated tasks, actions, or stages that are planned and carried out to accomplish a particular business goal or target. The diagram below shows the business process at Natural House.

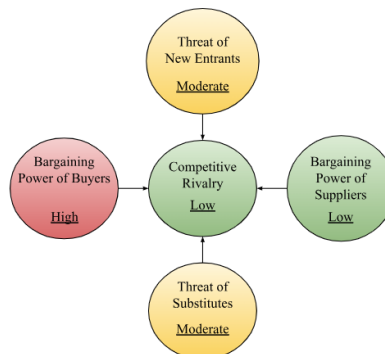


**Figure 2.** Business Process Diagram at Natural House  
(source: author’s analysis)

**2. External Analysis**

**Porter’s Five Forces Analysis**

The following diagram shows the level of intensity in Porter’s Five Forces at Natural House:



**Figure 3.** Porter Five Forces at Natural House  
(source: author’s analysis)



As we can see from the diagram above, the highest level of intensity is the bargaining power of buyers. Therefore, Natural House needs to prioritize and make a decision that impacts them the most, which in this case are the customers or buyers. Businesses may develop efficient strategies to sustain profitability and satisfaction with consumers by assessing the market and understanding the amount of bargaining power of customers, which is one of Natural House’s business goals.

**7P Marketing Mix Analysis**

*People:* Natural House offers in-house employees to interact directly with customers, such as store sales for domestic and offline sales and marketing manager for international sales. The company also hires trained freelance staff and does partnerships for human resources if needed.

*Promotion:* Natural House have four different marketing people for the promotion export marketing, domestic marketing, project marketing, retail marketing, and digital marketing. For online promotion, Natural House uses platforms such as social media and e-commerce and for offline promotion through exhibitions, expos, and trade shows.

*Process:* for ready-to-order products at the offline/physical store, the customers would be handled by the store seller to buy directly and go, or through delivery. made-by-order products or request for design service, the customers contacted admins, discussing the steps and a deal, make down payment of 50% or full payment, and the order would be processed

*Product:* furniture and interior products such as tables, desks, chairs, sofas, shelves/cupboards, etc. and usually use upcycled materials from wasted parts of the means of transportation, such as bicycle parts, Becak/rickshaw parts. Lightings and accessories such as chandeliers or hanging lamps, desk lamps, and standing lamps. For the accessories products, it includes wall decorations, wall dividers or partitions, etc. and use bicycle parts, plastic bottles, tin cans, and other recyclable materials.

*Price:* Natural House divides its price list based on its product. The prices range from Rp. 100,000,- to Rp. 35,000,000,-. Small and home accessories products such as pillowcases, ashtrays, fruit holders, etc. are priced at around Rp. 100,000 - Rp. 300,000. For furniture, lighting, and wall decorations are priced around 1 Million to 13 Million, depending on the size and the complexity details of the product. The highest priced products are at around 30 Million and up above are artwork installations.

*Place:* Natural House owned a physical store and showroom to sell its products to local customers. They also have workshop to make the productions.

*Physical Evidence:* The first physical evidence of Natural House is the store building, other than that they have invoices, label/price tags, brochures, product catalogues, business cards, and employees' uniforms.

**McKinsey 7S Analysis**

**Table II.** McKinsey 7S Analysis

Soft Elements	
Staffs	Natural House has in total less than 20 in-house staffs Carry out freelancers or partnerships for ex-employees / staffs
Skills	The company’s culture is known for its inventiveness of the upcycled interior products Natural House’s designer has a thorough knowledge of the fundamentals of art and craft.
Style	The company’s style and culture are characterized by creativity, art, and commitment to use recycled / waste materials
Middle Elements	
Shared Values	Natural House has a core belief in blending unique artistry and craftsmanship with functionality in interior products using sustainable and upcycled materials.



Hard Elements	
Structure	A family-owned creative interior product company Centralization / The owner is the sole decision-making in Natural House’s operations (such as: designing and prototyping, quality control, and purchasing approval) One manager manages day-to-day operations Shopkeeper managing the offline store sales and marketing team managing the the promotion through social media (online)
System	Low-cost production process Perfunctory designing, prototyping, quality control process (centralization) Provide customers’ repair guarantee and feedback
Strategy	To develop distinctive interior products that can combine creativity, usability, and sustainability. To raise market development to approach a wider target audience/market.

(source: author’s analysis)

**B. Business Solution**

After conducting the analysis on the business operation at Natural House using internal and external analysis, there are several problems occurred at the company in regard to the business revenue and income that were affected by the service and product sales. The problem findings lead to the limitation of human capital and resources.

As a result of the findings of the several analyses that have been conducted, the author came up with several ideas and business solutions for the scoops in the company. The first business solution is for the marketing scoop in terms of increasing the market reach and product sales and the second focus is for the human capital and human resources in terms of staffing/employee workforce development.

1. Talent acquisition and collaborative hiring for the needed area of expertise (IT & Digital Marketing).

The term “talent acquisition” itself describes the procedures that were used to find and hire qualified individuals to fill open positions within a business. The people in charge of this process' duty is to find, obtain, evaluate, and hire applicants for vacant positions and job opportunities within a company.

As a company that operates in the creative business sector and offers various products and services, of course, it requires a sufficient workforce to run the business smoothly. Based on the interview and findings, the human resources in Natural House are insufficient to maximize business continuity. Especially in the fields of IT (Information Technology), and social media and digital marketing. Currently, there is only one person managing both areas mentioned above. The Human Resources (HR) people in charge may create a thorough recruiting plan to guarantee that the business has a consistent flow of creative people. Digital marketing and social media specialist is what Natural House needs. Ever since the pandemic, a lot of businesses have shifted to use more technology in their marketing process. Therefore, it would be a good idea for Natural House to do a talent acquisition in this field of expertise.

The table below shows us the details of the talent acquisition that were needed in Natural House.

**Table III.** Talent Acquisition Criteria

Position	Responsibilities	Criteria
Digital Marketing	Online presence: improve the online visibility of the business through various platform SEO & SEM: implement Search Engine	Education: degree in digital marketing, communications or related fields



	<p>Marketing (SEM) and Search Engine Optimization (SEO) techniques</p> <p>Content marketing: create interesting material for digital media (videos, posts, etc.)</p> <p>Email marketing: create and carry out email marketing to retain customers</p> <p>Analytics: monitor and evaluate digital marketing analytics to assess effectivity</p>	<p>Technical skills: proficient in digital marketing tools, SEO and SEM</p> <p>Social media savvy</p> <p>Creative and able to create visually engaging content</p> <p>Able to adapt to the new marketing trends</p>
Social Media Expert	<p>Develop social media strategy and content creation</p> <p>Manage social media platforms, such as IG, Facebook, Pinterest, etc.</p> <p>Audience engagement through comments, messages, etc.</p> <p>Execute social media promotions to raise brand awareness</p> <p>Provide social media insights and analytics</p> <p>Stay relevant and updated on social media trends, algorithms, etc.</p>	<p>Degree in marketing, communications, or related field</p> <p>Experience in social media engagement (preferably in furniture &amp; home decor industry)</p> <p>Creative and communications skills to engage in audience</p> <p>Basic photography and design skills for content making</p>
IT Support Specialist	<p>Provide technical support end-users to resolve hardware and software issues</p> <p>Perform routine system maintenance</p> <p>Develop data backup and recovery procedures</p> <p>Optimize network performance, servers, and databases</p>	<p>Degree or certification in information technology, computer science, or related field</p> <p>Experience in IT, preferably in similar industry with Natural House</p> <p>Profound knowledge of software, hardware, and operating systems.</p>

(source: author’s analysis)

Other than the criteria that were explained above, there are some other combined criteria for all the positions that were needed, such as:

1. Industry knowledge for the digital marketing and social media expert, such as having a passion for and familiarity with furniture and home decor trends
2. For the IT experts, having familiarity with with specific technological needs in the furniture and home decor industry would be beneficial for the company in the longer run

Besides talent acquisition and collaborative hiring for the in-house employees, the author suggests that Natural House keep doing partnerships for the freelance staff that they have done in the past year. A lot of researchers have studied that in this new era after the pandemic, a lot of people would rather look for work *with* a company rather than *for* them. This is a broader, highly networked system and could be more adaptable. This new vision of being internationally dispersed is more prerequisite for the new working environment. Natural House could use this system to its advantage because a company’s biggest competitive advantage could be found in “partnering” as opposed to “leading.” nowadays.

2. Onboarding, training, and mentoring employees.

During the initial phase of onboarding, newly hired employees can participate in tasks that give them the opportunity to finish the first new-hire training program while acquiring knowledge about the company’s objectives, ideas, structure, and environment. This onboarding program could be applied to Natural House after the talent acquisition for the new hires. Since developing a working





environment where employees feel secure and comfortable engaging alongside other coworkers and it could also form interpersonal relationships would be another aspect of establishing the onboarding process.

Here are the steps that could be taken into consideration to start the onboarding process for the new employees at Natural House.

**Table IV.** Onboarding Process for Natural House

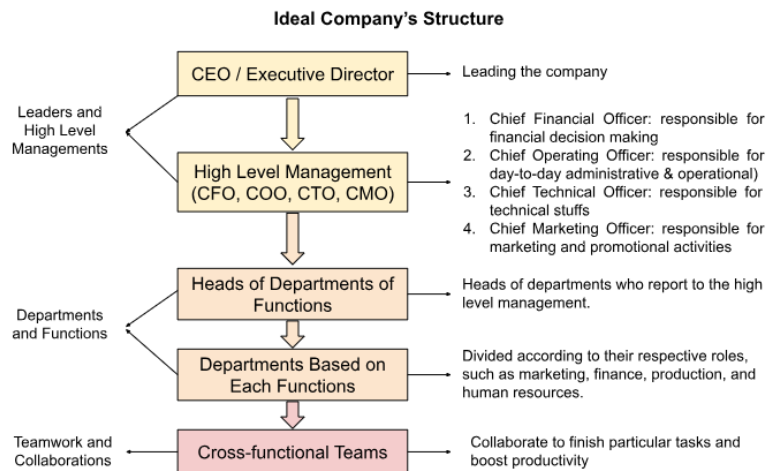
Pre-arrival preparation	Prepare the paperworks Workplace arrangement Informing the relevant departments
Welcome and orientation	Welcome meeting Give a tour of the workplace facilities
Documentation and legal adherence	Provide legal requirements for workplace necessities
Training and development	Job-specific training Professional development (mentorship, training programs)
Company culture	Introduce company culture Team department introduction
Benefits, compensations, bonus	Explain employees' benefits Wages and schedule information
Feedback and check-ins	Doing scheduled review and report meetings

(source: author's analysis)

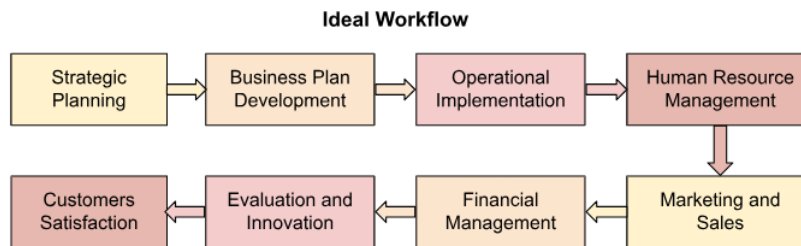
The onboarding steps that were explained above could be applied not only to the new employees or hires but also can be applied to the existing employees at Natural House. From the training and development step until the feedback and check-ins. Based on the findings of the previous analysis, it was found that Natural House's current employees lack the ability and knowledge of information technology and digital marketing. With this, the company could start providing training programs and mentoring in those areas of expertise. This training could be done through various options that can be explored, such as online training, conferences, and in-person workshops, internal training, for example, brainstorming sessions, or bimonthly educational meetings.

There is marketing knowledge that could be learned from this workshop program, such as measuring performance and budget allocation, content and product marketing, data and marketing analytics, pay-per-click advertising, and social media ads (Facebook, Google, Instagram, etc), SEO (Search Engine Optimization) training, content marketing, and CRM (Customer Relationship Management).

An ideal business often has a workflow and organizational structure created to help it accomplish its objectives quickly and successfully. After talent acquisition and training have been done, the company could move to the next step. Which is to develop an ideal workflow. Here are some essential elements of a company's ideal workflow and structure that could be applied to Natural House in more detail.



**Figure 4.** Ideal Company's Structure  
(source: author's analysis)



**Figure 5.** Ideal Company's Workflow  
(source: author's analysis)

3. Register in any worldwide or global marketplace that is available.

Based on the data report of the digital growth in 2023, there is a significant amount of increase from last year. It could not be denied that in this new market and business era, especially after the pandemic of COVID-19, where everything has shifted into a digitalized system. This includes the buying and selling system that moves towards online platforms. Nowadays, consumers prefer to purchase online since it's more convenient and saves them time and energy of not having to go out and buy things directly to offline stores. Because of that reasoning, the author came up with the idea for Natural House to start exploring their market reach by using an online market platform that covers the worldwide market, or outside Indonesia. Since the company had already started to branch out their market through the Indonesian marketplace, such as Tokopedia and Shopee and also based on the previous buyers or customers, there are a lot of interests that were coming from various regions outside Indonesia.

As one of the largest marketplaces for selling home décor and furnishings, Etsy is one of the sites that might be worthwhile to attempt. It has gained popularity among artisans and businesses that focus on furniture and home décor, but it is still well-known for its extensive selection of vintage and handcrafted goods. This could be a suitable platform for Natural House's products because this platform, provides a global marketplace where customers can browse through a diverse range of items, and Natural House to showcase their custom-made furniture to handcrafted decor products.

There are several benefits if Natural House decides to join and use Etsy for their global marketplace, such as:

- a. Exposure in the global marketplace exposure to a diverse audience and possibility of obtaining new customers from around the globe
- b. Customers were usually more comfortable making purchases on Etsy because of the platform's established reputation for quality and distinctive handcrafted items, so it would build trust with customers



- c. Easy to use and has a user-friendly interface for managing products, inventory, and sales. Etsy also allows the seller the option to personalize their store and display brand identity
- d. Secure payment and easy mobile accessibility for both seller and customers
- e. Gives data analytics and insights to track the performance
- f. It is comparatively less expensive compared to the initial costs of creating and managing a standalone e-commerce site.

There are other global marketplaces that the company could try other than Etsy, like Amazon, eBay, and Wayfair which facilitate more diverse products. When it comes to furniture or home decor specialty, there are 1stDibs or Pamono, that Natural House could take into consideration. 1stDibs is a luxury online marketplace that specializes in jewelry, exquisite art, high-end furniture, and other unique goods.

There are several advantages if Natural House decides to join and use 1stDibs for their global marketplace, such as:

- a. Exposure to a specific targeted audience that is interested in distinctive designs and unique products
- b. Raising the perceived value and prestige of Natural House's brand and products because 1stDibs has a well-established reputation
- c. 1stDibs' global reach may be able to help Natural House grow its business beyond local or national markets
- d. Collaboration and networking opportunities with other designers, dealers, and industry professionals.
- e. Secure transactions for both ends and provide access to data analytics and insights for the seller to track the performance
- f. Provide marketing and promotional initiatives to boost sales and brand awareness

#### 4. Marketing optimizations through offline platforms.

Since early 2023, the pandemic outbreak has been declared over by the Indonesian government, and business as usual has resumed slowly in the offline sector. This also applies to offline exhibitions or trade shows that were used for marketing reasons on a local and worldwide level market. According to interviews the author has done for this research, this strategy has been successful in helping Natural House reach its prior marketing objectives, particularly before the pandemic. So this would be a good strategy to use again for the next year's plan.

There are a few local and international furniture and craft exhibitions every year that are held in Indonesia. The table below shows the list of them.

**Table V.** List of Furniture & Craft Fair in Indonesia

Name	Place	Date (tentative 2024)
Indonesia International Furniture Expo (IFEX)	Jakarta	February 29 - March 03
Jogja International Furniture & Craft Fair (JIFFINA)	Yogyakarta	March
IFFINA Indonesia Meubel & Design Expo	Tangerang / Jakarta	September
Trade Expo Indonesia (TEI)	Tangerang / Jakarta	October

(source: google.com)

Based on the table above, there are four furniture fairs that will be tentatively held in Q1, Q3, and Q4 of 2024. It would be good if Natural House could join the exhibitions that were held in Q3 or Q4 since they would be more prepared to showcase their products. Other than that, marketing optimizations through an offline platform are to improve their physical store and office. Visual merchandising is needed to upgrade the overall store facade and interior. A company's success is significantly influenced by its customers' experiences. One of the customers' experiences is during their visit to the store or showroom. The author suggests that



Natural House improve their product placement and space. Having a themed area or space in the store could be advantageous for Natural House and its customers.

Here are some technical steps that could be implemented regarding the optimization of Natural House's physical store through visual merchandising since the company is planning to expand the store to the upper floor area:

1. Bring people in using a window display, and distinguish Natural House from other surrounding establishments by upgrading it by including the newest concepts and the best items that embodied Natural House.
2. Maintain Natural House's display fresh on a frequent basis, for instance using interior style themes for example industrial, rustic, etc., or room themed display, such as living room or dining room.
3. Arrange the products using the rule of three techniques based on the height, width, or significance and the pyramid principle which displays with triangle alignment
4. Use color scheme strategies, such as monochromatic or complementary colors, while showcasing the products.
5. Use additional lighting. Since Natural House also sells lighting product collections, this would be advantageous to both display the product and enhance the showroom's lighting

Putting these visual merchandising techniques in order to optimize the marketing strategy through the offline store in the hope of making Natural House's store an entertaining and appealing space for customers to go furniture and home decor shopping, which could boost sales and improve perception of the business.

5. Monthly review and evaluation meetings with all personnel.

As is widely known, it is customary for a lot of companies to carry out and hold evaluation meetings every certain period of time or at regular intervals, like monthly or bi-monthly. The author proposed this idea because based on the interviews that were conducted, Natural House did not have monthly review or evaluation meetings with all personnel, whether it is formal or semi-informal meetings.

There are several things that companies could benefit from this evaluation meeting that Natural House can take into consideration, such as:

- a. Performance Monitoring

It enables monitoring the company's performance, in this case for example, the marketing team on a regular basis. This could also help in identifying the areas that need further work or improvement.

- b. Business Strategy Adjustments

It provides the opportunity to evaluate, and if required, modify business strategies in response to the changing of market trends and demands.

- c. Product and Service Development

It encourages discussions regarding creating or developing new products or enhancing existing ones based on customer feedback, design trends, or in Natural House's case potential materials that could be used.

- d. Problem Solution

It offers a platform to identify and resolve business problems that might come up throughout the manufacturing, distribution, and customer service process.

- e. Customers' Satisfaction Evaluation

It helps assess customers' satisfaction levels and pinpoint areas in need of development.

- f. Employee Evaluation

It allows the employees to evaluate their own and their team's performance and offer ideas for improvement.

- g. Financial Health Monitoring

It facilitates monitoring the company's financial health, potential risks, and takes proactive measures.

- h. Plans and Goals Evaluation

It offers a chance to assess and revise business plans, for both short- and long-term objectives

- i. Enhanced Operational Efficiency

It offers a chance to assess operational procedures and methods to reach effectiveness in the process and the output.



j. Team Building

It encourages the development of a cooperative atmosphere, employee engagement, and communication among teams to minimize miscommunication.

In order to remain current and competitive in the creative business industry, especially in the furniture and home decor sector, Natural House has to establish a cycle of continuous learning and development, which can only be achieved through these meetings. Natural House is well-advised to arrange these scheduled review sessions or evaluation meetings. Furthermore, since Natural House has a small number of employees or personnel, evaluation meetings in a semi-informal manner would be the best choice.

**C. Implementation Plan & Justification**

The planning timeline and details of the proposed business solution for Natural House will be explained in more detail in this section. This implementation plan and justification section will consist of the action planning that Natural House could be applied in the next 1-year plan format. It consists of the action plans with the Key Performance Indicators (KPI) that can be applied to Q1 - Q2 and to Q3 - Q4 in 2024. The table below will show the timeline and schedule in order to execute the business strategies.

**Table VI.** Implementation Plan

No	Action Plan	Key Performance Indicators (KPI)	2024					
			Q1 - Q2					
			1	2	3	4	5	6
<b>Monthly review and evaluation meeting with all personnel.</b>								
1.	Hold monthly performance reviews for each department	Monitor the implementation of employee growth targets and the rate of effectiveness in increasing productivity during performance reviews						
2.	Hold three-monthly evaluation meeting with all personnel	Percentage of employees who, since the previous evaluation, had completed training and development programs, met their quarterly targets, and followed their development goals.						
<b>Talent acquisition and collaborative hiring for the needed area of expertise</b>								
1.	Talent screening for new in-house employees (marketing & IT departments)	Percentage of applicants have the necessary training and experience in IT & marketing. Proficiency level in platforms and tools in the area of expertise						
2.	Hiring process and work transitions	The average duration for filling a job vacancy and the length of time it takes a new recruit to reach maximum productivity in their position.						



Onboarding, training, and mentoring employees.						
1.	Training and mentoring for marketing & IT department (new employees)	Evaluation of how successfully new employees utilize and retain the knowledge and improved skills they received from mentorship and training.				
2.	Training and mentoring for older employees	The degree to which senior workers integrate newly acquired information and abilities into their work responsibilities.				
Marketing optimizations through offline platforms.						
1.	Preparation for offline exhibitions	The degree of management and product readiness to be displayed at the exhibition				
2.	Join and participate in offline exhibitions (IFEX or JIFFINA)	The level of engagement with visitors (booth visits, interactions, and inquiries) for the brand visibility and customer feedback The total sales and revenue Calculation on the return of investment (ROI) on overall costs				
Register in any worldwide or global marketplace that is available.						
1.	Register and set up the store on the global marketplace	The amount of time needed to prepare, the completeness of product listing, and launch of Natural House store on the global marketplace.				
2.	Maintaining and monitoring the store engagement performance	The quantity of interactions and comments the company gets in the marketplace. The accuracy and promptness in order fulfillment and product delivery to customers.				
			Q3 - Q4			
			7	8	9	10
			11	12		
Marketing optimizations through offline platforms.						
1.	Preparation for offline exhibitions	The degree of management and product readiness to be displayed at the exhibition				



2.	Join and participate in offline exhibitions (IFFINA & TEI)	The level of engagement with visitors (booth visits, interactions, and inquiries) for the brand visibility and customer feedback The total sales and revenue Calculation on the return of investment (ROI) on overall costs						
3.	Apply visual merchandising strategy and refurbish Natural House's showroom	Customer feedback on the showroom layout's general satisfaction and visual attractiveness Comparison of ROI and sales results across several seasons, themes, or occasions						
4.	Revamp office area to accommodate more employees	Evaluation of how well the revamped office accommodates flexible work arrangements and in overall productivity						
<b>Monthly review and evaluation meeting with all personnel.</b>								
1.	Hold monthly performance reviews for each department	Monitor the implementation of employee growth targets and the rate of effectiveness in increasing productivity during performance reviews						
2.	Hold three-monthly evaluation meeting with all personnel	Percentage of employees who, since the previous evaluation, had completed training and development programs, met their quarterly targets, and followed their development goals.						

(source: author's analysis)

All the business solutions and strategies that were offered have each action plan and KPI. The table shows that it has been scheduled properly with different colors to indicate each business strategy and can be monitored every month or every quarter (Q).

### CONCLUSION

This subchapter wraps up the whole study from chapters one through four, which covers the research's background as well as the business problems that were identified and analyzed in order to produce business solutions, especially answering the research objectives that were stated in the previous chapter.

1. There are several barriers and problems occurring in Natural House that they need to overcome. One of them is the lack of human resources and capital that is expert in their field for each department in the company. After the COVID-19 pandemic, Natural House has been applying for partnership employment and freelancing. Although this work system has proven good, the results still are not as effective as it would have been with enough in-house employees. This human resources problem then led to another problem that Natural House had to overcome, which is their marketing performance which was not optimal because of the lack of people and knowledge on digital marketing. Since we are entering the technology era, having digital or information technology skills and knowledge would be very beneficial for the company to reach a wider market.
2. There are several strategies that can be used and implemented at Natural House based on analysis that has been carried out through internal and external factors within the company. The first two strategies that could be done immediately in the first



and second quarters of 2024 are for the human capital and resources area. Talent acquisition, collaborative hiring, and onboarding and training were the priorities that Natural House needed to be addressed as it was stated in the previous point. The next strategy for the third and fourth quarters of 2024 is to optimize marketing. After the talent for digital marketing and IT has been acquired, the best course of action is to join global platform marketplaces and offline marketing such as fairs and exhibitions. Also, finish revamping their physical showroom/store and office to accommodate more employees and work efficiently. The last strategy that can be applied every month or quarter is to hold a performance review at the evaluation meetings with all personnel or departments. From there on, Natural House could observe and understand what needs to be improved in order to reach its goals and objectives. By utilizing all these strategies, effective performance with maximum results could be achieved, whether in the short or long term.

3. In the overall conclusion, faced with a high level of bargaining power of buyers based on the analysis above, Natural House would also need to have a strong marketing strategy, new unique products, hone their quality and design skills, and comprehend the tastes and demands of their customers. What is needed to be improved in their business is distinctiveness, creativity and innovation, and excellent customer service. This could be done by providing exceptional value, quality, or services.

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