

DESIGNING BUSINESS DEVELOPMENT STRATEGIES FOR XYZ SUBSIDIZED HOUSING DEVELOPERS IN EAST JAVA WITH QSPM

Rahma Fariza¹, Eric Harianto²

Universitas Ciputra Surabaya, Indonesia

Email: rahmafariza11@gmail.com

ABSTRACT

This study formulates a corporate development plan for XYZ Housing Developer using Management Strategy Theory and the Quantitative Strategic Planning Matrix (QSPM). The objective is to leverage XYZ's unique resources and capabilities to secure a sustainable competitive advantage in the housing industry. The research begins with an analysis of Management Strategy Theory, emphasizing its importance in strategic management. It identifies XYZ's strategic resources, which are crucial for enhancing its market position. QSPM is applied to evaluate and prioritize strategic alternatives based on internal resources and external conditions. The findings highlight that strategies focusing on sustainable construction and customer relationship management are particularly advantageous. Data triangulation through multiple validation methods—expert reviews, stakeholder interviews, and empirical analysis—ensures research reliability and validity. Results show a strong correlation between effective resource utilization and improved business performance, including higher customer satisfaction and market share. This research contributes to the field by showcasing the application of Management Strategy in the housing sector and the effectiveness of QSPM in guiding strategic decisions. The study provides valuable insights for developing sustainable strategies in a competitive market.

KEYWORDS Management Strategy Theory, QSPM, Housing Developer, Competitive Advantage, Business Development Strategy, Data Triangulation.



This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International

INTRODUCTION

Public housing in slum urban areas is mostly inhabited by *Low-Income Communities* (MBR), and the problem of poverty is closely related to it, like two sides of the same coin. The understanding of public housing cannot be separated from the discourse of poverty and citizens with low-income levels. In Indonesia, one of the causes of the emergence of urban slum areas is the limited economic ability of people to have decent housing. This is a fundamental problem, especially in low-income communities (Erniwati, 2019; Puspita, 2023; Randy, 2013; Sururi et al., 2021). Sunarsip (2022) stated in his analysis that since 2021, Bank Indonesia

How to cite:
E-ISSN:

Rahma Fariza, Eric Harianto (2025). Article Title. Journal Eduvest. Vol 5
(6): 6010 - 6030
2775-3727

and the government have issued policies to encourage the growth of the housing sector.

Bank Indonesia has issued a policy of easing the loan-to-value ratio (*LTV*) or loan-to-value (*FTV*) to 100% for property loans or financing. The government also issued a government-borne value-added tax (*VAT*) policy of 100% for the purchase of the first house in 2021 and 100% for the purchase of the first house in 2022 until September. It is evident that this incentive policy improved the performance of the property sector. After the 2020 contract, the construction sector grew by 3.8% to 4.8% (yoy) during the second quarter of 2021 to the first quarter of 2022, and the real estate sector also grew by 2.8% to 3.9% (yoy) during the second quarter of 2021 to the first quarter of 2022. However, the performance of the property sector began to decline since the second quarter of 2022 and only grew by 0.63% (yoy) in the third quarter of 2022.

The performance in the third quarter of 2022 made property business actors choose to wait and see. The positive growth of the property sector during 2021-2022 was not fully driven by stable household purchasing power and consumption. Additionally, data shows that household consumption (*RT*) for housing is still relatively low and will decline to 2.30% (yoy) in the third quarter of 2022. Consumers buying homes are projected to benefit from government and Bank Indonesia incentives, among others.

Meanwhile, the *VAT DTP* incentive provided by the government will no longer exist in 2023, so consumers are worried that they will lose their desire to buy a house. In addition, as a result of the policy of increasing fuel prices in September 2022, the current price of building materials has also increased, encouraging an increase in house prices, although this increase is still limited (Sunarsip, 2022).

Government policies also play an important role in the development of the housing industry. Subsidized housing programs, such as the Housing Financing Liquidity Facility (*FLPP*), provide incentives for developers to target the lower-middle segment, but developers must be able to adapt to frequent policy changes (Putri et al., 2023; Indradjati, 2020).

In addition, technological advancements, such as the use of prefabricated construction methods and digital technologies in marketing, have opened up new opportunities for developers. However, developers who do not quickly adapt to these changes risk losing competitiveness in an increasingly competitive market (Fatkharrufiqi & Gata, 2022; Ginting & Barus, 2018; Inayah et al., 2023; Saputra & Nuryana, 2022).

Competition in the housing industry is also fierce, with many developers competing to attract consumers. In this context, developers must be able to offer quality products at affordable prices to attract the attention of potential buyers (Hisyam et al., 2023). In addition to external factors, challenges also arise from

within the development company itself, such as financial capacity, management quality, and innovation capabilities that greatly determine the company's success in competing in the market (Rameli & Salleh, 2022).

XYZ Housing Developer offers subsidized houses to residents of Tulungagung city and surrounding areas. In recent years, the government's policy to provide subsidy assistance has been enforced with a time limit. The subsidized housing program lasted for 10 months in 2022 and 2023. However, in 2024, the time will decrease drastically to 8 months. Developers of subsidized housing face danger because of this. Because the subsidy program can be reduced, the company's revenue can drop drastically. When there is no subsidized housing program, XYZ Housing Developers lose 30% of their revenue each month. All subsidized housing owners in Indonesia experience this as well. This is coupled with the uncertainty of the Government Subsidy Program in the coming years. In addition, there is very tight competition between subsidized housing developers. XYZ Housing Developer is a market leader in several cities, but it loses out to its competitors in other cities. This can be seen from the Bank's data on the Realization of *Permaha Mortgages*. XYZ Residential Developers have a complete management system and resources, but the growth of home income has not reached the management target over the past few years. As a result, to achieve this target, a Business Development Strategy is needed. In addition, to have the ability to compete with other housing developers in each city.

Analysis of XYZ Housing Developers' business growth trends shows diverse dynamics during the 2017-2024 period. In the initial phase (2017-2019), the company recorded strong growth with an increase of 24% in 2018 and a significant acceleration of 53% in 2019. However, this momentum experienced a drastic slowdown in 2020 with a growth of only 1.6%, which was likely influenced by the global macroeconomic conditions of the *Covid-19* outbreak as well as throughout Indonesia.

In 2021, sales achieved a significant growth of 41.9% compared to the previous year. This indicates a market recovery after a period of stagnation in the previous year, which is likely influenced by improved economic conditions and the implementation of more effective marketing strategies. Entering 2022, achievement growth has slowed down, although it is still at 24.6%, which shows a positive momentum, but at a lower pace than the previous year.

Furthermore, in 2023, sales achievement growth has decreased significantly to 2.9%, indicating that the market is starting to experience saturation or there are obstacles in the sales strategy implemented. This slowdown trend is even more pronounced in 2024, with growth reaching only 1.6%, which shows almost no significant improvement compared to the previous year.

This phenomenon indicates that the company faces challenges in maintaining stable sales levels and achieving the set targets. If this slowdown trend continues, companies risk more serious stagnation in the coming years. This pattern also indicates that there are structural challenges that need to be overcome, both from internal and external aspects of the company. This phenomenon shows the urgency to conduct a comprehensive evaluation of business strategies and the implementation of strategic measures to restore a positive growth trajectory. By implementing the right strategy, the company is expected to overcome the slowdown in growth and return to increase sales achievements in the future.

XYZ Housing Developers face difficult problems while growing their business. Therefore, a systematic and measured approach is needed to analyze the internal and external environment of the business. In addition, the strategy that best suits the circumstances and capabilities of the business must be created. In the midst of these difficult challenges, it is important for XYZ residential development companies to have a scalable and adaptive strategy. One of the analysis tools that can be used is the *Quantitative Strategic Planning Matrix* (QSPM), which allows companies to evaluate various alternative strategies based on internal and external factors that have been identified through *SWOT* analysis (Nugroho & Marsoyo, 2021). By using QSPM, companies can objectively assess the weight of each relevant factor and determine which strategies provide the highest value in a given situation. This quantitative approach is urgently needed in a dynamic business environment such as the real estate industry, to ensure that companies can survive and thrive in a competitive market (Susilo. JH., 2023).

The research conducted by Banka et al. (2022) entitled "Analysis of the business strategy of real estate developers in Vietnam: The use of the QSPM matrix" aims to create a business strategy for Novaland Group's existing real estate developers in Vietnam. This research was conducted with a qualitative approach with interview guideline instruments. The 17 informants were the current leaders of Vietnamese real estate developers interviewed. Since affordable housing areas will provide significant market appeal, the findings of this study suggest that the development of affordable housing areas is essential. Real estate developers should focus on price competition as the main strategy they should aim for. This means that they must accelerate projects to reduce production costs and implement product differentiation strategies that match customer demand.

This research is important because it will make the best strategy for business development in XYZ Housing Developers with the QSPM approach. In the research on the design of business development strategies for XYZ Housing Developers using the *Quantitative Strategic Planning Matrix* (QSPM), there are several novelties that can be identified.

The aim of this research is to formulate the best business development strategy for XYZ Housing and to integrate *Strategic Management Theory* in designing business development strategies. This study is expected to contribute to the business strategy literature, particularly in the application of the *Quantitative Strategic Planning Matrix* (QSPM) in the real estate industry, and provide practical insights for property developers in designing sustainable and innovative business strategies. The benefits of this research include providing data-driven strategic recommendations through the implementation of QSPM, which will help XYZ Housing developers make more objective strategic decisions, increasing the competitiveness of XYZ Housing development companies in the housing market by identifying and prioritizing the most appropriate strategies based on internal and external factors analysis, and supporting the development of sustainable housing business strategies by integrating environmental, social, and economic aspects in business development strategies.

RESEARCH METHOD

This research is descriptive research based on qualitative data with a *SWOT* approach and *QSPM*. A qualitative approach can be used to gather insights into the perceptions, motivations, and behaviors of stakeholders involved in the housing sector, similar to the approach taken by Apriliani in his study of Apriliani's business development strategy (2023). There are two basic assumptions of this model:

1. First, the condition is paired between *S* (Strengths) and *W* (Weaknesses), as well as *O* (Opportunities) and *T* (Threats).
2. The second assumption in *SWOT* is that the sub-components in each component (*SWOT*) are independent and have no relationship with each other.

The research location was conducted in East Java. The subject of the study is *XYZ Housing Developer* in Tulungagung City, Malang, Blitar, Kediri, Nganjuk, and Trenggalek.

This research involves internal and external variables that are identified through *SWOT* (*Strengths, Weaknesses, Opportunities, Threats*) analysis and are measured based on weights and ratings in the *QSPM* framework. The research variables are divided into two main categories:

1. Internal Variables: The strengths and weaknesses of the company, such as operational efficiency, resource management, and competitive advantage.
2. External Variables: Opportunities and threats from the external environment, such as government regulations, market conditions, and competition.

After conducting a *SWOT* analysis, the next step is to apply *QSPM* to prioritize the identified strategies. It involves quantifying the attractiveness of each strategic option based on factors obtained from the *SWOT* analysis. *QSPM* will facilitate the selection of the most feasible strategy for *XYZ Housing*, as

shown in a study by Nuringsih et al., which uses *QSPM* to create a strategy based on *SWOT* findings (Nuringsih et al., 2020). The population in this study is all stakeholders related to strategic decision-making in *XYZ Housing*. This includes the Developer Director, the Managers, and the Project Leaders. In addition, the population includes Consumers, Experts (*Subsidized Housing*), and Local Government Officials (Heads of related Agencies).

The data sources needed are:

1. **Primary Data:** Data obtained directly by the researcher from the first source or where the object of the research was conducted. In this study, the primary data source is interviews conducted with the Director, Manager, and Leader of the *XYZ Housing* Project, as well as from consumers of housing buyers, experts in the field of housing business, and heads of government agencies related to housing development.
2. **Secondary Data:** Data refers to information collected from existing sources. Secondary data sources are company records or documentation, government publications, banking data, industry analysis by the media, websites, the internet, and so on.

The research can use a variety of data collection techniques, including surveys, interviews, and focused group discussions with stakeholders such as prospective buyers, banks, real estate agents, and local government officials. This is in line with the methodology used by Mardiyana et al., which uses descriptive statistics and case studies to analyze competitive strategies (Mardiyana et al., 2022).

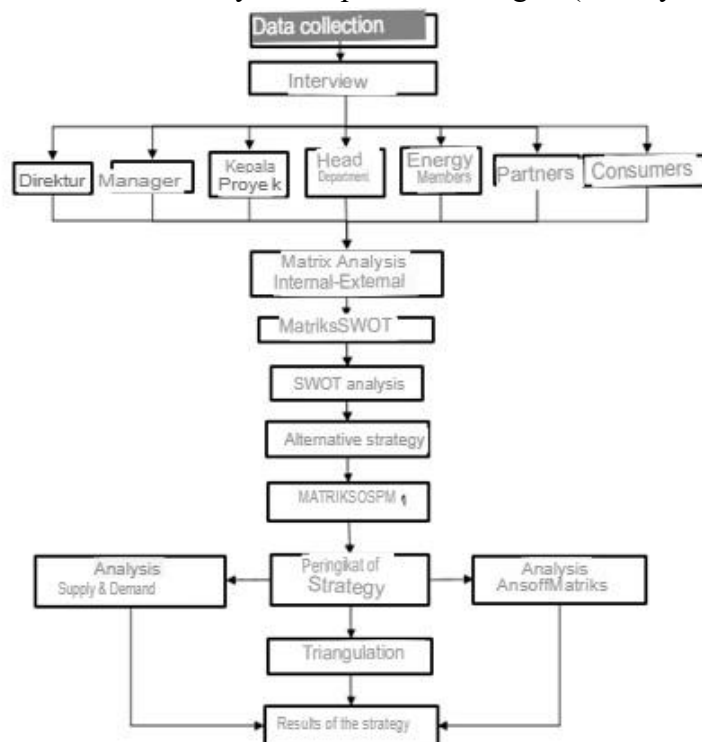


Figure 1. Research Flow

RESULT AND DISCUSSION

XYZ Real Estate Company Overview

XYZ Subsidized Housing Company is a subsidized housing development company based in the city of Tulungagung. XYZ Subsidized Housing Company was established in 2010, with its address in Bago Village, Tulungagung City. The purpose of establishing XYZ Housing Company is to run a business in the field of subsidized housing development, with the aim of realizing housing that provides a safe, comfortable, and affordable environment.

Strategy Based on the SWOT Matrix

Strategy Development Based on the SWOT Matrix of XYZ Housing Company

Based on the SWOT analysis that has been compiled, XYZ real estate companies can develop a broader and deeper strategy by leveraging existing internal strengths and opportunities, as well as addressing weaknesses and threats that may arise. The strategy developed must take into account the dynamics of the rapidly growing housing market and the challenges faced in this sector. Below is a more detailed explanation of the strategies that can be implemented.

SO Strategy

1. Optimization of Digital Marketing and Technology Utilization (S1, S3, S6, O1, O6)

Utilize social media and information technology for digital marketing strategies, considering that customers are increasingly digitally literate. To improve customer relationships and facilitate transactions, the *Customer Relationship Management* (CRM) system can be implemented effectively. Additionally, building its own digital platform that provides project information, unit availability, and mortgage simulations online will facilitate access for customers, while strengthening the company's competitiveness in an increasingly connected, competitive market.

2. Strengthening Collaboration with Investors and Banks for Competitive Financing Schemes (S2, S3, S6, S10, O3, O4, O10)

Leverage strong relationships with investors and banks to develop more flexible financing schemes, thereby facilitating access to the resources needed for housing projects. Furthermore, collaborating with banks to provide subsidized mortgage programs with low interest rates will offer more affordable financing solutions for customers. To support the sustainability of projects, building a wider network of partnerships is also important to strengthen the foundations and smooth running of overall housing development.

3. Attractive Product and Design Development to Reach the Mid-Range Segment (S7, S8, S9, O5, O6)

Focus on *commercial housing development* for the middle class. Provide a more varied and attractive home façade design to capture the attention of potential middle-class buyers who view property as an investment. Additionally, it is crucial to adapt house designs to more modern styles, while considering sustainability and energy efficiency to meet the needs of a market increasingly concerned with the environment. To support innovation in creating residential concepts that align with market trends, developing training programs for human resources is key to enabling them to be more creative and adaptive in designing attractive and relevant housing projects.

4. Expansion of Strategic Locations by Utilizing Ease of Licensing and Land Availability (S1, S4, S10, O8, O9)

Identify strategic locations with affordable land prices, such as in Blitar and its surroundings, to ensure the development of more economical and high-potential housing projects. Additionally, optimizing relationships with associations and licensing partners is essential to expedite and simplify the development process, ensuring that projects can run more efficiently. To support the smooth execution of projects, adapting them to government policies that promote the acceleration of subsidized housing permits is also an important step, ensuring that the project aligns with regulations and maximizes benefits for all parties involved.

5. Utilization of Tax Incentives and Government Support to Increase Consumer Attractiveness (S3, S5, S6, O2, O7)

Leverage networks of associations and relationships with licensing bodies to ensure the smooth implementation of tax write-offs, providing optimal benefits for housing projects. Additionally, educating potential buyers about the benefits of tax exemptions will increase their interest in purchasing subsidized homes. To further attract market attention, these tax incentives can be used as promotional strategies, such as providing more attractive price simulations post-tax elimination, motivating potential buyers to make a purchase.

WO Strategy

Reduce the company's internal weaknesses by taking advantage of available external opportunities, thereby increasing operational effectiveness and competitiveness.

1. Construction Quality Improvement and Quality Control Supervision (W5, W6, W9, O2, O7)

Implementing a stricter project management system to oversee the quality of construction and product finishing, ensuring that each stage of development meets the set standards. Additionally, the discourse on tax elimination can be used

as an opportunity to improve the quality of subsidized houses, making them more attractive to consumers seeking value in property purchases. To further ensure the quality and efficiency of the project, using modern technologies in quality control and project monitoring, such as *drone-based inspections* or *cloud-based project management applications*, can help monitor developments in real-time, detect problems early, and ensure that projects proceed as planned with a high level of precision.

2. Digitization of Financial and Management Information Systems to Improve Efficiency (W7, W8, W10, O3, O10)

Develop an integrated financial information system to increase transparency in fund management and facilitate the monitoring of project cash flows. The application of *ERP* (Enterprise Resource Planning) technology will optimize project management and budget management, ensuring efficiency in the use of resources. Additionally, leveraging banking support to obtain a more flexible and efficient financing scheme can enhance operational smoothness and support project growth more effectively.

3. Improvement of Human Resources Capabilities in Project Management and Budget Control (W4, W9, W10, O4, O5)

Organize intensive training for project and sales teams to improve competencies in project management and sales strategies. Taking advantage of opportunities from investors and the middle class will also help increase the scale of projects and manage budgets more effectively. Additionally, developing a performance-based incentive program for *HR* can increase motivation to achieve sales and project management targets. These strategies are designed to improve the company's internal weaknesses by taking advantage of external opportunities, thereby driving business growth and sustainability.

ST Strategy

Use the company's internal strengths to deal with external threats and mitigate risks.

1. Diversification and Expansion of Locations Outside the Region with Limited Quota and Land (S1, S2, S4, S10, T1, T4)

The company can develop projects in areas that still have sufficient subsidized housing quotas, especially in areas with larger and more affordable land prices. Additionally, leveraging the strength of the network of investors and associations will provide access to new strategic locations outside *Tulungagung* that have high demand potential. Cooperation with local governments is also essential to gain support in accelerating land licensing and incentives, which will speed up project implementation and increase investment attractiveness.

2. Improving Operational Standards and Administrative Compliance to Face Changing Regulations (S3, S5, S6, S10, T5, T6, T9)

The company can develop compliance management systems to ensure adherence to government regulations related to subsidized housing, as well as leverage strong networks with notaries, licensing partners, and banks to stay updated on the latest policy developments. Additionally, conducting regular internal training for the administrative team will ensure that they are more responsive in handling regulatory changes and inspections from the *DGT*.

3. Strengthening Relationships with the Government and the Community to Reduce Licensing and Regulation Barriers (S3, S5, S10, T7, T9)

Optimize the network of associations and business partners to obtain support from local governments, thus reducing barriers in the licensing process. The *Corporate Social Responsibility (CSR)* approach is also important to build good relationships with the surrounding community, which has the potential to reduce interference from parties trying to hinder licensing. Moreover, holding discussions and collaborations with the government will help the company be better prepared to face scrutiny from officials related to property business regulations.

WO Strategy

Reduce internal weaknesses and avoid external threats that could harm the company.

1. Strengthening Market Analysis and Strategic Planning to Face Increasingly Limited Quotas (W1, W9, W10, T1, T4, T5)

The company can develop a market research division to analyze the demand for subsidized housing, strategic locations, and potential quotas in depth. Implementing stricter project planning, including project management and controlled *RAB* escort, will ensure compliance with government regulations. In addition, coordinating with the government and banks will help companies prepare strategies to deal with regulatory changes while optimizing available quota opportunities.

2. Improving Customer Service and Human Resources to Face Economic and Regulatory Challenges (W2, W3, W4, T8, T10)

Develop special training programs for sales and customer service teams to improve communication and customer service skills. The implementation of the *CRM* (Customer Relationship Management) platform will help manage interactions with customers more effectively and speed up complaint handling. In addition, providing more flexible payment options, such as internal installment schemes, can be a solution to overcome the decline in purchasing power due to inflation, thereby increasing sales opportunities.

Analysis of XYZ Housing Business Strategy Based on the Results of the Quantitative Strategic Planning Matrix (QSPM), Strategic Implications, and Implementation Priorities

In the context of the dynamics of the contemporary residential property industry characterized by demographic fluctuations, evolving consumer preferences, and regulatory transformations, the development of a business strategy that is calculated and responsive to external variables is an organizational imperative. This study analyzes housing business strategies based on the *Quantitative Strategic Planning Matrix* (QSPM) methodology that has been implemented as a strategic evaluation instrument. The results of the analysis showed significant differentiation in the *STAS* (Sum Total Attractiveness Score) value, which indicated variability in the significance and urgency of the implementation of each strategy.

Analysis of **Strategy 1** (*Digital Marketing Optimization and Technology Utilization*) with an *STAS* value of 4.82 and second rank, shows that there is great significance. This strategy represents a transformative paradigm in terms of expanding demographic reach through digital platforms, enhancing technology-based consumer experiences such as virtual reality travel, and automating processes to improve operational efficiency. If this strategy is applied comprehensively, it can accelerate the sales cycle, reduce information asymmetry between developers and buyers, and gain data-driven behavioral insights to improve ongoing product offerings. The construction of this strategy shows a reaction to the widespread digitalization trend in the residential property sector.

Strategy 2, called *Strengthening Collaboration with Investors and Banks for Competitive Financing Schemes*, obtained a significant *STAS* score (4.75) and was placed in third place. This method of cooperation emphasizes the establishment of strategic collaborations with financial entities to create innovative financing structures that are more accessible in the market. By developing alternative financing mechanisms, the challenges of entry for consumer segments facing liquidity limitations can be overcome. This can result in a major market expansion that can be overcome overall. Overcoming the difference in risk-return expectations between developers and financial institutions, and the difficulties of inter-institutional negotiations, are some of the implementation challenges.

Strategy 3 (*Attractive Product Development and Design to Reach the Middle-Class Segment*) was considered a top priority, receiving the highest *STAS* score (4.93) and ranked first. This product-centric method concentrates on reconfiguring the value proposition through design and functionality innovations that adapt to the evolutionary preferences of the middle-class market. To implement this strategy effectively, perspectives from different fields must be combined to create residential solutions that optimize the trade-offs between affordability and

dream living. Thus, price sensitivity is transformed into a reward for a unique value proposition.

Strategy 4 (*Expansion of Strategic Locations by Utilizing Ease of Licensing and Land Availability*) was classified fourth and obtained a *STAS* value of 4.73. This method, which is based on the effectiveness of the licensing process and the optimization of land availability, gains a competitive advantage by identifying and utilizing jurisdictions with an appropriate regulatory environment. Its strategic nature lies in its ability to reduce development time and approval costs, which drives competitive pricing and increases return on investment. In implementation, there are constraints due to regulatory differences between jurisdictions and possible compensation between ease of licensing and location preferences.

Strategy 5 (*Utilization of Tax Incentives and Government Support to Increase Consumer Attractiveness*) shows substantial significance with a *STAS* value of 4.56 and a fifth-ranking classification. This fiscal policy-based approach focuses on leveraging tax incentives and government support programs to amplify the value proposition to potential consumers. Effective implementation requires continuous monitoring of the evolving policy landscape and the strategic integration of incentives in marketing communications. Implementation challenges identified include fiscal policy volatility and administrative complexity in government program access.

In the context of constructive transformation, **Strategy 6** (*Construction Quality Improvement and Quality Control Supervision*) obtained a *STAS* score of 3.54 with the twelfth rank classification. Strict implementation of construction quality standards and quality control mechanisms has the potential to be a competitive differentiator in an increasingly competitive industry. Optimizing this strategy requires a systematic approach with the integration of monitoring technology and process standardization, which has implications for operational complexity and financial implications.

Strategy 7 (*Digitization of Financial and Management Information Systems to Improve Efficiency*) shows a *STAS* value of 3.72 with the eleventh ranking classification. Digital transformation of financial and management systems represents a progressive step towards superior operational efficiency, through minimizing process redundancy, financial reporting accuracy, and faster data-driven decision-making. Implementation challenges are identified in the resistance to organizational change and complexity of system integration.

Strategy 8 (*Improving Human Resources Capabilities in Project Management and Budget Escort*) obtained the lowest *STAS* score (3.45) with a thirteenth rank classification. Despite facing challenges in justifying its strategic value, the development of these competencies is an essential foundation for the effective execution of other strategies and has the potential to generate long-term

efficiencies through improved accuracy of budget projections and project risk mitigation.

In the context of territorial expansion, **Strategy 9** (*Diversification and Expansion of Locations Outside the Region with Limited Quotas and Land*) shows a significant *STAS* value (4.33) with the seventh ranking classification. The location diversification approach represents an adaptive response to market saturation in areas with limited quotas and land. Strategic implementation requires comprehensive market research and multidimensional feasibility analysis to address the complexities of logistics, regional licensing, and product adaptation to local needs.

Strategy 10 (*Improving Operational Standards and Administrative Compliance to Face Changing Regulations*) obtained a *STAS* score of 3.86 with the tenth ranking classification. This approach recognizes the complexity and volatility of the regulatory environment in the property industry, emphasizing the significance of proactive compliance as a risk mitigation mechanism. Key challenges include reconciling regulatory compliance with operational efficiency in the context of regulatory dynamics.

Strategy 11 (*Strengthening Relations with the Government and the Community to Reduce Licensing and Regulation Barriers*) shows an *STAS* value of 4.18 with the classification of eighth rank. A relational approach with government entities and local communities can generate strategic advantages through accelerating the approval process and minimizing conflicts, with implementation challenges in developing a consistent and transparent engagement approach.

Strategy 12 (*Strengthening Market Analysis and Strategic Planning to Deal with Increasingly Limited Quotas*) obtained a substantial *STAS* score (4.50) with the sixth ranking classification. This market intelligence-based approach emphasizes the significance of analytical capabilities in identifying opportunities amid limited development quotas. Effective implementation can result in a competitive advantage through superior data-driven decision-making and anticipation of consumer trends, with challenges in the acquisition and interpretation of complex market data.

Strategy 13 (*Improving Customer Service and Human Resources for Adaptation to the Economy and Regulation*) showed an *STAS* value of 3.96 with the ninth ranking classification. This customer-centric approach recognizes the significance of adaptive capabilities in a dynamic economic and regulatory environment, with an emphasis on improving service quality and human resource development. Implementation challenges include the development of an adaptive organizational culture and the integration of the voice of customers in the strategic decision-making process.

The conclusions of a comprehensive analysis of XYZ Housing's thirteen business strategies based on the *QSPM* methodology indicate a significant pattern of strategic prioritization in the context of the contemporary residential property industry. The ranking classification based on *STAS* values shows the hierarchy of implementation, with product development and design strategies (Strategy 3) as preeminent priorities, followed by digital marketing optimization (Strategy 1), and strengthening financial collaboration (Strategy 2). The substantial differentiation of *STAS* values between the highest (4.93) and lowest (3.45) strategies indicates a significant disparity in the perception of each strategy's potential contribution to the organization's competitive advantage.

The theoretical implications of this study include empirical validation of the premise that product innovation-based strategies and technological transformation have superior significance in the context of the contemporary residential property industry compared to conventional approaches such as HR capability development. These findings are consistent with the literature that emphasizes the acceleration of changing consumer preferences and the digitalization of the property ecosystem as determinant variables in the industry's competitive dynamics. The practical implications of this analysis for organizational stakeholders include recommendations for the adoption of a facilitated strategic implementation approach, with resource allocation proportional to the value of each strategy's *STAS*. This approach requires systematic orchestration between product innovation (Strategy 3), digital transformation (Strategy 1), and reconfiguration of financing models (Strategy 2) as a Strategic Trias in the acquisition of *Sustained Competitive Advantage*. Additional recommendations include the integration of lower-ranked strategies such as the development of human resource capabilities (Strategy 8) and quality control (Strategy 6) as complementary enablers for the effective implementation of higher-ranked strategies.

This study also illustrates the usefulness of the *QSPM* methodology as a strategic evaluation instrument in the context of complex organizational decision-making, with multidimensional considerations of internal and external factors. Substantial limitations of this study include the static character of the *QSPM* evaluation that does not accommodate temporal dynamics in the relative significance of each strategy, as well as the dependence on the evaluator's subjectivity in determining the attractiveness score. This research will be continued by integrating dynamic evaluation approaches and triangulation methodologies to mitigate these limitations.

Furthermore, the existing strategies will be sorted based on the priority ranking obtained from the *QSPM* method.

Supply and Demand Analysis

Supply is the developer's ability to build a house. Demand is the availability of mortgages.

Critical Evaluation of the Five Priority Strategies

Based on the previously identified Quantitative Strategic Planning Matrix (QSPM) data, this study shifts from a descriptive analysis to a critical evaluation of the five priority strategies through a supply-demand perspective in the context of the residential property industry. The *IFE* (Internal Factor Evaluation) and *EFE* (External Factor Evaluation) matrix presented indicate the strategic position of the company, with a total *IFE* value of 3.08 and *EFE* 3.16, representing moderate internal capabilities and relatively adaptive external responsiveness.

The *SWOT* analysis shows the percentage distribution of Strengths (62%), Opportunities (66%), Weaknesses (38%), and Threats (34%), indicating a strategic orientation that tends to be expansive (*SO*-oriented). Historical data on financial performance (2017-2024) shows a trajectory of turnover growth along with large variations in the achievement of targets, especially with a decline in the achievement-target ratio in 2023-2024. Taking into account the determinants of variables in the residential property ecosystem, this analysis aims to assess the relevance and impact of priority strategies in the context of supply-demand dynamics.

Strategy 1: Attractive Product and Design Development to Reach the Middle Class Segment (*STAS*: 4.93)

From a supply point of view, this product development strategy includes many stages, with significant consequences for the cost structure and production capacity. The factor "*Maintaining a varied design of the façade of the house*", which has a weight of 0.07, a rating of 3, and a value of 0.21, shows significant potential for product differentiation, according to the *IFE* matrix. However, availability issues were found in "*Poor product finishing*" (weight 0.05, rating 1, value 0.05) and "*Quality control is still weak*" (weight 0.05, rating 4, value 0.20), which indicates the possibility of production inefficiency when implementing complex designs. The development of attractive products requires changes in the production process and quality control system. This is done by considering the advantages between different products and cost efficiency.

From a demand perspective, several factors in the *EFE* matrix, including "*Many middle classes are buying homes for investment*" (weighted 0.08, rating 3, value 0.24), and "*Interest in subsidized housing is still high*" (weighted 0.08, rating 4, value 0.32), show a significant correlation with this strategy from a demand perspective. With different design preferences and value perceptions, middle-class segmentation indicates a large potential market. When compared to the lower segment, price elasticity in this segment tends to be lower, which suggests that

consumers may be willing to pay a premium for different products. The achievement of turnover targets increased drastically from 72% to 86% according to historical performance data (2019–2022). This is related to the time spent implementing a product development strategy, which shows the market's resonance with product differentiation.

By requiring improved quality control and product finishing capabilities, this product development strategy has great potential to restructure the company's market share in the middle-class segment, according to the supply-demand synthesis. For implementation, there are problems balancing design expectations with limited production capabilities. This is especially true for *"young and development-ready human resources"* (weight 0.07, rating 2, value 0.14), which requires the development of a faster learning curve.

Strategy 2: Optimization of Digital Marketing and Technology Utilization (STAS: 4.82)

In the context of supply, this digital marketing transformation strategy has implications for restructuring the distribution and product communication model. Based on the *IFE* matrix, the factors *"Management information systems are not well integrated"* (weight 0.03, rating 2, value 0.06) and *"Financial information systems are still weak"* (weight 0.04, rating 3, value 0.12) indicate significant technological infrastructure deficiencies. The implementation of this strategy requires substantial investment in the development of digital infrastructure and analytics capabilities, with implications for the short-term operational cost structure but potential long-term efficiencies.

From a demand perspective, this strategy shows significant resonance with the factors *"Many customers are social media literate"* (weight 0.04, rating 3, value 0.12) and *"Information technology that continues to develop, facilitating the marketing process"* (weight 0.07, rating 3, value 0.21) in the *EFE* matrix. The transformation of consumer preferences in product information acquisition and channel engagement indicates the urgency of digital adaptation. Historical performance data shows relative stagnation in achieving targets in the 2023-2024 period (72% and 66%), which correlates with the post-pandemic acceleration of the digitization of the property industry, indicating a potential competitive lag in digital adaptation.

According to the supply-demand synthesis, this digital marketing optimization strategy faces the challenge of adapting to changes in the channels of consumer choice. The need to implement this strategy is demonstrated by a significant decline in the achievement of recent targets. One of the implementation problems found is the lack of technological infrastructure and information system integration. To address this problem, a strategic approach is needed to acquire and enhance digital capabilities.

Strategy 3: Strengthening Collaboration with Investors and Banks for Competitive Financing Schemes (STAS: 4.75)

In the context of supply, this financial collaboration strategy has implications for funding capacity and financial flexibility for production expansion. Based on the *IFE* matrix, the factors of *"Having several strong investors"* (weight 0.05, rating 4, value 0.20) and *"Having a strong network with notaries and banks"* (weight 0.07, rating 3, value 0.21) indicate substantial relational capabilities with financial entities. However, the factor of *"More than 10 years of experience managing Subsidized Houses"* (weight 0.06, rating 3, value 0.18) indicates historical specialization in certain segments that has implications for the financing structure.

From a demand perspective, this strategy shows significant resonance with the factors of *"Excellent banking mortgage support"* (weight 0.07, rating 4, value 0.28) and *"Financial support (KYG KPL) and banking are very good"* (weight 0.07, rating 3, value 0.21) in the *EFE* matrix. The elasticity of demand for financing schemes indicates consumer sensitivity to payment structures and financial feasibility. The factor *"People's purchasing power decreases due to inflation"* (weight 0.03, rating 2, value 0.06) emphasizes the urgency of financing innovation in the context of macroeconomic pressures.

According to the supply-demand synthesis, this financial collaboration strategy leverages existing institutional relationships to reduce inflationary pressures on consumer purchasing power. The aspect of *"The largest subsidy distributing bank (BTN) prioritizes quota to KYG developers"* (weight 0.05, rating 3, value 0.15) shows implementation problems that have the potential to reduce the accessibility of financing quotas.

Strategy 4: Expansion of Strategic Locations by Utilizing Ease of Licensing and Land Availability (STAS: 4.73)

In terms of supply, this geographical expansion strategy focuses on diversifying land inventory and optimizing production by taking into account licensing disparities. According to the *IFE* matrix, the factor *"Has multiple location points"* (weight 0.05, rating 4, value 0.20) indicates significant expansion capability. On the other hand, the factor *"Having a strong network with licensing partners"* (weight 0.06, rating 4, value 0.24) indicates significant regulatory navigation capability.

From a demand perspective, this strategy shows a significant resonance with the factor *"The number of land offers in the Blitar area"* (weight 0.08, rating 4, value 0.32), which indicates the availability of abundant land, positively impacting the cost structure. In addition, the factor *"Limited land for cheap houses in Tulungagung"* (weight 0.04, rating 4, value 0.16) shows a geographical difference in land accessibility, which points to *"The subsidized housing quota is increasingly*

limited" (weight 0.06, rating 4, value 0.24), indicating that the location must be expanded to optimize the quota allocation.

According to the supply-demand synthesis, this location expansion strategy leverages the existing network of licensing partners to address geographical differences in land availability and ease of licensing. The aspect of *"The presence of community members who hinder the licensing process"* was found with implementation challenges (weight 0.01, rating 4, value 0.04), which, although having minimal weight, shows the social complexity in the land purchase process.

Strategy 5: Utilization of Tax Incentives and Government Support to Increase Consumer Attractiveness (STAS: 4.56)

This fiscal policy-based strategy impacts the structure of production costs and the price strategy in terms of supply. No internal factors explicitly correlate with the ability to take advantage of tax incentives, according to the *IFE* matrix. This shows possible differences in abilities in this section.

From the perspective of demand, this strategy shows significant resonance with the factor *"There is a discourse on the 16% tax elimination program (BPHTB 5%)"* (weight 0.04, rating 2, value 0.08), which indicates the possibility of a reduction in the tax burden with a positive effect on product attractiveness. However, a relatively low value (0.08) indicates uncertainty in policy implementation. The factor *"Government apparatus that tends to find faults"* (weight 0.01, rating 3, value 0.03) indicates bureaucratic complexity that has implications for the effectiveness of the use of incentives.

The supply-demand synthesis shows that using fiscal incentives is a cost-optimization method that leverages government policies to increase product attractiveness. The aspect *"Changing government regulations related to subsidized housing"* (weight 0.02, rating 3, value 0.06) indicates implementation problems, which highlight regulatory uncertainty with impacts on fiscal predictions.

Strategic Implications and Recommendations

A thorough analysis of the five priority strategies from a supply-demand perspective shows that strategic patterns tend to differ according to market changes. The differentiation approach is represented by product development strategies (Strategy 3) and digital marketing optimization (Strategy 1). On the other hand, the cost-efficiency approach is represented by a strategy of financial collaboration (Strategy 2), location expansion (Strategy 4), and utilization of fiscal incentives (Strategy 5). This duality corresponds to the characteristics of the property sector, which requires efforts to manage a balance between product differentiation and price accessibility.

In the five relatively minimal priority strategies, there was a difference in the highest (4.93 for Strategy 3) and lowest (4.56 for Strategy 5) *STAS* values,

suggesting that there was a significant relationship between each strategy. Recommendations for implementation include an integrative approach with strategic sequencing. For example, Strategy (1) initiates product development (Strategy 3) with an emphasis on improving quality control capabilities; Strategy (2) expands financial collaboration (Strategy 2) with a focus on financing scheme innovation to reduce inflationary impacts; and Strategy (4) expands location diversification. Finally, Strategy (5) optimizes the use of fiscal incentives with a proactive approach to regulatory evolution.

CONCLUSION

In conclusion, the research on the business strategy of XYZ Housing Company indicates that the company is well-positioned for growth, especially in the subsidized housing sector. The analysis revealed strong internal capabilities, including over 10 years of experience in managing subsidized housing, a robust network with banks and notaries, and a diverse range of house designs. External opportunities, such as government support through the *FLPP* and *SSB* programs, along with a high demand for subsidized housing, further enhance XYZ Housing's strategic position. Based on the *SWOT* and *QSPM* analyses, five priority strategies were identified, focusing on product development, digital marketing optimization, collaboration with investors and banks, strategic location expansion, and utilizing tax incentives. These strategies are expected to improve the company's market positioning and enhance its competitiveness. Future research could focus on evaluating the implementation and impact of these strategies over time, exploring how the integration of advanced technology and digital tools in the construction and sales process can further drive efficiency and customer satisfaction. Additionally, research could delve into exploring how XYZ Housing can leverage its market position in other regions outside *Blitar* to further expand its reach in the subsidized housing sector.

REFERENCES

- Banka, M., Hoang Tien, N., Thi Hong Dao, M., & Thong Minh, D. (2022). Analysis of business strategy of real estate developers in Vietnam: The application of QSPM matrix. *International Journal of Multidisciplinary Research and Growth Evaluation*, 3(1), 188–196.
- Dhir, S., & Vallabh, P. (2025). Do social relationships at work enhance creativity and innovative behavior? Role of psychological safety. *Acta Psychologica*.
- Erniwati, M. R. (2019). Analisis yuridis kontrak sewa rumah susun sederhana sewa (RUSUNAWA) dalam percepatan penyediaan perumahan bagi masyarakat berpenghasilan rendah. *Journal of Chemical Information and Modeling*, 53(9).
- Fatkharrofiqi, A., & Gata, W. (2022). Implementasi algoritma Dijkstra dalam penentuan rute terdekat menuju masjid di Perumahan Bona Indah Lebak Bulus. *Journal of Information System, Applied, Management, Accounting and Research*, 6(1). <https://doi.org/10.52362/jisamar.v6i1.674>
- Ginting, J. V., & Barus, E. S. (2018). Aplikasi penentuan rute rumah sakit terdekat menggunakan algoritma Dijkstra. *Jurnal Mantik Penusa*, 2(2).
- Hisyam, M., Zainuddin, Z., & Rizkiya, P. (2023). Faktor-faktor yang mempengaruhi pengembang dalam pemilihan lokasi perumahan terencana di Kecamatan Meuraxa Banda Aceh. *Jurnal Serambi Engineering*, 8(2). <https://ojs.serambimekkah.ac.id/jse/article/view/6043>
- Indradjati, P. (2020). Peraturan zonasi sebagai perangkat kolaboratif mewujudkan perumahan untuk masyarakat berpendapatan rendah di kawasan perkotaan. *Jurnal Permukiman*, 15(2), 61. <https://doi.org/10.31815/jp.2020.15.61-72>
- Inayah, A. M., Cintya Resti, N., & Kediri, I. (2023). Analisa perbandingan algoritma Floyd-Warshall dan algoritma Dijkstra untuk penentuan rute terdekat. *Jurnal Ilmiah Matematika Realistik (JI-MR)*, 4(2).
- Mardiyana, M., Ihsan, M., Adrial, A., Parida, H., Sidiq, S., & Hidayat, T. (2022). Analisis SWOT (kekuatan, kelemahan, peluang dan ancaman) sebagai strategi untuk meningkatkan daya saing. *Jurnal Internasional Ilmu dan Aplikasi Manajemen*, 1(1), 18-27. <https://doi.org/10.58291/ijmsa.v1i1.8>
- Nugroho, F., & Marsoyo, A. (2021). Evaluasi pasca huni keberlanjutan perumahan murah terhadap pegawai negeri sipil (PNS). *Reksabumi*, 1(1), 54-67. <https://doi.org/10.33830/reksabumi.v1i1.2155.2022>
- Nuringsih, K., Nuryasman, M., & Cokki, C. (2020). Menumbuhkan keunggulan keberlanjutan di destinasi wisata pedesaan di Kulon Progo, Yogyakarta. <https://doi.org/10.2991/aebmr.k.200626.024>
- Puspita, A. (2023). Alternatif desain unit rusunawa bagi masyarakat berpenghasilan rendah: Studi kasus di rumah susun sewa Rorotan Jakarta Utara. *Jurnal*

- KaLIBRASI - Karya Lintas Ilmu Bidang Rekayasa Arsitektur, Sipil, Industri*, 6(2). <https://doi.org/10.37721/kalibrasi.v6i2.1204>
- Putri, D., Mukaromah, H., & Rahayu, P. (2023). Preferensi pemilik unit perumahan formal dalam menentukan pemilihan lokasi bermukim di sekitar kawasan industri Kragilan, Kabupaten Serang. *Desa-Kota*, 5(1), 104. <https://doi.org/10.20961/desa-kota.v5i1.68836.104-117>
- Rameli, N., & Salleh, D. (2022). Intervensi polisi dalam perumahan golongan berpendapatan rendah di Malaysia. *Malaysian Journal of Social Sciences and Humanities (Mjssh)*, 7(10), e001798. <https://doi.org/10.47405/mjssh.v7i10.1798>
- Randy, M. (2013). Sewa masyarakat berpenghasilan rendah terhadap rumah susun sederhana sewa dan faktor-faktor. *Jurnal Perencanaan Wilayah Dan Kota*, 24(2).
- Saputra, M. A., & Nuryana, I. K. D. (2022). SIG penentuan rute terdekat menuju faskes di Sidoarjo menggunakan dynamic Dijkstra. *Journal of Informatics and Computer Science (JINACS)*, 4(01). <https://doi.org/10.26740/jinacs.v4n01.p45-55>
- Sunarsip. (2022). Mengintip prospek pembiayaan sektor perumahan di tahun 2023. *CNBC Indonesia, Opini, Berita Opini*, 30 Des 2022. <https://www.cnbcindonesia.com/opini/20221230075129-14-01373/mengintip-prospek-pembiayaan-sektor-perumahan-di-tahun-2023>
- Sururi, A., Hasanah, B., & Sukendar, S. (2021). Strategi kebijakan pengelolaan rumah susun sewa bagi masyarakat berpenghasilan rendah di Kota Serang: Pendekatan analisis SWOT – QSPM. *Jurnal EL-RIYASAH*, 12(1). <https://doi.org/10.24014/jel.v12i1.12733>
- Susilo, J. H. (2023). Pendampingan competitive advantage cost dan competitive advantage diferensiasi pada industri kapur gamping di Kecamatan Plumpang Kabupaten Tuban. <https://ojs.unik-kediri.ac.id/index.php/jaim/article/view/5942>