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Sales Strategy of RSS1 Rubber at PT Perkebunan Nusantara IV Regional I to Achieve Key Performance Indicators (KPIs)

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Abstrak

Industri karet alam memiliki peran strategis dalam perekonomian global, khususnya dalam mendukung sektor otomotif dan manufaktur. Sebagai salah satu produsen utama karet alam dunia, Indonesia menempati posisi penting dalam rantai pasok global. Namun, industri ini menghadapi tantangan signifikan berupa volatilitas harga internasional, pengetatan regulasi keberlanjutan, serta meningkatnya persaingan antar negara produsen (International Rubber Study Group [IRSG], 2023; Porter, 2008). Volatilitas harga karet global berdampak pada ketidakstabilan pendapatan produsen dan menuntut penerapan strategi pemasaran yang lebih adaptif. Pendekatan *value-based pricing* menjadi relevan karena menekankan penciptaan dan komunikasi nilai produk kepada pelanggan sebagai dasar penetapan harga, bukan sekadar mengikuti mekanisme pasar. Strategi ini memungkinkan perusahaan untuk meredam dampak fluktuasi harga sekaligus memperkuat diferensiasi produk melalui kualitas, sertifikasi, dan posisi strategis di pasar internasional (Anderson et al., 2006; Kotler & Keller, 2016; Barney, 1991). Selain itu, penerapan European Union Deforestation Regulation (EUDR) memperketat persyaratan keterelusuran dan keberlanjutan bagi komoditas karet alam, sekaligus membuka peluang bagi produsen yang mampu menyediakan produk bersertifikasi untuk mengakses pasar premium (European Commission, 2023; FAO, 2020). Berdasarkan kondisi tersebut, penelitian ini bertujuan merumuskan strategi penjualan karet RSS1 berbasis nilai melalui pendekatan SWOT, TOWS, dan Quantitative Strategic Planning Matrix (QSPM) guna menentukan strategi prioritas yang mampu meningkatkan daya saing dan mendukung pencapaian Key Performance Indicators (KPI) Direktorat Pemasaran (David et al., 2017; Gürel & Tat, 2017; Wehrich, 1982).

Kata Kunci: Karet RSS1; penerapan harga berbasis nilai; strategi penjualan; SWOT–TOWS–QSPM

Abstract

The natural rubber industry plays a strategic role in the global economy, particularly in supporting the automotive and manufacturing sectors. As one of the world's major natural rubber producers, Indonesia occupies an important position in the global supply chain. However, the industry faces significant challenges, including international price volatility, tightening sustainability regulations, and intensifying competition among producing countries (International Rubber Study Group [IRSG], 2023; Porter, 2008). Volatility in global rubber prices has contributed to income instability among producers and necessitates the adoption of more adaptive marketing strategies. The *value-based pricing* approach has become increasingly relevant, as it emphasizes the creation and communication of product value to customers as the basis for pricing decisions, rather than relying solely on market-driven pricing mechanisms. This approach enables firms to mitigate the impact of price fluctuations while strengthening product differentiation through quality, certification, and strategic positioning in international markets (Anderson et al., 2006; Kotler & Keller, 2016; Barney, 1991). Furthermore, the implementation of the European Union Deforestation Regulation (EUDR) has imposed stricter requirements on traceability and sustainability for natural rubber commodities, while simultaneously creating opportunities for producers capable of supplying certified products to access premium markets (European Commission, 2023; FAO, 2020). Based on these conditions, this study aims to formulate value-based sales strategies for RSS1 rubber using the SWOT, TOWS, and Quantitative Strategic Planning Matrix (QSPM) approaches to identify priority strategies that enhance competitiveness and support the achievement of the Marketing Directorate's Key Performance Indicators (KPIs) (David et al., 2017; Gürel & Tat, 2017; Wehrich, 1982)

Keywords: RSS1 rubber; value-based pricing; sales strategy; SWOT–TOWS–QSPM

1. Introduction

The natural rubber industry plays a strategic role in the global economy, particularly in supporting the automotive, manufacturing, and infrastructure sectors. As one of the world's major producers of natural rubber, Indonesia occupies an

important position in the global supply chain. However, the industry faces increasing challenges, including global price volatility, tightening sustainability regulations, and intense competition among producing countries (International Rubber Study Group [IRSG], 2023; Porter, 2008).

Price fluctuations in the global rubber market have significantly affected the stability of producers' revenues and profitability. Such volatility requires firms to adopt adaptive and value-oriented marketing strategies rather than relying solely on market-based pricing mechanisms (Anderson et al., 2006; Kotler & Keller, 2016). In addition, competition from other major rubber-producing countries such as Thailand and Vietnam has intensified, further pressuring firms to differentiate their products through quality, certification, and strategic positioning (Barney, 1991).

PT Perkebunan Nusantara IV (PTPN IV) Regional I, a state-owned enterprise (BUMN), plays a significant role in the production and marketing of Ribbed Smoked Sheet Grade 1 (RSS1) rubber. Despite possessing certified product quality, established partnerships, and a strong corporate reputation, the company experienced declining RSS1 sales performance and financial losses in 2024. This condition directly affected the achievement of the Marketing Directorate's Key Performance Indicators (KPIs), indicating that existing sales strategies have not fully responded to dynamic global market conditions (Parmenter, 2015).

Moreover, the implementation of the European Union Deforestation Regulation (EUDR) has imposed strict requirements on traceability and sustainability for agricultural commodities, including natural rubber (European Commission, 2023). While these regulations increase compliance costs and operational complexity, they also create strategic opportunities for producers capable of supplying certified and sustainable products (Food and Agriculture Organization of the United Nations [FAO], 2020). Firms that successfully align sustainability certification with their marketing strategies may gain access to premium markets and enhance long-term competitiveness.

Therefore, a systematic and integrated strategic analysis is required to identify effective sales strategies for RSS1 rubber at PTPN IV Regional I. This study employs SWOT analysis to evaluate internal and external conditions, formulates strategic alternatives using the TOWS matrix, and prioritizes strategic options through the Quantitative Strategic Planning Matrix (QSPM) (David et al., 2017; Gürel & Tat, 2017; Wehrich, 1982). The objective of this research is to formulate priority sales strategies that enhance competitiveness, stabilize sales performance, and contribute directly to the achievement of the Marketing Directorate's KPIs.

Unlike previous studies that predominantly apply SWOT analysis in a descriptive manner, this study integrates SWOT, TOWS, and the Quantitative Strategic Planning Matrix (QSPM) to systematically formulate and prioritize sales strategies for RSS1 rubber under a sustainability-regulated global market environment. This integrated analytical framework enables a more objective and measurable evaluation of strategic alternatives, particularly in addressing international price volatility and sustainability compliance. By emphasizing value-based pricing as the highest-priority strategy, this study provides an empirical contribution to the literature on strategic marketing and value-based selling in the natural rubber industry, especially within the context of state-owned enterprises in emerging economies.

2. Methods

This study employs a descriptive qualitative case study approach to analyze the sales strategy of Ribbed Smoked Sheet Grade 1 (RSS1) rubber at PT Perkebunan Nusantara IV Regional I. This approach is appropriate for examining strategic and managerial issues in depth, particularly in understanding how internal and external factors influence sales performance in a volatile global market.

Primary data were collected through semi-structured interviews with ten internal stakeholders, including division heads, sub-division heads, marketing personnel, and corporate strategy staff who are directly involved in RSS1 sales and export activities. Secondary data were obtained from internal company documents, such as management reports, sales records, export policies, and strategic planning documents, as well as relevant external publications related to the global rubber industry and sustainability regulations.

Data analysis was conducted in three sequential stages.

1. SWOT analysis was used to identify internal strengths and weaknesses, as well as external opportunities and threats affecting RSS1 sales performance.
2. Strategic alternatives were formulated using the TOWS matrix by aligning internal and external factors into SO, WO, ST, and WT strategies.
3. Quantitative Strategic Planning Matrix (QSPM) was applied to evaluate and prioritize the proposed strategies based on their Total Attractiveness Scores (TAS). This integrated analytical framework ensures that the selected sales strategy is systematic, evidence-based, and aligned with the company's strategic objectives global.

3. Results and Discussion

3.1 SWOT Analysis

In an effort to enhance the sales performance of RSS1 rubber and achieve the Key Performance Indicators (KPIs) set by the Directorate of Marketing, PT Perkebunan Nusantara IV Regional I faces a combination of internal and external challenges within the global rubber industry. To systematically examine these conditions, a SWOT analysis was conducted to identify the company's strengths, weaknesses, opportunities, and threats that influence its sales strategy.

The SWOT analysis provides a comprehensive overview of internal capabilities that can be leveraged to improve competitiveness, as well as external constraints that must be addressed to ensure that the RSS1 rubber sales strategy can be implemented more effectively. The results of this analysis form the foundation for subsequent strategy formulation and prioritization. The detailed results of the SWOT analysis are presented in Table 1.

Table 1: SWOT Analysis of RSS1 Rubber Sales at PT Perkebunan Nusantara IV Regional I

Strengths	Weight	Rating	Score Weight
RSS1 product quality meets International Standards (EUDR, EcoVadis)	0,29	4,60	1,33
Ability to implement value-based pricing with premium pricing strategies	0,16	3,20	0,51
Strong strategic partnerships with key customers	0,28	4,50	1,26
Branding based on sustainability principles and strong reputation of BUMN	0,27	4,20	1,13
Total Strengths	1,00		4,24
Weaknesses	Weight	Rating	Score Weight
Limited product diversification	0,26	3,10	0,81
Suboptimal utilization of hedging instrument	0,27	3,10	0,84
Market diversification has not yet been optimized	0,20	3,20	0,64
Limited promotion and communication of product valuei in the B2B business model	0,27	3,40	0,92
Total Weaknesses	1,00		3,20
Opportunities	Weight	Rating	Score Weight
High demand from the automotives and manufacturing industries	0,33	4,00	1,32
Non- traditional market opportunities, particularly in the Middle East, and South Asia	0,21	2,22	0,47
Export incentives from the government and support from ITRC programs	0,18	3,14	0,57
Global Sustainability trend and increasing demand for certified products	0,28	4,32	1,21
Total Opportunities	1,00		3,56
Threats	Weight	Rating	Score Weight
Strict EUDR regulation and deforestation related issues	0,26	3,90	1,01
Competition from major rubber producing countries such as Thailand, Vietnam and Malaysia	0,19	2,80	0,53
Price volatility in International Markets	0,30	3,80	1,14
Declining production due to aging plantation and land conversion	0,25	3,58	0,90
Total Threats	1,00		3,58

The SWOT analysis indicates that the company is in a relatively strong internal position, as reflected by a total strength score of 4.24, supported by RSS1 product quality that meets international standards (EUDR and EcoVadis), strong strategic partnerships with key customers, and sustainability-based branding reinforced by the company's reputation as a state-owned enterprise. Nevertheless, internal weaknesses remain, with a total score of 3.20, particularly related to limited product and market diversification, suboptimal utilization of hedging instruments, and insufficient promotion and communication of product value within the B2B business model. From an external perspective, market opportunities appear relatively favorable, with a total score of 3.56, driven by high demand from the automotive and manufacturing industries and the growing global sustainability trend for certified products, although non-traditional markets still require further development. At the same time, external threats, with a total score of 3.58, highlight significant pressures arising from international price volatility, increasingly stringent EUDR regulations, intense competition from major rubber-producing countries, and declining production due to aging plantations and land conversion, underscoring the need for adaptive and value-oriented strategic responses

3.2 TWOS Matrix

Based on the weighting and scoring results of internal and external factors derived from the IFAS and EFAS matrices, the company's strategic position was subsequently mapped into the TOWS Matrix. This mapping aims to identify the competitive position of PT Perkebunan Nusantara IV Regional I and to determine the most appropriate strategic alternatives based on the interaction among strengths, weaknesses, opportunities, and threats. The resulting strategic position of the company in the TOWS Matrix is illustrated in Figure 1:

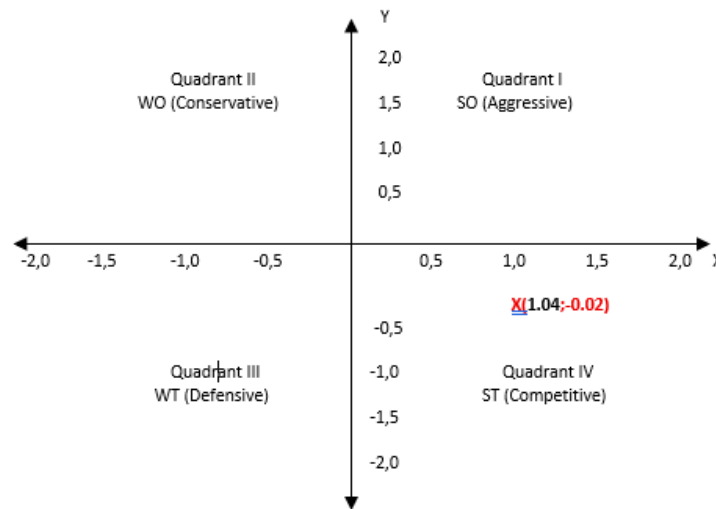


Figure 1: TWOS Matrix Quadrant Position of PT Perkebunan Nusantara IV Regional I

The TWOS Matrix presented in Figure 1 illustrates the strategic position of PT Perkebunan Nusantara IV Regional I based on the analysis of the company’s internal and external factors, where the X-axis represents internal conditions (strengths and weaknesses) and the Y-axis represents external conditions (opportunities and threats). The company’s position at the coordinates $X = 1.04$ and $Y = -0.02$ places it in Quadrant IV (Strength–Threats/ST), also referred to as the competitive quadrant. This position indicates that the company possesses relatively strong internal capabilities while simultaneously facing considerable external threats. Consequently, the appropriate strategic orientation is the ST strategy, which emphasizes leveraging internal strengths to mitigate the impact of external threats, thereby enabling the company to sustain its competitiveness and performance in a less favorable business environment.

This strategic position suggests that, although the company possesses a strong internal foundation, it operates within an environment characterized by significant external pressures, including global price volatility, stringent sustainability regulations, and intensifying market competition. Consequently, the company should adopt proactive and competitive strategies that leverage internal strengths to mitigate external threats, rather than relying solely on opportunity-driven growth. The prioritization of alternative strategies based on the QSPM analysis.

3.3 QSPM

The results of the SWOT analysis are further examined using the Quantitative Strategic Planning Matrix (QSPM) to determine strategic priorities objectively. The QSPM evaluates alternative strategies based on the internal and external factors previously identified, thereby producing a ranking of strategies according to their relative attractiveness. The following table presents the prioritized strategies recommended to enhance the marketing and sales performance of RSS1.

Table 2 Ranking of Strategy after QSPM

SWOT	Description	Mark	Ranking
ST2	Implement value-based pricing to mitigate international price fluctuations	18,02	1
SO1	Leverage certified RSS1 quality (EUDR and EcoVadis) to expand into the automotive market.	16,62	2
WT2	Optimize market diversification to reduce dependence on specific destination countries	16,59	3
WT1	Improve production efficiency and mitigate deforestation risks through sustainability certification	16,04	4
SO3	Strengthen BUMN branding in promoting sustainable products to align with global trends.	16,04	5
ST1	Leverage partnerships and corporate reputation to address EUDR regulations through a collaborative approach	15,73	6

SWOT	Description	Mark	Ranking
WO3	Expand communication channels (e.g., digital promotion) to reach non-B2B markets.	15,54	7
WT3	Utilize hedging instruments to stabilize income amid global price volatility.	15,34	8
SO2	Collaborate with strategic partners to penetrate non-traditional markets (e.g., the Middle East and South Asia).	15,32	9
WO1	Diversify products (e.g., compound rubber or latex) to meet manufacturing demand	15,30	10
ST3	Utilize BUMN branding to build trust in markets with high supply risks	15,04	11
WO2	Take advantage of ITRC incentives to expand markets and develop hedging systems	12,00	12

The QSPM results indicate that *value-based pricing* (ST2) is the top-priority strategy, achieving the highest score of 18.02, as it is considered the most effective approach to mitigate international price volatility while leveraging the company's internal strengths. The strategies focusing on leveraging certified RSS1 quality (SO1) and optimizing market diversification (WT2) rank next, aiming to enhance competitiveness and reduce dependence on specific markets. Overall, the strategic ranking highlights the importance of value-based pricing, sustainability-driven differentiation, and selective market diversification in improving RSS1 marketing and sales performance

3.4 Strategic Implications of Integrated SWOT–TOWS–QSPM Analysis

The integration of the SWOT, TOWS, and QSPM analyses indicates that the RSS1 rubber sales strategy at PTPN IV should be more focused and measurable in order to address global market challenges while leveraging the firm's internal strengths. The strategic priorities can be classified into four main strategic dimensions.

- a) Value-based pricing (ST2) emerges as the highest-priority strategy, achieving the highest QSPM score (18.02). This finding highlights the critical need for proactive responses to international price volatility. By adopting a value-based pricing approach, PTPN IV can justify premium pricing based on product quality and sustainability certification, thereby improving profit margins and supporting long-term competitiveness. This result is consistent with Anderson et al. (2006), who argue that value-based pricing strengthens competitiveness in business-to-business markets by shifting price justification from cost-based mechanisms to customer-perceived value. In the context of volatile commodity markets such as natural rubber, value-based pricing enables firms to mitigate price fluctuations while maintaining profitability, as also emphasized by Kotler and Keller (2016).
- b) Leveraging certified RSS1 quality (SO1)—particularly compliance with EUDR and EcoVadis standards—serves as a key driver for expansion into the premium automotive market. This finding is consistent with Brillhante and Skinner (2015), who highlight that sustainability certification functions as a strategic asset that enhances market access and long-term competitiveness. Similarly, FAO (2020) emphasizes that certified agricultural commodities are increasingly preferred in premium international markets, particularly within environmentally regulated regions. This strategy enables access to stable, high-value market segments that place strong emphasis on sustainability and product quality.
- c) Market diversification and risk mitigation strategies (WT2 and WT1) are essential to reduce dependence on specific export destinations, especially European markets. Expansion into South Asia and the Middle East, combined with improvements in production efficiency and sustainability certification, strengthens regulatory compliance and enhances operational resilience. This finding aligns with Porter (2008), who suggests that diversification strategies can reduce competitive pressure and dependency risks in highly volatile industries. Moreover, Barney (1991) emphasizes that firms with adaptive strategic capabilities are better positioned to sustain competitive advantage under uncertain external conditions.
- d) Branding and partnership-based strategies (SO3 and ST1) reinforce PTPN IV's positioning as a sustainable state-owned enterprise while promoting collaborative approaches to international regulatory challenges. This finding is consistent with Barney (1991), who emphasizes that intangible resources such as corporate reputation and strategic partnerships constitute critical sources of sustained competitive advantage. Furthermore, Anderson et al. (2006) highlight that long-term partnerships in B2B markets enhance value co-creation and strengthen buyer–seller relationships, particularly in industries characterized by high regulatory pressure and price volatility. These strategies therefore contribute to long-term performance and enhance the company's competitive position in the global rubber market.

4. Conclusion

Based on the integrated results of the SWOT analysis, TOWS matrix formulation, and QSPM evaluation, PT Perkebunan Nusantara IV Regional I faces major challenges arising from international price volatility, stringent sustainability regulations under the European Union Deforestation Regulation (EUDR), and intensifying competition from other rubber-producing

countries. At the same time, the company benefits from certified RSS1 product quality, established strategic partnerships, and a strong reputation as a state-owned enterprise.

The QSPM results identify value-based pricing (ST2) as the most recommended strategy, as it enables the company to justify premium pricing based on product quality and sustainability certification, thereby reducing exposure to international price fluctuations and improving profitability. Certification-driven expansion into premium automotive markets (SO1) represents the second priority strategy, allowing access to stable, high-value market segments that emphasize sustainability compliance, while market diversification and production efficiency improvements serve as supporting strategies to enhance resilience against global market uncertainty. Collectively, these prioritized strategies are directly derived from the empirical analysis and provide a structured basis for improving RSS1 rubber sales performance, ultimately contributing to the achievement of the Marketing Directorate's Key Performance Indicators through enhanced export value and sales stability.

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