Jurnal Multidisiplin Sahombu
Volume 5, Number 08, 2025, DOI 10.58471/jms.v5i08
ESSN 2809-8587 (Online)
https://ejournal.seaninstitute.or.id/index.php/JMS/index

Analysis of Product Diversification Strategy on Sales Volume at a Bakery Company (Lyly Bakery)

Budi Hartono[1], Abid Muhtarom[2], Mohammad Yaskun[3]
Management, Faculty of Economics, Lamongan Islamic University
Email: budihartono@unisla.ac.id abid@unisla.ac.id m.yaskun@unisla.ac.id

Article Info
Keywords:
Analysis, Product Diversification, Sales Volume.

ABSTRACT
This research aims to find out the Product Diversification Strategy implemented by the Lamongan Lily Bakery Bread Company. To find out whether the Product Diversification Strategy implemented has increased the Sales Volume of the Lamongan Lily Bakery Bread Company. From the results of the data triangulation analysis, it is known that the strategy implemented by the business owner of Roti Lily Bakery to increase sales volume is the product diversification strategy. Based on the analysis conducted by the researcher, the diversification strategy carried out by Roti Lily Bakery is a concentric diversification strategy, where all products produced have a relationship in terms of marketing and technology, namely processed products from cassava, namely cassava chips with various flavor variants and variants of bread shapes. The impact that occurred when implementing the product diversification strategy at Roti Lily Bakery was the advantages and challenges faced. The positive impact or profit obtained by business owners by implementing a product diversification strategy is that this strategy also increases the sales volume of their products. Meanwhile, the challenges faced are constrained by the availability of production raw materials that are sometimes late delivered due to the large demand from other companies, tools to produce new products that are still limited, and production land as an impact that arises due to the need for a place for new technology, where to create new types of products new technology is also needed.

Corresponding Author:
Budi Hartono
Management, Faculty of Economics, Lamongan Islamic University
budihartono@unisla.ac.id

INTRODUCTION

Nowadays, the development of the business world is marked by sharper competition. This is marked by the emergence of companies that offer quality at competitive prices in marketing. With this competition, it requires every company to always compete in attracting consumers by implementing the right strategy in meeting the sales volume target. Innovation that can meet the needs and tastes of consumers is absolutely necessary if business people do not want to lose their consumers and grow demand for their products.

In the business world to maintain and expand the marketing area, it is necessary to have the right marketing policy. In a buyer *market* that has a greater number of goods offered than the amount needed, it will determine to attract as many consumers as possible. This has led to increasingly sharp competition between similar companies. Likewise, the Lily Bakery Lamongan company in carrying out its policy to increase sales volume and to face

Jurnal Multidisiplin Sahombu
Volume 5, Number 08, 2025, DOI 10.58471/jms.v5i08
ESSN 2809-8587 (Online)
https://ejournal.seaninstitute.or.id/index.php/JMS/index

the current sharp competition, the company needs to pay attention to the products that are marketed, including by diversifying products, namely by increasing the types of goods produced, with the intention of more easily meeting consumer desires.

With the diversification of this product, consumers have more choices to meet " the tastes of the people. This is important because consumers will turn to products that they feel can satisfy their needs and desires. It is possible that if the company ignores product diversification, then consumers will move to their competitors' products, if this happens the company will lose customers or consumers and result in a decrease in sales volume.

Lily Bakery is abakery industry as a bread production place that has penetrated the marketing places in schools, offices, and a number of associations in an organization. This business started with his family. Lily Bakery has a production site for various types of bread located in the center of Lamongan and headquartered in Lamongan which has various types of cake snack products that tempt our tongue. Based on the above thoughts, the researcher is interested in conducting a research entitled "Analysis of Product Diversification Strategy on Sales Volume in Bread Companies (Lyly Bakery)"

RESEARCH METHODS

The method used in this study is qualitative research. Data in the form of words, sentences, schemes and pictures such as literature as well as theories related to history, systems and diversification strategies that have been implemented by lyly bakery. This type of research is categorized as qualitative descriptive research, which is a type of research that aims to describe or describe systematically, factually or accurately about the facts and characteristics of a certain object or population. The purpose and purpose of this research is only limited to making an accurate description, as it is about the facts and properties of the object without making predictions or looking for a solution to the problems that exist in the object

RESULTS AND DISCUSSION

Product Description

Bakery

Figure 4.2 one of the bakery variants of the lyly bakery company
Source : Lyly Bakery 2022 Documentation

Data presentation

Descriptive respondents

Jurnal Multidisiplin Sahombu
Volume 5, Number 08, 2025, DOI 10.58471/jms.v5i08
ESSN 2809-8587 (Online)
https://ejournal.seaninstitute.or.id/index.php/JMS/index

Key informants

The key informant in this study is the business owner of the Lyly Bakery Company, namely Mrs. Hj. Liliek Madhelan. He is the informant who has the most information and is most in need of information, because he is the owner of the Lyly Bakery Company.

Principal Informant

The main informant in this study is a consumer named Mifta Hariz. The information obtained from key informants has actually been able to answer the entire formulation of the problem that has been determined.

Additional Informants

The additional informant in this study is an employee of the Lyly Bakery Company named Dhimas Shella Satria. He is one of the employees who works at the Lyly Bakery Company, precisely in the production department.

Implementation of diversification strategy at lyly bakery company

One of the strategies carried out by the Lyly Bakery Company is the product diversification strategy. Product diversification carried out by the owner is through product development. So, in its business activities, the Lyly Bakery Company can offer a variety of products to the public. Based on the results of interviews conducted by the researcher, it is known that the products produced by the Lyly Bakery Company are Bakery, Cake, Bread, Donuts, Pastry, Pudding, White Bread, Tarts, Premium Bakery, Premium Cakes, and Premium Tarts with a variety of flavors and shapes.

"Here (UD. Lutvi Creation) we produce a variety of products. However, all processed products made from flour are the best choices. We then developed bakeries, cakes, and donuts again from each bakery, cakes, and donuts to new variants so that premium bakeries, premium cakes were created, even now we are developing bakery products, tarts, and many others to meet consumer needs" (Hj. Liliek, interview on June 1, 2022).

The Impact of Diversification Strategy in an Effort to Increase Sales Volume on Lyly Bakery Company

Along with the development of his business, with a variety of products produced by the Lyly Bakery Company, public interest is increasing. This is proven by the easy exhaustion of products marketed, as well as the large number of orders from consumers. The diversification strategy applied by Hj. Liliek to the products produced also supports the sales volume. This is as he expressed in an interview conducted by the researcher about the impact felt after carrying out a diversification strategy.

"That's for sure, the sales volume is increasing, and the market is also getting wider (Hj. Liliek, interview on June 1, 2022)".

Data Analysis

Analysis of the Implementation of the Product Diversification Strategy at Lyly Bakery

There are four types of strategies according to Nawawi (2003:148), namely, integration strategies, intensification strategies, diversification strategies, and defensive strategies. Seeing that the market competition with companies in the business world is so tight. So, product diversification is one of the policies taken by Hj. Liliek as a business owner as a form of strategy to increase sales volume at the Lyly Bakery company. This is very clear which is followed by the vision built by the Lyly Bakery company, namely "Building an

Jurnal Multidisiplin Sahombu
Volume 5, Number 08, 2025, DOI 10.58471/jms.v5i08
ESSN 2809-8587 (Online)
https://ejournal.seaninstitute.or.id/index.php/JMS/index

Independent and Prosperous Business". This vision is also supported by one of the missions owned by the Lyly Bakery company, namely "Improving the skills and mastery of product technology to meet quality standards and increase competitiveness".

Analysis of the Impact of Implementing Diversification Strategy in an Effort to Increase Sales Volume at Lyly Bakery Company

In this case, the Lyly Bakery Company did not experience saturation in sales of old products. However, the diversification strategy implemented by the Lyly Bakery Company is expected to increase sales volume. On the other hand, a number of companies are diversifying their businesses to anticipate the threat of crises that arise. As expressed by Fandy Tjiptono (2008:132), product diversification is an effort to find and develop new products or markets, or both in order to pursue growth, increased sales, profitability and flexibility.

From the above diversification goals that have been expressed by Fandy Tjiptono, it is very in accordance with what was revealed by Hj. Liliek, namely the diversification strategy that he implemented also increased the sales volume of his business. The following is a table of the increase in sales volume experienced by the Lyly Bakery Company since the implementation of the diversification strategy.

TABLE4.7 Sales Volume Growth Rate In Lyly Bakery Company Of The Year 2022

Moon	Number of Consumers (person)	Average Purchase (unit)
January	10.596	35.220
February	10.272	35.952
March	11.439	37.827
April	12.482	38.680
May	12.210	48.804

Source : Lyly Bakery Company Data 2022

From the table above, it can be seen that the sales rate tends to continue to increase every month in 2022. This proves that the product diversification strategy implemented by the Lyly Bakery Company has also encouraged an increase in sales volume.

With the product diversification strategy used in the Lyly Bakery Company, it does increase the company's sales volume where the sales rate has a great influence on the survival of a company.

CONCLUSION

1. Product Diversification Strategy Implemented by Lily Bakery Lamongan Bread Company
   The strategy implemented by the business owner of Roti Lily Bakery to increase sales volume is the product diversification strategy. Based on the analysis carried out by the researcher, the diversification strategy carried out by Roti Lily Bakery is a concentric diversification strategy, where all products produced have a relationship in terms of marketing and technology, namely processed products from cassava, namely cassava chips with various flavor variants and bread shape variants.

Jurnal Multidisiplin Sahombu
Volume 5, Number 08, 2025, DOI 10.58471/jms.v5i08
ESSN 2809-8587 (Online)
https://ejournal.seaninstitute.or.id/index.php/JMS/index

2. The Impact of the Implementation of Product Diversification Strategy on Sales Volume at Lily Bakery Lamongan Bread Company
   The impact that occurred when implementing the product diversification strategy at Roti Lily Bakery was the advantages and challenges faced. The positive impact or profit obtained by business owners by implementing the product divestment strategy is that this strategy also increases the sales volume of their products. Meanwhile, the challenges faced are constrained by the availability of production raw materials that are sometimes late in delivery due to the large demand from other companies, the tools to produce new products that are still limited, and production land as an impact that arises due to the need for a place for new technology, as well.

REFERENCES

Abdul Husain at-Tariqi, Abdullah. 2004. *Islamic Economics: Principles, Policies and Objectives.*Yogyakarta: Magistra Insania Press.

Amir, M. Taufik. 2005. *The Dynamics of Marketing Explore and Feel.*Jakarta: PT Raja Grafindo Persada.

Assauri, Sofjan. 1998. *Basic Marketing Management: Concepts and Strategies.*Jakarta: CV Rajawali.

Assauri, Sofjan.2007.*Marketing Management* , Jakarta: RajawaliPers.

Buchari, Alma. 2004. *Marketing Management and Service Marketing.* Bandung: Alfabeta.

Bungin, Burhan.2003.*Qualitative Research Data Analysis,* Jakarta : PT. Raja Grafindo Persada.

Candra, Gregories.2002. *Marketing strategies and programs*. Yogyakarta: No.

Fauzia, Ika Zunia, Abdul Kadir Riyadi. 2014. *Basic Principles of Islamic Economics from the perspective of Maqashid al-shariah,* Jakarta: Kencana Prenadamedia Group.

Hamidi.2005.*Qualitative Research Methods: Practical Application of Proposal Making and Research Reports.* Malang: UMMPress.

Ismanthono, and W. Henricus. 2006. *Dictionary of Popular Economic Terms*, Jakarta: Kompas Book.

Kotler, Philip.2005.*Marketing Management,* Edition 11, Jakarta: PTIndeksGramedia Group.

Kotler et al.2008.*Principles of Marketing*, *12th Edition*, Jakarta: Erlangga.

Surya Atmaja, Achmad. 2009. *The role of product diversification in increasing the income of PT. Asuransi Jiwasraya (Persero) representative.* Bogor: Bogor Agricultural University.

Nawawi, Hadari.2003.*Strategic Management: Non-Governmental Organizations in the Field of Government,* Yogyakarta: Gajah Mada UniversityPress.

Priyatno, duwi. 2010. *Understanding Data Statistical Analysis with SPSS.* Yogyakarta: MediaKom

Come on, Freddy. 2009. *Creative Promotion Strategies*, Jakarta: Gramedia Pustaka Utama.

Rustam, Effendy. 2009. *Marketing Management.*Malang: Publisher of the Institute of Economics and Management.

Scott, S. 2011. *Research Methods,* Medan: USUpress.

Sigh, new. 2005. *Social Research Methods: Various Alternative Approaches,* Jakarta: PrenadaMedia.

Jurnal Multidisiplin Sahombu
Volume 5, Number 08, 2025, DOI 10.58471/jms.v5i08
ESSN 2809-8587 (Online)
https://ejournal.seaninstitute.or.id/index.php/JMS/index

Sugiyono, 2009.*Business Research Methods (Quantitative, Qualitative, and R&D Approaches,* Bandung: Alfabeta.

Swastha.Basu,Irawan.2002.*ManagementModern* Marketing,Yogyakarta:Liberty

Swastha, Basu. 2008. *Marketing Management Consumer Behavior Analysis*. Yogyakarta: BPFE.

Swastha, Basu. 2009. *Sales Management*. Yogyakarta: BPFE Yogyakarta

Cheers, Lulu. 2003. *Basic Basics of Production and Operations Management.* Jakarta: Salemba Four.

Tjptono, Fandy and Chandra, Gregorius. 2012. *Strategic Marketing,* Edition 2. Yogyakarta: CV. Andi Offset

Wirartha, IMade.2006.*Socio-Economic Research Methods.*Yogyakarta: AndiOffset.