

THE INFLUENCE OF THE BLUE OCEAN STRATEGY AND THE PARETO PRINCIPLE ON THE BOYCOTTS OF ISRAEL-AFFILIATED PRODUCTS

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Background: In the midst of Israel's action to attack Gaza, Palestine, some condemned this action. Most people can't do anything about it. This happened because Israel was assisted by big countries who collaborated so that people like what happened in Indonesia carried out solidarity with the Palestinian people who were colonized by Israel by boycotting products affiliated with Israel. These products come from Israel and its allies. The company's "Blue Ocean" strategy applies a method of reducing production costs accompanied by increasing product value, resulting in value innovation that is more profitable for the company and customers. Companies that implement this strategy increase profits by leading the market and determining the market price of the products produced. Blue ocean strategy, namely: Focus on an area of interest, differentiate from general market patterns, have a slogan that is easy to remember and memorable. Meanwhile, the Pareto principle prioritizes the best assets in an entity efficiently to provide maximum value. The Pareto principle in theory explains that a small portion of input can produce a large portion of output. Items in the Pareto principle are usually 20% of a company's investment resulting in 80% investment profits.

Purpose: This research aims to analyze the influence of the blue ocean strategy and the Pareto principle on the boycott of Israel-affiliated products. The problem is whether consumers are really boycotting or are just hesitant because most of the goods used are still useful for consumers.

Methodology: The research method uses qualitative descriptive analysis with random sampling of 110 people asked, and 100 people who answered, representing statements regarding the use of Israeli-affiliated products.

Result: The results of the research show that the Blue Ocean strategy and the Pareto Principle have no effect on the boycott action, with the research results of respondents directly answering doubtfully as much as 58% because it resulted in massive layoffs of employees and workers, product users who had already subscribed to use that product.

Keywords: Blue Ocean strategy, Pareto principle, Boycott

I. INTRODUCTION

The boycott of related products when Israel attacked Palestine had an impact on trade in consumer products in Indonesia. Blue ocean strategy, the company implements a method of reducing production costs accompanied by increasing product value, thereby giving rise to value innovation that is more profitable for the company and customers. Companies that implement this strategy increase profits by leading the market and determining the market price of the products produced. Blue ocean strategy, namely: Focus on an area of interest, differentiate from general market patterns, have a slogan that is easy to remember and memorable. Meanwhile, the Pareto principle

prioritizes the best assets in an entity efficiently to provide maximum value. The Pareto principle in theory explains that a small portion of input can produce a large portion of output. Items in the Pareto principle are usually 20% of a company's investment resulting in 80% investment profits. This research aims to analyze the influence of the Blue Ocean Strategy and the Pareto Principle on the Boycott of Israel-affiliated Products. The problem is whether consumers are really boycotting or are just hesitant because most of the goods used are still useful for consumers.

Customers in Indonesia do not yet feel firm about boycotting or are hesitant. Some of the reasons why customers are hesitant to carry out a boycott is because some of the products they use are already used to it, and most of them are afraid that many people will be unemployed due to the boycott. For entrepreneurs, this is influenced by the strategies used by entrepreneurs, namely the blue ocean strategy and the Pareto principle. The purpose of this analysis is to examine how much influence the blue ocean strategy and the Pareto principle applied by large companies have on the boycott of Israeli-affiliated products. Meanwhile entrepreneurs. The problem with this research is that it will be ineffective for the community to hold a continuous boycott if it affects the blue ocean strategy and the Pareto principle.

II. METHODOLOGY

The qualitative descriptive analysis method is analyzing, describing and summarizing various conditions, situations from various data collected in the form of interviews or observations regarding the problem under study that occurs in the field. It is important to know that a research method is a way or effort to obtain data. This data will later be described, proven, developed, and a definite theory will be found from this data. A research activity is generally carried out to understand, solve and anticipate problems that arise in human life, according to I Made Winartha (2006). In this research method, the researcher will try to provide systematic and careful information about the actual facts and characteristics of a particular population. As the name suggests, the method of delivery is in descriptive form. This research wants to analyze how much influence the blue ocean and Pareto strategies have on the boycott of Israeli affiliated products. A sample of 100 people was asked whether they strongly agreed, were unsure (doubt), strongly disagreed.

III. RESULT AND DISCUSSION

The blue ocean strategy in the company causes the company to have prepared good conditions to face various production problems. For example, when Covid-19 occurred, the company had prepared a strategy to anticipate incidents in production, such as public boycotts of products affiliated with Israel. The blue ocean strategy creates a market space without competitors and allows the competition to become irrelevant. Blue Ocean Strategy is a strategy of creating new products and changing old products in such a way that the aim is to open up space for new markets and create new demand. This strategy creates a new market with no competitors, so that competition in the market becomes irrelevant. Blue Ocean Strategy is a strategy that challenges companies to get out of the red ocean of bloody competition by creating a market space where there are no competitors, so that the word competency becomes irrelevant. The blue ocean strategy focuses on growing demand and getting away from the competition by creating a value and uniqueness that is not just unique, but also a profitable market share. Same with market and ecosystem disruption. Red ocean is a picture of business competition between known market spaces, while blue ocean creates new market spaces, which previous competitors have entered. In

a red ocean, boundaries within the industry have been defined and accepted by business people. Also, big companies have planned their strategies to face the boycott problem.

Meanwhile, in the Pareto principle for large companies, the type of existence of the Pareto principle will be used for analysis related to undesirable results and can be used to find out the main problems that exist. In companies, the Pareto principle can be used to analyze matters related to quality, cost, delivery, and safety. On quality: Can relate to damage, failure, complaints, repairs, etc. On costs: can be related to the number of losses incurred, expenses, etc. On delivery: Can be related to delivery delays, payment delays, etc. In security systems: can be related to accidents, errors, interference from various things, etc. In this type of principle, the Pareto principle is used to analyze things related to causes in a process and is used to find out what is the cause of the problem. In large companies, the Pareto principle is used to analyze things related to operators, machines, raw materials, and operating methods. Operator: can relate to age, experience, skills, individual characteristics (Human Resources). Machinery: can relate to equipment and instruments. Raw materials: can be related to the manufacture of raw materials. Operation method: can be related to operating conditions, work methods, regulatory systems, etc.

IV. CONCLUSIONS AND NEWNESS

The blue ocean strategy and the Pareto principle have no effect on boycotting Israel-affiliated products. This is because large companies already have a protective shield to deal with product problems. As many as 58% of respondents expressed doubts about the boycott because they still use Israeli-affiliated products and they are afraid of massive layoffs that will cause unemployment in various countries around the world. In the end, before people carry out a boycott, they are required to think about future events that will affect more life in the economic, social, political and national life sectors.

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