

Analysis of Co-Working Space Business Strategy with SWOT Method to Increase Visitors and Market Expansion: Case Study of ICO Space Medan

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ARTICLE INFO

Keywords: Co-Working Space, SWOT Analysis, Business Strategy, Market Expansion, ICO Space

Received : 16, June

Revised : 30, June

Accepted: 26, July

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ABSTRACT

This research analyzes the business strategy of ICO Space Medan, a co-working space initiated by PT Inalum, using SWOT analysis to identify internal strengths and weaknesses as well as external opportunities and threats. The study adopts a mixed-method approach, combining quantitative questionnaires and qualitative interviews, to evaluate visitor satisfaction, strategic positioning, and market competitiveness. The findings reveal that ICO Space possesses strong internal assets, particularly in its facilities, community, and work environment. However, location accessibility and growing competition pose significant external challenges. Based on the SWOT matrix, the study offers strategic recommendations such as strengthening digital presence, developing hybrid service models, and leveraging government partnerships to enhance market expansion and visitor retention.

INTRODUCTION

Co-working spaces, or shared workspaces, are a business concept designed to provide a solution for companies looking to reduce office rental costs, particularly startups and small and medium-sized enterprises. In Indonesia, this concept is gaining popularity along with the growing need for more efficient workspaces. Co-working spaces offer various benefits such as flexibility in workspace arrangements, opportunities for networking, and a conducive and productive work environment. Furthermore, co-working spaces also enable the development of communities among users, support operational efficiency, and are typically equipped with adequate modern technology. Strategic locations are one of the main reasons why this concept is increasingly popular with companies seeking access to office facilities at a more affordable cost.

Another benefit of co-working spaces is not only felt by the companies using these facilities, but also by business managers. With proper management, co-working space businesses can provide significant financial benefits. Co-working spaces allow small companies and individuals to have a comfortable and productive workplace, while managers can earn income from the rental fees of the space offered. Flexibility in room type, lease duration, and provided facilities makes co-working spaces an attractive option for professionals. To maintain smooth operations, careful management is required, from facility management to effective marketing strategies. Every aspect of management must be carefully considered so that co-working spaces can meet user needs and remain competitive in an ever-evolving market.

However, not all co-working spaces are able to operate smoothly. Some have succeeded in attracting the interest of many companies and professionals, while others have encountered various obstacles in their implementation. One example is ICO Space, a co-working space owned by PT Inalum. ICO Space, a co-working space by PT INALUM (Persero) which is currently located in two different cities, namely Medan and Kuala Tanjung, is a shared workspace designed with a minimalist industrial concept to meet the needs of professionals, freelancers, startups, and small and medium enterprises. ICO Space was established by PT INALUM as a strategic effort to reduce the maintenance costs of the empty buildings they own. The main building of ICO Space is located at Jl. Jenderal Besar AH Nasution no. 27, Titi Kuning, Medan Johor, Medan City, within the PT INALUM employee housing complex.

Within the complex, there are several buildings that were initially unused but still require significant maintenance costs. Seeing the high maintenance budget, PT INALUM decided to convert these empty buildings into co-working spaces that can be used by various groups, including freelancers, startups, and small companies. In addition to reducing the burden of maintenance costs, the utilization of these empty buildings is expected to generate additional income for PT INALUM from the growing co-working space business. This initiative is also in line with the trend of flexible work and digitalization that is increasingly in demand by urban communities in Medan, thus creating a symbiosis between internal efficiency and external market opportunities.

Mistakes in co-working space management can have serious consequences, including a decline in interest from companies or individuals in using the facilities. The problems faced by ICO Space can be addressed by conducting a comprehensive evaluation of the business strategy employed. This evaluation aims to identify the strengths and weaknesses of the existing system, as well as analyze the opportunities and limitations faced by ICO Space. A deeper understanding of the situation allows managers to formulate a more effective business strategy that aligns with market needs. The evaluation process will also help identify areas for improvement, such as promotions, improving service quality, or adjusting rental prices to be more competitive.

To evaluate this, a prior understanding of the situation within the co-working space, including both the internal and external conditions of the co-working space business, is essential. After reviewing these aspects, appropriate solutions to address the existing problems can be identified, after which planning can be prioritized and prioritized. The use of these two methods is expected to provide comprehensive guidance for ICO Space managers in formulating effective strategies. The resulting strategies are expected to help ICO Spaces attract more visitors, increase revenue, and expand their market share amidst increasingly fierce competition in the co-working space business.

ICO Space was established by PT Inalum as a strategic effort to reduce the maintenance costs of its vacant buildings. The main building of ICO Space is located at Jl. Jenderal Besar AH Nasution no. 27, Titi Kuning, Medan Johor, Medan City, within the PT Inalum employee housing complex. Within the complex, there are several buildings that were initially unused but still require significant maintenance costs. Seeing the high maintenance budget, PT Inalum decided to convert these vacant buildings into co-working spaces that can be used by various groups, including freelancers, startups, and small companies. In addition to reducing the burden of maintenance costs, the utilization of these vacant buildings is expected to generate additional income for PT Inalum from the growing co-working space business. This initiative is also in line with the trend of flexible work and digitalization that is increasingly in demand by urban communities in Medan, thus creating a symbiosis between internal efficiency and external market opportunities.

External threats in the co-working space industry in Medan can be seen from the increasingly fierce competition, where several co-working space vendors offer unique working environments, complete facilities, and services that can attract users. For example, Clapham in the Center Point Ruko Complex in Medan is known for its modern design and coffee service, which creates a comfortable atmosphere for working. Yafurni at Jl. Iskandar Muda No. 7 offers a modern interior design that is relaxed and inspiring, while Kalingga at Jl. Kalingga No. 14 provides flexible workspaces with fast internet access. Spasi in the Multatuli Indah Complex presents a creative concept and comfortable, spacious workspaces. GoWork at Sinar Mas Land Plaza Medan, known for its aesthetic design and complete services, offers spacious and modern workspaces. Finally, Saga on Jl. Ringroad and Setiabudi creates a comfortable environment with meeting room facilities, fast internet, and a lounge area. The presence of

these co-working spaces increases competitiveness in Medan, which is a significant challenge for other co-working spaces in attracting and retaining customers.

The future goal is to increase visitor numbers and revenue to at least 22.79% of the estimated maximum potential revenue, to cover ICO Space's operational costs. Re-evaluating the business strategy is crucial to addressing the various challenges. With the right strategy, ICO Space is expected to regain its competitive edge and improve its performance in the increasingly competitive co-working space market.

LITERATURE REVIEW

Co-working Space

The concept of co-working spaces also encompasses shared work environments that provide various resources for freelancers, individuals, and companies of all sizes, from small to large (Orel et al., 2021). According to Ross and Ressia (2015) in Orel (2019), these workspaces are designed as new work ecosystems that help self-employed workers create a balance between their work and personal lives. Furthermore, co-working spaces strive to build infrastructure that can encourage professional social interaction, knowledge exchange, creativity, and innovation processes among their members (Orel et al., 2021). The concept of co-working spaces also varies, with some focusing more on shared and open office spaces, while others emphasize single offices, event spaces, or community areas, depending on the purpose of the co-working space (Bouncken et al., 2020).

Co - working Space Core Values

1. **Openness:** Means mutual acceptance and openness to new people and new ideas. This openness can only be achieved if there is mutual trust among co-working space members, such as trust that shared ideas will not be stolen.
2. **Collaboration:** Emphasizes the importance of collaborating on shared projects, not just working side by side. Freelancers and entrepreneurs in different fields can need each other, such as an entrepreneur who needs the services of a web developer and collaborates to achieve a common goal.
3. **Sustainability:** This means conserving resources, which are essential for achieving project goals. Collaboration built in co-working spaces is expected to result in sustainable cooperation between users.
4. **Community:** Describes the sense of community among co-working space members. Co-working space workers, often acting as community managers, are tasked with facilitating community building for members. For company employees, building a community is easier, while freelancers need to put in more effort to become part of a group.
5. **Accessibility:** Co-working spaces are designed to be accessible to all stakeholders without restricting other users. This means co-working spaces are open to diverse groups and can welcome guests to community events.

Types of Co-working Space

1. **Midsize & Big Community Co-working spaces:** This type of co-working space provides space and services for around 40 workers. This type isn't defined by a specific company or industry, but rather by the capacity and number of workspaces available. Therefore, there's potential for expansion, design changes, and increased capacity.
2. **Small Community Co-working spaces:** In this category, co-working spaces provide space for around 10 workers. The atmosphere is more informal and warmer, similar to a family environment, which allows for closer relationships between users.
3. **Corporate Powered Co-working spaces:** This type of co-working space has limited access and can only be used by individuals working at the company that established it. Generally, these co-working spaces provide additional space for company innovation and research, but they can also be opened to workers who have partnerships with the company.
4. **University Related Co-working spaces:** This type of co-working space is designed to help students understand and deepen their projects, as well as connect the theory they've learned with the practice they've learned. They're typically established by universities to facilitate students' academic and development needs.
5. **Pop-Up Co-working Spaces:** This type of co-working space is used for temporary activities by active communities. Typically, pop-up co-working spaces are created to test the concept of a permanent co-working space that may be established in the future.

Co-working Space Users

Based on their membership type, co-working space users can be divided into two categories: permanent and non-permanent users (Prasetya, 2018). Permanent users typically commit to renting a desk or space for a relatively long period of time, such as a year, and they frequently visit the co-working space. Meanwhile, non-permanent users, according to Prasetya (2018), generally work in creative industries such as web development and internet marketing, and they use the co-working space only when needed for specific projects. However, examples of permanent and non-permanent users can vary depending on the type of co-working space itself (Görmar, 2022).

Co-working Space Atmosphere

Atmosphere, according to the Big Indonesian Dictionary (KBBI), is the perceived state or environment. In the context of co-working spaces, this atmosphere is designed to create an office environment driven by hospitality as a service, but also provides flexibility with designs that include positive social aspects, such as cafes that function to build formal and informal relationships (Orel et al., 2021). Co-working space interiors are designed to support office work, but also to facilitate openness in social interaction, participation in the workspace, and team collaboration, by leveraging knowledge from various contexts. Over time, user behavior patterns become part of the space's

institutional structure, both formally and informally, which in turn shapes the work culture in the co-working space (Bouncken et al., 2020).

Strategic Management

According to Coulter and Robbins (2004), the strategic management process consists of eight steps, including strategy planning, implementation, and evaluation. According to Lantang (2018), these eight steps are as follows:

1. **Identifying Existing Missions, Goals, and Strategies**
This step involves determining the organization's mission and goals and existing strategies, which serve as the foundation for subsequent steps.
2. **Analyzing the External Environment**
In this step, the organization needs to evaluate external factors that can affect the company's operations and strategies, such as market trends, regulations, and economic conditions.
3. **Identifying Opportunities and Threats**
After analyzing the external environment, the company must identify opportunities that can be exploited and threats that need to be faced.
4. **Analyzing the Resources Owned by the Organization**
This step involves assessing available resources, such as capital, labor, and technology, that can be used to support the strategy.
5. **Identifying Strengths and Weaknesses**
It is important to understand the strengths and weaknesses of the organization so that the resulting strategy can capitalize on existing strengths and improve weaknesses.
6. **Formulating the Right Strategy**
Based on the previous analysis, the organization must formulate the most appropriate strategy to achieve the goals that have been set.
7. **Implementing the Formulated Strategy**
This step involves implementing the strategies that have been formulated in the organization's daily activities.
8. **Evaluating the Results of Strategy Implementation**
Finally, organizations need to evaluate the results of strategy implementation to assess success and make improvements if necessary.

SWOT Analysis

SWOT analysis, developed by Albert Humphrey in the 1960s and 1970s, is an evaluation method that uses an acronym to identify four key elements: strengths, weaknesses, opportunities, and threats (Wulandari, 2020). This method is designed to assess the strengths, weaknesses, opportunities, and threats faced by a particular organization, plan, individual, or business activity (Zainuri & Budi Setiadi, 2023). From this explanation, it can be concluded that SWOT analysis is a very useful tool to help companies formulate appropriate strategies to address changes occurring in the internal and external environment.

IFAS-EFAS Analysis in IE Matrix

After conducting a SWOT analysis to identify the company's strategic factors, the next step is to conduct an Internal Factor Analysis Strategy (IFAS)

and an External Factor Analysis Strategy (EFAS). This process aims to weight and assess the internal and external factors affecting the company. The results of this assessment are then applied to the Internal-External (IE) Matrix.

METHODOLOGY

This study employed a descriptive quantitative approach. The descriptive design was chosen to provide an objective overview of the coworking space at ICO Space Medan. The descriptive quantitative method employed in this study utilized a questionnaire as the primary data collection tool. The questionnaire was developed based on initial observations and interviews with the manager, then distributed to coworking space users to obtain data. In addition to quantitative data, this study also included simple interviews with the coworking space manager and several customers.

The research object is focused on the dynamics of visitor interest, needs, and comfort in utilizing the services provided by ICO Space Medan. This research uses a mixed methods approach, combining quantitative and qualitative methods to obtain a more comprehensive picture of the coworking space situation at ICO Space Medan. In this study, the researcher will employ a participant observation technique, where the researcher acts not only as an observer but also as an observer in the activities of the people being observed (observees).

The data sources required for this research come from various sources, including observation, interviews, literature review, and institutional studies. The primary data sources are the words and actions of the informants, reflecting their experiences and perspectives on the co-working space phenomenon. Furthermore, secondary data sources include various forms of documentation and information that can support the research. These secondary data sources include relevant official websites, images, photographs, pamphlets, documentation, minutes, visit lists, membership data, and other information relevant to the research needs.

RESEARCH RESULT

Internal and External Factor Matrix Analysis

Table 1. Internal and external factor matrix analysis

No	Statement	O/T	Amount	Weight	Rating	Score
	External Factor Analysis					
<i>Opportunity</i>						
1	Remote work systems are driving the need for co-working spaces		107	0.01	3.57	0.04
2	The need for a diverse work community		102	0.03	3.40	0.11
3	Increasing number of freelance jobs		104	0.06	3.47	0.19
4	Changes to a more modern work style		107	0.04	3.57	0.16

5	Awareness of the need for co-working spaces		98	0.10	3.27	0.33
6	The government's WFA program will increase the need for co-working spaces.		104	0.06	3.47	0.19
7	Government programs create a need for professional work locations		100	0.08	3.33	0.26
8	Government education for the community regarding entrepreneurship		91	0.09	3.03	0.27
9	Government program to provide jobs for start ups		99	0.02	3.30	0.07
10	Products and services are easy to copy		92	0.11	3.07	0.34
11	There are negative reviews		79	0.13	2.63	0.35
12	There are consumers who do not fit the co-working space concept		81	0.12	2.70	0.33
13	There are consumers who prefer to work from home		87	0.14	2.90	0.42
Threats						
14	The increasing number of co-working spaces in Medan		103	0.20	3.43	0.69
15	Competitive price competition		98	0.40	3.27	1.31
16	Marketing competition is getting tighter		102	0.10	3.40	0.34
17	Many types of similar services		99	0.30	3.30	0.99
Strength						
18	Good company background		105	0.10	3.50	0.33
19	Good company connections		107	0.06	3.57	0.22
20	The community owned by the company is good		105	0.05	3.50	0.17
21	Positive work environment and ecosystem		106	0.08	3.53	0.29
22	Communicative and friendly staff		111	0.01	3.70	0.05
23	Services available during working hours		109	0.12	3.63	0.42
24	Clear and consistent service system		107	0.10	3.57	0.36
25	Good and complete facilities		111	0.01	3.70	0.05

26	Areas and environments that support work productivity		110	0.05	3.67	0.20
27	Cleanliness and good layout		112	0.01	3.73	0.03
28	Completeness of products according to customer needs		110	0.03	3.67	0.10
29	Fees commensurate with the facilities		107	0.06	3.57	0.22
30	The existence of online marketing services		106	0.08	3.53	0.29
31	Introducing co-working spaces to new customers		106	0.04	3.53	0.14
32	Easy and accessible online ordering service		107	0.10	3.57	0.36
33	Access complete product information		107	0.06	3.57	0.22
34	Marketing products and services that are attractive and easy to understand		109	0.03	3.63	0.12
<i>Weakness</i>						
35	Location that is easy to reach by public transportation		90	0.50	3.00	1.50
36	Have close access to consumption and work needs		93	0.33	3.10	1.03
37	Easy to find/browse location		91	0.17	3.03	0.51

External factors include opportunities and threats that originate outside the company and cannot be directly controlled. In this study, there were 13 opportunity indicators and 4 threat indicators assessed by respondents. Opportunities that include modern work trends (remote and hybrid), the increasing number of freelancers, and government support for entrepreneurship and startups obtained a total weighted score of 3.06. Meanwhile, threats such as price competition, the number of similar coworking spaces, and service similarities resulted in a weighted score of 3.33. Using the same approach as in the IFAS, the EFAS score is calculated by subtracting the total opportunities from the total threats, namely:

$$EFAS = Opportunity - Threats$$

$$EFAS = 3.06 - 3.33 = -0.27$$

A negative EFAS score indicates that external conditions are unfavorable. Threats outweigh opportunities, requiring companies to be aware of competitive and rapidly changing market dynamics. Internal factors include strengths and weaknesses, which originate within the company and can be directly controlled. Based on the data processing results from the questionnaire, 17 indicators fall into the strengths category and 3 indicators into the weaknesses category.

Strength factors such as good company background, consistent service quality, friendly staff, complete facilities, and a strong digital marketing system received a total weighted score of 3.57. Meanwhile, weaknesses related to

location, such as access to public transportation, proximity to consumption needs, and ease of finding the location, received a total weighted score of 3.04. Thus, the IFAS score is calculated by subtracting the total strengths from the total weaknesses, namely:

$$\begin{aligned} IFAS &= Strength - Weakness \\ IFAS &= 3.57 - 3.04 = 0.53 \end{aligned}$$

This positive score indicates that ICO Space Medan is in a relatively strong internal position. The company's strengths still offset its weaknesses. This provides crucial capital for developing strategies based on internal strengths, such as optimizing services and leveraging the community as a key differentiation.

The results of the IFAS and EFAS analysis show that ICO Space Medan has quite dominant internal strengths, marked by a positive difference between strengths and weaknesses of 0.53. This means that the company's internal strengths are still able to overcome existing weaknesses, especially in the aspects of service, facilities, and digital marketing systems. However, from the external side, the company faces greater challenges. The EFAS value shows a result of -0.27, which means that external threats – such as intense competition and service similarities – are stronger than the available opportunities. If depicted in the form of a two-axis strategy quadrant (with the X-axis = IFAS and the Y-axis = EFAS), then ICO Space Medan is in Quadrant II, namely:

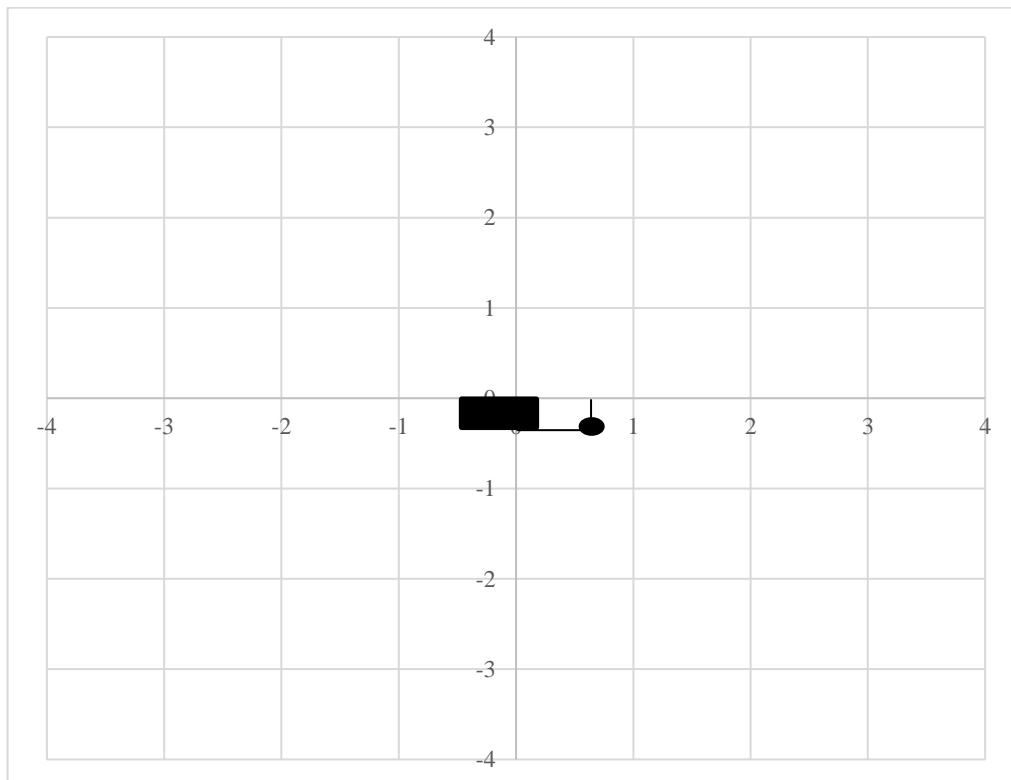


Figure 1. ICO Space Medan

ICO Space Medan is in Quadrant II, a position where the company's internal strengths are considered strong, but it faces pressure from a less than supportive external environment. This position reflects a situation that demands

the implementation of a defensive strategy. In this situation, the company is advised to leverage its internal strengths, such as service quality, facilities, and user community, to overcome external challenges such as intense competition, service homogeneity, and changing consumer preferences. This approach aims to ensure the company remains stable and competitive amidst market dynamics.

SWOT Matrix

Factors that have been classified into internal and external categories are arranged in the form of a SWOT matrix. This matrix combines the dimensions (SO, WO, ST, WT) to produce four main groups of strategies:

Table 2. SWOT Matrix

<i>Strength</i>	<i>Weakness</i>
<ol style="list-style-type: none"> 1. Friendly and consistent service 2. Complete, clean facilities that support productivity 3. Effective and informative digital marketing strategies 4. Strong work community and positive reputation 	<ol style="list-style-type: none"> 1. Friendly and consistent service 2. Complete, clean facilities that support productivity 3. Effective and informative digital marketing strategies 4. Strong work community and positive reputation
<i>Opportunities</i>	<i>S - O</i>
<ol style="list-style-type: none"> 1. The trend of hybrid and remote work continues to increase 2. Government support for startups, entrepreneurship, and WFA programs 3. The number of freelancers and digital nomads continues to grow 4. Public awareness of the need for flexible workspaces is increasing 	<ol style="list-style-type: none"> 1. Expanding user segments through digital campaigns targeting freelancers and startups (S3, S4, O1, O3) 2. Provides flexible community packages and services to attract hybrid users (S1, S2, O1, O4) 3. Establish strategic partnerships with government programs to develop the work ecosystem (S4, O2)
<i>W - O</i>	
<ol style="list-style-type: none"> 1. Provide digital location guide features or collaborate with online motorcycle taxis for transportation access (W1, W2, O1, O4) 2. Enhance visual location promotion through social media and official websites (W3, O3, O4) 3. Create a remote onboarding service for users who have 	

		never come in person (W1, W3, O1)
<p>Threats</p> <ol style="list-style-type: none"> 1. There are many similar coworking spaces in Medan 2. Increasingly tight price and promotional competition 3. Ease of imitation of coworking space services by competitors 4. The preference of some consumers to continue working from home (WFH) 	<p>S - T</p> <ol style="list-style-type: none"> 1. Increase the unique value of the community and loyalty program so that users do not easily switch to competitors (S4, S1, T1, T3) 2. Develop a fast and efficient reservation and service system to compete with other providers (S3, S1, T2) 3. Creating educational content about the benefits of coworking to shift WFH preferences (S2, S3, T4) 	<p>W - T</p> <ol style="list-style-type: none"> 1. Adjust prices or provide incentives for users who are hampered by location (W1, W2, T2) 2. Building location-based promotions and user testimonials around to attract local markets (W3, T1, T3) 3. Offering hybrid (online-offline) services for users who are not ready for physical coworking (W1, T4)

Based on the identification of internal and external factors and their classification into strengths, weaknesses, opportunities, and threats, alternative strategies were formulated using the SWOT Matrix. This matrix combines the SWOT dimensions to produce four main strategic groups that ICO Space Medan can use to plan its future business development.

DISCUSSION

The research results show that the facilities, work environment, and community are the main strengths of ICO Space Medan. The average respondent score indicated high satisfaction with the completeness of the facilities (3.70), the cleanliness of the space (3.73), and the supportive work environment (3.67). This condition indicates that the basic needs of coworking space users are well met through the available facilities. This finding aligns with the research of Kinsman et al. (2023), which states that a comfortable work environment and adequate facilities can significantly improve the mental health, comfort, and work performance of its users.

In addition to physical facilities, the presence of an active professional community at ICO Space Medan also contributes significantly to creating a productive work environment. The average score for community and social interaction among users reached 3.50, indicating that this coworking space has

been able to build a conducive work ecosystem. This finding is supported by Rodighiero & Boari (2023), who emphasized that coworking spaces function not only as a space for sharing facilities but also as a social platform that encourages cross-professional collaboration and the exchange of ideas among users.

However, the study also found that location is a weakness that requires attention. Three indicators related to public transportation accessibility, proximity to consumer facilities, and ease of finding the location only achieved an average score of around 3.0 to 3.1. Several respondents and customers in interviews mentioned difficulties in obtaining groceries, stationery needs, and adequate access to public transportation around the ICO Space Medan location. These findings align with previous research that suggests that spatial factors, such as the proximity of coworking spaces to supporting facilities, restaurants, and public transportation access, significantly influence user comfort, mobility, and preferences in choosing a coworking space (Coll-Martínez & Méndez-Ortega, 2024; Mendez-Ortega et al., 2023).

In addition to internal factors, ICO Space Medan also faces significant external threats. Data shows that the threat from competition among coworking spaces in Medan City is high, at 3.43. The large number of new coworking spaces with similar prices and service concepts has the potential to create price competition and complicate differentiation efforts. This aligns with the analysis by Widyaningrum et al. (2024), which explains that as the number of coworking spaces increases without significant innovation, the market has the potential to become saturated, leading to price competition and weakening customer loyalty.

The potential shift in work trends toward remote working also poses a threat. Some users choose to work from home or private spaces due to flexibility and time efficiency. This finding is supported by Sari et al. (2024), who stated that shifting user preferences toward digital work systems could reduce coworking space customer retention rates, especially if not accompanied by improvements in services or supporting facilities relevant to current needs.

Based on the SWOT analysis, ICO Space Medan is positioned in Quadrant II, where strong internal strengths must be utilized to overcome various external threats. Jeners & Prinz (2014) stated that coworking spaces in this quadrant need to maintain the quality of engagement and flexibility of the workspace, while continuing to adapt to changes in the business environment and customer needs. One strategy that can be implemented is the addition of internal facilities, such as a canteen or mini cooperative, to meet consumption and office stationery needs without having to leave the coworking space. This concept aligns with the idea of Fai et al. (2024) who emphasized the importance of coworking spaces providing integrated supporting facilities to support professional activities while increasing customer engagement in developing areas.

Furthermore, opportunities to increase engagement through the use of digital technology need to be optimized immediately. The use of digital reservation systems, online community management, and the provision of more strategic location information online can provide solutions to location challenges and service competition. Ferreira & Antunes (2005) also suggest that technology

integration in coworking spaces will expand access to information and enhance virtual collaboration among coworking space users.

On the other hand, the increasing trend of freelancers, remote working, and government support for creative entrepreneurs presents a significant opportunity for ICO Space Medan. The average opportunity category score in this study was above 3.5. This condition aligns with the statement by Vogl et al. (2024), who stated that changes in modern work patterns are driving the growth of coworking spaces, even outside urban areas, to meet the need for affordable, flexible workspaces. A coworking space model that responds to these trends can serve as a means of empowering the local economy and boosting the productivity of small businesses, startups, and freelancers.

This position also supports the research findings of Avdikos et al. (2024), which stated that coworking spaces have the potential to play a role in regional development and contribute to area-based policies, particularly in non-urban or developing areas. Coworking spaces that are able to adapt to changes in the business and social environment will have a greater opportunity to thrive amidst dynamic competition.

Thus, the results of this study not only align with various previous studies but also provide a contextual overview of the conditions of coworking spaces in a developing city like Medan. ICO Space Medan possesses solid internal strengths, but must still adapt to external challenges, particularly those related to location, accessibility, and service competition. Facility innovation (Cornelia et al., 2022), community strengthening, and digital technology integration are key to this coworking space's survival and growth amidst increasingly fierce competition.

Based on the research conducted, it can be concluded that ICO Space Medan possesses quite dominant internal strengths. The facilities, work environment, and community aspects achieved an average score above 3.5, indicating that this coworking space successfully creates a comfortable and productive work environment for its users. The presence of an active community, a conducive work environment, and complete facilities are key factors driving productivity and user comfort in carrying out their work activities at ICO Space Medan.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

1. ICO Space Medan's internal conditions are considered strong, as evidenced by scores above 3.5 for facilities, work environment, and community. The work environment is considered comfortable and conducive to productivity. The lowest scores were for location, specifically access to public transportation, availability of food, and ease of finding the location, with scores ranging from 3.0 to 3.1.
2. External conditions indicate that competition among coworking spaces in Medan is quite fierce, both in terms of the number of providers, pricing, and service variety. The WFH and digital work trends present challenges that need to be anticipated. Opportunities remain through the remote working trend, the rise in freelancers, and government support for the creative sector.

3. Development strategies include adding supporting facilities such as a canteen and cooperative, strengthening the community through regular events, and optimizing the online reservation system. Collaboration with online transportation services and local MSMEs needs to be strengthened. Adaptations to hybrid working services are being prepared to keep up with the trend of flexible work systems.

Recommendation

1. The research results will serve as a basis for developing analytical skills and applying strategic management theory in the field. It is recommended that the scope and methods be expanded in future studies to achieve more diverse results.
2. This research can serve as a reference for Master of Management students in understanding the application of SWOT analysis and business strategies based on quantitative, descriptive, and qualitative approaches. This study is relevant as a practical reference in the coworking space sector.
3. The research results serve as evaluation material for companies in formulating business development policies. The focus is on strengthening supporting facilities, community strategies, and leveraging digital services and flexible work trends.
4. This research serves as a useful reference for academics, practitioners, and investors looking to develop coworking space businesses in various regions. It also serves as a basis for further research to explore strategies in different locations and market conditions.

ADVANCED RESEARCH

Future research could explore the integration of digital transformation strategies, such as virtual coworking features and app-based community management systems, in co-working spaces located outside major metropolitan areas. This would offer deeper insights into how technology adoption impacts user engagement, operational efficiency, and scalability in less urbanized contexts. In addition, a longitudinal study tracking the performance of ICO Space Medan over time following the implementation of SWOT-based strategies could provide empirical evidence on strategic impact. Comparative studies with co-working spaces in other emerging cities in Indonesia would also enrich the understanding of regional dynamics in the flexible workspace industry.

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