Business Strategy Development: Analysis of Culinary Business (CV Adista Makmur Sentosa)

Harpa Ranusono¹, Aida Vitalaya², Kirbrandoko³

¹, ², ³ School of Business, Bogor Agricultural University (IPB), Jl. Raya Pajajaran Bogor, Indonesia 16151, Indonesia

Abstract: Modernization process led to a change of lifestyle in the community with the shift in consumption patterns and increase activities outside home. These conditions create a demand for processed food and make competition in this business increased. CV Adista Makmur Sentosa requires a business model that can develop strategy in managing operational processes and company management in order to compete with other foods culinary business. This study aims to determine the improvement of business development at CV Adista Makmur Sentosa. The method used are descriptive analysis, business model canvas (BMC) and SWOT analysis. At no additional customer segment because it covers the whole of society, but need enhancement of appropriate adjustments to the segmentation of each. Value proposition No additional product innovations and other types of products. On the channels element, there is a direct channel box and suggestions as well as optimize all existing channels. Customer relationship in addition to the promo brochure and program outlets Jande's Card. On the revenue streams element CV Adista Makmur Sentosa can increase its revenues by opening new stores, catering to the buffet system for formal occasions, and create a frozen food. There is also the addition of the key, such as typesetting asset resources, improving the quality of human resources, and improvement of the system of employee contracts. On the key elements in the form of survey activities there are additional strategic locations for outlets with different concepts and deepening of business science. Key partnership no addition in the form of raw material suppliers that have services between and strategic locations for outlets wi

Keywords: culinary development, business canvas model, SWOT analysis

1. Introduction

Modernization is a form of social change causes society that is more dynamic and marked the increasing number of activities undertaken. The modernization process led to a change of lifestyle in the community. One of such change is the eating behavior. Food or eatery is one of the basic human needs in addition to board and clothing. Humans have to comply these needs in order to survive. With the shift in consumption patterns and lifestyles of the urban community, then an increase in the activities outside the home. These conditions create an increase in public demand for processed food. This makes the culinary is one business opportunity that is very promising given the increasing public demand for processed food.an increasing number of businesses and increasing competition in the business.

<table>
<thead>
<tr>
<th>Month</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>September</td>
<td>15.000.000</td>
<td></td>
</tr>
<tr>
<td>October</td>
<td>15.800.000</td>
<td></td>
</tr>
<tr>
<td>November</td>
<td>17.400.000</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>20.000.000</td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>22.340.000</td>
<td></td>
</tr>
<tr>
<td>February</td>
<td>21.000.000</td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>23.450.000</td>
<td></td>
</tr>
<tr>
<td>April</td>
<td>26.800.000</td>
<td></td>
</tr>
<tr>
<td>Mei</td>
<td>28.000.000</td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>34.400.000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>68.200.000</td>
<td>155.990.000</td>
</tr>
</tbody>
</table>

CV Adista Makmur Sentosa require a business model that can address the developments in managing operational processes and management of the company in order to compete with other culinary business. The data can relate to the amount of turnover derived by the company from one outlet that is milk sticky rice jande has show an increase on a monthly basis, as can be seen in Table 1.

In a world facing increasingly fierce business competition makes companies must have a vision, mission, and new ideas in order to adapt to changing environments (Eppler et al. 2011). Companies that grow and need the right business model in order to achieve the vision and mission of the company. According to Wheelen and Hunger (2003) states that the business model as the method used by the company to make money or value in the business environment in which it operates. The concept of the business model is useful to analyze and communicate the essence of a business. Study conducted by Amreny (2012), Dewobroto (2013), Febriana and Artanti (2015), Nisak (2015) state the analysis of business models canvas and SWOT analysis of the business development strategy of the different commodities and varied culinary. This study aims to determine the improvement of the business model canvas on business development CV Adista Makmur Sentosa.

2. Data

Data of this study uses primary data and secondary data. With sample total of 50 respondents (Blank and Bob, 2012) in the
city of Bogor, as well as the culinary experts during October through December 2016, with interview techniques.

3. Methodology

Data were analyzed with descriptive analysis, mapping business models canvas CV Adistia Makmur Sentosa, and then perform a SWOT analysis. The results of the analysis in the design of the business model canvas required by CV Adistia Makmur Sentosa in the future.

4. Empirical Results

The business model is one of the phenomena that occurred recently which is used to maximize the value creation process within a company. Development of a business model to become more perfect as well as how to implement it requires caution and should consider the influence of internal and external company (Mannsfield and Fourie, 2003). Having carried out a SWOT analysis of the individual elements of the business model canvas CV Adistia Makmur Sentosa, it is known what are the prospects for the company are to be maintained and developed, as well as the obstacles encountered and how to fix that with a solution.

Customer Segment

Nowadays CV Adistia Makmur Sentosa segments has cover all segments of society include employers, private sector employees, homemakers, students, and others. The position of the central outlet located in a strategic location makes it easy to be visited by all segments of society, for example, when someone wants to gather with, it supports the marketing strategy mouth (word of mouth). This is one of the strategies undertaken by the management. To support this strategy, the management often hold interesting promo for a product that customers are interested in buying it. This strategy is also executed to overcome the decline in turnover when the purchasing power of the people who are down at the end of the month. Wide coverage supporting the management segmentation strategy that makes its own opportunities also in providing a promo. Promo held adapted to focus on specific segments of society, which is the goal. On the other hand, management can perform scheduled menu to avoid saturation of a product. For example, milk sticky rice with green tea kitkat has the highest sales level at the beginning of the week in November. In the second week, customer will not saturate. With plenty type of toppings available, certainly it helped the sales.

Value Propositions

Cashier system that uses an application-based Tab online become one-advance step for CV Adistia Makmur Sentosa management in overseeing the sale. It is considered effective because it can record the sale and the details, so to minimize the incompleteness of the sales summary were reported to management. Online-based system used on delivery service by one of the partners of the company, Go-Jek named Go-Food. The system supports the modern society to enable customers to access the menu and buy products without having to come to the point of sale. Nonetheless, the traditional concept remains embedded in the company. Starting from the name, the concept of refined products, raw materials, to the relatively cheap price for a similar product. Based on interviews and discussions, management needs to add other types of products with different concepts that correspond with the needs of society, that is, products with relatively low prices for a type of "heavy food" suitable to eat when the end of the month. Because especially in areas surrounding the city and Bogor Regency, often types of food have a common in the concept.

Channels

In reaching customers, CV Adistia Makmur Sentosa using the direct channel and indirect channels. Direct channel through outlets spread across the city of Bogor and its surroundings as well as follow events such as events and fairs, while the indirect channel management is done through the website, social media, and social networking. Activity on these channels are used not only contains about selling products, but also to interact with customers such as accommodating ideas, suggestions, and criticisms. After discussion and in-depth interviews, CV Adistia Makmur Sentosa management need to optimize all existing channels both direct and indirect channels. This can be done by holding the box suggestions and criticisms at each outlet so it can connect directly with management.

Customer Relationship

CV Adistia Makmur Sentosa business making customer satisfaction as one of the important points that must be accomplished each day. Management has always tried to maintain good relations with customers ranging from offering attractive promotions, use good vocabulary, casual, and easy to be accepted, to have a SOP for employees in behave with customers. However, the management can still be said to be less than the maximum in terms of delivering promos as long as it is still limited to using social media alone. To that end, the management needs to improve not only the promotion of social media, but also brochures scattered outlets given that only some people who play social media. In addition, management should conduct Jande's Card program for customers after the transaction. Each transaction is given a special stamp and can be exchanged for the product when it reaches 10 cap. This is to appreciate loyal customers with the company's products.

Revenue Stream

CV Adistia Makmur Sentosa revenue streams derived from the sale of products directly at the business location, follow events organized by third parties, and also direct orders for outdoor activities such as meetings, seminars, and other activities. The management needs to do a vast expansion by opening more outlets with a different concept from existing outlets that generate more revenue. In addition, management can establish a separate subsidiary to open a catering business, such as for catering daily with a different menu each day and can also be opened catering for events larger with a buffet system, such as recitals, birthdays, up to the wedding. For the
future, the company may also expand the sales network of products up to the nearest mini market up can easily be reached by all the people of Indonesia and overseas.

**Key Resources**
CV Adistia Makmur Sentosa business has assets that can be counted and intangible assets. Nevertheless, the position between one place and the other places that are interconnected at a distance sufficient to inhibit the activity of companies due to the current company does not have enough qualified human resources as the driving force of the company. Therefore, companies need to reorganize the layout of the asset and increase the quality of human resources in order to continue to be balanced. Companies can maximize the outlets of the first to become a central outlet in the promotion discount, latest product launch, to the promotion where new stores. Companies also need to develop and improve the system of employment contracts of employees to cope with high turnover rates.

**Key Activities**
At this time CV Adistia Makmur Sentosa business has several key activities; 1) the supply of raw materials, 2) Same-store sales Jande Group, 3) operational activities at headquarters and product processing, and 4) outlets maintenance. Based on interviews and discussions, management needs to multiply the outlets that have a different concept from existing ones, such as outlets that the company had brought the concept of authentic traditional form of smaller shops that use tents outdoors. When using a different concept, the company may open outlets that carry the traditional concept of modern café that has a modern touch but starting from the interior to the food and beverage products sold are traditional concept as a hallmark of the company. Therefore, the management needs to do a survey of strategic locations suitable for opening new stores and create the right manager functions at each outlet so that sales at each outlet can run well. In addition, management needs to bring an existing product to a different level by substitution of raw materials in accordance with company standards, but it has other advantages that can stock in certain amount. It is to prevent the risk of rising raw material prices or a sudden rare.

Another thing management can do is be able to explore the science of business management by attending various seminars and workshops in order to improve on all aspects of business to become more efficient.

**Key partnership**
At this time, CV Adistia Makmur Sentosa has several key partners, namely; 1) raw material suppliers, 2) tents and iron workshop, 3) sales packaging, 4) support equipment stores 5) messages between services. On the improvement of the business model, the management need to collaborate with a supplier of raw materials to hand-deliver the raw materials needed for the processing of the product. It can deliver efficiencies in cost and time that has been used to take the raw materials that have been purchased. Management can also collaborate with other educational institutions and offices around the outlets, especially in Bogor to introduce products to the wider public coverage.

**Cost Structure**
Costs incurred by the current management include: 1) the cost of raw materials, 2) the employee's salary, 3) lease warehouses, 4) marketing costs, 5) and operating costs. In the business model canvas that has been fixed should be no additional costs for improving the quality of human resource management CV Adistia Makmur Sentosa. With the advancement of human resources owned by management, of course, will increase labor productivity, which will lead to increased company revenue stream. In addition, CV Adistia Makmur Sentosa management can follow business mentoring and entrepreneurship development program organized by the government, state enterprises or other institutions to get an idea of innovation business development at affordable cost.

**Program and Strategy Development Business Model Canvas CV Adistia Makmur Sentosa**
The taxable income SWOT analysis and Business Model Canvas improvement step is doing alternative development strategies that can be done by the management of CV Adistia Makmur Sentosa to review program supports Repair Company Business Model Canvas.

**Market development strategy**
1. Expansion by open outlets run their own management
The program needs to be done by the management to increase the company's revenue and brand image CV Adistia Makmur Sentosa. Management needs to make observations and innovative concepts that are different from existing ones without leaving the hallmark of the company. Example opening stores with the traditional concept where the entire used cutlery made from tin, play traditional songs that can be enjoyed by customers while eating a meal, and others. Innovation concept can also be developed by exploring the areas directly or online that provide inspiration.

2. Open the subsidiaries in mini catering
Management can establish separate subsidiaries to open mini catering businesses, such as for catering daily with a different menu every day in the morning, noon, and night. It is powered from the many families who want a practical or do not have time to cook because of work. Products offered by the concept of home cooking to create an atmosphere that is fitting when eaten at home also has a traditional taste in accordance with the company's hallmark.

3. Opening a business in catering for large events
Management can open a business catering for events larger with a buffet system, such as recitals, birthdays, weddings certainly up with the company concept and characteristic. Catering offers products and concepts that are different from the others.

4. Preparation of frozen food products
This modern-day, many products are issued with a practical concept, one frozen food. For the future, the
management can expand the sales network of products up to the nearest mini market by creating a frozen food that has a traditional concept and characteristic of the company so that it can easily be reached by all Indonesian people and even to foreign countries.

Human resource development program
CV Adistia Makmur Sentosa Management need to conduct training programs to increase the capacity of its human resources in order to serve customers better again. So far the company has employees who are limited so that the tasks and often have to work concurrently. Management needs to hire employees that have good quality and proper function. According to Nielsen and Montemari (2012) the role of competent human resources is an important factor in the success of a company or organization.

Presales and after sales services development strategy
Management needs to create programs to increase sales conversion CV Adistia Makmur Sentosa products both online and offline. Online courses conducted by registering all existing outlets to be accessible by the customer service applications reckons to messages between the central stores are currently only accessible to owner by online. Management should also improve the quality of photos and explanations on the application menu that attract customers to buy. For example, when the weather is cold, sticky rice with grain mango and warm milk can be a meal fit to eat. Offline program can be done by direct communication with potential customers who are around neighborhood outlets. Management can invite potential customers to buy the product by briefly explain.

As for the increase in after sales service management need to create a program for loyal customers for six months to collect the data the buyers who do a lot of transactions for six months. In addition, management also needs to make Jande's Card program is the collection of a stamp on the card, when it reaches a certain amount, the card can be redeemed for free products. The program can increase customer loyalty in order to continue to purchase products CV Adistia Makmur Sentosa. Other programs that can be done by the management is Jande's Award namely giving appreciation by management CV Adistia Makmur Sentosa Adistia to themselves or branch outlets that exist when doing a very good performance. This program will strengthen the relationship between management in CV Adistia Makmur Sentosa company.

Sustainable innovation strategy
According to Liem (2009) innovation is the blood for an institution to be able to live a sustainable and profitable innovation systematically in the form of new discoveries that originated from empathy, the ability to see world with the eyes of others, and the optimal utilization of existing technological advances. Management CV Adistia Makmur Sentosa need to innovate on an ongoing basis in order to compete with competitors. Program innovations that can be done are creating unique new products and preferred customer, doing promo promo during certain times such as the end of the month and other discounts.

5. Conclusions

Based on the results of study on CV Adistia Makmur Sentosa business, it is known that the customer segment of CV Adistia Makmur Sentosa are students, businessmen, private sector employees, housewives, students, and parents. Value proposition offered in the form of adjustment of product, competitive pricing, product innovation dynamic, unique brand name, and support system online. Channels built through direct channels and indirect channels. Customer relationship built by the management through social media, social networking, and the market place. Entered CV Adistia Makmur Sentosa business comes from retail sales outlets, sales at specific events, and direct orders for meetings, seminars, and more. Key resources CV Adistia Makmur Sentosa form of tangible and intangible assets. Activities keys or Key Activities of this business is the provision of raw materials, sales outlets, offices and operational activities of product processing, and maintenance partner. Current CV Adistia Makmur Sentosa have partners with raw material suppliers, craftsmen and artisans iron tent, maker of sales packaging, delivery service, and support equipment outlets. Cost structure consists of raw material costs, employee salaries, warehouse rental costs, operating costs, and marketing costs.

After the SWOT analysis are obtained improvements in nine-business model canvas CV Adistia Makmur Sentosa. At no additional customer segment because it covers the whole of society, but need enactment of appropriate adjustments to the segmentation of each. Value proposition no additional product innovations and other types of products. On the channels element, there is a direct channel box and suggestions as well as optimize all existing channels. Customer relationship on Extra promo brochures at outlets and Jande's Card program. On the revenue streams element CV Adistia Makmur Sentosa can increase its revenues by opening new stores, catering to the buffet system for formal occasions, and create a frozen food. There is also the addition of the Key is record asset resources, improving the quality of human resources, and improvement of the system of employee contracts. On the key elements in the form of survey, activities there are additional strategic locations for outlets with different concepts and deepening of business science. Key partnership no addition in the form of raw material suppliers that have services between and collaborating with educational institutions or offices around the booth. At the cost structure elements there are additional costs for human resources training and participation in entrepreneurship development program.

References


Volume 6 Issue 9, September 2017
www.ijsr.net
Licensed Under Creative Commons Attribution CC BY

Paper ID: ART20176856 DOI: 10.21275/ART20176856 1395


**Author Profile**

Harpa Ranusono is accepted at Brawijaya University, Department of Agribusiness, as undergraduate student in 2009. After graduate, he worked for some years in Ministry of Industry. He continue study to get master degree at School of Business Bogor Agricultural University in Postgraduate Program of Business Management and focusing on Strategic Management. While study master, he started his own business named Jande Group.