

Analysis of Cafe Marketing Strategy Using SWOT Method on Omah Bonsari

Ailsa Dahnaira Wachid¹, Iriani²

^{1,2}Industrial Engineering Study Program, Faculty of Engineering, National Development University "Veteran" East Java, Indonesia

ailsadwachid@gmail.com, iriani@gmail.com

Abstract

Omah Bonsari is a cafe with industrial feel located in Tuban, East Java. The development of the trend of drinking coffee increases every year which causes many cafes to appear in various regions, including Tuban. This cafe does not yet have a marketing strategy to be able to compete with its competitors. Marketing strategy is one of the important aspects for a business to run well. This study aims to formulate a cafe marketing strategy that can be applied by Omah Bonsari. The method used is the SWOT method which analyzes the cafe's internal and external factors, namely Strength, Weakness, Opportunities, and Threats. Determination of the weight and rating of cafe factors using IFAS and EFAS matrices. The results of the weighting score are used to determine the position of the cafe compared to competitors and alternative strategies that can be applied with the help of the grand strategy. Alternative strategies are prepared based on the SWOT matrix. The internal factor weighting score is 3.0917 and the external factor is 2.7964. Based on the grand strategy, the position of Omah Bonsari cafe is in quadrant I, which means it can apply an aggressive strategy. The strategy that can be applied by Omah Bonsari is the strength and opportunities strategy as a marketing strategy in order to compete with competitors.

Keywords

SWOT analysis; marketing strategy; cafes



I. Introduction

The growth of coffee consumption in Indonesia is increasing every year. Based on data from the International Coffee Organization (ICO), the trend of coffee consumption in Indonesia has continued to increase over the last five years. The ICO predicts that the supply of coffee in Indonesia will reach 795 thousand tons and the level of coffee consumption will increase to 370 thousand tons (Kurniawan, 2021). This trend of coffee consumption has resulted in the emergence of various kinds of cafes. This gives rise to increasingly fierce competition for market share.

Every similar business will develop its business with the hope of being superior to its competitors. A business needs to develop good marketing techniques or strategies in order to survive or be able to seize the best position in its target market (Padhil et al., 2018). Market needs and wants change dynamically which causes a business to think more critically and creatively in analyzing the threats and opportunities that exist by taking advantage of its business strengths and limiting its weaknesses. Thus, the marketing aspect is an important aspect to face competition in fighting for market share.

Marketing can be interpreted as a business managerial process that causes a person or an organization to fulfill their desires by designing, offering, exchanging or delivering products or services that have value to target consumers (Agustina, 2011). The two main goals of marketing are to attract consumers' attention by providing profitable offers and to

retain existing customers by maintaining customer satisfaction (Kotler & Armstrong, 2008).

Marketing strategy is a company mindset that will be used to achieve marketing targets (Malonda et al., 2019). Marketing strategy can also be interpreted as planning marketing activities regarding costs, marketing mix, as well as market conditions, environment, and business competition conditions. A good marketing strategy can affect the continuity of a business itself. Marketing strategy is used by a business to attract the attention of consumers to buy or use the products/services offered.

The development of this coffee consumption trend is also developing in Tuban, East Java. The emergence of various kinds of cafes is evidence of the development of coffee consumption trends but also creates intense competition. So, it is very important for cafe business people to develop the right strategy in achieving business goals and be able to face the existing competition.

Omah Bonsari is a cafe with an industrial feel with the theme “the house of all stories and good efforts”. This cafe does not yet have a marketing strategy to implement. The current competitive conditions require cafe owners to think critically to face competition in order to be superior to their competitors. Therefore, it is important for Omah Bonsari to formulate a marketing strategy. Based on these problems, researchers can formulate a problem, namely "how is the cafe marketing strategy that can be applied by Omah Bonsari?"

This study aims to determine the cafe marketing strategy that can be applied by Omah Bonsari based on a SWOT analysis. The SWOT analysis considers the cafe's internal and external factors, strengths, namely weaknesses (weakness), opportunity (opportunities), and threats (threats). It is hoped that the results of this research can be input and consideration for the management of Omah Bonsari in implementing its marketing strategy so that it can compete with existing competitors.

II. Review of Literature

2.1 Marketing

A broad definition of marketing is the social process by which individuals or companies obtain what they need and want by offering and exchanging value with others. Marketing is a business managerial process carried out by a company to create value that can be offered and build good relationships with consumers to get feedback from consumers in return (Kotler & Armstrong, 2008).

The main purpose of marketing is to generate customer satisfaction and make a profit. Another goal is to build mutually loyal and beneficial relationships between related parties, namely producers, consumers, suppliers, and distributors in business for a long period of time (Pertiwi, 2019).

2.2 Marketing Strategy Marketing

strategy can be defined as planning marketing activities regarding costs, marketing mix, as well as market conditions, environment, and business competition conditions. Marketing strategy can be influenced by three factors, namely (Farida Yulianti & Lamsah, 2019):

1. Product life cycle, namely the stages of product sales starting from product introduction, product growth, maturity or product known to the market, to product decline.

2. Competitive conditions, where the company must adjust the strategy implemented based on the company's position, whether to lead, challenge, follow, or become a small part of the market.
3. Economic situation, where economic conditions and inflation can affect the marketing strategy that will be implemented in the future.

2.3 SWOT

analysis SWOT analysis is a strategic planning method that can be used to analyze or evaluate the strengths, weaknesses, opportunities, and threats of a business to determine business goals and matters that need attention. This analysis is a descriptive and subjective analysis where the results obtained are directions for solving a problem. SWOT analysis can also be defined as the process of systematically identifying influential factors so that a strategy formulation can be obtained that can be applied by the company (Rangkuti, 2004).

The SWOT analysis has four factors in carrying out its analysis (Fatimah, 2016). Internal factors include the strengths and weaknesses of the business itself. External factors include threats and opportunities from outside that affect a business. In short, a SWOT analysis compares the external factors of the business with the internal factors of the business.

In formulating a marketing strategy using SWOT analysis, companies need to identify internal factors and external factors first, for that the models that can be used are the Internal Strategic Factor Analysis Summary (IFAS) matrix and the External Strategic Factor Analysis Summary (EFAS) matrix to determine the priority level of the factors. that have been identified based on the assessment score.

matrix grand strategy. This matrix serves to assist companies in analyzing strategies with options whether the company wants to take advantage of its strong position or overcome existing problems using a more specific model.



Figure 1. Grand Strategy
Source: (Rangkuti, 2004)

In identifying marketing strategies that can be applied, the SWOT matrix can be used. This matrix provides a more specific description of how external opportunities and threats affect the company's internal strengths and weaknesses.

Table 1. SWOT Matrix

	Strengths (S)	Weaknesses (W)
Opportunities (O)	SO Strategy Create a strategy that uses the company's strengths to seize and take advantage of opportunities as much as possible	WO Strategy Create a strategy that takes advantage of opportunities well by minimizing existing weaknesses
Threats (T)	ST Strategy Create a strategy that uses the company's strengths to overcome all threats	WT Strategy Create a strategy that minimizes weaknesses and avoids threats (defensive in nature)

Source: (Rangkuti, 2004)

III. Research Method

3.1 Location

This research was conducted at the Omah Bonsari cafe located in Gang Ikhlas no. 32, Bonsari Village, Tuban District, Tuban Regency, East Java.

3.2 Research

Variables the independent variables used in this research are internal factors (strengths and weaknesses) and external factors (opportunities and threats).

3.3 Data Collection

This research uses a quantitative approach by using relevant data in solving problems. The required data is collected through several methods as follows:

1. Primary Data, is the main data collected directly by researchers in a study. Several methods were used to collect the primary data needed in this study, namely:
 - Interviews, is a question-and-answer activity orally (directly) to obtain information needed in research. Interviews were conducted with the owner of Omah Bonsari because they are considered to best understand the condition of Omah Bonsari and can provide the right information needed in research.
 - Observation, is an activity to observe a phenomenon that occurs and is relevant to research. Observations were carried out directly in the field to determine the location and environment of Omah Bonsari and its surroundings.
 - Questionnaire, is a primary data collection instrument by giving several questions where the information obtained is more detailed. This research questionnaire was distributed to 6 people, namely the cafe owner, *supervisor*, marketing department, barista, and *kitchen* because they are considered to best understand Omah Bonsari's current condition and can provide the right information needed in research.
2. Secondary Data, is data collected not directly or through intermediaries. The secondary data needed in this study were obtained from relevant books, journals, and previous research to collect information that can assist and support the implementation of this research. In addition, secondary data was also obtained from Omah Bonsari cafe regarding building design, building area, menu, organizational structure, etc.

3.4 Data Analysis Techniques

After data collection is complete, the next step is data processing or analysis. The method used to process and analyze the data that has been collected is the SWOT analysis

method. First, all the cafe's internal and external factors are identified and assigned a rating and weight on the IFAS and EFAS matrices to determine the weighting score. matrix *grand strategy* is made to determine the condition of the cafe's business and determine the strategies that can be applied. Finally, a SWOT matrix is created to determine alternative marketing strategies.

IV. Results and Discussion

4.1 Internal

Factors include the strengths and weaknesses of the cafe, where all internal factors are identified first and then given a weighted score on the IFAS matrix.

Table 2. IFAS Matrix of Omah Bonsari Cafe

Internal Factor	Weight	Rating	Score
<i>(Strengths)</i>			
1. The building theme and unique concept carried by the cafe	0.092	3	0.2749
2. location of the cafe (located in the downtown area of Tuban)	0.092	4	0.3665
3. Manpower given an introduction to the <i>job description</i> so that they understand their duties well	0.092	4	0.3665
4. Good quality raw materials	0.092	4	0.3665
5. The menus offered both coffee and non-coffee products are made with fresh raw materials with a <i>made-by-order</i>	0.092	4	0.3665
6. The prices of the coffee and food menus offered are competitive	0.088	3	0.2630
Total Score Strengths			2.0040
<i>Weaknesses (Weakness)</i>			
7. Limited parking area mainly for four wheels	0.088	3	0.2630
8. Cafe area which is open and not roofed so it cannot be used when the rainy season arrives and feels hot during the day	0.092	3	0.2749
9. Healthy menu with fresh raw materials costs money more in production	0.092	2	0.1833
10. Cafe facilities are not maximized	0.092	2	0.1833
11. Bar and kitchen area	0.092	2	0.1833
Total Weakness Score			1.0877
Total Score Weighting			3.0917

4.2 External

Factors External factors include opportunities and threats for cafes, where all external factors are identified first and then given a weighted score on the EFAS matrix.

Table 3. EFAS Matrix Omah Bonsari Cafe

External Factors	Weight	Rating	Score
<i>(Opportunities)</i>			
1. Healthy living trends that are starting to bloom at this time and are used by Omah Bonsari on healthy menus with fresh ingredients	0.100	3	0.2986
2. Some menus come from second parties with delicious taste consistent	0.086	3	0.2579

3. Coffee drinking trend that continues to increase	0.100	4	0.3982
4. Raw materials come from quality-assured suppliers and products are obtained as desired	0.104	4	0.4163
5. Information technology development	0.104	4	0.4163
Total Opportunity Score			1,7873
Threat (Threats)			
6. Competitors of similar cafes around the Omah Bonsari location stand	0.100	3	0.2986
7. Competitors who sell coffee substitute menus that are starting to appear	0.100	2	0.1991
8. Competitors who are better known with menus that are well known and liked by consumers	0.100	2	0.1991
9. Weather which is a separate threat because the cafe area that can be used optimally is still limited	0.104	2	0.2082
10. Rapidly changing beverage trends	0.104	1	0.1041
Total Threat Score			1.0091
Total Weighting Score			1,000
			2.7964

4.3 Matrix Grand Strategy

Matrix *grand strategy* serves to determine the position of the cafe. The determination of the coordinates of the points used in this matrix is based on the difference in scores of internal factors and the difference in scores of external factors. The determination of these points is as follows:

Point X: Difference in Total Score of Strengths – Total Score of Weaknesses
 $= 2.0040 - 1.0877 = 0.9163$

Point Y: Difference in Total Score of Opportunities – Total Score of Threats
 $= 1.7873 - 1.0091 = 0,7782$

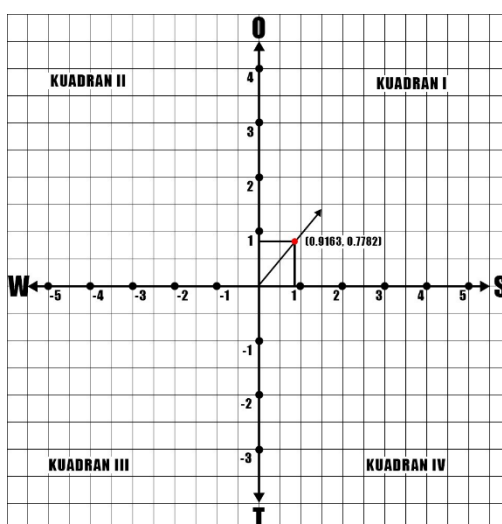


Figure 2. Grand Strategy Omah Bonsari Café

From the picture above, it can be seen that Omah Bonsari cafe is located in quadrant I, meaning that Omah Bonsari cafe can implement an aggressive strategy by taking advantage of its strengths and opportunities because this cafe is in a favorable condition.

4.4 SWOT

Matrix The SWOT matrix is used to develop a cafe strategy based on internal and external factors. This matrix can produce four types of alternative strategies, namely SO (*Strengths-Opportunities*) strategy, WO (*Weakness-Opportunities*) strategy, ST strategy (*Strengths-Threats*), and WT strategy (*Weakness-Threats*). Determination of the strategy applied based on the position of the cafe on the *grand strategy matrix*.

Table 4. SWOT Matrix for Cafe Omah Bonsari

	Strength (S)	Weakness (W)
INTERNAL	<ol style="list-style-type: none"> 1. The building theme and unique concept promoted by the 2. cafe Strategic location of the cafe (located in the downtown area of Tuban) 3. Workers who are given an introduction to <i>job descriptions</i> so they understand their duties well 4. Raw materials used good quality 5. Menu offered for both coffee and non-coffee products made with fresh raw materials with a <i>made-by-order</i> 	<ol style="list-style-type: none"> 1. Limited parking area mainly for four wheels 2. Cafe area which is open and no roof so it can't be used when the rainy season arrives and feels hot during the day 3. Healthy menus with fresh raw materials require more costs in production 4. Cafe facilities are not maximized 5. Bar and kitchen areas are limited
EXTERNAL	<ol style="list-style-type: none"> 6. Prices for the coffee and food menu offered are able to compete with competitors 	
Opportunities (O)	SO Strategy	WO Strategy
<ol style="list-style-type: none"> 1. Healthy living trends that are starting to bloom at this time and are being utilized by Omah Bonsari on a healthy menu with fresh ingredients 2. Some of the menus come from p second party with consistent delicious taste 3. The ever-increasing trend of drinking coffee 4. Raw materials come from quality-assured 	<ol style="list-style-type: none"> 1. Maintain concepts and update cafe interior design to attract customers' attention so that customers feel comfortable and can become a place for photos to be uploaded on social media which can be an indirect promotion tool (S1;S2;O1;O3;O5) 2. Perform <i>quality control</i> and service quality to maintain customer satisfaction 	<ol style="list-style-type: none"> 1. Establish good cooperation and communication with second parties to obtain menus with quality and prices that match their wishes and needs (W3;W4;W5;O2) 2. Cooperate and maintain good relations with suppliers so that quality is guaranteed and the selling price is stable (W3;O4) 3. Provide delivery service (W1;W2;O1;O3;O5)

suppliers and products obtained according to wishes	(S3;S4;S5;S6;O2;O4)	
5. Development of information technology	3. Make interactive content as a means of marketing and a means of 2-way communication (S3;O5)	
Threats (T)	ST Strategy	WT strategy
1. Competitors of similar cafes around the location of Omah Bonsari standing	1. Providing promos/discounts or making <i>bundling</i> between food and drinks at low prices (S5;S6;T1;T2;T3)	1. Using <i>outdoor</i> or vines in hot and unroofed areas so that customers feel comfortable (W2;W4;T4)
2. Competitors selling coffee substitute menus that are starting to emerge	2. Providing message-message boxes and communicate directly with customers to get <i>feedback</i> (S3;S4;S5;T1;T2;T3;T5)	2. Making various variants the menu that d updated regularly following customer interest (W3;W4;W5;T1;T2;T3;T5)
3. Competitors who are better known with menus that are already known and liked by customers	3. Have a special menu that can compete with competitors (S4;S5;T1;T2;T3)	
4. Weather is a threat separate because the cafe area that can be used optimally is still limited.	4. Participate in <i>events</i> or carry out promotions to the community to expand target market (S1;S2;S3;S4;S5;T1;T2;T3;T5)	
5. Trends in fast-changing drinks		

V. Conclusion

Based on the results of research that has been carried out using IFAS and EFAS matrices, grand strategymatrix, and SWOT matrix, the results show that Omah Bonsari cafe is at quadrant I, which means the cafe can apply an aggressive strategy. Judging from the condition of the cafe, the strategy that can be applied is the SO strategy by utilizing the strengths and opportunities that exist as well as possible. The strategy that can be applied is to maintain the concept and update the cafe interior design to attract the attention of customers so that customers feel comfortable and can be a place for photos to be uploaded on social media which can be an indirect promotion tool. perform quality control (raw materials and flavors) and service quality to maintain customer satisfaction, and create interactive content as a means of marketing and a means of 2-way communication. In addition, Omah Bonsari cafe must continue to follow the development of food and beverage trends so as not to lose out in competition with similar cafes. It is hoped that this research can help Omah Bonsari cafe in formulating its marketing strategy so that it can compete with existing competitors.

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