

Culinary Business plan and Marketing Mix Strategy: A final report

ABSTRACT

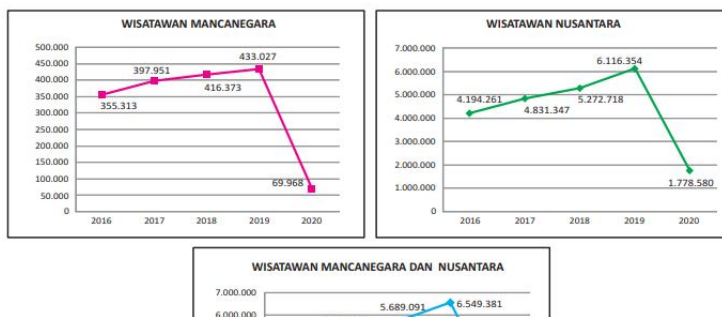
The culinary industry is seen as a strategic business sector for economic development in Indonesia, as it is a basic and important need that cannot be replaced by other goods. It is also a very flexible business, as it can be started on a small scale with affordable capital. The culinary and food industry has a good trend among consumers, especially in Yogyakarta, as tourists and students tend to buy food from restaurants rather than cook their own food. Developing a business is an important step for long-term viability, and success strategies such as the Marketing Mix, Porter's Five Model, and Segmenting, Targeting, and Positioning Theory are essential. I Am Rice Bowl is a culinary business established in February 2022 to meet the needs and wants of society for the type of food that is practical, fast to serve, delicious, and affordable. It carries the concept of modern food consisting of sauces and chicken meat as the main raw material. The sales concept is an online and offline sale, with the online sales conducted by using the online ordering food application and the offline sales conducted by doing a direct transaction with the customer in the outlet. Obstacles such as finding the right employees, operations, processing raw materials, finance, bookkeeping, and marketing strategies can be solved by applying concepts of good recruitment, supply chain management, and financial management to marketing concepts such as marketing communications and marketing mix strategy. In practice, not every theoretical approach used can work well and be in accordance with the expectations of business owners in solving a business problem. adjustments, modifications, and innovations of business owners are treated in running the business, therefore some of the problems encountered can be properly resolved and the business can run smoothly.

Keywords: culinary industry, rice bowl, food, marketing strategy, marketing concept, marketing mix, Yogyakarta, chicken meat.

1. INTRODUCTION

The culinary industry considered as a strategic business sector for economic development in Indonesia. It has a great opportunity to improve the economy due to the need for food being a basic and important need which cannot be replaced by other goods. Food is not only a necessity of life, but it is also a trend along with the growth of technology. The culinary business is also a very flexible business because it can be started on a small scale with affordable capital. Yogyakarta is known as a tourist and student city, which means that tourists and students will tend to buy food which more practical to bring and eat everywhere, fast to serve, delicious, and affordable from restaurants rather than cook their own food for daily consumption. Therefore, the potential growth of the culinary business is promising. The market conditions in Yogyakarta relating to the potential for culinary business development are supported by some of the data below.

Figure 1. Development Chart of Tourists to DIY in 2016-2020



Source: BPS Dinas Pariwisata Yogyakarta

Figure 1 provides data collected by BPS Dinas Pariwisata Yogyakarta regarding to the development of the number of tourists visiting Yogyakarta from 2016-2019. The numbers of tourists experienced a significant increase, while there was a decline in 2020 due to regulations regarding Covid-19 travel bans. However, from late 2021 to early 2022, the numbers of tourists continued to increase.

Table 1. The Number of University Students in Yogyakarta

YEAR	THE NUMBER OF UNIVERSITY STUDENTS
2018	362.295
2019	368.066
2020	387.319

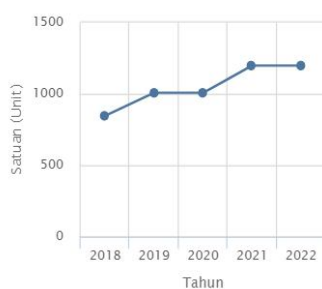
Source: bappeda provinsi Yogyakarta

The data collected by Bappeda Yogyakarta above shows that the number of university students in Yogyakarta is increasing, which will increase the population of new comers and increase the amount of income and success of the culinary business in the city. This will affect the existing culinary business, as many newcomers prefer to buy food at restaurants rather than cooking their own food.

Apart from some of the data above, the culinary business in Yogyakarta also continues to grow over time. thus, proving that the prospects and opportunities for the success of the culinary business in Yogyakarta are very large. The following is data regarding the number of restaurants in Yogyakarta.

Figure 2. The Graph of Existing Number of Restaurant in Yogyakarta

Grafik Series Data DIY Tahun 2018 s/d 2022



Source: Dinas Pariwisata Yogyakarta

2. METHODOLOGY

2.1 Business Profile

Culinary business is the most popular and profitable business among entrepreneurs, especially in Yogyakarta. This is due to the consumption habits of the city's citizens, who prefer to buy their food from restaurants instead of cooking their own meals. Additionally, the majority of students and workers look for the type of food that is practical, fast serving, delicious and affordable.

Rice bowl is a popular food among "food hunters" who seek practical but affordable food. There are several varieties of rice bowl, with differences in ingredients, sauce, and side dish. Recently, rice bowl has become everyone's favorite and one of the best choices for people who demand a practice kind of food.

I am Rice Bowl is a culinary business established in February 2022 to meet the needs and demands of society for the type of food that is practical, fast serving time, delicious, and affordable. Its vision is to create and develop a culinary business with a simple and practical concept for public consumption. To achieve this, the business has created several missions that can support the implementation, such as:

1. Provide the food with practical concept for consumption
2. Provide friendly, fast, and thorough service
3. Provide the halal, delicious, affordable, and healthy food

I am Rice Bowl aims to provide delicious, healthy, practical, and affordable food that will make everyone happy. It uses the best quality of ingredients and most people's favorite ingredient, chicken meat, so everyone can enjoy the delicacy of the food. The business motto is "a bowl of happiness, a delicious food is everyone's rights".

I am Rice Bowl is a modern food brand that uses a paper bowl as a packaging to reduce plastic trash. The name "I am" is an acknowledgment that the product is a "rice bowl" and the Indonesian accent sounds like "Ayam" which means chicken.

I am Rice Bowl uses an online and offline sales concept. The online sales are conducted by using the online ordering food application, while the offline is conducted by doing a direct transaction with the customer in the outlet. The outlet is located in Jl. Tambak Bayan No.10/01, Caturtunggal, Depok, Sleman, Yogyakarta, and occupies a shop with an area of 65m². It is close to Atma Jaya Campus, UPN Veteran Campus, Shopee branch offices, and student boarding areas, providing the potential for increasing the number of consumers.

2.2 Business Model

McQuillan & Scott (2015) define a business model as how a company can create and deliver business value to its customer. A Business Model Canvas is a template of a business that consists of nine business building blocks. These building blocks are customer segments, value proposition, channel, customer relationship, revenue stream, key resource, key activities, key partners, and cost structure.

2.2.1. Customer Segment

I am Rice Bowl has customer segments from all groups of society, such as women, men, adults, children, and teenagers. In terms of age, it targets people whose ages are more than 2 years, and in terms of profession, it targets students and workers. The product itself is fast, practical, cheap, and clean, which are the main points that workers and students want in meeting their daily consumption needs.

2.2.2. Value Proposition

I am Rice Bowl's value proposition consists of providing the variety flavor of a product, not only the flavor, but also the level of spiciness. They only use high-quality raw material and the price of each product is affordable. To make the customer feel safe, they use a tightly closed paper bowl and takeaways concept to fasten the process of serving the food and avoid contamination.

2.2.3. Channels

The most important details in this text are that Rice Bowl uses two channels to reach their customers: online food ordering applications such as Grab Food, Go Food, and Shopee Food, and social media. Using the food ordering application will make it easier for customers to buy the product in terms of time and location, while social media helps customers to know better about the product specification.

2.2.4. Customer Relationship

I am Rice Bowl uses two methods to maintain a good relationship with their customers: giving promotion through the online food ordering application and giving promotion in the store. On every Friday, they also provide a free dessert to the customer.

2.2.5. Revenue Stream

It contains information about the income source from the product they produce and sell. The revenue stream of I am Rice Bowl comes from the daily sales of the product.

2.2.6. Key Resources

I am Rice Bowl is a business that uses strategic locations to reach its target market. It also cooperates with trusted raw material suppliers and recruit competent employees to serve fast, neat, and delicious food to satisfy customers.

2.2.7. Key Activities

The most important details in this text are the activities involved in producing, marketing, selling, and maintaining the quality of the product. These activities include producing the product, marketing it, selling it, and evaluating the taste based on customer feedback and sales.

2.2.8. Key Partners

This part contains information about several parties that are connected to the business. I am Rice Bowl's key partners are suppliers for the raw material such as the chicken meat, vegetable, the paper bowl, and ice cube. The other partners are the staff or the employees.

2.2.9. Cost Structure

This part contains information about the fund needed by the company to run the business. I am Rice Bowl's cost structure consists of the fund for the store preparation, procurement for the raw material, and employee wages.

2.3 Marketing Strategy

The marketing strategy of I am Rice Bowl is the Marketing Mix concept. According to McCarthy (2003), marketing mix refers to the classification of the activities planning which is related to the marketing of a product. In the marketing mix concept, there are four points that are the benchmark in carrying out a marketing strategy, they are product, price, place, and promotion.

2.3.1. Marketing Mix Strategy

2.3.1.1. Product

The kinds of product which are offered by "I am Rice Bowl" is rice bowl food. Each menu will consist of fried chicken filet processed with a various kinds of sauce and served together with rice and fresh vegetables.

2.3.1.2. Price

In deciding the product price, I am Rice Bowl has the principle to create an affordable price for students. This is because the main target market of I am Rice Bowl is students. The students tend to buy food that is affordable, delicious, fast, and practical. By using the students' standard ability to pay for the food to decide the price, I am Rice Bowl can attract many students as its customers. The price for each bowl is around Rp.15.000.

2.3.1.3. Place

The business is located on Babarsari street, Yogyakarta, which is known for its densely populated areas and students. It is also located 1km from Atma Jaya University and Veterans National Development University, making it an advantageous location for students to buy products from I am Rice Bowl.

2.3.1.4. Promotion

I am Rice Bowl will use several promotion tools and strategies, such as:

a. Social Media Marketing and Advertising

Social media is an important tool for businesses to expand their business. Advertising in social media features such as Instagram ads and Facebook ads help disseminate information about a product. I am Rice Bowl uses Shopee Food, Go Food, and Grab Food features such as advertisement and promotion to promote their business.

b. Takeaway Service System

The "takeaway" restaurant concept means that the restaurant only provides the end processed food wrapped by certain packing or in the other words, the restaurant only serves the food but does not provide a place to dine in. This concept is used to achieve the satisfaction and convenience of customers, as well as reduce the time for serving the food. Additionally, the situation of Covid-19 makes people feel afraid that their food is contaminated by the virus, so using this concept will minimize the group of people and make the possibility of food being contaminated by many things is minimal.

c. **Online Food Order Application's Partnership**

Cooperation with online food order applications such GoFood, Grab Food, and Shopee Food will make it easier for customers to buy their food without having to come directly to the restaurant, this will also expand the reach of customers.

d. **Routine Free Gift**

I am Rice Bowl will hold a "Blessing Friday or Jum'at Berkah" program for every customer by giving them a free gift. Apart from being a charity activity, giving free gifts can also foster customer loyalty.

2.3.2. Positioning Strategy

A good positioning or product makes a product stand out and encourages customers to choose it. The business owner conducts surveys in several restaurants to determine aspects and points of positioning. They prioritize the quality of the food, the price, the variety of menus, cleanliness, methods, media that are used to wrap the food, and the time needed to serve the food. They also target the university students and workers' group by offering affordable prices with big portions of the food. The service aspect is also important, as customer's demand cheap, clean, and delicious food.

2.3.3. Distribution Strategy

I Am Rice Bowl is using an online food ordering application to improve and carry out modern technology-based marketing in Yogyakarta. This allows them to reach a wider market and more customers. The use of a sales system that keeps abreast of modern technological developments is an advantage.

3. RESULTS AND DISCUSSION

I am Rice Bowl is a business brand that is engaged in the culinary world. In the initial business plan, I am Rice Bowl focused on providing chicken-based food served in paper bowls with three kinds of sauces, such as black pepper, teriyaki, and nano. According to the research that has been done, the marketing and business implementation of I am Rice Bowl will use an online and offline buying and selling system. The online system will go through several online food ordering applications, while the offline system will be in the form of selling directly at the outlet. In terms of direct service at the outlet, I am Rice Bowl will use a takeaway system as a business concept, where buyers will only be able to take away their food or in other words, the restaurant does not provide a place to dine in. The principle of this takeaway system is executed in accordance with the research that has been carried out at the initial business planning stage which is adapted to current market conditions. In this business, I am Rice Bowl chooses the students and workers as the priority of their target customer. Moreover, the business concept promoted by I am Rice Bowl targets an increase and a positive graph of the quantity of the products, which in the future will be followed by new innovations related to the creation of new flavors and types of products. This is also supported by the marketing strategy of I am Rice Bowl in the form of direct product introductions to buyers or providing detailed product specifications through online sales platforms and social media, therefore buyers will be more familiar with the products they will consume.

The long-term business development planning of I am Rice Bowl is five years, I am Rice Bowl plans to increase the variety of products and menus that will be produced and sold. In terms of taste, I am Rice Bowl plans to add a variety of new flavors in accordance with the development of food trends that exist among consumers such as sauces with flavors of Korean, Japanese sauces, curry sauces, or even sauces with local and traditional flavors. Thus, consumers have many choices of flavors that they will try and the taste of the menu offered is not monotonous. I am Rice Bowl also plans to develop the types of products sold in terms of the types of basic ingredients used to food package innovations, such as lunch packages, savings packages, children's packages and others in which consumers can get food, drinks, and desserts in one purchase.

4. CONCLUSION

The most important details in this point are that a plan regarding equipment, facilities and infrastructure in a business is important for the smooth operation of every business activity. Every business owner must be careful and thorough in predicting the amount of daily production capacity in a business, which will later be related to how much equipment and supplies will be provided for business continuity. I am Rice Bowl has implemented the concept of raw material management, where a raw material originating from suppliers will be processed and sorted to go to the production process, and the SOP concept, which is a business standard in managing products and serving customers. Additionally, the business has implemented a frontstage concept, a room layout concept, and a strategic location selection to target customers.

The I am Rice Bowl's human resource aspect is an important aspect that supports the running of business operations. It involves recruiting employees, creating a business structure, setting incentive policies, providing employee performance appraisals, and providing training and development. I am Rice Bowl have applied the basics and concepts of human resources to business activities, such as establishing staff recruitment processes using externally sourced recruitment methods and establishing the employee performance appraisal process using indicator theory and the 360 method. In the recruitment process, there are differences between the plan and the realization related to the educational background of the prospective employees. To handle this situation, I am Rice Bowl created a solution by holding a recruitment system for the public and using the open recruitment method while still providing certain criteria.

Within the business financial aspect is important for managing the finances of a business, maintaining profits, and reducing production costs. Financial reports are important for the continuity of the business, as well as for determining future business targets. It is better to be supervised or done directly by the business owner to avoid input errors and better understand the financial condition of the business.

In term of marketing aspect, the business has implemented concepts such as STP (Segmentation, Targeting, Positioning), market's condition analysis, VPC (Value Proposition Canvas) and BMC (Business Model Canvas). These concepts have also been applied to the marketing aspects of the business, such as the 4P marketing mix (Product, Price, Promotion, Place), the concept of marketing communications, and the concept of the marketing communication mix. I am Rice Bowl is a business in Yogyakarta that uses the 4P marketing mix concept to promote its products through word of mouth. The number of university students and workers in the city is one of the biggest targets, as they tend to be practical and concise in their consumption habits. I am Rice Bowl tries to fulfill customer requests such as providing practical, concise food, delicious, but still at an affordable price, and has the potential to grow and develop in the culinary industry.

COMPETING INTERESTS DISCLAIMER:

Authors have declared that they have no known competing financial interests OR non-financial interests OR personal relationships that could have appeared to influence the work reported in this paper.

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UNDER PEER REVIEW