

Review Article

Business Plan and Implementation Report on Food and Beverage Business “ALIBABA FROZEN FOOD”

ABSTRACT

Alibaba frozen food is a micro-business that provides Middle Eastern food, including kebab, dates, honey, saffron, and very good-quality spices. By selecting wholesome and healthy cooking ingredients, consumers may enjoy Alibaba frozen food items without worrying about coming into contact with anything untoward. Alibaba Frozen Food consistently seeks to adapt to the circumstances, such as the COVID-19 pandemic when Indonesia's economy was struggling. During the pandemic, Alibaba Frozen Food provided free delivery service with a strict protocol so that consumers may enjoy the products without worrying about contracting the COVID-19 virus. Additionally, the products for sale are nutritious to prevent excessive consumption, and the use of sugar and frying oil is restricted.

Keywords: micro-business, brand awareness, uniqueness, local products.

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1. INTRODUCTION

1.1 Background

Businesses in the eastern food market are clearly attractive. Beside the good taste, the price is significantly reasonable than other western food. The price has been calculated, and it will benefit the middle-income consumers. This is a high-potential market to pursue, as well as the market for the snack products that we offer.

People's food preferences in Indonesia have evolved and growth. This is shown in the data that Grab has demonstrated a rapid growth in monthly F&B business numbers in Indonesia. Data shows that the increase reached more than 65% in 2020, when the pandemic hit, compared to 2019.

The traditional food in the middle east countries around the world may act as the foundation for people who live within this area. People's identity, culture, and tradition can be seen during the presence of food. Sustaining heritage is important considering the acknowledgment that the next generation should have toward their past, hence continuing the practice of consuming traditional food as it acts as a significant reminder of the culture and identity. Middle-Eastern traditional food is known for its exotic, rich, and aromatic flavours that may be present in both daily and special occasions. However, consumer perception toward traditional food within the Middle East has changed due to globalization along with business and marketing. Consumer perception and relevance of Traditional food consumption in these countries, along with future prospects and awareness efforts to sustain the presence of traditional food, are also briefly outlined. (Savvaidis et al., 2022).

2. LITERATUR REVIEW

2.1 Opportunities to Open a Business in the Food and Beverage Sector

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Proposed examples:

To examine the purpose of business plans and their current effectiveness;

- To examine the process of preparing business plan;
- To investigate how well Divisional Business Plans work together; and
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To consider the relationship between the Best Value Performance Plan and business plans

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The culinary industry is growing in popularity in today's world. The food and beverage industry automatically has a strategic position in increasing passion or competition in the culinary business world, as evidenced by the many small businesses that have sprouted up in Bekasi, such as restaurants, cafes, and even online culinary shops, indicating that Bekasi can become a market for culinary entrepreneurs. As a result, it is suggested that businesses make use of online marketing because doing it offline might be outdated.

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Online marketing can be done in a variety of methods on the internet such as social media. Culinary businesses and endorsers may use social media to promote culinary products. Although it provides great opportunities for sellers or entrepreneurs, the competition to attract investors and consumers to the products is becoming increasingly fierce. As a result, Alibaba use product promotions or advertising to ensure that their products are seen by social media users who are potential customers.

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2.2 Strategies with Innovative Product Variants

Alibaba Frozen Food is a company involved in the food and beverage industry. Alibaba will initially develop a number of fashion lines that are both trendy and timeless in Indonesia. After conducting research, Alibaba will produce these lines, market them online via social media and marketplaces, and conduct online transactions for buying and selling. Alibaba aims for both quality and quantity to ensure that the sales flow can continue along with evaluation and innovation over the long term. This is accepted since Alibaba uses social media channels for its marketing initiatives. In order to increase audience size, this marketing activity involves producing engaging content and paid advertising material, or Ads.

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2.3 Hypothesis

"The low brand awareness of local products of a brand" is the premise for this hypothesis. The discrepancy between the business model's execution and the previously created plans in 2021 will be used to test the hypothesis.

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3. METHODOLOGY

3.1 Business Profile

The culinary industry is on the rise as people are inclined to eat outside instead of self-cooking. It continues to grow in terms of product innovation and renewal of type of food products. Traditional Arabic cuisine, which has been produced since the old times remains to win a place in customers' hearts. Arabic cuisine is still in high demand by customers, and there are still many of them being offered on the market. Thus, the Arabic culinary sector has a sizable market size and proven potential up to this point.

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Some examples of typical Arabic food that are high in demand and have good prospects are the shisha cafe business and also the many Abunawas food businesses. These businesses have proven that traditional Arabic cuisine is still in high demand. So, because of such high demand, this middle east cuisine is a very profitable business.

Alibaba frozen food has been established since 2021. This ethnic restaurant truly embraces the idea of Arabic cuisine by offering menu items like kebabs, pastels, canai bread, etc.

The word "Alibaba" named in a story as a poor but honest woodcutter who finds the secret of a thieves' lair and enters with the magical phrase "open sesame." The company anticipates that the distinctiveness of the brand name will help the usual Arabic food industry pique customers' interest and pique their desire to try the restaurant's menu items.

3.2 Business Model

A business model is a method used by business people or companies to run their business or can be called in a position between business strategies and business processes. There are several business model analysis methods that are often used by companies or business actors, one of which is the Business Model Canvas.

According to Osterwalder & Pigneur (2010), this business model has changed the business concept that was initially complicated to do to be simple to carry out. The business model is divided into nine elements, namely: Customer Segments (Customer Segment), Value Proposition, Network (Channel), Relationship with Customers (Customer Relationship), Flow of Funds (Revenue Stream), Key Resources (Key ResourcesResources), Core Activities (Key Activities), Key Partnerships (Key Partners) and Cost Structure (Cost Structure).

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3.2.1 Key partners:

Alibaba Frozen Food has two key partnership: the supplier and the reseller. The supplier, which is located in Bekasi, also offers good quality products and halal-based products. The reseller is from various people who want to resell our products.

3.2.2 Key Activities:

Alibaba Frozen Food has two key activities in running the business. The marketing aspects, management aspect, and the production aspects. The marketing aspects are based on word of mouth, and marketing through social media such as Instagram. The production aspects are from what we buy from the supplier until we deliver to customers. The management aspect is to manage the financial, human resources, and marketing in the business.

3.2.3 Key Resources:

Alibaba Frozen Food has three key resources for running the business – cooking tools, food ingredients, food supplier.

3.2.4 Value Proposition:

Alibaba Frozen Food provides good quality Arabic culture food products and also non-Arabic product without preservatives and also provides free delivery service for the consumers who live in Bekasi.

3.2.5 Customer Relationship:

Alibaba frozen food has three important aspects in customer relationships, namely by providing discounts, following market trends, communicating via social media. This aims to receive any complaints, criticisms or suggestions from customers.

3.2.6 Channels:

Alibaba Frozen Food runs two active social media to date, namely Instagram and WhatsApp. These two platforms are used with different goals. Instagram for the marketing aspect and WhatsApp WhatsApp for the production aspect.

3.2.7 Customer Segments:

Alibaba frozen food has customer segments mostly from young people ranging from 15 to 50 years old. Their occupations vary - students, college students, family, principally people who like Arabic food culture.

3.2.8 Cost Structure:

In running the business so far, Alibaba frozen food has three cost structures - packaging, marketing, and production. For packaging, food should be packed in such a way as to keep it warm and safe to be taken away. For marketing, the company makes use of public figures as a product endorsement. For production is for the operation in the business such as electricity, shipping, and etc.

3.2.9 Revenue Stream:

The revenue of Alibaba frozen food is from the product sales from customers and resellers.

3.3 Marketing Strategy

3.3.1 Two types of promotional strategies

According to Adetayo (2006), promotion is to educate, remind, and persuade target customers about the company and its goods. He added that advertising is frequently employed by businesses to set their goods apart from those of competitors. A promotion campaign is a coordinated set of marketing initiatives created to achieve a certain goal. Making ensuring that each component of the promotion mix functions as a whole to carry out the organization's overall promotion operations is the clear objective of promotion management.

3.3.1.1 Brand awareness strategy

Instagram is used to carry out this technique as this platform offers both free and paid options. On Instagram profile with accounts that have a huge number of followers and a high degree of interaction, endorsements are used to execute paid promotions and endorsements. Alibaba use endorsement technique as the main strategy for the brand awareness. Meanwhile, unpaid promotion is done by sharing visually appealing and interesting material on Instagram, such as sales and promos.

3.3.1.2 Word of Mouth Strategy

The term "word of mouth marketing approach" refers to "oral, one-on-one contact between a receiver and a communicator whom the receiver views as noncommercial regarding a brand, a product, or a service" (Krishnan & C., 2018). As a result, Alibaba Frozen Food employs this technique of product marketing to relatives of its closest consumers. It has been shown that up to this point, 60% of Alibaba's customers are from relatives.

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3.3.2 Marketing mix strategy

One of the most crucial elements in the marketing process is marketing mix. It significantly contributes to the customer's value creation and happiness. When it comes to satisfying client needs and building a lasting, lucrative connection with them, the marketing mix, often known as the 4Ps (product, pricing, promotion, and location), is particularly effective. In actuality, the marketing mix notion forms the foundation of the conventional theoretical framework for the application of marketing-management process activities (Festa et al., 2016). Creating a marketing mix plan is therefore crucial for the Alibaba firm in order to support marketing-related objectives. It is crucial to consider consumer wants before starting a firm since meeting their needs is one of the tactics.

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3.3.2.1 Product

Alibaba creates goods that are in the food and beverage categories. The ideal product may satisfy customers' requirements and preferences while also benefiting the business. Products of great quality and appeal will be simpler to sell and produce happy customers. Consumers can benefit from quality items in addition to increasing their perception of the worth of the products in their eyes. A high-quality product might offer advantages including better flavor, greater effectiveness, and nutritious meals.

3.3.2.2 Price

Alibaba Frozen Food has wisely decided the prices of its menu. The company serves with the highest quality products with their reasonable price. The price includes cost-plus pricing for the cooking services. Cost plus pricing is a pricing strategy that involves for all expenses, such as the price of raw materials and culinary services expended before the product is ready for sale. In the strategy, the desired profit is determined. As a result, Alibaba Frozen Food has set the selling price for each product between Rp15,000 and Rp70,000.

3.3.2.4 Promotion

Alibaba Frozen Food employs a range of promotional activities that are adapted to the goals, target audience, and available resources. It also uses social media to reach out to the public as a promotional activity. Endorsement promotions are run by various Instagram accounts with strong engagement. The company focuses on the endorsing system by Instagram influencers. The first step for endorsing an influencer is the company is looking for its market followers before promoting products by the influencer. After knowing the target market, we start to approach the influencer to offer a business cooperation in the form of product promotion. In addition, we are available for offline events such as weddings, birthday parties, parties, etc. The purpose is to create a company branding. We have a special package for any kind of event. It's a different package from usual because this package is for catering and only if the customer orders a lot of packages for any kind of event.

3.3.2.4 Place

Alibaba Frozen Food offers a virtual marketplace where prospective customers may transact for products. Alibaba makes use of social media sites like Instagram and WhatsApp. Alibaba items can efficiently and rapidly reach customers when distributed through the appropriate channels. Strategic product placement may also make a product more appealing and make it easier for buyers to obtain.

4. RESULTS AND DISCUSSION

Indonesia has been impacted by the Covid-19 pandemic since 2020, which has led to a number of issues in numerous areas, including the economy, society, and health. All Indonesians had a rough year, as did the rest of the globe. It is evident that the pandemic has a severe effect on Indonesian businesses, particularly in industries with offline operations. However, the condition did not stop businesses from trying to find new ways to generate possibilities to boost their economies, even in the face of new restrictions and policies.

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5. CONCLUSION

There are a few conclusions from a number of analyses and problem-solving techniques on the poor awareness of the Alibaba Frozen Food brand and the low traffic and audience reach on social media:

1. Social media and word-of-mouth marketing strategies can be carried out with a minimum budget but still have a big impact on brand awareness of a brand.
2. In order to have a sufficient level of interaction with followers on Instagram stories or posts, contents should include basic copywriting and simple images or videos that trigger questions of and request comments from followers.
3. Working with influencers needs consideration since they should be compatible with the market that our company is trying to reach. In terms of social media marketing, employing Instagram as the primary platform can be accompanied by leveraging content references that are currently trending on other social media.
4. After implementing several problem-solving strategies, Alibaba Frozen Food sales increased with a total revenue of 10.475.000,00.

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