CHAPTER I

INTRODUCTION

A. The Initial Idea

The development of tourism and hospitality, which being brought up and keep being improved from the past centuries to the tourism and hospitality industry everyone knows today, is one of the most anticipated business and profit maker nowadays. According to Walker (2014: 8), the history of people who did travel for trading, the first restaurant (mid 1700’s) in France, how tourism has developed into an international industry since 1945, and the service we experience today are significant examples of the dynamics and changes happened in the tourism and hospitality industry.

One of the incoming trends from the hospitality industry is food and beverage establishment. The food and beverage establishments are able to grow, develop, and present better products and services because of the huge market demand. A huge market demand triggers more and more business people to think creative and innovative (Walker, 2014). Therefore, every organization wants to present their best to fulfill the needs and wants of their customer and ignites the fire of competition among them.

Bar operation as one of variables from tourism and hospitality industry is rapidly growing and currently can be found almost everywhere (Andrews,
There are a lot of bar concept which sometimes being combined with another field of tourism and hospitality industry, such as the fusion of bar and restaurant, bistro, grill, garden, nightclub, and many more (Brown, 2006).

Jakarta, as the capital of Indonesia is divided into five main districts and one regency. Table 1 will show the list of Jakarta main districts and their populations.

**TABLE 1**

<table>
<thead>
<tr>
<th>District / Regency</th>
<th>Area (km²)</th>
<th>Total population (2010 Census)</th>
<th>Total population (2014 Estimate)</th>
<th>Density per km²</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Jakarta <em>(Jakarta Selatan)</em></td>
<td>141.27</td>
<td>2,057,080</td>
<td>2,175,400</td>
<td>14,561</td>
</tr>
<tr>
<td>East Jakarta <em>(Jakarta Timur)</em></td>
<td>188.03</td>
<td>2,687,027</td>
<td>2,841,728</td>
<td>14,290</td>
</tr>
<tr>
<td>Central Jakarta <em>(Jakarta Pusat)</em></td>
<td>48.13</td>
<td>898,883</td>
<td>952,525</td>
<td>18,676</td>
</tr>
<tr>
<td>West Jakarta <em>(Jakarta Barat)</em></td>
<td>129.54</td>
<td>2,278,825</td>
<td>2,407,170</td>
<td>17,592</td>
</tr>
<tr>
<td>North Jakarta <em>(Jakarta Utara)</em></td>
<td>146.66</td>
<td>1,645,312</td>
<td>1,735,968</td>
<td>11,219</td>
</tr>
<tr>
<td>Thousand Islands <em>(Kepulauan Seribu)</em></td>
<td>8.7</td>
<td>21,071</td>
<td>22,238</td>
<td>2,422</td>
</tr>
</tbody>
</table>

**Source:** Badan Pusat Statistik DKI Jakarta (2014)

Every main district in the Special Capital City District of Jakarta (DKI Jakarta) has different concentration, which distinct them from one another. For example; West Jakarta has the highest concentration of small-scale industries, as well as residential area. On the other hand, North Jakarta; the only district that is bounded by sea (Java Sea) is the location of ports, as well as medium-to-high scale industries. Next is Central Jakarta, although it is considered smallest by area size, but it is the home to most of Jakarta’s administrative and political activities. South Jakarta is the location of large upscale shopping centers and affluent residential areas. Lastly, East Jakarta; is characterized by several
industrial sectors. Halim Perdanakusuma International Airport and Taman Mini
Indonesia Indah are located there.

North Jakarta is less populated if it is being compared with other districts. The area size is not the biggest among all. However, the density of 11.219 per
km² can still be considered as very dense, and the positive value of a dense area
is the fact that it is easier to promote the growth and development. Another
good trait of North Jakarta is the fact the area is being concentrated with
medium-to-large scale industries and it becomes a good opportunity to develop
one as well.

<table>
<thead>
<tr>
<th>No</th>
<th>Type of Establishment</th>
<th>Year</th>
<th>Average Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Restaurant</td>
<td>2009</td>
<td>2.215</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2010</td>
<td>2.481</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2011</td>
<td>2.742</td>
</tr>
<tr>
<td>2</td>
<td>Bar</td>
<td>2009</td>
<td>600</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2010</td>
<td>646</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2011</td>
<td>705</td>
</tr>
<tr>
<td>3</td>
<td>Hawker Center</td>
<td>2009</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2010</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2011</td>
<td>55</td>
</tr>
<tr>
<td>4</td>
<td>Cafeteria</td>
<td>2009</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2010</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2011</td>
<td>21</td>
</tr>
</tbody>
</table>

Source: Dinas Pariwisata dan Kebudayaan Provinsi DKI Jakarta (2012)

Table 2 shows the average growth of tourism industry in DKI Jakarta on
Food and Beverage sector. Bar establishment is the one with the biggest growth
percentage by 14.85%, compared to the more common establishment –
restaurant, with only 8.39% of average growth from year to year. This fact
opens the opportunity of running a bar as more and more people are aware of
the growth of this establishment.

Moreover, the growth of tourism industry, especially on food and
beverage sector is described by Walker (2014: 202) as the impact of people’s
lifestyle nowadays. People dine-out several times a week to socialize, as well as eat and drink. According to Andrews (2013: 23) people visit bar for reasons that are both tangible and intangible. Those reasons are; needs, convenience, social occasions, and entertainment.

Referring to both theories, it is known that bar is an establishment that fulfills the lifestyle of people nowadays. It fulfills the basic need of food and beverage, in this case the establishment is selling snacks, light meals, alcoholic, and non-alcoholic beverages. Lounge provides convenience as well as room for people to fulfill their social needs, such as hanging out and socializing, or even conducting a business and celebrating an occasion. Entertainment is another intangible reason to visit a bar, and providing live music is one of several possible ways to keep people entertained and satisfied. Therefore, bar will be a good profit generating establishment.

B. The Objectives

The feasibility study of 28-oz Bar and Lounge is being conducted with several objectives that hopefully can be implemented afterwards. There are major and minor objectives to be achieved, among others:

1. Major Objectives

The major objective of this feasibility study is to analyze the feasibility of 28-oz Bar and Lounge at Pantai Indah Kapuk, North Jakarta. The analysis includes the ability of the establishment to generate profit by analyzing the market aspect, technical aspect, management aspect, and financial aspect.
Thus, this feasibility study can be helpful for the owner, investor, or other parties who has any contribution towards this business.

2. Minor Objectives

a. To establish a new and fresh business to this specific market to supply the upcoming demand.

b. To create more job opportunity and employment from the establishment to increase public welfare.

c. To support the economic development of the area and country.

C. Research Method

Some data are needed in order to support the process of making the business into realization. These data have to be accurate, reliable, and valid. Therefore, a systematic research method is required. According to Sekaran and Bougie (2013: 113) there are two types of data, described as the following:

1. Primary Data

a. Survey Method Using Questionnaire

The descriptive questionnaire is made to know the market interest. Sekaran and Bougie (2013: 36) suggest that questionnaire is an effective and efficient approach of data collecting. The questionnaire should provide the information from respondents about the customers’ needs and wants. According to Sekaran and Bougie (2013: 38), the questionnaire can be either personally distributed or electronically distributed with internet access. In this case, the writer will be
distributing the questionnaire personally in order to assist the respondents in filling the questionnaire – if needed.

Moreover, the method used to collect the information is by using Non-probability sampling, to be specific – convenience sampling (Sekaran and Bougie, 2013). Convenience sampling is being used because the data can be collected quick and efficiently, as well as keeping the cost low. The questionnaire will be spread to Pantai Indah Kapuk area, especially to bar customers in order to obtain reliable data from customer’s bar visit experience.

After the questionnaire has been spread, the result will be analyzed and calculated according the theory (Sekaran and Bougie, 2013) on “Cronbach Alpha”. The reliability test will be elaborated further on Chapter II

b. Structured Interview

According to Sekaran and Bougie (2013: 119), there are two types of interview; structured and unstructured interview. While unstructured interview tend to be more flexible and spontaneous, structured interview is conducted by preparing a list of Pre-determined questions to obtain additional data from the respondents. The respondents are those who are competent and able to provide valuable input on the hospitality and tourism business. In addition, it is also necessary to interview governmental officer in order to obtain more precise information regarding the legal aspects of this feasibility study.
c. Observation

According to Sekaran and Bougie (2013: 102), observation methods are done by recording, watching, analyzing, and interpreting the behavior, action, and event. Which means it is being done without having to interact directly with the respondent.

2. Secondary Data

According to Sekaran and Bougie (2013: 113), Secondary data is supporting data used to back and strengthen the primary data that has been obtained. In general, secondary data can be found easier than primary data in terms of difficulty, time spent, and cost to obtain the data. This data generally includes; industry studies, census bureau studies, company reports, books and journals, article from publications, review from magazine, and internet research.

D. Theoretical Conceptual Review

1. Tourism and Hospitality Industry

According to Walker (2014: 37):

Tourism is a dynamic, evolving, consumer-driven force and is the world’s largest industry, or collection of industries, when all its interrelated components are placed under one umbrella: tourism, travel; lodging; conventions, expositions, meetings, events; restaurant, managed services; assembly, destination and event management; and recreation.

According to the theory above, tourism has a lot of components which are being placed under one umbrella. Those are things such as lodging, travel, events, restaurants, event management, recreation, and many more. The rapid growth of tourism, as well as the rapid growth of industries in North
Jakarta as being mentioned previously is a good start to making business in this specific field and area.

2. Destination

According to Walker (2014: 594), destination is

A location where travelers choose to visit and spend time.

Referring to the definition above, it can be concluded that tourism is a location which is chosen by the travelers, where they visit and spend their time at a certain location. In addition, the establishment which is being analyzed in this feasibility study – as a part of destination, is included in the scope of tourism and hospitality industry, under the category of restaurant and managed service (Walker, 2014).

3. Food and Beverage Industry

Food and Beverage is one of the elements mentioned previously by Walker (2014: 27) which belongs under the scope of tourism. Davis (2013: 2) mentioned that food and beverage provision is simply one element of a broader hospitality industry. This trend creates a market demand of food and beverage establishments where people can enjoy the aforementioned products, as well as the hospitality which is being offered by the service performer. According to Davis (2013: 37), there are few important things to be considered about managing a food and beverage establishment, those things are; cost, concept, market, operation, and management.
4. Definition of Bar

According to Brown (2006: 14), Bar can be defined as a counter across where drinks or refreshment are served. People got familiar with the stereotype that bars always sell alcoholic beverages, in fact it is not. Basically the bar originated from the word “barrier”, which means it separates one from another, in this case it separates the bartender and the customer. The men who work behind the bar counter called “Bartender”, and often being helped by “Bar Back”. A bar back prepares the necessity for the bartender to make a drink, for example preparing crushed ice and garnishes. The term bartender is held by someone who works behind for a bar that serves alcoholic beverages. Another person with similar profession is “Barista” (Brown, 2006). Barista works in a coffee shop and serves espresso-based coffee, not alcoholic beverages. (Although bartender also serves coffee and other drinks such as mocktail)

5. Definition of Lounge

Lounge itself is a place where people wait. According to Davies and Hertig (2007: 421) Lounge usually being found at airports and hotels to accommodate the guest so they could wait while they are sitting and relaxing. Lounge normally equipped with TV and sofa in order to give someone a pleasant waiting and relaxing experience. Lounge Bar is categorized as an upscale food and beverage establishment, which nowadays can be seen a lot in a hotel. Combining the concept of lounge with a profit making establishment, a bar. Investing for a bar is a very good
way to obtain considerable amount of profit. The examples of Lounge Bar in Jakarta are Flirt Bar and Lounge, Kota, and Triple Nine Bar and Lounge, Kemang.

6. History of Bar

According to Katsigris and Thomas (2012: 4) the demand of bar and alcoholic beverage is strongly believed to be occurred from 8,000 to 10,000 years ago, based on the legend that a neglected member of a Persian King’s Harem, who tried to end her loneliness by drinking from a jar marked “poison”, which actually containing fermented grapes. She felt so much better after drinking the liquid and she gave a cup of it to the king, who named it “a delightful poison” and welcomed her back to the active harem life.

Early peoples all over the world fermented anything that would ferment – honey, grapes, grains, rice, sugarcane, palms, peppers, and many more (Katsigris and Thomas, 2012). Hence alcohol became a universal feature of early civilization. In the early days people fulfill their demand of beverages or/and alcoholic beverages in the tavern. By the development of civilization and changing demand over centuries, the bar adapts with the trend and the fuse of bar with other service or food service establishment (such as bar and restaurant, bar and night club, bar and grill, etc.) is climbing the way to the top and drawing the likes and attention of all people. The Bar and Lounge in this feasibility study is one of the establishment created for the youngster and adult who nowadays have a
tendency of hanging out with friends, doing work and business, and even just casually waiting, relaxing and chilling out.

7. Types of bar

According to Brown (2006: 355), bar can be classified based on three elements; types of customer, products offered, and the style or theme of the bar, this will create your bar personality. This classification will be elaborated as follows:

a. Types of customer

The customers who visit certain bar affect how that bar is being perceived. The examples are as follows:

1) Biker bars, the patrons are motorcycle enthusiast or motorcycle club members.

2) College bars, usually located near universities, where most of the patrons are students. However this kind of bar is not existent in Indonesia because of the governmental rule, which will be elaborated on the fourth chapter, about the legal issues.

3) Neighborhood bars, generally close to neighborhood area, where the patrons know each other.

4) Gay or lesbian bars, the patrons are gay or lesbian, this type of bar can only be found in limited countries as the gay and lesbian practice is considered as taboo in certain countries.
b. Products offered

Specific products that are being offered; such as food, drinks, entertainment, and others. The examples are:

1) Cocktail lounge, an upscale bar which sells signature or specialty drinks and usually located within a hotel, restaurant, or airport.

2) Full bar, a bar which sells every types of drink, such as liquor, beer, wine, cocktails, etc.

3) Wine bar, focuses on wine rather than beer, cocktail, or liquor. Patrons of this bar usually allowed to taste the wines before deciding to buy them.

4) Brew pub, a bar with an on-site brewery and serves craft beers. Usually it is easier to get a liquor license for a brew pub than a full-scale liquor license.

c. Bar style

The way a bar being decorated will leave a strong impression on customers that visit it. It is all about creating decoration, theme, and ambience to make a bar become successful and memorable. There are a lot of examples of bar styles:

1) Old fashioned, bar placed in old buildings which are furnished with antique furniture.

2) Marine, it is having portholes as windows, adopting nautical rope to place around the bar, and hanging up pictures of ships are a few of the ways that you can turn your bar into a marine-themed bar.
3) Military, a bar decorated like a military base, with some military posters, and some unique menus such as a specialty drink titled “camouflage” or “rations”, is the way to create a military theme for a bar.

4) Cafeteria or market style, arranged like traditional market with wide array of fresh food and outdoorsy atmosphere. This kind of bar brings in a lot of customers.

5) Green, an “eco” theme will often draw a younger patrons and alternative crowd. Healthful meal choices, neutral colors, and soft candle lighting are required for this sort of theme.

6) Dance, many bars are dance bars. Offering live acts or DJ's to encourage dancing. Although many appeal to the younger crowd, plenty of dance bars attract an older customer base as well. The downside of this theme is it requires a larger space to set the dance floor.

7) Sports, nowadays a lot of sports bar has been appearing and getting a lot of attention from sports enthusiast. People come to these bars to watch sports events with others. During big games, these bars tend to be crowded. Some sports bars focus on a specific sport, like soccer or basketball only.

8. Alcoholic Beverages

According to Brown (2006: 251), alcoholic beverages are defined as type of drinks that typically contains 3% - 40% ethanol. Alcoholic beverages
can be classified into three classes: Beers, Wines, and Spirits. Every barman needs to know the basics of various types of each item. Even though there are innumerable brands of Beers, Wines, and Spirits, they can be divided into several groups as follows:

a. Beers

According to Brown (2006: 152) most restaurants can have one or two beers to sell, but bars generally require more. In fact, some bars are successful by offering a huge range of draft beers on tap. This is because beer is one of the biggest-selling drinks at bars.

The negative value of beers is its perishable nature. Therefore it should be treated as a food product, meaning it should be kept in a refrigerator. This is because light and warmth can spoil the product. While the storage of beer can make it a rather expensive product to keep on hand, its popularity makes selling this beverage well worth the effort. There are five categories of beer (Brown, 2006), among others:

1) Lager

Lagers are the most popular types of beer. The name comes from the German word “Lagern”, which means “to store”. Lager is brewed with bottom fermenting yeast at cooler temperatures. Many lagers will ferment over longer periods of time and at temperature less than 55 degree Fahrenheit. Lager has a typical pale golden color, with smooth, crisp, refreshing and clean flavor.
Some popular brands of Lager are; Budweiser (USA), Corona (Mexico), Busch (USA) and Heineken (Netherlands).

2) Ale

Ales share certain characteristics, typically fruitiness, acidity and a pleasantly bitter seasoning. Ales take less time to brew and age than lagers and have a more distinctive flavor. They tend to be less carbonated and fuller bodied. Ale yeast ferments at warmer temperatures and typically requires no refrigeration. Ale varies in color, can be rich gold to deeper amber shades. The flavor of ale is robust and complex, often fruity. Some popular brands of Ales are; Pacific Ridge Pale Ale (USA), Mac’s Amber Ale (New Zealand), Wheathook Ale (USA) and Point Cascade Pale Ale (USA).

3) Stout

Stouts are considered a type of Ale. They have a heavily roasted flavor and come in many different varieties. There are several types of stouts:

a) Dry Stout (dark, rich and bitter)

b) Flavored Stout (flavored stouts with dark fruits, coffee or chocolate)

c) Oatmeal Stout (rich body, velvety texture and sweet)

Some popular Stout brands among others; Guinness (Ireland), Murphy Irish Stout (Ireland), and Young Oatmeal Stout (UK).
4) **Bock**

Bock is a strong Lager beer of German origin; it is coppery to dark brown in color. With sweet, rich, and slightly “malty” flavor, **Bock becomes very popular**, with many examples brewed internationally. The example of popular Bocks are; Michelob Amber Bock (USA), Point Spring Bock (USA), Leinenkugel’s Big Butt Doppelbock (USA), and ZiegenBock (USA).

5) **Porter**

Porter was originally an English Beer that originated in London. It is actually a type of Ale and is usually heavy, with a higher alcohol content (between 7-9%) and bitter flavor. **Porter has reddish to dark brown in color.** Some well-known Porter Beer Brands are; Henry Weinhard’s Porter (USA), Black Watch Porter (USA) and Carnegie Porter (Sweden).

Therefore, a bar manager can buy beer in cans, bottles, or in kegs for serving on tap. In general, some customers prefer their favorite brands to be on tap. This simple thing plays a significant effect to customer loyalty to the (beer) brand and the bar itself (Brown, 2006).

b. **Wines**

Just few years ago, many bars offered only two choices of wine; white or red. Today many bars have extensive wine lists, with selections of wine from the common to the rare (Brown, 2006). This fact has a little something about patrons’ interest in Wine. Wine tasting and wine
classes are becoming more popular and the knowledge about wine itself is now considered quite desirable for some group of customers. Wine is essentially a fermented grape juice that comes in three colors – white, red, and rosé. However there are several types of wine regardless of the color (Brown, 2006), among others:

1) Red Wine

Red Wines are made from red-colored grapes with the skin being included during the fermentation. The skin is what imparts the red color to the wine. Red wines typically have a more robust flavor, and pair well with food that is similarly robust, such as red meats, and pasta dishes. Red wines are usually served at or just below room temperature. Listed below are some popular grapes that are being used to make red wines:

a) Cabernet Sauvignon

Robust, big red wine with a strong character. Often associated with the Boudreaux region of France as a 100% varietal or in red blends. Typically aged in oak for over a year, and should age several more years in the bottle.

b) Shiraz / Syrah

Rich, full-bodied, complex, spicy, and thrives in the Rhone Region of France. Shiraz can be successfully blended with many other wine grapes. It is also possible to be made in a variety of styles ranging from soft and medium-bodied.
c) Zinfandel

Originated from California, Zinfandel is a dry, full-bodied, intensely flavored red wine with substantial tannins. Often described as big, robust, and incredibly concentrated.

d) Merlot

The merlot grape produces wine with a chewy, almost opulent texture and produces a smooth and mellow red wine. It has softer tannins than Cabernet Sauvignon.

e) Pinot Noir

Native to the cool Burgundy region of France, Pinot Noir is intense aromatic, with complex flavors and a silky texture. Having medium flavor, ruby red color with soft tannins and often fruity.

2) White Wine

White Wines are made from either red-colored or green-colored grapes fermented without the skin. White Wine differs from Red Wine in the serving temperature. It is to be served cold, usually in chilling temperature. The type of grapes used for making White Wine is also different. Some popular grapes are:

a) Chardonnay

Chardonnay is grown in nearly every wine-producing region of the world. This is the most purchased dry white wine. Bold,
rich and complex in characteristic. It is medium-bodied, medium dry, and high in acidity.

b) Riesling

Riesling grapes produce both refreshing light-bodied wines and full-bodied table wines. It has a very high natural acidity. Rieslings are both floral and fruity, and can be delicate, subtle, and low in alcohol. It is a very food-friendly wine, good with fish, pork, *Foie Gras*, smoked and salty foods.

c) Chenin Blanc

This Grape is grown widely in the Loire region of France as well as California and Washington State. It is typically turned into a light dry or semi-dry white with overtones of green apples and peaches, and an acidity that can range from soft to zesty. Chenin Blanc is an excellent aperitif, partners well with chicken and fish dishes too.

d) Sauvignon Blanc

Also known as Fume Blanc, this grape is fresh and crisp, with a tart acidity. Typically light-to-medium bodied. It has a distinctive aromas of fresh-cut grass and herbs, green pepper and sometimes citrus.
e) Pinot Gris

Typically quite dry, but can range from light and delicate to fairly full-bodied. It is yellow in color with a smoky or musky aroma.

3) Rosé Wine

Rosé Wines are pink or blush-colored. The pink color comes from the fact that the grape skin is included for just the first few hours of the fermentation process. Sometimes due to the wine being a mixture of red and white wines, the body tastes medium-sweet, but in certain region Rosés can be very dry, such as Europe. Sweet Rosés usually become the favorites of people who are new to wine, because they are often light and somewhat sweet.

4) Sparkling Wine

Champagne is probably the best known Sparkling Wine; technically it is a Sparkling Wine which is produced from the Champagne region of France by blending Pinot Noir and Chardonnay grapes, and it can be found in a variety of styles, from dry to sweet and from light-bodied to full and rich. Other types of Sparkling Wines are Prosecco, a dry Italian Sparkling Wine, Asti, a sweet Italian Sparkling Wine, and Cava, Spanish Sparkling Wine.

Sparkling Wines are often associated with festivals and celebrations. They have higher acidity, more delicate flavor, and
lower alcohol than most wines. The “sparkles” in Sparkling Wine are bubbles of carbon dioxide, which is a natural result of grapes that bypass the fermentation process.

5) Fortified Wine

Fortified Wines are type of wine with an added distilled beverage (usually brandy) during the fermentation. The taste of Fortified Wine varies, depending on the spirits added. Some very popular Fortified Wine are among others; Port, Sherry, Madeira, and Vermouth. In addition, Brown (2006: 154) mentioned that there is another thing to be considered in selecting the wine, which is the quality of the wine itself. There are three factors affect the quality of wine, among others:

a) Type of Grapes

Some bar patrons will ask for a wine not by brand, but by the type of grape used in making the wine (such as Chardonnay, Shiraz, Muscat, Cabernet Sauvignon, and others).

b) Climate

Some patrons want wines from specific regions, this is because some regions of the world – due to climate and soil type – produce different taste sensations, even with similar grapes. Experts think that wines from areas such as Burgundy offer better taste because grapes have to struggle through bad weather, gaining more flavors and maturing more slowly.
c) Human Resources

The human factor or the special recipes and decisions of the winemakers, plays a big part in wine quality. Some patrons will ask for wines from specific brands or vineyards because they find that those wines offer the taste they desire. Some patrons also want Wines from specific years, as the climate or growing season of grapes may be more or less favorable from one year to the next.

c. Spirit

Spirit or Liquor is an alcoholic beverage produced by distillation of a mixture produced from alcoholic fermentation. The distillation process removes diluting components such as water. Liquor contains more alcohol content than beer and wine, it is sometimes called “Hard Liquor” for that reason. There are six categories of Liquor:

1) Vodka

Vodka was originally produced only in Russia, but it becomes popular around the world and is now one of the hottest-selling liquor products around, mostly because it is being used in so many popular mixed drinks. Vodka is made from a variety of grains, including wheat and corn. It is bottled at no less than 80 and no higher than 110 proofs. It is colorless, odor-less, and virtually tasteless. Some popular Vodka brands are; Absolut, Grey Goose,
and Stolichnaya. And some popular mixed drink from Vodka are; Screwdriver, Kamikaze, Vodka Martini, and Black Russian.

2) Gin

Gin is distilled from a variety of grains and gains it unique flavor and aroma from Juniper Berries. In the past, it was world most popular drink because it was very affordable. Nowadays most customers at the bar who ordered Gin tend to have tonic as its mixer. Some popular Gin brands are; Beefeater, Bombay, and Gordon. And some popular mixed drink from Gin are; Martini, Tom Collins, Pink Lady, and Gin Fizz.

3) Tequila

Tequila is usually produced in Mexico or Southwest America. It is made from a plant called Blue Agave. However some types of Tequila are also made from apples, dandelion leaves, rice, dates, and other local products where the Tequila is made. Tequila is usually clear, although some types may have a gold tint. The most popular Tequila brand is Jose Cuervo. Tequila is used to make some popular mixed drinks too, such as; Margarita, Tequila Screwdriver, Mexican Coffee, and Tequini.

4) Rum

Rum is made from fermented sugar cane juice and molasses that has been aged for at least one year. There are 3 types of rum, Light / White Rum, Gold Rum, and Dark Rum. The majority of Rum
production occurs in the Caribbean and Latin America. Rum are well-known with its good aroma, which sometimes being used in pastry production. Popular Rum brands among others; Bacardi, Captain Morgan, Malibu, and Bundaberg. There are also a lot of popular mixed drinks that use Rum, such as; Cuba Libre, Piña Colada, Mai-Tai, and Daiquiri.

5) Brandy
Brandy is traditionally distilled from a mash of fermented grapes or other fruits. Cognac is a Brandy which is produced in the Cognac region of France and considered the very height of brandy. As the result, the price of cognac is relatively expensive. The manufacturer classified Cognac based on how long it has been aged (example: V.S.O.P. stands for Very Special Old Pale – and has been aged for at least 4 ½ years, and X.O. for Extremely Old – has been aged for 5 ½ years). Popular Brands of Brandy are; Rémy Martin, Martell, and Hennessy. Popular mixed drinks from Brandy are; Brandy Alexander, Brandy Fizz, Apple Brandy Sour, and Brandy Highball.

6) Whiskey
Whiskeys are made from fermented grains such as wheat, corn, rye, and barley. They are aged in oak barrels to give its taste, smell, and color. Whisky is probably the most popular Hard Liquor in the world due to the fact that many countries worldwide
having their own special types of whiskeys. Generally, Whiskey can be classified as follows:

a) Straight Whiskey; is unmixed with any other type of Whiskey or Liquor. It is often drunk alone or with ice (on the rocks).

There are several types of Straight Whiskey:

i. Bourbon Whiskey, made from 51% corn mash, aged from 2-6 years in barrels of charred oak. It has a deep color and rather sweetish taste. Example of popular brand: Wild Turkey

ii. Tennessee Whiskey, very similar to Bourbon but has a more refined taste since it is filtered through maple charcoal. Example of popular brands: Jack Daniels and George Dickel.

iii. Rye Whiskey, made from mash that consists of at least 51% Rye. Example of popular brand: Jim Beam.

b) Blended Whiskey, a mixture that contains Straight Whiskey or a blend of Straight Whiskey and, separately or in combination, Whiskey or Neutral Spirits. May also contain flavorings and colorings. Scotland, Ireland, Canada, and USA are common countries of origin for blends. Example of Blended Whiskey:

i. Johnnie Walker – Scotch Whiskey

ii. Jameson – Irish Whiskey
iii. Chivas Regal – Scotch Whiskey

iv. Seagram’s Seven Crown – American Whiskey

v. Heaven Hill – American Whiskey

vi. Canadian Club – Canadian Whiskey

In addition, there is another variant of Liquor, which is called Liqueur (Brown, 2006). Liqueur is Liquor that has been flavored with fruit, cream, herbs, spices, flower, or nuts. Liqueur is typically quite sweet and often being served as after-dinner drinks. However there are few Liqueurs that are used in making certain cocktails. Some popular Liqueur brands are:

1) Bailey’s – Irish Whiskey and Cream
2) Chambord – Cognac and Raspberry
3) Crème de Cacao – Crème Liqueur (Chocolate)
4) Crème de Menthe – Crème Liqueur (Mint)
5) Cointreau – Orange Liqueur
6) Midori – Melon Liqueur
7) Triple Sec – Orange Liqueur
8) Galliano – Herbal Liqueur
9) Drambuie – Honey Liqueur
10) Amaretto – Almond Flavored Liqueur
11) Kahlua – Coffee Liqueur
Those are few of probably hundreds or thousands Liqueur brands in the world. The brands above are the most popular among all Liqueurs and should be owned by every bar establishment worldwide.

9. Non-Alcoholic Beverages

Not only alcoholic beverages, every bar should also provide Non-Alcoholic beverages for its patrons (Brown, 2006). Bar might often get stereotyped as an establishment who sell drinks with the keyword of “alcohol”, but people nowadays are getting more aware that bar sells another types of drink outside alcoholic beverages, some bar even provides heavy meal to their customers for extra profit. As a Lounge Bar establishment, it is very important to consider that not everybody will order beer, wine, or spirit, but people will order simple drinks such as coffee and tea because people tend to come to a Lounge Bar to Relax, gather with friends or families, or even conduct business. Even though Non-Alcoholic Beverages plays minor role in generating profit for a bar, it is still a very nice idea to leave a nice impression for the customer, that the bar is not only well known because of its (as example) cocktails, or wine selection, but also its nice coffee and delicious mocktails. According to Brown (2006: 294) Non-Alcoholic Beverages can be classified briefly as follow:

a. Nourishing Drinks, containing substances that promote health, growth, or strength. Example of Nourishing Drinks are:

1) Milk, liquid produced by mammals, very nutritious

2) Juice, liquid naturally contained in fruits and vegetables
3) Mocktail, non-alcoholic mixed drink

b. Refreshing Drinks, any beverages that refresh and revitalize the consumer. Example of Refreshing Drinks are:

1) Water
   a) Still Water, example; Aqua, Evian, Equil.
   b) Sparkling Water, example; St. Pellegrino, Perrier.

2) Carbonated Water, also known as Soft Drink. Example; 7-up, Pepsi, Coca Cola, Sprite.

c. Stimulating drinks, a drink which contains caffeine, a bitter stimulant drug that acts as a central nervous system stimulant, temporarily warding off drowsiness and restoring alertness. Beverages with such function are:

1) Coffee
   Coffee beverages are made by processing grounded coffee beans and creating a base called “espresso”. There are several variety of espresso based drinks, such as:
   a) Latte, coffee drink made from espresso and steamed milk.
   b) Cappuccino, traditional Italian coffee drink made from espresso, hot milk, and steamed milk foam.
   c) Americano, made by adding water to espresso, giving similar strength, but different flavor.
   d) Macchiato, coffee drink made of espresso with a small amount of milk.
2) **Tea**

   Tea is an aromatic beverage that contains caffeine and commonly prepared by pouring hot or boiling water over cured leaves of tea plant.

d. **Non-Alcoholic Beer**, is variant of beer that contains less than 0.5% Alcohol by Volume (ABV). Some Popular brands of Non-Alcoholic Beers are; Guinness Malta, Green Sands, and Bintang Zero.

Sometimes, a bar establishment also sells **Energy Drinks**. It is a type of Stimulating Drink that contains caffeine as well (Brown, 2006). However, coffee and tea and other naturally caffeinated beverage are usually not considered energy drinks. Soft drink such as Coca Cola may contain caffeine too, but it can’t be considered as energy drink as well. Thus Energy Drinks tend to be more hazardous and having bad effect to health compared to Stimulating drinks with natural caffeine such as coffee or tea. Examples of popular energy drink are Kratingdaeng, Red Bull and Monster Energy Drink.

Therefore, to summarize several things formerly mentioned. This chapter mentions about how the hospitality in Indonesia, especially in the capital of Indonesia, DKI Jakarta rapidly grows. The study of bar business, which is still under the scope of tourism and hospitality industry is being conducted to find out whether it is feasible to be implemented or not.
10. Bar Concept

The concept of the establishment is a contemporary bar, which is being fused with lounge. It sells variety of food and beverage products, from alcoholic beverages to non-alcoholic beverages and snacks. Further explanation about the concept as well as the products will be elaborated on the next chapter.