

## CHAPTER VI

### CONCLUSION

The growth of restaurants in Indonesia that continues to increase and the high intention of Indonesian people to consume food and drinks outside their home creates opportunities for the establishment of new restaurant businesses. In addition, the Indonesian people's intention to drink coffee is high, which is indicated by the level of coffee and tea drinkers that has been carried out by the *Badan Pusat Statistik*. Therefore, The Liong's Kopitiam & Snack Bar is a business that offers Asian food, especially Singapore, Malaysia and Indonesia and offers a variety of coffee and tea. Coffee and tea made at the Kopitiam still maintain their characteristics by making them without a coffee machine but using traditional coffee pots and sock filters. The Liong's Kopitiam & Snack Bar also offers a Snack Bar concept where customers can pick their snack directly. The Liong's Kopitiam & Snack Bar also offers a variety of simple board games that can be played by all ages. Pantai Indah Kapuk was chosen as the location of The Liong's Kopitiam & Snack Bar business because after conducting surveys from the data and questionnaires, most of the Kopitiam enthusiasts came from North Jakarta. And the location that has the highest and most stable economic level is Pantai Indah Kapuk. The following are the aspects considered in establishing The Liong's Kopitiam & Snack Bar:

## **A. Market and Marketing Aspect**

The Liong's Kopitiam & Snack Bar distributed questionnaires consisting of 35 question indicators to 193 respondents in total to find out about market conditions as well as profiles and desires of prospective customers for restaurant facilities and a marketing mix consisting of product, price, places, promotions, people, packages, programs, and partnership that will be carried out by The Liong's Kopitiam & Snack Bar.

Analysis of direct competitors and indirect competitors was carried out to find out who the competitors of The Liong's Kopitiam & Snack Bar so that the business to be formed can provide different concepts or products from the others. A SWOT analysis was conducted to determine the strengths and weaknesses of The Liong's Kopitiam & Snack Bar and to find out the opportunities and threats for The Liong's Kopitiam & Snack Bar so The Liong's Kopitiam & Snack Bar can create the right strategy in dealing with existing strengths, weaknesses, opportunities and threats. Porter's Five Forces is analysed by The Liong's Kopitiam to get to know more about the position of the business when entering the food and beverage industry.

The Liong's Kopitiam & Snack Bar analyses segmentation, positioning and targets to get to know potential customers of The Liong's Kopitiam & Snack Bar. The Liong's Kopitiam & Snack Bar customer segmentation is the people who enjoy Asian food and drinking coffee or tea, who often visit Kopitiam for one to two hours in a times and three to four times in a month either with family or friends. The main target for The Liong's Kopitiam &

Snack Bar customers is women aged 25-30 years living in North Jakarta, a employee with an income of Rp. 4,000,000 – Rp. 6,999,999, and spend Rp. 50,000 – Rp. 100,000 while visit Kopitiam.

The Liong's Kopitiam & Snack Bar is using differentiation which offers a modern design concept but still maintains the originality taste of the food and drinks, offers an attractive snack bar concept, and provides simple board games and some newspapers.

In the marketing mix, The Liong's Kopitiam & Snack Bar sells food products which are divided into light bites, snack bar, meals, and desserts.

The Liong's Kopitiam & Snack Bar also offer a variety of coffee drinks and non-coffee beverages.

In terms of price, The Liong's Kopitiam & Snack Bar uses a profit-oriented pricing approach where The Liong's Kopitiam & Snack Bar will prioritize to get the maximum profit. The Liong's Kopitiam & Snack Bar will also use status-quo pricing which tries to match the sell prices with competitors' prices in order to compete competitively. Distribution of The Liong's Kopitiam & Snack Bar uses direct and indirect distribution, such as dine-in, take-away, and online delivery service. The promotions used by The Liong's Kopitiam & Snack Bar are in the form of advertising, upselling, discount programs, giving spunbonds bearing the logo of The Liong's Kopitiam & Snack Bar, and conducting Corporate Social Responsibility (CSR).

Employees of The Liong's Kopitiam & Snack Bar are also trained to have good service quality also neat and attractive appearance, responsive, having

knowledge of the product and company, and empathizing with customers. The Liong's Kopitiam & Snack Bar also offers some packages menu, light your day, fill your feast and good for shares.

Discount programs also held by The Liong's Kopitiam & Snack Bar such as grand opening discounts, birthday discounts, discounts every Friday by posting The Liong's Kopitiam & Snack Bar to social media, as well as buy 1 get 1 promotions on the anniversary of The Liong's Kopitiam & Snack Bar. The Liong's Kopitiam & Snack Bar also collaborates with local suppliers, e-wallet companies to facilitate payments, and online delivery companies such as GrabFood, GoFood, and ShopeeFood.

## **B. Operational Aspect**

There are several operational processes that can be undertaken by customers and employees of The Liong's Kopitiam & Snack Bar. For customers, there are some customer sequences for dine-in customers, take away customers, and online delivery service customers. For employees, there are service sequences to serve dine-in, take-away and online delivery services. The production sequence in The Liong's Kopitiam & Snack Bar business is intended for kitchen employees in producing food ordered by customers or coffee makers who produce drinks.

The Liong's Kopitiam & Snack Bar has facilities to support operations for the employees and customers such as parking area, dining area, cashier area,

bar counter area, snack bar area, kitchen area, take away/delivery & hostess area, waiting area, storage area, toilets, employee rooms, and office room.

The Liong's Kopitiam & Snack Bar consists of four floors with dining areas on the first and second floors. Kitchen, storage and dishwashing area on the third floor. Then the office, changing room and employee area on the fourth floor. The Liong's Kopitiam & Snack Bar's 100% capacity is 65 seats with 23 seats on the 1st floor and 42 seats on the second floor. The area of the dining area on the first floor is 47.58 m<sup>2</sup> and 52.98 m<sup>2</sup> on the second floor so that the total area of the dining area is 100.58 m<sup>2</sup>.

Before choosing the location of the business, The Liong's Kopitiam & Snack Bar conducted an analysis between three locations such as Pluit, Muara Karang, and Pantai Indah Kapuk in terms of demographics, accessibility, facilities, visibility, and rent fees. Pantai Indah Kapuk has the highest value weight compared to Pluit and Muara Karang so The Liong's Kopitiam & Snack Bar will be located in Rukan Paladium blok J 05, Golf Island, Pantai Indah Kapuk St, Penjaringan, Jakarta 14470.

In terms of facilitating the operations of The Liong's Kopitiam & Snack Bar, various technologies are used, such as CCTV, POS systems, internet, fingerprint attendance, air conditioning, loudspeakers, smoke detectors, thermometers, laptops, printers, and dumbwaiter lift.

### **C. Management and Human Resources Aspect**

In recruiting employees, The Liong's Kopitiam & Snack Bar determines job descriptions and specifications for existing positions in order to meet the quality of service that needed. In the organizational structure, The Liong's Kopitiam & Snack Bar is led by a commissioner, Christine Dewi Surya, who is supervised by Stephanie Nathasya Sukmadjaja as director. Under the director there is a restaurant manager who in charge of the supervisor and the server/order taker. Under the director there's also head chef who oversees the cook, coffee maker and steward. Then under the director there are also sales & marketing as well as an accountant that in charge of the cashier.

The Liong's Kopitiam & Snack Bar will also recruit 22 employees externally. The Liong's Kopitiam & Snack Bar employees will work in three shifts where each employee work for eight hours with one hour break in five days a week. Each employee will receive compensation in the form of salary, holiday allowance, tips, social security and health program, and annual leave.

In training and developing employees, The Liong's Kopitiam & Snack Bar conducts various programs such as introduction & orientation, product & service, sanitation & hygiene training, work safety training, leadership & teamwork training.

The Liong's Kopitiam & Snack Bar is a restaurant under PT. Liong Utama. In fulfilling the establishment of the business entity, there are various

government regulations that must be complied with, such as, Submission of Limited Liability Company Name, Deed of Establishment of Limited Liability Company, *Surat Keterangan Domisili Usaha* (SKDU), *Surat Keputusan Badan Hukum*, *Nomor Pokok Wajib Pajak* (NPWP), *Surat Izin Usaha Perdagangan* (SIUP), *Tanda Dasar Usaha Pariwisata* (TDUP), *Surat Penguahan Penguasa Kena Pajak* (SPPKP), Trademark and Logo Rights, CHSE Certificate, and *Berita Negara Republik Indonesia* (BNRI).

#### **D. Financial Aspect**

In opening a business, initial capital investment is very important. The initial capital investment required by The Liong's Kopitiam & Snack Bar is Rp. 1,051,901,246 which is divided into two, 40%, which is Rp. 420,000,000 of the capital of the commissioners and directors, then 60% of bank loans which is Rp. 631,901,246. Initial capital investment consists of renovation costs, equipment, supplies (1 month), pre-operating, PAR Insurance, Beginning Inventory, and cash on hands.

The operational costs required by Poke & Match are Rp. 3,314,181,499 consisting of Cost of Goods Sold (COGS), rent fee, compensation, social security program, Property All Risk (PAR) insurance, utilities, depreciation & amortization, training & development, marketing & promotion, repair & maintenance, and Corporate Social Responsibility (CSR).

The Liong's Kopitiam & Snack Bar's operating income with an assumption of 20% in the first year is approximately Rp. 3,986,781,208 which is



influenced by the number of seats, turnover, and GRDP and inflation. In the balance sheet, The Liong's Kopitiam & Snack Bar has total assets of Rp. 1,051,901,246 consisting of current, fixed and intangible assets. Total liabilities of Rp. 1,051,901,246 consisting of short and long term liabilities. Thus, the balance sheet of The Liong's Kopitiam & Snack Bar is considered as balanced because the total liabilities and assets are the same.

In the income statement, The Liong's Kopitiam & Snack Bar in the first year earned after-tax income of Rp.344,856,930 after gross profit less operating expenses, taxes, interest and discounts. In terms of cash flow, The Liong's Kopitiam & Snack Bar has a net cash flow of Rp. 428,301,799 in the first year. In BEP, The Liong's Kopitiam & Snack Bar will reach BEP at IDR 3,488,083,496 which is 87%. In terms of investment assessment, The Liong's Kopitiam & Snack Bar's IRR is 65.97% which is higher than the WACC, which is 5.13%, so The Liong's Kopitiam & Snack Bar is feasible to establish. The payback period for The Liong's Kopitiam & Snack Bar is 1 year 11 months 24 days with a profitability index of 8.94. The Net Present Value of The Liong's Kopitiam & Snack Bar is Rp. 9,406,577,807 which is bigger than one, which mean the business is feasible.

The Liong's Kopitiam & Snack Bar also performs ratio analysis in terms of liquidity, solvency, profitability, activity, operational and restaurant ratios. In addition, The Liong's Kopitiam & Snack Bar also forms risk management in dealing with various aspects that may occur which may have a negative impact on the business.