

CHAPTER I

COMPANY OVERVIEW

1.1 Industry Analysis

In recent years, there has been progress in the business development of the food and beverage industry. Recognizing significant opportunities, an increasing number of people are engaging in the Micro, Small, and Medium Enterprises (MSMEs) sector. According to data from the Indonesian Coordinating Ministry for Economic Affairs in 2023, the MSME sector contributed 61% or approximately IDR 9.58 trillion to the Gross Domestic Product (GDP). Impressively, MSMEs have absorbed 97% of the total workforce. The Indonesian government is committed to continually supporting MSMEs, aiming to boost the country's economic development through financial assistance, catering to both small and medium-sized enterprises. One form of government support is the People's Business Credit (Kredit Usaha Rakyat or KUR), providing low-interest loans to make it more accessible for the community. The food and beverage industry in Indonesia is consistently expanding, driven by the increasing population and the rising purchasing power of the community, which saw a growth of 2.54% from 2020 to 2021 (Ministry of Finance of the Republic of Indonesia, 2022).

Undeniably, with the increase in these figures, intense competition occurs in the food and beverage industry. Every entrepreneur in this industry must undoubtedly innovate to ensure long-term survival compared with their competitors. Success can be achieved when an entrepreneur can implement the right strategies and identify existing opportunities. According to MSME Business Editorial, factors contributing to failure include weaknesses in product promotion, incorrect methods of introducing products, offering too many menu choices, mispricing products, lack of innovation, failure to conduct market research, weak financial management, and limited evaluation of the products or businesses undertaken.

The condition of the culinary industry contributes 55.03% of the national creative economy sector workforce and experienced growth of 10.5% in 2020. The

key to becoming a creative economy is to continue to innovate in the culinary business. Interest in the culinary business, especially selling pastries ahead of Eid, is quite promising. By seeing this opportunity, BOUQIES contribute to the cookies sector. Looking at the current conditions in the food and beverage industry, BOUQIES will be one of the business competitors in the culinary industry, particularly in the cookies segment. BOUQIES is a business that offers cookies as its main menu. In establishing this business, BOUQIES has conducted an analysis of the current market conditions through a survey of 30 individuals, a SWOT analysis, calculations of raw materials and selling materials, and an analysis of competition in the current pastry industry.

1.2 Company Description



Figure 1.1 Company Logo

BOUQIES, standing for Bouquet Cookies, is a home-based business in the creation of innovative cookie assortments, designed with thoughtfully package as gifts for cherished ones. The logo of the BOUQIES will use for all packaging of BOUQIES products. Our brands are selling propositions centers around crafting cookies bouquets, encapsulated by our tagline, “A Bouquet of Loves.” Our aim is to make heartfelt gifts – like our cookie bouquet – in fostering happiness and bridging connections among people. In alignment with our vision, BOUQIES are committed to developing a strategic plan designed to actualize our objectives and amplify our brand’s impact. Here is a BOUQIES vision and mission to achieve goals.

a. Vision

Become the best and the most affordable cookies hampers in Tangerang.

b. Our Mission

Build Brand Recognition and Trust. To Gain customer awareness and trust in the existence by showing the uniqueness and heartfelt quality of our cookie bouquets.

Expand Our Physical Footprint. Establishing a physical storefront in Tangerang city area within two year involves bringing the brand closer to customers. It provides a direct touchpoint for customers to experience the product, reinforcing the concept of closeness.

BOUQIES located in the heart of Tangerang Area, especially at Villa Melati Mas. Regarding our business location, BOUQIES see an opportunity. This location is in close proximity to several schools, including Athalia, Efata, and Candle-Tree School. Additionally, it is adjacent to the Graha area, Bintaro Area, Alam Sutera area, and BSD area.

1.3 Product and Services

BOUQIES strategically focuses on the expansion of its cookie business, aligning it's a heartfelt packaging concept with overarching to achieve vision of BOUQIES, "The Most Best Deal Cookies in Town". This micro, small, and medium-sized enterprise (UMKM), located in Tangerang region, is set to commence operations through prominent online platforms such as GOJEK and GrabFood. These digital channels will serve a dual purpose: introducing the product visuals and description and price to consumers and for product's transaction. Currently, BOUQIES proudly offers two variants of cookie flavors – Chocolate flavor and Sakura flavor – available in two thoughtfully designed package option: with or without a bouquet. The Sakura flavor emerges as a key strength for BOUQIES, boasting a delightful combination of sweetness, savariness, and uniqueness that is poised to attract discerning consumers. Furthermore, the incorporation of the pink color in the Sakura cookies serves as a symbolic representation of sweetness and romance. With product prices range from Rp

55.000 to Rp 90.000, the ensuing details provide a comprehensive overview of BOUQIES product offering. Here's the details of BOUQIES product.



Figure 1.2 Bouquet Sakura Cookies

Bouquet Sakura Cookies, our special menu that made premium ingredients cookies with additional sakura powder. The selling price for Sakura Bouquet Cookies is Rp 90.000 contains of 5 sakura cookies per bouquet.



Figure 1.3 Box Sakura Cookies

Box Sakura Cookies, designed in the box contains of 5 cookies sakura in a box. It sells for Rp 60.000 per box.



Figure 1.2 Bouquet Chocolate Cookies

Bouquet Chocolate Cookies, made from premium chocolate ingredients cookies. The selling price for Chocolate Bouquet Cookies is Rp 87.500 contains of 5 cookies.



Figure 1.4 Box Chocolate Cookies

Box Chocolate Cookies, designed in the box contains of 5 cookies chocolate in a box. It sells for Rp 55.000 per box.

BOUQIES pricing strategy considers raw material costs, analyze direct and indirect competitors pricing, geographical location, our target market, and various other contributing factors.