

CHAPTER I

COMPANY OVERVIEW

1.1 Industry Analysis

The year 2024 is a crucial momentum for positive improvements in the Indonesian tourism industry (Dhesta, 2024), marked by the achievement of the number of long-distance tourist entries which exceeded the target in 2023, namely 9.49 million. Even though many businesses in Indonesia have experienced a drastic decline due to various factors, such as tourism and hospitality, the food and beverage segment has managed to maintain stability and even experience growth. The importance of digital technology continues to increase, especially in reaching Gen Z (21+) visitors to Millennials who are dynamic on social media. With the increasing number of Gen Z associated with innovation, the use of digital technology in tourism will become important in attracting tourists starting from Generation Z (21+) (Raharja, 2024). It is believed that digital technology can provide a more interesting and interactive experience for them. In this way it makes a difference to expand the share of Indonesian tourism advertising.

The food and beverage (F&B) industry has a significant contribution to the national economy outside the non-oil and gas sector (Putu, 2023). In the early 2023 period alone, this industry will grow by 5.35% (Sunartono, 2023) nationally. The progress of the food and beverage industry cannot be separated from the many national and international events which continue to provide opportunities for culinary business actors. This is also supported by the food and beverage industry, which is still very developed today, which can also be found and seen in economic news (Boyke, 2021) which can still be relied on to support the Indonesian economy. (Wahyadhiatmik, 2020) confirms this, citing a surprising 150% increase in transactions within the industry, driven by important adjustments aimed at increasing revenue streams. Moreover, the influence of social media in the development of the food and beverage industry has helped the development of a business and also increased sales.

Coffee, as one of the most loved drinks in the world (Silvi and Ningrum, 2020), has a special place in Indonesian culture. It started a long time ago when coffee was synonymous with adult drinks, now this has changed because now young people have also started consuming coffee. In the past, coffee was almost always consumed hot, now many types of coffee are served with ice. Because of this, many coffee drink businesses are now developing. With Indonesia ranking as one of the best customers globally, coffee popularity is here to stay.

Coffee drinking culture in Indonesia has its own uniqueness. Nowadays, drinking coffee has started to become a culture in Indonesian society. In other cases, this makes us aware that local coffee has its own advantages (Meilinawati, 2019). The emergence of trends like the Aren Latte, which is spreading across many coffee shops, helps illustrate the industry capacity for growth and customer engagement.

Milk coffee in general has been around since time immemorial, both with white sugar and palm sugar. However, since coffee shops have opened in many places with high standards and affordable prices, coffee milk has become very popular because it is easy to get. Because the concept of replacing cane sugar with palm sugar with the perception of being "healthier" also supports the popularity of palm sugar milk coffee. Because this is easy for other people to obtain and apply, this is what makes many people open coffee shops/outlets with a similar or even almost the same concept. This is what indirectly raises, spreads and promotes society to become a new trend (Ayunda, 2022).

Trend Coffee is now starting to develop into something more modern one of them is with the emergence of coffee drinks that can also be mixed with alcohol. Especially this kind of coffee is famous after winning World Coffee Championship (WCC) (Ksatria, 2022). Actually, there are not that many places which sells coffee with alcohol but Now several places have started selling coffee with this alcohol. In Tangerang itself there is only one until two places that sell coffee drinks with alcohol. That is what made the author interested in starting a coffee business which contains alcohol.

1.2 Company Description

Logo



Figure 1.1 Company Logo

Source: Owners Data

Pagaruma is a homemade beverage cafe, creating a new innovation of some beverages. The name of this shop is taken from the name of the place of origin because the author used to sell at his house which was right behind his house fence, where "Pagaruma" means house fence. From that place the author named his business.

Pagaruma specializes in crafting unique coffee beverages infused with alcohol, such as Rum or Vodka. Among their signature drinks is the iconic Espresso Martini, elevated with a touch of sparkling water. While some may not have explored the combination of coffee and alcohol due to its current lack of popularity, Pagaruma believes that with the right recipe and blend of alcohol, these mix have the potential to become widely known. With this innovative product. Our tagline is "From Behind PAGAR brewing just for you" This tagline was taken because from the beginning the house own fence stood behind the fence of the owner house and because now he wants to expand to make his shop into a coffee shop. Pagaruma aims to introduce a new trend in the beverage industry, Attracting consumers with unique flavors and an elegant charm.

1. Pagaruma Vision

Our vision is to become the preferred Coffee shop for coffee enthusiasts, offering a welcoming atmosphere and exceptional quality coffee experiences.

2. Pagaruma Missions

- a) To share and promote the new taste of coffee beverage
- b) Enthusiastically make and serve premium coffee beverages,
- c) Provide customer with high quality ingredients at reasonable price

3. Nature of Business

Pagaruma Coffee is a cozy coffee shop, operating as a small-scale enterprise with limited human resources and distribution channels. The owner actively participates in day-to-day operations. Our aim is to expand and enhance our store, laying the groundwork for future expansion and enhancement.

4. Address of the business

PAGARUMA COFFEE

Ruko Pisa Grande 2, Jl. Ir.Sukarno No.17, Curug Sangereng, Kec. Klp.
Dua, Kabupaten Tangerang, Banten
Instagram @pagaruma.id



Figure 1.2 Company Location

Source: Google Maps

1.3 Product and Services

Coffee is one of the most popular drinks today, especially in Indonesia with the many coffee shops that exist today. This innovative twist adds a new innovation to the coffee experience, so coffee can be enjoyed not only in the usual way, and one of the innovations found by this writer is coffee mixed with alcohol. The primary ingredient for this beverage is coffee mixed with Vodka so that you can create something new and also introduce it to the consumer later.

Pagaruma consumer is going to be the 21+ customers to enjoying the alcoholic product. The author is prioritize making a high-quality beverage with great inviting ambience environment for the customers. The authors belive with a strategic business plan, effective marketing, skilled management and employment, and more to come improvement and innovation this business is a good prospect to the future



Figure 1.3 Pagaruma Menu

Source: Author Data

Basically this coffee shop sells cafe regulars offering such as black coffee or milk coffee with espresso base. However, PAGARUMA is making some innovation to the beverages, such as introducing adding coffee with alcohol to its menu. So the menu from PAGARUMA will be the main product Espresso martini, White Russian, Pichy Coffee mocktail, Tropical Punch, and pineapple soda espresso. Beyond just coffee mix with vodka, PAGARUMA plans to introduce additional innovative offering for both coffee and non-coffee related to its menu in the future.



Figure 1.4 Pagaruma Espresso Martini
Source: Author Data



Figure 1.5 Pagaruma White Russian
Source: Author Data



Figure 1.6 Pagaruma Tropical Punch
Source: Author Data