



Micro small medium business development strategy of bonaparte coffe house in Sidenreng Rappang Regency

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ABSTRACT

This study aims to examine the Bonaparte Coffe HOUSE (UMKM) development strategy. This study will then be able to have a positive impact on Bonaparte Coffe HOUSE Business Actors in the form of business evaluation and facilitate the determination of future development strategies. This research was conducted descriptively in Panca Rijang District, Sidenreng Rappang Regency, South Sulawesi Province by collecting two types of data, namely primary data and secondary data. The research was analyzed using the help of the Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) matrices to answer the strategic factors which are the strengths and weaknesses as well as opportunities and threats for UMKM. To formulate and set priorities for the MSME development strategy, a SWOT analysis is then carried out. The results of the study indicate that there are several strategies that can be used to develop UMKM Bonaparte Coffe HOUSE which include: Improving product quality and expanding market expansion, Provision of parking lots equipped with security technology.

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INTRODUCTION

Micro, Small and Medium Enterprises (UMKM) are productive businesses to be developed to support macro and micro economic development in Indonesia (Suci, 2017). UMKM are the sector that absorbs the largest workforce in Indonesia, up to 97%. UMKM are basically a very important part of the country's economy because they can generate productive workforce through investment and technological change. In addition, UMKM can also be more flexible when compared to large companies (Mardiyono, 2013). Therefore, UMKM should receive full attention in order to improve people's living standards for the better. As an important note for MSME implementers, one of the fundamental factors that must be possessed is the quality of human resources (Adawiyah, 2013)

UMKM are types or business sectors that can be viewed in 3 aspects, namely the number of employees, sales turnover, and assets owned by business actors. Referring to UMKM terminology,

UMKM business actors are usually carried out by individuals or managed by a small group of people. The existence of UMKM cannot be underestimated because they have a very large influence in people's lives. Based on the Law of the Republic of Indonesia Number 20 of 2008 the second part of article 5 it is explained that "The goals of empowering Micro, Small and Medium Enterprises include: a) realizing a balanced, developing and just national economic structure, b) growing and developing the capabilities of Micro, Small and Medium Enterprises to become strong and independent businesses; and c) increasing the role of Micro, Small, and Medium Enterprises in regional development, job creation, income distribution, economic growth, and alleviating people from poverty.

The same source also explained that micro businesses have a net worth of at most Rp. 50,000,000 (not including land, buildings and business premises), and the maximum annual sales proceeds are Rp. 300,000,000. As for small businesses, the net worth is above IDR 50,000,000 and not more than IDR. 500,000,000 (excluding land, buildings and business premises) and annual sales proceeds of more than IDR 300,000,000.00 (three hundred million rupiahs) up to a maximum of IDR 2,500,000,000.00 (two billion five hundred million rupiahs) . Meanwhile, for medium-sized businesses, the total net worth is more than Rp. 500,000,000.00 (five hundred million rupiah) up to a maximum of Rp. 10,000,000,000 (ten billion rupiah) excluding land and buildings for business premises and having annual sales of more than Rp. 2,500,000,000, 00 (two billion five hundred million rupiah) up to a maximum of Rp. 50,000,000,000.00 (fifty billion rupiah). The development of UMKM should receive special attention, especially in terms of business development. The existence of advanced UMKM certainly does not only have an internal impact on business actors but also an external impact, namely employment absorption which will later be able to assist the government in overcoming unemployment.

Micro, Small and Medium Enterprises (UMKM) are likened to a nation's pioneers who become saviors when the nation is in a downturn (Aliyah, 2014). UMKM are one of the supporting sectors of the economy and one of movers economy growth ((Mardiyono, 2013). Based on data from the Ministry of Cooperatives and Small and Medium Enterprises in 2013, UMKM make a very significant contribution to the economy. The number of business actors in that period reached 57,895,721 business actors or 99.99 percent of the total number of business actors. In addition, UMKM are able to absorb a workforce of 114,144,082 people or 96.99 percent of the available workforce has been absorbed into the sector. Including contributing 63.42 to the formation of GDP (Based on Current Prices 2000) and total non-oil and gas exports of 15.68 percent(Permana, 2017). In facing competition, UMKM need an integrated strategy that can anticipate the impact of an incident and be innovative to maintain and improve competitiveness.

At present the food business or culinary business is a business that has the fastest and highest growth rate in the world (Mandasari et al., 2019). The rapid growth in the food and beverage service industry has also sparked the growth of various forms of new business concepts, such as the concept of attractive place arrangements, and so on. One of the businesses that is currently booming among young people is a business engaged in the coffee shop or coffee house sector (Alfirahmi, 2019) . Coffee (*Coffea sp.*) is one of the plantation commodities that can be developed in Indonesia (Prabasiwi & Kusmiati, 2019). Known as a fertile country, there are various types of coffee that grow in Indonesia (Saefuddin et al., 2020)

The coffee shop business has developed along with the increasing number of consumers. This development does not only occur in big cities but also in small towns. This development is good when viewed from the aspect of labor absorption. However, on the other hand, this development is a challenge for business actors. More and more similar businesses are emerging, making consumers have many choices in deciding to buy drinks from existing coffee shops. So that a consumer interest will appear to choose (preference) for coffee shops. In analyzing consumer preferences, it is necessary to pay attention to the existing determinants and form the basis of consumer behavior (Budi et al.,

2020). This condition certainly must get attention in order to attract consumer sympathy in the business being run.

Bonaparte Coffee House is a type of MSME business based in Rappang, Sidenreng Rappang Regency. This business serves the sale of several contemporary products that are currently widely liked by the public. As a profit-oriented business, Bonaparte Coffe HOUSE always strives to provide the best service to consumers. This research actually aims to examine the Bonaparte Coffe HOUSE MSME development strategy. This study will then be able to have a positive impact on Bonaparte Cofee HOUSE Business Actors in the form of business evaluation and facilitate the determination of future development strategies. In addition, this research will also have a multiplayer effect, namely becoming a source of reference for other business actors.

RESEARCH METHOD

This research was conducted descriptively in Panca Rijang District, Sidenreng Rappang Regency, South Sulawesi Province. The data collected in this study consisted of two forms, namely primary data and secondary data. Primary data is a data source that is directly obtained from a data source (direct data collection) while secondary data is data that is not directly obtained from a data source but is data stored from a data bank. Primary data were obtained from direct observations in the field and conducting direct interviews with informants at the research locations based on the questionnaires that had been made. For secondary data obtained from literature and through related sources (Hardani et al., 2020).

Determination of informants in this study using a purposive sampling technique. The purposive sampling technique requires that data sources (people) be able to answer or have comprehensive reasons about the object of research (Hardani et al., 2020). The research informant (resource person) is someone who has information about the research object. Informants who are in accordance with research needs are people who are directly involved in UMKM Bonaparte Coffe House in Sidenreng Rappang Regency, namely owners (business owners) who are also leaders with their main function is to manage all company activities, employees who are selected and are representative as well as consumers who are the pathway the end of the business process.

The Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) matrices are used to analyze the resulting data with the aim of answering various strategic factors which are strengths, weaknesses, opportunities and threats. After that, the analysis is continued using the SWOT matrix analysis which will produce the formulation and priority setting of business development strategies. The strategic formulation is produced through the Input Stage (Stage 1) which summarizes the basic information in establishing a strategy and the Matching Stage (Phase 2) in which there is a process of creating an appropriate strategy by linking and matching internal and external strategic factors.

RESULTS AND DISCUSSIONS

Determining alternative business development strategies is carried out using SWOT analysis which is preceded by analyzing internal factors and external factors (Wiswasta et al., 2018). This is done to identify various strategic factors that fall into the categories of strengths, weaknesses, opportunities and threats in the context of developing the Bonaparte Coffe House MSME business. After the factor analysis is known, a matrix of internal strategic factors (IFE) and external strategic factors (EFE) is made. The results are presented in table 1 below:

Table 1. Matrix of Internal Strategic Factors (IFE) and External Strategic Factors (EFE)

	Internal factors	Weight	Ratings	Score
POWER(S)				
1	Bigger market share	0.13	4	0.52
2	Guaranteed Product Quality	0.11	4	0.44

3	Has a wide network	0.12	4	0.48
4	Affordable prices	0.11	4	0.44
5	The mosque as a means of worship for close consumers	0.11	3	0.33
WEAKNESSES (W)				
1	The price offered tends to be the same as similar businesses	0.1	3	0.3
2	Does not have a special parking space reserved for consumers	0.12	4	0.44
3	Service is slow especially during peak days (Saturday and Sunday)	0.1	3	0.33
4	Places often do not fit because of the large number of consumers present	0.1	3	0.3
Total		1		3.59
External Factors		Weight	Ratings	Score
OPPORTUNITY (O)				
	Easy access to business locations	0.18	4	0.72
	The condition of the location around the business environment is safe because the control is carried out using CCTV technology and there has never been a crime	0.15	3	0.45
	Digital marketing	0.17	3	0.51
	The trend of coffee consumption is increasing	0.11	3	0.33
THREAT (T)				
	High competition	0.13	4	0.52
	Remote access to raw materials	0.14	3	0.42
	Consumers take advantage of a long time even though the product purchased is only one	0.12	3	0.36
Total		1		3.31

Source: Primary Data After Processing (2023)

Based on the results of the research that has been carried out as data in table 1, the internal key factor matrix analysis (IFE) for strengths and weaknesses is selected the highest value or score in UMKM Bonaparte Coffee House. The main strength with the highest score for the internal environment of business development as referred to is a larger market share with a score of 0.13 with an average weight of 0.52 and a rating of 4. The market share referred to in this study is the lower middle class and sure to be the main target of sales. This segment is used as a target because it is believed to be able to grow the business to be bigger, especially in increasing sales. The second highest score is having an extensive network with a score of 0.12, a rating of 4 and a weight of 0.48. Business networks are needed in developing a business, because by forming a business network, information can spread quickly. If information spreads quickly, it will accelerate other aspects to expand (Setiawati, 2022)

Analysis of the internal key factor matrix (IFE) for indicators of weakness based on table 1, the results show that the highest score is on the factor: Not having a special parking space provided for consumers with a weight of 0.12, a score of 0.44, and obtaining a rating of 4. It should be explained that there is no facility parking will be a weakness for SMEs, especially for those who have moved towards a wider scale business. This is explained by (Siraj & Fikrah, 2020) who argue that the income of cafe and restaurant business owners can be influenced by several factors, such as product quality, price, production, culture, quality of service (service), and a strategic location and whether there is parking. adequate. The issue of price is one of the indicators used by consumers in the process of purchasing goods. In this research, Respondents stated this with a weight of 0.1, a score of 0.33 and obtained a rating of 3 as a business weakness in the object of research. This has been explained by (Damanik, 2008) and (Mihani & Hutauruk, 2020) who argues that the promotional form of giving discounts on purchases is most expected by consumers. Every consumer really expects an easily affordable price but has the best quality. Aspects of service and availability of places are also in the spotlight for consumers on peak days, namely Saturday and Sunday. Process waiting times that can reach 30 minutes are often a consumer correction for the services provided. This condition should

get special attention for the owner (management) in order to create conducive conditions on the peak day.

External key factor matrix analysis (EFE) for opportunities and threats is selected at the highest value. Based on the data in table 1, the highest opportunity value is in "accessible location". (Hidayat & Zuliarni, 2014) suggest that the accuracy of choosing a location is one of the factors an entrepreneur considers before opening his business. This happens because choosing the right location often determines the level of sales of a business. The researcher basically also found that access to the location of research objects was also supported by the presence of campuses and offices which tended to be located close by and access to reach them was also easy so that at certain times after office hours, consumers who came were more varied. As for the highest threat, results obtained on access to distant raw materials, namely within +/- 200 km. This distance can cause the supply of raw materials to be hampered and have an impact on service quality.

Formulation of alternative strategies as a result of a combination of internal and external key factors which are grouped into four sections, namely SO strategy, ST strategy, WO strategy, WT strategy. The results of the SWOT matrix analysis can be seen in Table 2.

Table 2. SWOT Matrix Analysis for Bonaparte Coffe House Business Development

		Internal Analysis	
		Strengths (S)	Weaknesses (W)
Analysis external		1. Larger market share (Close distance to the UMS Rappang campus) 2. Guaranteed Product Quality 3. Has a wide network 4. Affordable prices 5. The mosque as a means of worship for close consumers	1. The price offered tends to be the same as similar businesses 2. Does not have a special parking space reserved for consumers 3. Service is slow especially during peak days (Saturday and Sunday) 4. Places often do not fit because of the large number of consumers present
		Opportunities (O)	SO strategy
	1. Easy access to business locations 2. The condition of the location around the business environment is safe because the control is carried out using CCTV technology and there has never been a crime 3. Digital marketing 4. The trend of coffee consumption is increasing	Strategy: Product quality improvement and market expansion	Provision of parking lots that are equipped with security technology
	Threats (T)	ST Strategy	WT Strategy
	1. High competition 2. Remote access to raw materials 3. Consumers take advantage of a long time even though the product purchased is only one	Strategy: Strengthening Cooperation and collaboration with raw material producers, Strengthening differentiation, and product accessibility	Strategy: service and infrastructure quality improvement, raw material innovation

Source: Primary Data After Processing (2023)

Based on the data in table 2, there is an alternative strategy based on the SWOT matrix found for the development of the Bonaparte Coffe House UMKM in Sidenreng Rappang Regency. The strategies found for SO are product quality improvement strategies and market expansion expansion. The quality of the product in the object of research is in principle good enough, but the number of similar businesses demands better quality so that it gives rise to its own characteristics for consumers. Product quality has proven a significant relationship and variation in customer satisfaction (Ibrahim & Thawil, 2019). Furthermore, (Hutagalung & Waluyo, 2020) in their research found that product quality variables can influence consumer purchasing decisions with a coefficient of determination of the product variable of 25.7% and the regression coefficient of the product quality variable is 0.507 which indicates that the more satisfying the product offered, the higher the consumer purchasing decision. Expansion of market expansion is also considered as an alternative business development strategy for UMKM Bonaparte Cofee House based on the matrix in table 2. Expansion of market expansion can be done by opening branches at several points in Sidenreng Rappang Regency such as in Pangkajene which is a city center with a high population density.

The location of the UMKM Bonaparte Coffe House is basically very strategic because it is in a densely populated area with easy accessibility. Choosing an effective business location means avoiding negative risks to a minimum or in other words getting a location that has the maximum positive impact. The choice of location will also have an impact on costs that arise in the future as a result of having chosen an area/location as a place of business. The considerations for choosing a business location will be different when the type of business to be run is also different (Yani & Subandrio, 2021). However, this position is not supported by the area of the parking lot that fits the needs of consumers. When consumers are at peak times, The WO strategy can be carried out through alternative strategies. Provision of parking spaces equipped with security technology. This strategy will certainly have a positive impact on business actors, especially if it is coupled with security technology facilities such as CCTV or other devices that assist management control.

The ST strategy is determined through reinforcement cooperation and collaboration with raw material producers, strengthening differentiation, and product accessibility. The problem of raw materials is the basis of the problem that must be resolved. The results of the study found that the availability of raw materials is sometimes an obstacle in the supply of sustainable products. As a region that is not a center for coffee plantations in Indonesia, Bonaparte Coffe House UMKM are required to carry out stronger cooperation in order to obtain quality and sustainable products. This is done to produce quality products and maintain the products produced so far. Producing beverage products, especially quality coffee, is a challenge for coffee businesses to meet customer satisfaction which is the main target (Annishia & Setiawan, 2018)

The WT strategy in this study refers to aspects of service, infrastructure and raw materials. Therefore, in the research results, it is formulated that the WT strategy offered is improving the quality of services and infrastructure, raw material innovation. The dimension of service quality is dynamic and strategic, in addition to following standard manners, improvising based on observations of customers in providing services can give a closer impression emotionally (personal touch) which makes customers feel comfortable and feel at home for long and make repeat purchases (repeat orders) (Syahsudarmi, 2018). The influence of service quality has a very large influence where customers assess how good the service is received by comparing what is expected or desired from these customers. preparing the best possible service quality needs to be done to be able to produce optimal performance, so that service quality can increase,

It should be noted that every consumer has a different style of spending time at a business location. The length of time consumers chat with only choosing one or two products, sometimes becomes an obstacle in providing space for other consumers. This condition basically cannot be avoided because it is part of the reality of consumer habits that do not always have a bad impact on business. In another section, raw material innovation is also suggested to be a strategic choice.

Coffee, which is the mainstay of business actors as the object of research, is advised to carry out various innovations in their other products so that they can be on a par with the enjoyment of coffee. However, for the coffee problem it seems not a substantial thing because the presence of the raw material is far more frequent than its absence.

CONCLUSION

Based on the results of research that has been conducted on UMKM Bonaparte Coffe House domiciled in Rappang, Sidenreng Rappang Regency, found alternative business development strategies which include: Improving product quality and expanding market expansion, Provision of parking lots equipped with security technology, Strengthening Cooperation and collaboration with producers raw materials, strengthening differentiation and product accessibility, as well as increasing service and infrastructure competence, raw material innovation. I advise the Bonaparte Coffe House UMKM managers to pay attention and consider the strategies offered in this research. For future researchers, to consider other aspects, especially aspects of public facilities and the social environment as part of the research object.

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