

DEVELOPING STRATEGY OF PRODUCT, PRICE, PROMOTION AND LOCATION TO GAIN REVENUE OF KAPIN RESTAURANT USING SWOT ANALYSIS

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ABSTRACT

Revenue is the gross inflows of economic benefits arising from the normal activities of an entity during a period. The SWOT analysis is an analysis based on the assumption of an effective strategy between the company's internal resources (strengths and weaknesses) with its external situation (opportunities and threats). The purpose of this study is to find out what strategies need to be taken in order to increase the income of the Kapin restaurant. The research method used is Qualitative method. The research results of Kapin restaurant is Kapin restaurant Located in quadrant Diversification Strategy (ST) situation where company has many strengths internally but also many external threats. Kapin restaurant need an understanding of the situation that occurred in the world of restaurant, so no one in determining what strategies to maintain and what strategies need to be added.

Keywords: Revenue, EFE, IFE, SWOT Analysis

INTRODUCTIONS

East Java's role in contributing to the national economic growth is arguably a substantial percentage contribution, East Java contributing 14.87% to the national Gross Domestic Product of Rp 9,184 trillion, according to East Java Central Statistics Agency East Java's 2013 growth of 6.55% and estimated in 2014 will increase 6.4-6,8%. And the sectors contributing to economic growth in East Java include: transport and communications sector of 10.06% in 2013 and predicted to increase by 2014 by 10%, trade, hotel and restaurant sector by 7.22% and predicted increase In the year 2014 of 8.44-8,8%, and sektor of building and construction equal to 8,99% and predicted in year 2014 increase as big as 8,8-9,2%. As well as the value of investments that have increased indicate that the business climate in East Java is getting better with data from East Java Investment Board which shows in the year amounting to 170 trillion or an increase of 17% from the year 2013 which amounted to 145 trillion Rupiah.

Economic growth in Surabaya according to Surabaya city statistics 2013, explained that Gross Regional Domestic Income in 2012 which is more than 264 trillion Rupiah, 44.46 percent is contribution from Trade, Hotel and Restaurant sector. The total GDP of the restaurant sector in 2011 amounted to 29 trillion increased in 2012 by 33 trillion, or an increase of 12 percent. From the results of existing statistics, it can be seen that the growth of restaurants in the city of

surabaya has increased significantly. So the restaurant is required to have each strategy in accordance with the advantages of each owned restaurant in meeting sales targets.

The Kapin restaurant is a restaurant serving chinese food, a family business pioneered by the first generation of Narto Prayogo in 1952 along Pecindilan street, in 1972 moving to a larger location that could hold up to 30 tables on the market street of the wetan 55B, In 1994, Narto Prayogo as founder died and was replaced by his son David Pragoyo. In 2004 the second generation that none other than David Prayogo died and was replaced by Tan Sudjinah as the wife of the late Mr. David and Heryanto Prayogo, Handoyo Prayogo and Himawan Prayogo as the son of the late David Prayogo. As time progressed in 2006 Kapin restaurant opened its first branch in Raya Kupang Indah 23, Surabaya, and the second branch in 2011 at Manyar Kertoarjo 5/30, Surabaya.

In 2011 Kapin restaurant positioned on the brand of Shark Fin and cantonese food, Kapin restaurant excellence is the processing of food ingredients are still selected directly by the owner and the process of raw materials to the fast food does not use chemicals that are not feasible for consumption. Kapin restaurant also sells quangtung or cantonese chinese food.

As for some of the menu of Kapin restaurant is Shark Fins, nasi goreng widodo, udnag ham saos inggris, burung dara goreng and many other main course menu. The Sharkfin menu is branding from the Kapin restaurant, where the product is traditionally processed without chemicals such as bleach or other, so it becomes an advantage with the enjoyment of a fresh taste. There is also Nasi Goreng Widodo, which is made in accordance with the demand from loyal customer who like dining in restaurant Kapin demand fried rice served with plenty of crab meat which according to Mr. Bondan Host of the Culinary Tour event that aired by one of the private television stations in Indonesia. When covered, he said that his Nasi Goreng Widodo was "Maknyus" and entered in one of the forums run by Mr. Bondan with the topic "The World's Most Expensive Fried Rice"

Increasing number of restaurant growth in surabaya cause more fierce competition.

LITERATURE REVIEWS

Previous Research

The first study taken the author of research conducted by Jimmy Bastian (2012) with the title "Determination of Marketing Strategies In CV. SURABAYA GOLD Based on Strength Analysis, Weaknesses, Opportunities, Threats (SWOT) And Analytical Hierarchy Process ". The purpose of this research is to increase the level of sale of gold jewelry 99% content in CV. Surabaya Gold. Data collection method used is by interviewing leader and manager of each division in that company. The results of this study conclude that the need to undertake a marketing strategy that is the principle of product differentiation, product and service alliances, overall cost leadership and promotional alliances.

The second study was conducted by Syamsuri (2010) under the title "Analysis of the Application of Marketing Strategy at Chicken Grilled Wong Solo in Malang Branch". This study aims to win the competition in the restaurant industry. The sample of this research is the employee by interviewing the branch manager and manager of each division directly involved in the business process. The result of this research can know that internal strength must be priority first, then the constraints and external factors need to be considered again especially so that more can control the market share more broadly.

The Third Study was taken from the journal by Pholpuntin., Et al (2014) with Title "The Analysis of TOWS Matrix for Promoting Thai Kitchens into ASEAN Markets of Lao People's Democratic Republic and Socialist Kingdom of Cambodia". The purpose of this research is to know the market situation of the Lao People's Democratic Republic and the Kingdom of Cambodia and develop appropriate marketing strategies to promote Thai cuisine to the ASEAN market. Data collection methods used are through interviews to 60 Thai restaurant entrepreneurs

in these two countries. The results of this study say that Thai food business in two countries shows strength and profitable opportunities, Thai food in both countries become one of the favorite food menu. To develop a Thai restaurant business it is advisable to self-run or joint venture to ensure the quality of food and the impression of the restaurant can be kept stable.

The Fourth Study is adapted from Jones, et al (2015) entitled "Impact of Social Media on Small Businesses". The purpose of this research is to know the role and economic impact that internet, especially website and social media to small business. With the aim to investigate the benefits of using internet and social media for small businesses operating in the region. Methods of data collection used by conducting surveys and interviews with small business owners. The results of this study conclude that the benefits of using websites and social media sites raise awareness of questions, improve customer relationships, increase new subscriber numbers, increase the ability to reach customers on a global scale, and help promote other local businesses in the surrounding area.

SWOT Analysis

SWOT analysis according to Pearce II and Robinson, Jr (2013: 200), is an analysis based on the assumption that an effective strategy is derived from good conformity between the company's internal resources (strengths and weaknesses) with its external circumstances (opportunities and threats). SWOT analysis is also based on the logic that can maximize strength (Strengths) and opportunities (Opportunities), but simultaneously can minimize weakness (Weaknesses) and threats (Threats) (Rangkuti, 2013: 19).

According to Kotler and Armstrong (2012: 53), strength includes internal strength, resources owned, and a positive environment that would help a company in serving customers and achieving goals. Weakness includes the company's internal deficiencies and environmental factors that are less comfortable to the detriment of the company's achievements. Opportunities are factors that support or an ongoing trend that can be explored to bring benefits to the company. While Threat is an external factor or trend that is less good impact on corporate achievement.

According to Lukiastuti and Handani (2011: 74) one of the analytical tools used to compile a description of the strategic factors of a company is a SWOT matrix. This matrix is considered able to describe clearly how the opportunities and external threats faced by the company must be adjusted with the strengths and weaknesses it has. This matrix can yield four possible strategic alternatives.

Internal Factor Evaluation and External Factor Evaluation

The Internal Factor Evaluation (IFE) is a tool of strategy formulation that serves to summarize and evaluate the audit information internally into the major strengths and strengths weaknesses within the business functional areas, as well as the basis for identifying and evaluating Relations between these areas.

The External Factor Evaluation (EFE) is a strategy formulation tool that serves to summarize and evaluate information of external audit results into opportunities and threats categories.

Five Forces Analysis

Aspects Environmental industry will be more directed to the aspect of competition in which the company resides. Consequently, the factors that affect the competitive conditions, such as the threats and strengths of the company, including the conditions of competition itself, become necessary to be analyzed. Porter (2012) proposes the concept of Competitive Strategy that analyzes business competition based on five major aspects known as the Five Competitive Forces.

Threats of new entrant, The threat of a company is the coming of fellow companies that produce similar products, as well as obstacles in geography (Al Race: 2013) ". There are several factors that can influence the difficulties of entering an industry, including economies of scale, product differentiation, brand identity, transfer costs, capital requirements, access to distribution, absolute cost advantage, government policy and competitors' reactions (Kodrat 2009: 121)

Bargaining power of suppliers, According to Dess., Et al (2010: 9), the strong bargaining power of suppliers when, it is dominated by only a few large and more concentrated companies from other industries that sell, There is no satisfactory substitution product for the company, Companies are not significant buyers for suppliers, Product suppliers are critical to the success of the buyer's market and The effectiveness of supplier products has created a high switching cost for the company's industry.

Bargaining power of customers, A company can not survive without a buyer. According to Dess., Et al (2010: 58), buyer's bargaining power becomes high if: Buyers make purchases in relatively large quantities, Products purchased are standard products, can not be differentiated and can be obtained from other manufacturers, If the manufacturer has a high switching fee when one of the buyers abandons them, The product is less important in the buyer's production process and The buyer has complete information about the suppliers.

Threats of substitutes, According to Dess., Et al (2010: 60), there are three factors that can measure how strong the threat of substitution products for a company. The relative price or performance of the replacement product, Switching cost buyers to obtain replacement products and The tendency of buyers to try replacement products.

Industry rivalry, Competition among companies is something that can be defined as the efforts of industry players or competitors to be able to maintain and increase their market share, income, profitability, and image (Al Race 2013). High competition can limit the company's profitability. According Dees., Et al (2010: 61) Intensity of competition between companies will be higher if: The number of different and balanced competitors, Sluggish industry growth, Fixed costs and high equipment, Lack of product differentiation and low switching costs and High exit barriers.

RESEARCH METHODS

This study uses the qualitative category because it includes a process that tries to gain a better understanding of the complexity that exists in human interaction. This research is descriptive, such as interview transcript and field note.

Research subjects are informants who become sources of information in answering research problems (Bungin, 2013). The subjects of the study were determined by using purposive procedure, ie to determine the group of participants who became informants in accordance with the selected criteria relevant to the researcher problem (Bungin, 2013). Criteria of informants selected by the researchers are restaurant owners, suppliers and restaurant customers.

Researchers using semi-structural way because it can dig information more broadly and deeply. Interview equipment used is a recorder and stationery. The steps of method in collecting data in this research is make a list of interview questions according to the theme of the researcher to the informants who have been determined about the strategies undertaken in developing restaurant or current state of restaurant development. Digging information from informants in accordance with the theme and focus of researchers in the development of the restaurant world that happens today.

Researchers using triangulation techniques with theory because triangulation with theory is done by describing patterns, relationships and include explanations arising from the analysis to find themes or comparative explanations

The technique used by analyzing the results of interviews then do the classification and sort out the important things to determine patterns and relationships to take the focus of the researcher's theme.

The results of the interviews were analyzed using SWOT which is a tool for developing strategies based on the internal and external environment situation.

RESULTS AND DISCUSSION

IFE analysis is used by researchers to find out the strong and weak internal factors that occur in the company that has a goal to decide what strategy will be done in making the right decision.

Table. 1 IFE Analysis Table

Internal Factor	Weight	Rating	Weight x Rating
Strength :			
1. The menu is not the same as other restaurants.	0.15	4	0.6
2. The characteristics of a product that is always maintained	0.1	3	0.3
3. Price menu in accordance with the quality of products sold	0.1	4	0.4
4. Easily know by customers	0.1	4	0.4
Weakness:			
1. Place is less spacious	0.15	2	0.3
2. Promo not always exist and depend on other party (Bank)	0.15	2	0.3
3. Lack of new menu innovation	0.15	2	0.3
4. Unstable taste standard	0.1	2	0.2
	1		2.8

EFE analysis used by researchers in knowing how the external factors that greatly affect the company in stepping forward and what decisions will be taken in the face of each resio that occurred from the company eksteral.

Table 2 EFE Analysis Table

External Factor	Weight	Rating	Weight x Rating
Opportunities:			
1.Creating a new menu.	0.15	3	0.45
2. High level of interest	0.1	2	0.2
3. Good relationship with customers	0.15	4	0.6
4. Opening larger and larger buildings	0.1	4	0.4
Threats:			
1. The equation of the sold menu	0.1	3	0.3
2. Location of a more strategic competitors	0.1	2	0.2
3. The number of competitors in the restaurant world	0.15	4	0.6
4. Competitors are more innovative in making promotions	0.15	4	0.6

	1		3.35
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The result of weighting and rating as well as reduction of Total Strength items with Total Weakness converted into Cartesian coordinate form is obtained by X axis. In the Cartesian diagram form, the X-axis of the Strength-Weakness item is 0.6.

For Opportunity - Threat conditions, treated the same thing as Weakness - Strength. Next item related Opportunity - Threat, then can be seen the calculation results, reduction of Total Opportunity items with Total Threat items yield value of -0.05. Value is then converted Y Cartesius diagram.

Coordinate X, Y (x, y) is the coupling axis of the Strength-Weakness item coordinates and the Opportunity-Threat item coordinates. In the Cartecius diagram, the matrix axis is (x, y) = (0.6, -0.05).

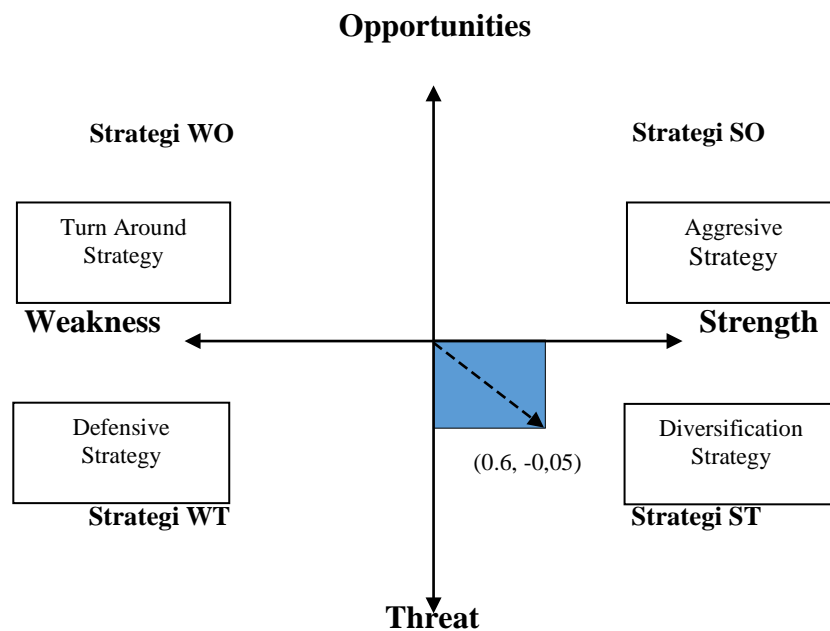


Figure 1 TOWS Matrix

Based on Figure 1, it can be seen that Kapin restaurant is in the Diversification Strategy (ST) quadrant where the company has many strengths internally but many external threats sometimes hamper the business process so that a mature strategic plan is required by the business actors in order to capture the long-term opportunities .

Based on the results of cartesian SWOT matrix diagram, a strategy that can be done by the restauran kapin namely:

1. In maximizing the strength of the chinese restaurant will be better if planning the opening of new outlets.
2. Maintain the standard stability of the tastes of the menu products sold so that there is no difference with one branch to another, especially the main menu and favorite menu that many customers demand as well as other menus
3. Increase the promotion in accordance with the ability of restaurant kapin by monitoring programs conducted by other competitors.
4. Creating a new menu that is more innovative so as not to lag too far with the competitors.

The strategy to be implemented near the chinese restaurant in the near future after doing research are:

1. Maintain a common standard taste of the menu sold from the three branches.
2. Make promotions more attractive than other competitors
3. Creating a new menu in accordance with the current market share situation.

CONCLUSIONS

From the results of internal factor analysis and external factors, restaurant kapin is in quadrant situation Diversification Strategy (ST). The circumstances in which the company has a lot of internal strength but many external threats that can hamper the process of business progress. Pricing strategy, product, promotion is done according to the standard owned by the company but its application has not been adjusted to the current situation.

In determining the product, price, promotion to increase the revenue of Kapin restaurant in accordance with the right and proper strategy such as:

1. Strategy procedure that should be done by Kapin Restaurant in increasing revenue that is by paying attention to every factors that influence both from internal factor and external factor.
2. Leverage existing opportunities by engaging in more attractive promotional activities from competitors for the purpose of attracting customers and increasing sales.
3. Creating a new menu that innovates in order to make customers have a sense of high curiosity.
4. Kapin restaurant must always up to date in reading situation and opportunity that exist in restaurant news

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