



## Propose New Marketing Strategy for the New Branch of Café Kopi Madi

Fauzan Haeqal Arifin<sup>1</sup>, Isti Raafaldini Mirzanti<sup>2</sup>, Satya Aditya Wibowo<sup>3</sup>

<sup>1</sup> MBA Student, School of Business Management, Institute Technology Bandung, Indonesia

<sup>2,3</sup> Professor, School of Business Management, Institute Technology Bandung, Indonesia

**ABSTRACT:** In 2019, Covid-19 that hit Indonesia greatly affected all segments. The decline in sales and revenue received by the company has made some businesses unable to withstand this pandemic. However, in 2022, Indonesia has begun to be free from the Covid-19 pandemic, little by little. Kopi Madi is a coffee shop that was built in 2020, when the Covid-19 pandemic was still hitting Indonesia. But Kopi Madi has survived until now because of the products offered and requests from customers that continue to increase every year. And in 2023, Madi Coffee has expanded its wings and opened its first branch in the Tebet area, South Jakarta. Seeing the increase in income derived from Kopi Madi, the owners opened branches to expand their market. However, from the sales results for the first and second months, Kopi Madi (Tebet) is very far from being successful. Therefore, this research was also conducted to find out what strategies are suitable for Kopi Madi (Tebet) in increasing its sales.

This study aims to investigate effective marketing strategies to increase sales at Kopi Madi (Tebet). In a competitive industry like coffee shops, it is important for business owners to develop and implement the right marketing strategy to attract customers and increase revenue. The analysis used is a qualitative and quantitative analysis of the internal and external data of Kopi Madi (Tebet). And the results obtained from processing the data will be formulated using the SWOT Analysis and TOWS Matrix to find a suitable strategy. And after getting the strategy to be implemented, a plan is needed to implement the strategy at Kopi Madi (Tebet).

**KEYWORDS:** Beverage, Coffee shop, Coffee, Foods, Marketing strategy, SWOT, TOWS.

### INTRODUCTION

The coffee business had been highly increasing in Indonesia since the Covid-19 pandemic emerged. The increase in the coffee business can be seen from the number of consumers who continue to increase from year-to-year Figure 1 (ICO, 2021). In 2018-2019 the number of consumptions of coffee reach 4,8 million bag of 60 kilograms increase to 5 million in 2020. The coffee shop/café business in Indonesia is a very large market, with different sales concepts and target markets. One of the big brands from abroad and still controlling the coffee shop business in the world is Starbucks. In 2021, Starbucks has 500 branches different locations all around major cities in Indonesia with their target market belonging to the upper-middle class.

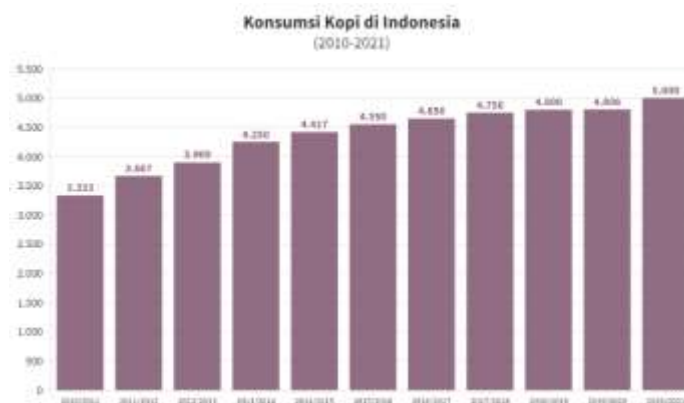


Figure 1. Indonesian Coffee Consumption

However, local brands from Indonesia are no less competitive with Starbucks in winning the hearts of consumers in Indonesia, one of the biggest local brands in Indonesia, namely Janji Jiwa with 900 outlets, Kopi Kulo with 1000 outlets, Kopi Kenangan with 86 outlets, and others. In addition to providing drinks and food offered to its customers, cafes or restaurants must also consider the



convenience of the place and the location of their places of sale. Not only providing a calm atmosphere for coffee connoisseurs, but there are also cafes that provide live music for customers who want to enjoy drinks or food while listening to music. In addition, the price of food and drinks must be considered depending on the target market of the café itself.

Kopi Madi is a coffee shop that was founded in 2020, with a mature concept during the pandemic issue which will end at the end of the year. Initially, the opening of Kopi Madi, which was located on Rawabuntu Street, only used the front yard of the café and inside the café. The first sale made by Kopi Madi was by targeting its signature drink which was encouraged so that consumers could like it more and become loyal customers. The initial success of Kopi Madi sales was very good at the end of September to October. However, the government issued a protocol for an increasing pandemic and made Indonesia experience PPKM for the second time. The decline experienced was also very large, and it really made Kopi Madi, which had only been running for two months, had sales problems to carry out renovations and pay rent. In early 2021, the government also made new regulations and began to reduce the tightening of the Covid-19 protocol. The first year that Kopi Madi underwent during 2021 was very good, finances continued to increase, and customers added every month. In 2022, Madi Coffee received an increase in profit from the previous year from a total gross profit of IDR 722,438,420 in 2021 increasing to IDR 737,259,200 at the end of 2022 seen in Figure 2. With an increase in Kopi Madi sales from year to year, the owner opened a branch to expand the market for Madi Coffee itself. Within one year from the beginning of 2022, the owners also agreed to create a Madi Coffee branch in the Jl. Tebet Raya No. 52A. By renting a shop and using old equipment and machines from Kopi Madi (BSD), at the beginning of 2023 a branch of Kopi Madi (Tebet) was established.



Figure 2. Gross Profit of Kopi Madi (BSD)

Unlike Kopi Madi (BSD), initial month sales for Kopi Madi (Tebet) were very low. The results obtained were not satisfactory enough for initial sales. Judging from the results of the gross profit, the initial sales of Madi Coffee (BSD) were Rp. 38,912,200, - and very far from Madi Coffee (Tebet), which was Rp. 2,243,000, - which was considered very small. This could be caused by the products offered by Madi Coffee (Tebet) which are only beverage products and also the absence of a marketing team that helps advertise or create strategies that are suitable for Madi Coffee (Tebet).



Figure 3. Comparison Gross Profit (first month of sales) of Kopi Madi



By looking at the sales data from Kopi Madi obtained from 2020-2022, it is known that the Kopi Madi (BSD) café has quite stable sales and has increased since its initial sales. However, it is different from the sales of the Kopi Madi (Tebet) café, which were very small compared to the initial sales. The target from Madi Coffee (Tebet) does not reach the desired target which is between Rp. 10,000,000 or higher. Therefore, it is necessary to design a new strategy to increase sales from Kopi Madi (Tebet) and analyze the market potential for Madi Coffee (Tebet) customers.

## LITERATURE REVIEW

Visitor behaviour of cafés, restaurants, shopping centers, and other modern markets has been widely researched (Rahman, Wong, & Yu, 2016; Suhud & Wibowo, 2016). Accordingly, there is a paucity of studies relating to consumer behaviour within a traditional market, particularly of a café and coffee shop colony at a traditional market. Furthermore, prior studies included product quality, service quality, and price to predict customer satisfaction. These three predictor variables are considered as 'input' or cognitive that could influence 'process' or affective (Schiffman & Wisenblit, 2015). Product quality dimensions of a certain type of product would be different from another (Zeithaml, 1988). For example, dimensions of wine quality are influenced by intrinsic (age, harvest, alcohol content, varieties, tastes, aroma, and colour) and extrinsic (reputation, region, appellation d'origin, advertising and propaganda, distribution channels, bottling and labelling, brand, and price) factors (Jover, Montes, & Fuentes, 2004). Food quality dimensions according to Shaharudin, Mansor, and Elias (2011), included freshness, presentation, taste, and innovative food.

To achieve a goal and implement a marketing strategy, steps are needed to support the marketing strategy's success and support each other. Here are seven stages of a marketing strategy: Deciding on the comparison of multiple values, splitting several market offerings to create reciprocity from buyers, Positioning puts that market offering in the mind of the target market, creating value for the target market, choose buyers to serve, Segments divide the entire market into smaller segments, Goal setting selects one or more components to include. Effective target marketing requires marketers to identify and profile groups of buyers who have different needs and wants (market segmentation) and select one or more market segments (market targeting), and for each target segment, communicate and deliver the right benefits to the company's market offering (market position) (Juliana & Carroline, 2020)

## DATA METHODS

### Data Collection

In identifying the problems that occur in Kopi Madi, this study collects data that is divided into two, primary and secondary data. Primary data was obtained using questionnaire and interviews, and for secondary data using the interviews, articles, journals, or related research.

- **Primary Data**

To obtain primary data, this research uses quantitative and qualitative methods that use questionnaire and interviews. In collecting the data, the questionnaire distributed by using Google form to Kopi Madi Customer, by spreading the link in social media, and direct message to many of the respondents. Interviews can be conducted face-to-face, telephone, video conference, or via digital platforms such as email or chat. During the interview, the researcher uses the interview guide to guide questions or topics to be discussed but can also ask open-ended questions to get more free and natural answers from participants. After the interview is complete, the data that has been collected can be analysed and used to gain a deeper understanding of the topic under study.

- **Secondary Data**

Studies from journals, articles or related research are used to find secondary data in this study. This research also gets the information from internet and other source. Secondary data used to support findings and analysis.

### Data Analysis Method

In this research, the use of quantitative analysis methods in coffee cafe marketing provides advantages in producing measurable and objective data, which can be used to inform better business decisions. However, it is also important to remember that quantitative analytical methods cannot provide an in-depth understanding of customer motivation and perceptions. Therefore, a combination with qualitative analysis methods, such as in-depth interviews or participant observation, can provide a more holistic and comprehensive insight into consumer behaviour and preferences in the coffee cafe business.



• **Quantitative Analysis**

In quantitative analysis, data is collected in the form of numbers and then analysed using statistical tools such as hypothesis testing, regression analysis, analysis of variance, or other methods. The goal is to measure and explain the relationships between observed variables, test hypotheses, make predictions, or identify patterns in data.

By using a questionnaire in the form of a Google Form and using questions in the form of multiple choice and Likert scale with questions in the form of customer behaviour, marketing mix (7p), and knowledge related to café Kopi Madi (Tebet). To determine the sample, the Slovin formula is used to get the target respondent. Using transaction data for a month from Kopi Madi (BSD) that is 841 people.

• **Qualitative Analysis (Interview)**

Qualitative data used in this study is the result of interviews conducted by researchers with one of co-owners of café Kopi Madi, Kopi Madi Head Barista, Owner of Pard Coffee, and Coffee Snob (a person who likes to try various kinds of coffee from various cafes).

**INTERNAL ANALYSIS**

**STP Analysis**

STP is a basic concept in modern marketing. Segmentation is the process of dividing the market into groups of consumers who have similar characteristics, needs and preferences. Targeting is the selection of one or several consumer groups as the target market. While Positioning is the process of positioning the product or service offered to make it look more attractive and superior compared to competing products or services (Phillip Kotler, 2008). In determining the STP of Café Kopi Madi (Tebet), an interview was conducted with the owner and also the head barista. And found that the segmentation is as follows:

<p><b>Geographic</b></p> <p>Madi Coffee (Tebet) focus in Jakarta area especially in South Jakarta. Madi Coffee (Tebet) also provides online e-commerce orders for customers outside Jakarta.</p>	<p><b>Demographic</b></p> <ul style="list-style-type: none"> <li>• <b>Gender:</b> Male and female</li> <li>• <b>Age:</b> 20-50 years old</li> <li>• <b>Occupation:</b> Student, office employee, freelancer, and entrepreneur.</li> <li>• <b>Income:</b> Medium-to-high</li> </ul>
<p><b>Psychographic</b></p> <p>Ordinary people who are looking for a place to hang out or work with a relaxing atmosphere. With a choice of smoking or non-smoking rooms. Coffee expert who are looking for coffee with a unique taste and good quality coffee.</p>	<p><b>Behavioural</b></p> <p>Kopi Madi (Tebet) provides a place that has a comfortable, clean feel, and provides quality and varied coffee drinks. With friendly staff that makes it easier for customers to determine product choices. Kopi Madi (Tebet) opens at 9 am to make it easier for employees to buy coffee for the office.</p>

**Figure 4.** Segmenting of Kopi Madi (Tebet)

The target market of Kopi Madi (Tebet) that has been obtained from interviews with owners and staff is as follows:

- Geographic: South Jakarta
- Gender: Male and Female
- Age: 20 – 40 years old
- Occupation: Student, office employee, freelancer, and entrepreneur



- Income: Medium-to-high

And for the positioning Kopi Madi (Tebet) focuses on cafes that focus on selling coffee and non-coffee drinks by selling a calm ambiance for customer gathering places.

**Marketing Mix (7P)**

The marketing mix (7Ps) is a conceptual framework used in marketing to help companies identify the key elements to consider in their marketing strategy. The most frequently cited 7Ps conceptual framework was first introduced by E. Jerome McCarthy (1960s), and later developed by Philip Kotler (1980s).

According to Kotler, the 7P's in the marketing mix include Product, Price, Place, Promotion, People, Process, and Physical Evidence. Kotler stated that all these elements must be considered holistically and interrelated in a company's marketing strategy. As technology develops and market dynamics, some marketing experts also add additional elements such as "Partnership" and "Packaging" to the framework of the marketing mix concept.

**Table 1.** Marketing Mix of Kopi Madi (Tebet)

<b>Marketing Mix (7P) of Kopi Madi (Tebet)</b>	
<b>Product</b>	<p><b>Signature:</b></p> <ul style="list-style-type: none"> <li>• Kopi Susu Kantara</li> <li>• Kopi Susu Kendara</li> <li>• Strawberry Kantara</li> <li>• Setengah Lima</li> <li>• Aloha</li> <li>• Amer (Air Merah)</li> <li>• Jeriko</li> </ul> <p><b>Espresso and others:</b></p> <ul style="list-style-type: none"> <li>• Espresso</li> <li>• Americano</li> <li>• Cappuccino</li> <li>• Latte</li> <li>• Selecta</li> </ul> <p><b>Black Kopi:</b></p> <ul style="list-style-type: none"> <li>• Tubruk</li> <li>• Arabica</li> <li>• Robusta</li> </ul> <p><b>Filter:</b></p> <ul style="list-style-type: none"> <li>• Regular Arabica</li> <li>• Seasonal Arabica</li> <li>• Japanese Iced Coffee</li> <li>• Flavoured Black Coffee</li> </ul> <p><b>Non-Coffee:</b></p> <ul style="list-style-type: none"> <li>• Chocolate</li> <li>• Thai Tea</li> <li>• Matcha</li> <li>• Tea (Lemon, lychee, strawberry)</li> <li>• Sweet Tea</li> <li>• Non-sweet Tea</li> <li>• Mineral Water</li> </ul>



<b>Price</b>	Range from IDR 12.000 until IDR 40.000
<b>Promotion</b>	Social media is the one and only promotion Kopi Madi (Tebet) used: Instagram and Google Review.
<b>Place</b>	<b>Offline Store:</b> Kopi Madi (Tebet) café at Tebet, South Jakarta. <b>Online Store:</b> GoFood-App, GrabFood-App, Shoope, and Tokopedia.
<b>People</b>	Head Barista: 2 (Two) people. Barista: 2 (Two) people. Store managers who have coffee certificates, baristas who have good knowledge of drinks, especially coffee, baristas who continue to take part in coffee tournaments to hone skills.
<b>Process</b>	The process of Kopi Madi (Tebet) is easy, because the product offered is only drinks, so the barista only needs to serve the customer when purchasing, then make the ordered drink, deliver the order to the customer's table, and finally receive payment.
<b>Physical Evidence</b>	By using the dominant colour brown/wood on the floor, cream-colored walls with the addition of sea blue, and using dim yellow lights to make the environment calmer and more comfortable to enjoy products from Kopi Madi (Tebet).

**Porter Value Chain**

Porter Value Chain is a concept developed by Michael Porter in 1985. This concept is used to analyse activities within a company that can create added value for customers and provide competitive advantage. In the Porter Value Chain concept, there are two types of activities in the company's value chain: primary activities and support activities. In primary activities there are 5 activities (Inbound Logistics, Operations, Outbound Logistics, Marketing and Sales, Service) and in secondary activities there are 4 activities (Firm infrastructure, Human Resource Management, Technology Development, and Procurement).

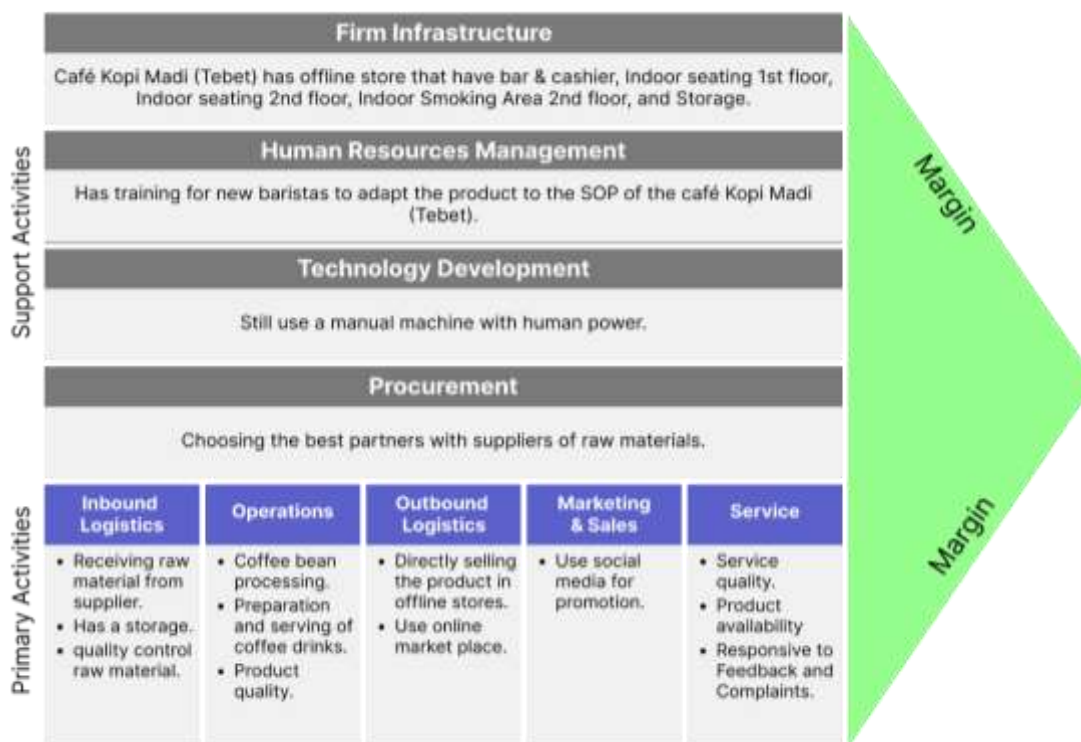


Figure 4. Porter Value Chain of Kopi Madi (Tebet)



## Primary Activities:

- **Inbound Logistics**

Café Kopi Madi (Tebet) is a café that operates in the field of coffee and non-coffee drinks. Having its own supplier for the supply of coffee beans. In addition, for non-coffee drinks as well as tools such as cups, straws, and others, all orders are made through suppliers and stored in the storage room. And raw material items such as milk, syrup, and others are always checked every day.

- **Operations**

Café Kopi Madi (Tebet) carries out the manufacturing process and services at the store, starting from 9 AM to 9 PM every day. The process is carried out starting from making stock from raw materials to ready-to-use products, providing direct service to customers, and always checking product quality.

- **Outbound Logistics**

Café Kopi Madi (Tebet) carries out the process of selling its products through direct offline stores and through online marketplace platforms.

- **Marketing and Sales**

In carrying out promotions, Kopi Madi (Tebet) cafe use a social media platform Instagram.

- **Service**

Café Kopi Madi (Tebet) always ensures service quality from the baristas, starting from knowledge about coffee or the method of serving it. In addition, baristas must also always serve customers well, be friendly, and be able to handle customer feedback or complaints. And lastly, product availability is always ensured.

## Support Activities:

- **Firm Infrastructure**

Café Kopi Madi (Tebet) has an offline store located on the side of the road. Has a bar and cashier directly on the first floor to make it easier for new customers to order drinks, has indoor seating on the 1st floor, has indoor seating also on the 2nd floor, and for customers who want to smoke, an indoor smoking area is provided on the 2nd floor.

- **Human Resource Management**

Every new barista from the café Kopi Madi (Tebet) from those who have no experience or have experience, they will be trained first so that the service or making drinks is in accordance with the SOP of the café Kopi Madi (Tebet).

- **Technology**

The tools and machines used by the café Kopi Madi (Tebet) still require human power to carry out the process.

- **Procurement**

Even though the café Kopi Madi (Tebet) has its own supplier of coffee beans, raw materials such as syrup, milk and others still need other suppliers. In purchasing other raw materials, café Kopi Madi (Tebet) looks for suppliers that provide the best raw materials at affordable prices.

## VRIO Analysis

The VRIO concept was first widely introduced by Jay Barney in his publication entitled "Firm Resources and Sustained Competitive Advantage" in 1991. Evaluate the value of each identified resource and capability. Resources must have value and make a positive contribution to the creation of value for the company (Valuable). Evaluate the scarcity of these resources and capabilities. If the resource is common and easy to obtain, then the resulting competitive advantage will be limited (Rarity). Evaluate the extent to which resources and capabilities can be imitated or replicated by competitors (Imitable). Evaluate whether the company has an organization and structure that supports the maximum utilization of its resources and capabilities (Organization).

**Table 2** VRIO Analysis of Kopi Madi (Tebet)

Resources	V	R	I	O	Competitive Advantages
Raw Material	√	√	√	√	Sustained Competitive Advantage



Product Quality	√	√	√	√	Sustained Competitive Advantage
Processing Machine	√	-	-	√	Temporary Competitive Advantage
Human Resource	√	-	-	√	Temporary Competitive Advantage
Signature Coffee	√	√	√	√	Sustained Competitive Advantage
Strategic Location	√	√	√	-	Unused Competitive Advantage

## EXTERNAL ANALYSIS

### PESTLE Analysis

PESTEL stands for "Political, Economic, Social, Technological, Environmental, and Legal" which covers all relevant aspects of the business environment. PESTEL analysis provides a complete picture of the macro factors affecting an industry or company and helps in understanding potential threats and opportunities. The six factors that affect companies and industries are Political, Economic, Social, Technological, Environmental, and Legal.

- **Political**

By looking at the significant growth of 250% from 2014 to 2021, it proves that the coffee business in Indonesia is a business that continues to experience continuous improvement. Therefore, the coffee business in Indonesia, including coffee shops, has a strong potential to run.

- **Economic**

Consumer spending is an important factor in the coffee shop business. Changes in consumer preferences, income levels, and consumption trends can affect the demand for coffee products and consumer spending. And economic factors such as market supply and demand, as well as the level of competition in the coffee industry, can affect the success of the coffee shop business.

- **Social**

Changes in people's lifestyles can have a significant impact on the coffee shop business. Drinking coffee at a coffee shop has become a popular lifestyle among Indonesians. Many people visit coffee shops as a place to relax, hang out, or work. By providing a comfortable place and calm coffee ambiance, Kopi Madi (Tebet) cafe is suitable as a place to relax and gather with relatives.

- **Technology**

Advances in technology have enabled customers to order coffee online through mobile applications such as Gojek, Grab or Shopee. An efficient and practical online ordering system makes it easy for customers to order and pay for coffee products. In addition, mobile applications can facilitate loyalty programs, special promotions, or providing customer reviews. Kopi Madi itself already has an online ordering system that can make it easier for customers who cannot come directly to the offline store and order products online.

- **Legal**

Indonesia has regulated regulations for making a coffee business such as Article 7 Paragraph (1) Regulation of the Minister of Tourism of the Republic of Indonesia Number 10 of 2018 concerning Business Licensing Services, and because Coffee Shops are included in the Food and Beverage Provision Services, they are included in businesses that require a Tourism Business Registration Certificate (TDUP).

- **Environmental**

In a business, there must always be competitors engaged in the same field. Kopi Madi (Tebet), which was just made in early 2023, has very many competitors in the Tebet area. One of them is Kopi Nako (Tebet) and Saturasi Kopi.

### Five Force Porter's

Porter's Five Forces is a strategic analysis framework used to identify and evaluate five factors that affect the level of competition in an industry. This framework was developed by Michael Porter, a Harvard Business School professor, in 1979.





Table 3. Five Force Porter’s of Kopi Madi (Tebet)

Five Force Porter’s	Attractiveness Level		
	High	Medium	Low
Rivalry among existing competitors	√		
Threat of substitutes			√
Bargaining power of supplier		√	
Bargaining power of buyer	√		
Threat of new entry	√		

**Competitor Analysis**

Competitor analysis is a systematic process for gathering and analysing information about your competitors or business competitors. In competitor analysis, you will study the products or services offered by competitors, their marketing strategies, pricing strategies, competitors' strengths and weaknesses, market position, and their ability to develop products and innovations. Kopi Madi (Tebet), which was just made in early 2023, has very many competitors in the Tebet area. One of them is Kopi Nako (Tebet) and Saturasi Kopi.

Kopi Nako was founded in 2016 under the auspices of the Kanma group. Over the years, Kopi Nako has also developed its business in various regions, one of which is Tebet. The establishment of Kopi Nako (Tebet) is in 2020. With its brand name, Kopi Nako (Tebet) already has its own market. The concept of Kopi Nako (Tebet) is that they focus more on the outdoor dine-in system. With various products being sold, ranging from drinks and food, the price range offered is also varied. Drinks that are sold have a price range of IDR 25,000 to IDR 35,000, and food with a price range of IDR 25,000 to 50,000.

Saturasi Kopi was founded in 2018, they are famous for having a consistent coffee taste. The products offered are varied and different from Kopi Nako (Tebet), ranging from drinks, food meals and snacks. The prices offered for drinks start from IDR 20,000 to IDR 34,000, and for food from IDR 27,000 to IDR 38,000.

Table 4. Comparison 3 Coffee Shop in Tebet

	Kopi Madi (Tebet)	Kopi Nako (Tebet)	Saturasi Kopi
<b>Product</b>	<b>Beverages</b> -Signature Coffee - Signature Non-Coffee - Classic Coffee - Filtered Coffee - Non-Coffee Drink: <ul style="list-style-type: none"> <li>• Tea</li> <li>• Chocolate</li> </ul> <b>Foods:</b> - Meals Food: <b>No</b> - Snacks: <b>No</b>	<b>Beverages</b> -Signature Coffee - Signature Non-Coffee - Coldbrew Coffee - Classic Coffee - Filtered Coffee - Non-Coffee Drink: <ul style="list-style-type: none"> <li>• Tea</li> <li>• Milk</li> </ul> <b>Foods</b> - Meals Food: <b>Yes</b> - Snacks: <b>Yes</b>	<b>Beverages</b> - Signature Coffee - Signature Non-Coffee - Classic Coffee - Non-Coffee Drink : <ul style="list-style-type: none"> <li>• Tea</li> <li>• Chocolate</li> <li>• Smoothies</li> </ul> <b>Food</b> - Meals Food: <b>Yes</b> - Snacks: <b>Yes</b>
<b>Price</b>	<b>Drinks:</b> Range from IDR 12.000 until IDR 40.000	<b>Drinks:</b> Range from IDR 25.000 until IDR 35.000	<b>Drinks:</b> Range from IDR 20.000 until IDR 34.000



		<b>Foods:</b> Range from IDR 25.000 until IDR 50.000	<b>Foods:</b> Range from IDR 27.000 until IDR 38.000
<b>Promotion</b>	Social Media	Social Media	Social Media
<b>Place</b>	<b>Offline Store:</b> - Jl. Tebet Raya No.52A, Jakarta Selatan  <b>Online Store:</b> - Go-Food	<b>Offline Store:</b> - Jl. Tebet Barat Dalam X, Jakarta Selatan  <b>Online Store:</b> - Go-Food	<b>Offline Store:</b> - Jl. Tebet Raya No.92, Jakarta Selatan  <b>Online Stores:</b> - Go-Food - Shopee Food

Table 5. Comparison offline stores

	Kopi Madi (Tebet)	Kopi Nako (Tebet)	Saturasi Kopi
<b>Offline Store</b>			
Indoor Seating	✓	✓	✓
Outdoor Seating	-	✓	✓
AC	✓	✓	✓
Smoking Area (Indoor)	✓	-	✓
Smoking Area (Outdoor)	-	✓	✓
Speaker Music	✓	✓	✓
Sofa seating	✓	-	✓

**Customer Analysis**

Customer analysis (customer analysis) is the process of collecting, analysing and interpreting customer data to understand their preferences, behaviour and needs. This can help companies develop effective marketing strategies and better meet customer needs. The importance of customer analysis to achieve competitive advantage. With the need to understand customer segments, purchasing behaviour, needs, and customer satisfaction to develop appropriate marketing strategies (Philip Kotler and Kevin Lane Keller, 2016).

**1. Product**

Question	Index Score
Restaurants/cafés engaged in the coffee sector must provide coffee drinks with quality coffee beans.	3,66
Restaurant/cafe must sell snacks.	3,42
Restaurants/cafés engaged in the coffee sector must have their own signature drink.	3,41
Restaurant/cafe must provide various types of drinks as needed.	3,29
Restaurants/cafés engaged in the coffee business must provide coffee equipment (coffee beans, porta filters, drippers, etc.) for sale.	3,09
Restaurant/café must sell meals food.	2,90

The results of the customer's assessment regarding the product, namely, every restaurant/café engaged in the coffee sector must provide coffee drinks with quality beans, it can be seen in the table above with the highest score of 3.66. Then,



restaurants/cafes must sell snacks/snacks with a score of 3.42. In addition, the restaurant/cafe must have its own signature drink with a score of 3.41.

## 2. Price

Question	Index Score
I prefer coffee drinks with a price range of IDR 28,000 – IDR 32,000 even though the quality is very good.	3,44
I prefer coffee drinks with good quality even if the price is high.	3,27
I usually pay using E-Wallet (Ovo, Dana, Gopay, etc.)	3,27
I usually pay using cash.	2,90
I prefer cheap coffee drinks even though the quality is normal.	2,83
I prefer coffee drinks with a price range of IDR 23,000 – IDR 27,000 even though the quality is normal.	2,68
I prefer coffee drinks with a price range of IDR 18,000 – IDR 22,000 even though the quality is not good.	2,44

In terms of price, customers prefer coffee drinks with a price range of IDR 28,000 – IDR 32,000 with good quality with a score of 3.44. It also makes consumers prefer good quality coffee drinks even though the prices are expensive with a score of 3.27. And the payment method that customers prefer is to use E-Wallet (Ovo, Dana, Gopay, etc.) with a score of 3.27.

## 3. Place

Question	Index Score
I like restaurants/cafes that are close to home.	3,54
I prefer dine-in when buying coffee drinks at restaurants/cafes.	3,46
I like restaurants/cafes that don't play music to make it quieter.	3,22
I prefer to order via online when buying coffee drinks at restaurants/cafes.	2,95
I like restaurants/cafés that have a bright ambiance with bright lighting.	2,82
I like a restaurant/café that has a calm ambiance with dim lighting.	2,82
I like restaurants/cafes that play songs to make it more crowded.	2,76
I prefer take-away when buying coffee drinks at restaurants/cafes.	2,34
I like restaurants/cafés that are far from home.	2,00

Customers prefer cafe restaurants that are close to their homes with a score of 3.54. And customers prefer to dine-in directly at a restaurant/café when drinking coffee with a score of 3.46. When dine-in, most customers also prefer restaurants/cafes that don't play music so it's not noisy with a score of 3.22. And for the ambiance of the cafe itself, some customers like dim lighting and some like bright lighting with the same score of 2.82.



**4. Promotion**

Question	Index Score
I know a restaurant/cafe from friends.	3,48
I like a beverage product that is not bundled to choose what I want.	3,16
I know a restaurant/cafe from Instagram.	3,10
I like a beverage product that is bundled to make it cheaper.	3,08
I know a restaurant/cafe from TikTok.	2,69
I know a restaurant/cafe from Google.	2,66
I know a restaurant/cafe from brochure.	2,08
I know a restaurant/cafe from Facebook.	2,06

In knowing a restaurant/café, most customers hear and know about customers more often through their friends with a score of 3.48. In addition, customers also frequently find restaurants/café via Instagram with a score of 3.10. And in determining the product offered, most customers prefer to buy the product they really want compared to cheap product bundling with a score of 3.16.

**5. People**

Question	Index Score
I like friendly baristas.	3,61
I like baristas who can handle complaints well.	3,61
I like baristas who know more about coffee.	3,38
I like certified baristas.	3,17

Most customers like friendly baristas and can handle complaints well with the same score of 3.61. Customers also like baristas who know more about coffee, with a score of 3.38.

**6. Process**

Question	Index Score
I like restaurants/cafes with fast and easy payment processes.	3,50
I like restaurants/cafés with a fast service process.	3,46
I like restaurants/cafés with a direct payment process after selecting a menu.	3,37
I like restaurants/cafés with the payment process later when I'm done enjoying the menu.	3,19

In making the ordering process, customers like restaurants/cafés where payments are fast and easy with a score of 3.50. Then customers also like restaurants with fast service with score 3.46. Then in making payments, customers prefer direct payments when they have finished selecting orders at a restaurant/café with a score of 3.37.

**7. Physical Evidence**

Question	Index Score
I like a restaurant/café with a clean environment.	3,57
I like a restaurant/café with a layout between tables that are a bit wider.	3,55
I like a restaurant/café that has a large parking area.	3,50
I like restaurants/cafés that have a smoking area.	3,43
I like restaurants/cafes that have meeting rooms.	3,17



Regarding the physical evidence factor, a restaurant/café must have a clean environment with a score of 3.57. Customers like restaurants/café where the layout between the tables is wider, with a score of 3.55. And the restaurant must also have a large parking area with a score of 3.50.

**FORMULATION**

**SWOT Analysis**

SWOT is a strategic planning method used to evaluate strengths, weaknesses, opportunities, and threats in a project or a business venture. These four factors form the acronym SWOT (strengths, weaknesses, opportunities, and threats). SWOT would be better discussed by using a table made in large paper, so that the relationship of each aspect can be properly analysed. According to Freddy (2013), SWOT analysis is an analysis based on logic that can maximize Strengths and Opportunities but can simultaneously minimize Weaknesses and Threats.

From the results of the internal and external analysis that have been obtained, the next step in this research is to conduct a SWOT analysis. SWOT Analysis consists of Strengths and Weaknesses taken from internal factors, Opportunities and Threats taken from external factors that have been obtained. The SWOT analysis obtained is as follows:

**Table 6.** SWOT Analysis of Café Kopi Madi (Tebet)

<b>STRENGTHS</b>	<b>WEAKNESSES</b>
Has a strategic location. Has a good quality coffee bean. Has a many choices of drink menu. Has a signature drink with a unique taste. Have a barista who has skills and knowledge in coffee. Has indoor smoking area. It has a clean and comfortable ambiance. Has its own coffee bean supplier.	There are no meals. There are no snack foods. Limited car parking. There are no neon-boxes or signboards in offline stores. There is no promotion/advertisement. Coffee machines still use human power.
<b>OPPORTUNITIES</b>	<b>THREATS</b>
Coffee consumption increases every year. The dense population level in the Tebet area makes it an opportunity to find new customers. Food menu can increase sales. Elimination of system restrictions towards community activities (PPKM). Social Media such as Instagram/TikTok can increase brand awareness.	There are many big restaurant/cafe competitors in the Tebet area. There are newcomers.

**TOWS Matrix**

TOWS Matrix as a strategic analysis tool that integrates the concept of SWOT (Strengths, Weaknesses, Opportunities, Threats) with a matrix to assist organizations in developing the right strategy. Internal factors such as the strengths and weaknesses of the organization/company must be analysed carefully and linked to external factors such as opportunities and threats in the business environment. Through this integration, organizations/companies can understand their position holistically and identify the most appropriate strategy to achieve organizational/company goals. There are 4 strategies in the TOWS Matrix, there are SO (Strengths-Opportunities), ST (Strengths-Threats), WO (Weaknesses-Opportunities), and WT (Weaknesses-Threats) (Fred R. David, 2021).



Table 7. TOWS Matrix of Kopi Madi (Tebet)

	STRENGTHS	WEAKNESSES
OPPORTUNITIES	S-O	W-O
	Make updates and innovations for the menu (S3, O3) Always maintain the offline store to keep it clean and comfortable. (S6, S7, O4) Selling coffee beans themselves (B2B). (S7, O1)	Adding food menus starting from meals and snacks (W1,W2, O3) Promotion and advertising on social media to increase brand awareness (W5, O5) Installing neon boxes/signs to increase customer awareness passing through the store. (W4, O2)
THREATS	S-T	W-T
	Increase customer awareness by using unique and different product signatures to compete with nearby competitor brands. (S2, S4, T1) Collaborating by adding a B2B coffee supplier strategy with newcomers. (S2, S8, T2)	Upgrading coffee machines so they can compete with big competitors (W6, T1)

Based on TOWS Matrix result, there are 9 strategies obtained. First, S-O (Strengths-Opportunities) with 3 strategies, W-O (Weakness-Opportunities) with 3 strategies, S-T (Strengths-Threats) with 2 strategies, and W-T (Weaknesses-Threats) with 1 strategy.

**IMPLEMENTATION PLAN**

From the TOWS Matrix formulation analysis and after conducting discussions with the owner and the head barista of the café Kopi Madi (Tebet), there are several strategies that can be implemented at the café Kopi Madi (Tebet):

1. SO1 Make updates and innovations for the menu.
2. SO2 Always maintain the offline store to keep it clean and comfortable.
3. SO3 Selling coffee beans themselves (B2B).
4. WO1 Adding food menus starting from meals and snacks.
5. WO3 Installing neon boxes/signs to increase customer awareness passing through the store.
6. WT1 Upgrading coffee machines so they can compete with big competitors.

From the results obtained there are several factors needed to solve the business problem above. The implementation is:

Table 8. Implementation of Kopi Madi (Tebet)

Strategies	PIC	Description
Product Improvement.	Head-Barista, Owner Approval	Kopi Madi (Tebet) is carrying out product improvements such as taking off for several products whose sales are very little in demand, making a new drink menu by conducting research related to drink trends, and adding a food menu.
Training for Baristas.	Owner, Head-Barista	Conduct training for baristas so that baristas can do roastery for B2B strategy.
Upgrading the machines.	Owner	Seeing that the machine used by Kopi Madi (Tebet) still uses a manual machine, therefore upgrading the machine to an



		automatic machine will make it easier for baristas to make coffee and save processing time.
Branding coffee bean products for B2B	Owner, Head-barista	Looking at Kopi Madi (Tebet), which has its own coffee bean supplier, doing B2B business for selling coffee beans will add to the sales market from its café or roastery. By doing branding from coffee beans, you can take the opportunity to work with local cafes.
Doing research for the food menu	Head-barista, barista, Owner approval	The results obtained from the questionnaire show that there are still many customers who not only want to enjoy coffee at a café, but also want food/snacks. Therefore, by conducting research into various cafes and preparing menus for food, Kopi Madi (Tebet) can find out what taste's customers want.
Conduct a supplier search for food menus	Head-barista	By adding a food menu to Kopi Madi (Tebet), suppliers are also needed to get raw materials. By looking for suppliers who have the best quality and low prices.
Recruitment for kitchen employees	Owner	Because Kopi Madi (Tebet) only has 2 employees/barista staff, therefore, to add to the menu, Kopi Madi (Tebet) must recruit kitchen staff who have experience.
Make improvements to social media applications and hire marketing staff	Owner, Head-barista	Social Media is the only promotional medium used by Kopi Madi (Tebet). However, the social media used, namely Instagram, is rarely used by Kopi Madi (Tebet). Therefore, recruiting marketing staff to manage social media or carry out promotions can make it easier for Kopi Madi (Tebet) to increase its sales.
Making neon box for offline stores	Head-barista, barista, Owner approval	The offline stores owned by Kopi Madi (Tebet) are indeed located in a strategic place, but the absence of a neon box makes passing customers not aware of Kopi Madi (Tebet) in the area. Therefore, the neon box is very important for Kopi Madi (Tebet) to use.

**CONCLUSION**

Research conducted at the café Kopi Madi (Tebet) aims to be able to answer the problems experienced in this research. By using internal and external analysis from the café and formulating it to get results that can answer questions from this research. A targeted and planned marketing strategy is the key to increasing sales of Madi Coffee (Tebet) itself. Through a deep understanding of the target market, competitors, and industry trends, careful marketing strategy planning can help coffee shops achieve higher sales goals. The importance of strong branding in increasing sales. By establishing a consistent and attractive brand identity and communicating it clearly to potential customers, a coffee shop can differentiate itself from competitors and attract consumer interest. Utilization of social media and digital marketing is very important in achieving marketing success. By designing effective marketing campaigns on digital platforms that are relevant to the target market, Kopi Madi (Tebet) can expand its reach and reach a wider audience. Employee training and development is an important factor in the success of a marketing strategy. Skilled and knowledgeable employees can provide a superior customer experience, build strong customer relationships, and assist in positive word of mouth. By implementing an effective marketing strategy, building a strong brand, leveraging social media and digital marketing, developing employees, and conducting continuous data analysis, Kopi Madi (Tebet) has greater opportunities to increase sales.



## LIMITATION

This research will be conducted to determine business marketing and strategies to increase sales by using the strengths, weaknesses, opportunities, and threats of the café Kopi Madi.

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