

CHAPTER I

THE BACKGROUND

1.1 Background of the Business

Culinary business is a never-ending business to run because everyone needs food and always eats. It makes many culinary businesses grow rapidly. This fact makes this business never die. Haymans M. a professor of Asian Banking Finance and Informatic Institute (ABFI) Perbanas, says that culinary business still becomes the first choice to run. Besides, he explains that culinary spends less capital, uses few employees, and results fast capital turn-over even more than 100 percent (qtd. in Yeni par.1). Those facts can be considered to run a low capital culinary business. Reny Y. states that there are four types of low capital culinary business. First, businesses that sell stuff of life like restaurant *padang*, fried rice, and *pecel ayam*. Second, businesses that sell substitute food like chicken noodle, *bakso*, *soto*, or *sate*. Third, businesses that sell snacks like roasted bread, *martabak*, *surabi*, or *gorengan*. Fourth, businesses that sell beverages like fruit ice, coconut ice, or *cendol* (75).

Those reasons make me interested in running a culinary business. From the many varieties of culinary businesses, I choose to sell snacks because selling snacks spends less capital and snacks are easy to make.

My business deals with snack that is made of cassava as the raw material and the product will be like *comro*, traditional food from Bandung. The reason of using cassava is because cassava is one of the staples in Indonesia. Moreover, Indonesian people have been familiar with it. Additionally, cassava has plain taste and it can be easily modified with other elements of foods (Zuain par. 1).

Since the snack is made of cassava, I named this business “Raja Singkong”. As we see from the name itself; *Raja* means King and *Singkong* means Cassava, the vision of this business is to be the king that sells cassava in the market in Bandung.

Raja Singkong (henceforth, RS) will start its operation in Bandung, where many unique foods are sold. As it is said that Bandung becomes more popular by its food and beverages which are creatively made, and they can attract many people to come to Bandung to taste the culinary (Hoesni 4). Besides, Bandung also becomes heaven to satisfy people’s taste bud. Since selling cassava as snacks will not need a wide space, I plan to open it in a store that is designed like a food stall.

This business has a good prospect in the future. RS will also bring profits and be feasible to run. RS also will be one of the culinary icons in Bandung.

1.2 SWOT Analysis

SWOT Analysis is needed to have a line on the strengths, weaknesses, opportunities, and threats of a business. It can help me to run and develop my business successfully. Johnson, Scholes, and Whittington emphasize that “SWOT summarizes the key issues from the business environment and the strategic capability of an organization that are most likely to impact on strategy development” (119). The following paragraphs will explain the SWOT Analysis of my business, Raja Singkong.

1.2.1 Strengths

There are several strengths of the business. As Pearce and Robinson state that “strengths are special qualities that a company has and also suitable with the needs of the markets” (167). The first, it is located in Bandung, which is known as the heaven of culinary, a city that is always visited by domestic and foreign tourists during the weekends. The second, this stuffed cassava is healthy food. All the materials used are healthy; both the main and the supporting materials such oil, seasoning, and flour are healthy. And the last is the product’s variety. Cassava has never been made like this kind of product before. RS tries to combine cassava with other food material to be the fillings such as beef, sausage, chicken, and meatball.

1.2.2 Weaknesses

Weaknesses are the internal conditions that keep a business from developing. It is said that “Weaknesses are the qualities that prevent us from accomplishing our mission and achieving our full potential” (“SWOT Analysis” par. 4). The weakness of my business is that my product is easily imitated because of the easiness of getting the raw material and the fillings of the product.

1.2.3 Opportunities

I notice that there are some opportunities that could be developed. According to Pearce and Robinson, opportunities mean “a major favorable situation in a firm’s environment” (166). First, people are easily bored with the tastes of food that have never been changed. Therefore, they need new taste to satisfy their taste bud. RS offers some new tastes of cassava that can fulfill their needs. Second, Indonesian people have been familiar with cassava and they will not be worry to taste it. Especially in Bandung, cassava is familiar. Bandung has traditional food called *peuyeum* which is also made of cassava. However, *peuyeum* and products in RS has different taste and it will make people want to try the product.

1.2.4 Threat

Threat may become problems if we cannot handle it. Pearce and Robinson maintain that “a threat is a major unfavorable situation in a firm’s environment” (166). Based on the statement, my business’s threat is that there are many substitute competitors who also sell snacks with the same

raw material. They are the vendors who sell snack made from cassava like *comro*, cassava chips, and cheese cassava.