CHAPTER I

BACKGROUND

1.1. Background of Study

Nowadays the existence of eating places which provide healthy food, such as cafés, canteens, and restaurants, is still rare in Bandung. Nugraha says, "According to my research at several elementary schools in Bandung, 20 percent of students no longer eat vegetables" (par. 8). He also says, "This trend became worse in 2006 when a survey conducted at one elementary school in Jatinangor, Bandung, showed that 10 out of 100 kids were no longer eating rice as a staple. They choose instant noodles instead of rice" (par. 11, 12). The statement above shows that the students in Bandung follow an unhealthy lifestyle. Moreover, they often eat unhealthy food which is oily, high-fat, high-calorie, and high-carbohydrate, that make them obese and diabetic. In "Diabetes and Obesity in Indonesia", it is stated that "The problem is increase consumption of fried foods (gorengan) and non traditional fried foods which do not use tapioca or casasva as base root (like modern day potato crisp)" (par. 6). Not only sweet cookies, but also junk food is consumed, especially by uneducated people. The article above also says, "Another problem has been the

massive increase in domestic rubbish foods especially little more than flavoured sugar cubes candy bars like 'Beng-beng', 'Ting-ting' and other highly processed saturation point sugary rubbish appealing to the uneducated sweet tooth of the poor and emergent middle classes" (par. 16). Actually, what people eat affects their body. People should eat healthy food. This is because healthy food can make people healthy and make them able to resist diseases. In "Healthy Foods", it is stated that "Eating healthy foods is one of the greatest ways you can live healthy and combat developing a disease" (par. 1).

I choose food business for some reasons. First, food business will always be alive. However, to support the business, the owner has to be creative in exploring food so that the business will endure. In an article entitled "Mengenal Bisnis Makanan", Arif states that the culinary business never dies because people must eat (par. 1). This statement also supports my second reason, which is that people need to eat. That is a basic fact for sustained life.

Then, the reason I choose organic food for my products is because I am concerned about health and food. Being healthy is not only about the food which people eat but also the eating places where people choose to go to eat. Eating food without preservatives and MSG is a must. Then, the air in the place should be fresh and with no smoke so that customers can be comfortable while eating without feeling disturbed by smoke.

Based on the reasons above, I am going to run an organic café. Also, this is because organic cafe is still rare in Bandung. This is my chance to

sell organic food. Moreover, I can be a pioneer as an organic food seller in North Bandung area. The name of my business is *Mik's Chick* Café. *Mik's Chick* comes from my name (Mike, but sometimes people pronounce my name "Mik") and my menus (chick is a more catchy word for chicken, and an abbreviation for chicken). *Mik's Chick* sells food which contains rice and chicken. There are five menus of chicken. They are Black Pepper "Hot" Chick (very spicy), Fried "Sexy" Chick (quite big), Lemon Butter "Cute" Chick (small piece of chicken), Cream Soup "Skinless" Chick (no skin), and Katsu "Funny" Chick (no bones).

Moreover, the logo of *Mik's Chick* consists of 3 elements. They are the letter "M" made from two saxophones, a yellow chicken with a red chef's hat, and a blade of grass. First, the letter "M", made from two saxophones, stands for my nickname (Mik). Moreover, in my café I am going to play jazz music, in which saxophone is a popular instrument. Second, the yellow chicken with a red chef's hat in the logo means that the main ingredient of my food is chicken; the yellow and red colour can psychologically increase people's appetite. In "10 Facts about How Colors Affect Your Appetite...", it is stated that, "Yellow is also appetite stimulating, because it relates to happiness. Ever noticed that restaurants have yellow painted windows or yellow flowers at the table? This homely look is to make you feel more welcome, and hungrier" (par. 5). The article also says, "The most appetizing color is red. Red food (as well as the color red itself) is appetite stimulating, creating feelings of intimacy and energy" (par. 4). Third, a blade of grass represents the organic ingredients I use.

1.2. The Uniqueness

The uniqueness of *Mik's Chick* is that all the ingredients are organic, without any preservatives or MSG; therefore, the food is healthier. The rice, chicken, and vegetables are organic. Also, the uniqueness is the elegance concept for playing jazz music and the live cooking demonstration of the chefs.

1.3. SWOT Analysis

Before starting my business, I am going to analyse the SWOT of my business so that I know what strategic plan I should do. It can make it easier for me to run the business. According to Philip Kotler, SWOT analysis consists of strengths, weaknesses, opportunities, and threats (102).

1.3.1. Strengths

First of all, I would like to analyse the strengths. In <u>Strategic</u>

<u>Management</u>, Dess, Lumpkin, and Taylor say that strength is "the internal conditions of a firm where your firm excels" (41). Therefore, strength is the advantages from the product which can make one company compete well with others.

There are several strengths of *Mik's Chick*. First, the food is organic with no preservatives or MSG. Second, the air in the café is maintained to be fresh, with no smoke while the customers are eating. Third, the interior is designed to be interesting so that people are attracted to come there to

eat. I am going to use wallpapers with paintings of nature on the wall, such as mountains, river, and waterfall. I am also going to use glass tables with fish in them and build a small playground there for children. Therefore, people can also refresh their mind. Fourth, I am going to play jazz music so that the nuance will be more elegant. According to "Oxford Advanced Learner's Compass", elegant is "(of clothes, places and things) attractive and designed well" (par. 2). Fifth, I also provide delivery service for the area around Sukajadi Street and Surya Sumantri Street (Maranatha Christian University) with a minimum delivery order of IDR 70,000. Thus, this is a good business because there are many strengths. The strengths can cover some of the weaknesses following.

1.3.2. Weaknesses

The second element is the weakness of the business. In <u>Strategic</u>

<u>Management</u>, Dess, Lumpkin, and Taylor say that weakness is "the internal conditions of a firm . . . where it may be lacking relative to similar competitors" (41). Therefore, weakness is the disadvantages of the product which can weaken one company in its competition with others.

The weakness of *Mik's Chick* is the price, which is quite expensive, because of the organic food. It can make people prefer non-organic to organic food. Then, another weakness is the organic food distributor is too far from PVJ, where *Mik's Chick* is located. Also, the ingredients sometimes are not available because of bad weather. This can increase the costs.

1.3.3. Opportunities

The third element is opportunity. Kotler and Keller say, "A marketing opportunity is an area of buyer need and interest that a company has a high probability of profitably satisfying" (90). Therefore, opportunity is the external conditions which can positively influence the existence of a company because of needs and interests of the customers.

I believe it is a good opportunity to run an organic food business. I can be a pioneer in Bandung. When the customers' needs and interests toward organic food increase, they will come to *Mik's Chick*. This is because organic food places are still rare in Bandung, and I only know one place which provides organic food, the canteen of Immanuel Hospital. Therefore, I am going to introduce this business and persuade the customers to go organic and leave their bad eating habits.

Located in Sukajadi Street no. 137-139, it is profitable to open an organic food café at PVJ because there is no organic food café at PVJ. Aside from this, PVJ is always crowded, especially on the weekends and holiday times. It is a very popular place in Bandung for choices of eating places. *Mik's Chick*, which opens from 10 a.m. until 10 p.m., is going to be opened on the Lower Ground (LG) at PVJ, near Gramedia, at the previous site of Solaria.

Also, based on the questionnaire I gave to 22 Saint Angela's Senior High School students as well as 52 BPK Penabur's Junior High School students, most of them actually see PVJ as a good place to sell my product because there are many people who come there to hangout and eat.

1.3.4. Threats

The last element is threat. Kotler and Keller say, "An environmental threat is a challenge posed by an unfavourable trend or development that would lead, in the absence of defensive marketing action, to lower sales or profit" (91). Therefore, threat is the external conditions which can influence negatively the existence of a company because of the customers' disapproving tendency and their changes in preference.

One of the threats is Solaria, which sells some food, especially chicken cuisine, with a lower price compared to *Mik's Chick's*. Also, bad weather can make the organic ingredients not available. If there is frequent heavy rainfall, harvests will fail.

There are some reasons why I choose Solaria, which is at PVJ, as my competitor. These are because one of the cuisines of Solaria is chicken, and almost all the prices of the cuisines at Solaria are the cheapest compared to the prices of other eating food places at PVJ. Another reason is that Solaria has many customers.

1.4. Vision and Mission

By having a clear vision, I will be able to know some missions to have in order to realise the vision.

1.4.1. Vision

My vision is to be the most popular organic café in Bandung and operate as a franchise later.

1.4.2. Mission

To understand customers' needs and to get customers' interest in order to have a large potential market.