CHAPTER I

BACKGROUND

1.1 Background of the Study

Cakes have become popular in Bandung. There are many cake shops in Bandung. The culinary business remains stable because food is a primary need ("Situs Mini" par.1). In the past, cakes were called tarts, which were decorated in a simple way. They were usually decorated with a flower decoration and other kinds of decoration covering all the cake, but now its decoration becomes more modern and creative.

Cake is considered as a symbol of special occasions and a deep sense of love. Cakes are served at birthdays, weddings, anniversaries, baby showers, housewarming parties, and retirement celebrations. When somebody has a birthday, people buy cakes to celebrate ("Situs Mini" par.2).

I gave questionnaires about cakes to fifty people, male and female, from elementary school level until parents, which I distributed in two schools and at Maranatha Christian University. I distributed the questionnaires at the beginning of preparing my Final Project. Based on the result of the questionnaires, the respondents, from children until adults, like eating cakes.

However, not all cakes are created in terms of their calorie content and nutritional value. Nowadays, people try to consume healthy food, including healthy cakes. People try to focus on choosing cakes that will help increase fruit intake to stay healthy ("Is All Cake Bad for My Health?" par.1) such as low sugar, fruit or healthy flour like rosella flour.

Rosella (Hibiscus rosa sabdariffa) is a famous healthy plant in Indonesia. Nowadays, Rosella is easy to find in pharmacies. Rosella sheath can be consumed in the form of fresh powder flowers or boiled, such as tea. Rosella flower sheath can be used to make food like puddings, salad mixes, juices, candies, jellies, and syrups ("Herbal Remedy" par.4).

Nowadays, more people try to consume healthy food to avoid diseases that come from certain ingredients, which can be found in cakes. Besides that, people are also tempted with a variety of cakes. It seems to make people always crave for something to eat. However, unfortunately, behind the sweet and delicious flavor, there are many ingredients inside the cakes that threaten people's health. Fat is one of them (Buka Buku par.1).

Moving toward a healthy life style can be done in many ways. One of them is by consuming healthy food and snacks (Scribd par.1). Based on this situation, I plan to run a food business, called Healthy Cake (henceforth, H.C.). I choose to open this cake business because of my hobby in making cakes, and this becomes my first reason. Besides, I will make the cake in a mini size because it becomes more popular in Indonesia and many people like them because they are more practical due

to the small size, various choices and different tastes (Bisnis Bali par.1). This trend becomes my second reason to open this business. The third reason is a totally new variety of cake with a ganache filling. Besides the healthy ingredients, there is also healthy liquid called ganache, which I modified myself. It includes the healthy fruits, in the form of fruit, inside the mini cake, and I call it fruit ganache.

Based on my personal research of five different cake shops in Bandung, this kind of cake has not been made by any cake shops in Bandung. Besides the fruit ganache, the cake is made of healthy ingredients, such as Tropicana Slim and margarine which is made from vegetable oil (Mommies, We R par.3), and rosella sheath powder.

I choose to use rosella because it has many benefits.

Herbal.medicalonlinemedia.com states that "each 100 gram sheath of rosella flowers contains 260-280 mg vitamin C, Vitamin D, B1 and B2. Active material from the sheath of rosella flowers are grossypeptin, antosianin, gluside hibiscin, and flavonoid. Flavonoid in the sheath is useful to prevent cancer. In fact, some scientists state that flavonoid can treat cancer, especially cancer caused by free radicals, such as stomach cancer and leukemia. It also can be used for people with hypertension, heart disease, and osteoporosis, preventing infection (it is antibacterial and antiseptic), treats mouth sores (because it contains vitamin C) and reduces blood cholesterol level" (http:// herbal.medicalonlinemedia.com /2009/04/herbs-the-benefit-of-rosella/).

Another reason to open HC is the mini cake would be meeting a desire

for customers who wish to eat smaller cakes. Tarts are generally too big to be eaten by one person, but these cakes are small. Besides this, it has fruit ganache made from healthy fruit inside it. My purpose to run this business is for people to enjoy eating the mini size cake of their choice and still keep healthy.

My vision to run this business is to make people enjoy eating the cake in one portion but also get the healthy effect from the liquid inside the cake. Then, people can eat it not only for celebrating a special event but also if they want to eat the cakes daily.

1.2 Unique Selling Proposition

The uniqueness of HC is its product. It is said that USP is "real or perceived benefit of a good or service that differentiates it from the competing brands and gives its buyer a logical reason to prefer it over other brands. USP is often a critical component of a promotional theme around which an advertising campaign is built"

(http://www.businessdictionary.com/definition/unique-selling-proposition-USP.html). HC are created in a small – size cakes, and they are made from healthy ingredients, such as rosella powder and fruit ganache, inside the cakes. The rosella powder is useful to prevent cancer and for some diseases like hypertension, heart disease, and osteoporosis. The fruit ganache has a unique taste which other shops do not have, because the fruit ganache is the result of my own recipes containing healthy ingredients. Examples product of HC are black sweet cake with dragon

fruit ganache inside, or white sweet cake with lemon fruit ganache. On the other hand, the consumer can eat the cake at the shop with the store's atmosphere which has the feeling of home.

1.3 SWOT Analysis

Kotler states that "the overall evaluation of a company's strength, weaknesses, opportunities, and threats is called SWOT analysis. It involves monitoring the external and internal marketing environment" (50). Therefore, performing SWOT analysis is important to start the business in order to make the business run successfully. The next paragraphs explains the strengths, weaknesses, opportunities, and threats of HC.

1.3.1 Strengths

The first SWOT analysis is strength. Pearce and Robinson state that strengths are "resource advantage relative to competitors and the needs of the market a firm serves or expects to serve" (135). The strength of my business is the healthy ingredients of my product. The healthy ingredients will fulfill the need of people to eat healthy food. Beside the ingredients, there is fruit ganache inside of the cake. The other strength is the mini size of the cake. Therefore, consumers will enjoy mini-sized cakes with the sensation of fruit ganache inside it.

1.3.2 Weaknesses

Weakness is also the part of SWOT that we have to consider when running a business. Pearce and Robinson state that weakness is "a limitation in one or more resources or competitive relative to competitors that impedes a firm's effective performance" (135). The weakness of my business is that the flavor of the cake can be too sweet for some people who do not like sweet cakes. The use of healthy ingredients, especially margarine, can make the cake have a pleasantly sharp taste, because margarine has a lower percentage of fat, but skimmed milk powder can be added to make the taste the same as butter.

1.3.3 Opportunities

Kotler maintains that "market opportunity is an area of buyer need or potential interest in which a company can perform profitably" (50). Based on this statement, my business's opportunity is that the products do not yet exist in Bandung. Therefore, I have the opportunity to open my business as a new kind of business, which is making mini cakes.

Moreover, the prices of my products are affordable for a cake with healthy ingredients and fruit ganache inside it.

1.3.4 Threats

According to Kotler, threat means "a challenge posed by an unfavorable trend or development that would lead, in the absence of defensive marketing action, to determination in sales or profit" (51). A threat to my business is the possibility that there will be some competitors

later who will also sell the same products. The competitors will also have the probability to sell the product at a lower price than mine.

Despite the threats and weaknesses, HC will become the most famous mini cake in Bandung because it will be the first cake in a mini size with the fruit ganache inside the cakes.