

**MARKETING STRATEGY ANALYSIS TO INCREASE THE GROWTH OF
OLAMITA RESTO**

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Abstract

Olamita resto is a unique restaurant that offers Gorontalo food to their customer. Olamita was founded by Mr. Ihsan Averoes Wumu, a young entrepreneur that was born in Gorontalo. Mr. Ihsan start his dream by opening Olamita resto in May 2015. Olamita resto is located at Jl. KH. Abdullah Syafi'ie No.51, Bukit Duri, Tebet, Central Jakarta.

Author start this research to analyse the growth of Olamita resto and give possible solution to the owner. The research method that is used by author is using both qualitative and quantitative method to get the best possible solution for Olamita resto. For the quantitative method, author go to the Olamita resto and analysing the current condition and interviewing the owner. For the qualitative method, author spread some questionnaire to Olamita resto customer in order to get their perspective.

This research have its conceptual framework to analyse Olamita resto from both internal and external aspects. Author use PEST analysis, Porter's 5 forces analysis, and competitor analysis to analyse the external factor. While for the internal factor, author use Marketing mix analysis, VRIO analysis, and Business model canvas.

The research result study of Olamita resto will be proposed to their owner as the strategy to increase the growth of Olamita resto.

Keywords: Marketing, Strategy, SWOT, Restaurant, Marketing Mix

JEL Classification: M31



INTRODUCTION

Background

Restaurant is one of the fastest growth in the Indonesian industry. In 2011 based on BPS statistic (BPS, 2012), there are 2.977 medium and big scale restaurant in Indonesia with average staff of 28 each. Restaurant that categorized with trade and hotel industry by BPS reach 8,11% growth in 2012 in gross domestic product without oil and gas industry. Restaurant, trade, and hotel industry growth is in the second fastest growth industry behind transportation and communication industry with 9,98% growth. In 2011 restaurant, trade, and hotel industry even get a faster growth with 9,17%.

The growth of restaurant business especially in Jakarta making lot of entrepreneurs making their own restaurant. The behaviour of Jakarta people that is very busy with their work making them got very few time on a day to do other things like cook their own meal. They prefer to eat in the restaurant so their time would not be wasted. But huge number of restaurant business in Jakarta also making a huge competition among the business. Restaurant business are now try to compete by offering a new experience in the service or with their food choice.

Olamita resto is a unique restaurant that offers Gorontalo food to their customer. Olamita was founded by Mr. Ihsan Averoes Wumu, a young entrepreneur that was born in Gorontalo. Mr. Ihsan seeing a huge prospect for Gorontalo food's market that has not been tapped especially in Jakarta. Born and raised as Gorontalo boy, Mr. Ihsan start his dream by opening Olamita resto in May 2015. With the help from both of his parents that are also born and raised in Gorontalo.

Gorontalo food is very famous with its Woku recipe that is spicy. Woku is by far the most favourite recipe of Gorontalo people. Most of Gorontalo's food is seafood that has lot varieties like Chicken and Fish Woku, Binte Biluhuta, Ilabulo, Milu Siram, Pilitode, Tili Aya, and many others. Gorontalo food share similarities with Manado's food, the difference is Gorontalo food are all halal while some Manado food is not halal. That factor is affected by the Gorontalo people that dominates by Muslim.



Olamita is now running its operation everyday from Monday to Sunday 09.00 until 21.00, except in Sunday Olamita started to open from 12.00 due to closed road for “pasar tumpah Tebet” in front of Jl. KH. Abdullah Syafi’ie in the morning. Mr. Ihsan have 9 employees to run Olamita with most of the employees are unskilled except the chef. The employees consist of 1 chef, 5 operational employees, 3 waitress, and 1 cashier. The chef of Olamita is Gorontalo’s born, he do almost all the cooking by himself while most of the operational employees are helping the chef to cook, also stocking the ingredients needed. The Olamita employees are work in daily shift to fit 7 days per week schedule.

Problem Formulation

Since the beginning of opening until now, Mr. Ihsan is satisfied with the overall business performance of his Olamita resto. The employees that led by the chef already able to perform their daily job automatically, even though some employees are resigned in the past months which still considered to be normal for unskilled worker to move from one work to another in short time and it still can be handled well by Mr. Ihsan. The satisfaction of the customer to the food also very good from the customer feedback and the repurchase retention they make, thanks to skilled chef from Gorontalo. However, Mr. Ihsan feels the customer growth of Olamita resto is too slow. Mr. Ihsan observing the number of Olamita resto visitor is still too low and fluctuative without a significant growth. After 5 months of running his business, Mr. Ihsan see the revenue data of Olamita resto and the revenue data confirm his observation.

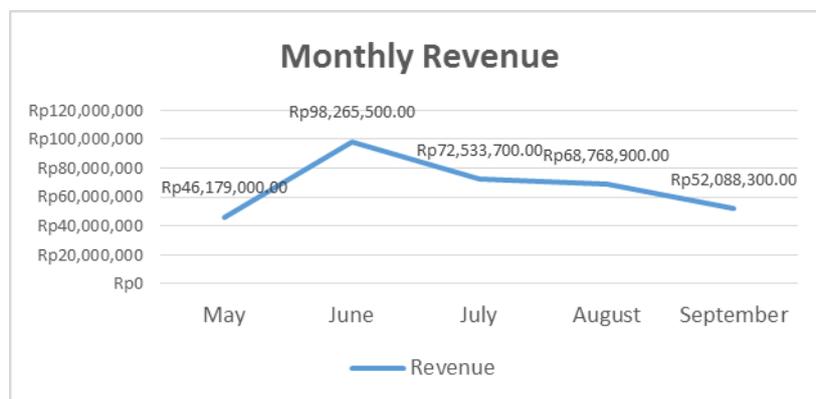


Figure 1. Olamita Resto Monthly Revenue



From data above we can see that the monthly revenue trends of Olamita resto are declining. The monthly revenue and daily average revenue of Olamita resto only enjoyed one incline during month of June. Olamita resto get a revenue of Rp. 94,265,500 and average of Rp. 3,275,517 on that month, because on June Mr. Ihsan inviting a lot of Gorontalo people to try Olamita resto by using word of mouth and direct invitation of his inner circle contacts. The promotion proven to be successful because most of the invited person are coming with their family or colleagues. However the effect of this promotion only last for one month. During July until August months Olamita resto revenue come back to normal value once more.

Mr. Ihsan is now in the brink to invest some money for marketing of his Olamita resto, but he cannot decide which kind of marketing strategy that he need to use to boost the customer of Olamita resto. The budget for the marketing expense is not much, so Mr. Ihsan must choose the most suitable one that can bring the biggest impact among other. He is now need help to find out what marketing strategy can make the more customer go to Olamita resto that has a unique and unfamiliar food where most of the people don't even know what Gorontalo food is.

A research to the market are needed to solve Mr. Ihsan dilemma in order to pick the correct marketing strategy and avoiding a potential failed promotion of Olamita resto. Writer are trying to help Mr. Ihsan by creating this research to grow Olamita resto. Writer hope the result of this research will give Mr. Ihsan a guideline of what marketing strategy to use and the implementation.

LITERATURE REVIEW

Conceptual Framework

Conceptual framework is created to get a good structure of analysis that will resulting on a business strategy formulation and implementation. The conceptual framework will help Olamita resto's research to be on track, analyse the right things, and getting the desired result.



First step of the conceptual framework would be defining a problem statement and then followed by creating a research objective. Both of the problem statement and research objective of Olamita resto's research is already discussed on previous chapter. Next step of the research would be business issue exploration that will be discussed on this chapter. Business issue exploration will analyse the business which is Olamita resto in this case by observing their internal and external factors using several tools and theories. Tools and theories for internal analysis are marketing mix, business model canvas, and VRIO analysis. While for the external analysis, author will use PEST, porter 5 forces, and competitor analysis.

After finished with business issue exploration, the research will continue with business strategy formulation which will use SWOT analysis to conclude the previous chapter analysis plus other data from the research. Last step of the conceptual framework would be giving conclusion and recommendation to the business in this case is Olamita resto. The implementation plan would be the final form of the conclusion and recommendation chapter.

This research will use and gather data for analysing all aspect of the business. Author will gather data using 3 methods in this research. First is data from Olamita resto's owner interview, second is questionnaire data, and last data is from author's analysis.

RESEARCH METHOD

Methodology

A questionnaire about Olamita resto with 19 questions are distributed to the customer to gather data about the every Olamita resto aspects especially in their marketing mix by either giving a score or filling multiple choice questions. The target of respondents are 100 person in order to get a reliable and precise data about Olamita resto. The sampling methodology is using random sampling method to Olamita resto visitor. All of the respondents must already try Olamita resto at least once, so the questionnaire were spread in Olamita resto to random visitors. Cronbach Alpha's method is used to determine the reliability of the data, the Cronbach Alpha's result for this questionnaire is 0.976 which is



very good. The questionnaire part can be categorized into 3 section which are demography, general restaurant question, and 7P's questions.

RESULT AND DISCUSSION

Demography Result

First part of the questionnaire is about the demographic of the respondents. There are 4 demographic questions to group the respondents based on each category. Those 4 categories are gender, age, expense per month, and domicile. Demographic question will also be useful to map the background data of Olamita resto customers.

Based on the gender, respondents are 57% male while 43% of them are female. The author try to make a balanced ratio of male and female respondents since Olamita resto is not specifically target one of the gender. This ratio is considered to be balanced with only small different in number between male and female respondents.

Respondents of the questionnaire age are divided into 3 age range. First is 17-24 years old respondents which is 41%, second is 25-34 years old respondents which is 45%, while the last one is 35-44 years old respondents which is 14%.

Expense per month of respondents are varied, majority of the respondent's expense per month ranging from 1,5 million to 3 million with consist 37% of total respondents. 22% respondents spend 3 million to 4,5 million per month. Both category expenses of 4,5 million to 6 million and more than 6 million have 19% respondents each. While the minority of 3% spend less than 1,5 million per month.

Last demography question is about domicile of the respondents. Most of the respondents is from Jakarta with 75% of total, this domination is because Olamita resto located in Tebet, Central Jakarta. While the rest 10% live in Tangerang, 6% in Bekasi, 5% from Depok, and 4% respondents live in Bogor.

General Restaurant Result

Second part of the questionnaire is about general restaurant question. This part have 8 questions about general restaurant aspects. The question of general restaurant part are consist



of restaurant visit per week, halal menu, reason try a new restaurant, social media, restaurant information source, preferred promo, Manado food, and Gorontalo food. General restaurant question will be useful to give an insight about how a customer behaviour toward restaurant in general.

Restaurant visit per week data is dominated with answer of 1-2 times visit per week with 52% respondents. While 36% respondents coming to restaurant 3-5 times a week. 7% of the respondents is coming to the restaurant 6-8 times per week. The minority of 5% respondents is coming to a restaurant more than 8 times a week.

Next question is about how important is a 100% halal menu towards customer preference over a restaurant. Majority of 73% respondents agree that 100% halal menu in a restaurant is become one of their concern on choosing a restaurant. While the other 27% of respondents choose the opposite answer.

Respondents are asked about their reason when try out a new restaurant. 32% respondents says that they try a new restaurant because friend recommendation, 17% because of food blogger review, 14% because of fancy restaurant design, 14% because of the promo, 17% because it is viral in social media, 4% because its flyer and banner, and 2% because of other reason.

Respondents have variety of most effective promotion media for a restaurant. 38% respondents choose social media, 3% choose flyer, 5% choose banner, 9% choose blog, and 1% choose other. But most of the respondent believe that word of mouth is the most effective promotion media for a restaurant with 44% of the answers.

Next question is about the media choice of respondents when looking for restaurant information. 14% respondents choose Qraved as their guidance. Both of Zomato and Instagram food account get 32% vote each. Respondents also choose food blog with 7%, Google directory with 13% and other media with 2% vote.

Next is about the respondent's preferred promo on a restaurant. 40% respondents choose 20% discount as the best promo a restaurant could offer. 11% choose get free drink, 33% choose combo set, 13% choose get free side dish, 2% choose free food after 5 times purchase, and 1% choose other promo.



Next, respondents is asked about their familiarity with Manado food. 60% of the respondents answer that they are familiar with Manado food, while the other 40% is not familiar with the Manado food.

Last, respondents are asked about their familiarity with Gorontalo food. The answer is 86% of the respondents are not familiar with Gorontalo food, while the rest of 14% respondent says that they are familiar with Gorontalo food. From this result we can understand that even people that have been visit Olamita resto, most of them are still not familiar with Gorontalo food.

Marketing Mix Result

The third part of the questionnaire is about 7P's of Olamita resto. This part have 7 questions with each of them will represent each of the P on marketing mix. The Promotion aspect will use multiple answers, while the other 6 P will use linear scale from 1 (very not satisfied) to 5 (very satisfied). The reason of promotion not using linear scale because Olamita resto have not start any promotion to the public before this research begin. Below is the marketing mix result.

First, respondents are asked to rate Olamita resto menu based on their recent visit. This aspect get mean of 4.65 which is the highest rank among others. Olamita resto get very satisfied score from 67% of the respondents. The 31% respondents answer satisfied with Olamita resto menu. While there are 2% of the respondents that rate Olamita resto menu on the neutral point. Respondents are very satisfied with the Olamita resto menu, taste and freshness which is a great job.

Next, respondent rate the pricing of Olamita resto. Pricing of Olamita resto get mean score of 4.3 which is the 4th highest among other aspects. The majority of 48% respondents says that they are very satisfied with the pricing of Olamita resto. Additional 35% respondents also says they are satisfied with the pricing. 16% respondents choose to rate neutral price and 1% respondent is not satisfied with the price. It can be concluded that Respondents are already satisfied with the price range that offered by Olamita resto.

Service aspect of Olamita resto also get positive feedback from the respondents. The service of Olamita resto get a mean score of 4.48 which is the second highest. Majority of



54% respondents are very satisfied with the service provided, while the other 41% respondents are also satisfied with the service. 4% respondents choose to rate neutral and 1% respondent not satisfied with the service.

Location aspect of Olamita resto however, get a bad rating from the respondent. Location only get the mean score of 3.3 from respondents which is the second lowest among other marketing mix aspects. Majority of 45% respondent choose neutral for the location of Olamita resto, but 29% believe Olamita resto location is not strategic followed by 1% that choose very not strategic. The rest 23% choose strategic location and only 2% respondents choose very strategic location. Respondent are very not satisfied with the location of the Olamita resto especially the access that pretty not strategic for customer with personal transportation.

Decoration and hygiene of Olamita resto also get unsatisfactory review from customer. Decoration and hygiene got the mean score of 3.3 which is the third lowest. Majority of 63% respondents rate neutral for Olamita decoration and hygiene, plus 5% respondents choose not satisfied. 29% respondents satisfied with decoration and hygiene and the rest 3% choose very satisfied. The respondents are not impressed with the decoration and hygiene of Olamita resto, respondents are demand something more in this aspect.

Next aspect of the questionnaire is the speed of service of Olamita resto. Speed of service got mean score of 4.33 which is the third highest. 40% respondents are very satisfied with Olamita resto speed of service. Majority of 53% respondents rate Olamita resto speed of service are satisfied. The rest of the respondent choose to be neutral in speed of service aspect with 7% vote of the total. Respondents are also giving a positive review for the speed of the service in Olamita resto when they ordering the menu.

Last Marketing mix's question is about the promotion of Olamita resto. For promotion aspect, the question will not use linear scale because the lack of promotional activity by Olamita resto before this research begin. Olamita resto only use signage, banner that located right outside the store and SMS for the regular customer. With that fact, author decided to not ask respondents giving score for this aspect. Respondents are asked about how they know Olamita resto and majority of 48% respondents said that they know Olamita resto from friend tips. Surprisingly, despite the lack of promotional activity 28% respondents know



Olamita resto from the social media this could be because some people posted Olamita resto on their personal social media. 17% respondents know Olamita resto when they pass by, 3% from Olamita resto banner, 2% from Olamita resto flyer, and the rest 2% know Olamita resto from other media. Since the lack of promotion activity by Olamita resto, author decided to put the promotion aspect in the lowest rank in the marketing mix and will develop a new strategy for promotion activity for the future based on above diagram.

After analyse the data about Olamita resto marketing mix above, we can now put two categories for all aspect. First category is for aspects with mean score more than 4.0 which means respondents already satisfied in this aspects. There are 4 aspects of Olamita resto's marketing mix that include on the first data category which are Menu, Service, Speed of Service, and Price. Olamita resto can keep up their work in these aspect or making some small changes to improve the aspects further.

While in the second data category which is Olamita resto's marketing mix that has mean score less than 4.0 which means respondents demand for some improvement in the future. There are 3 aspects of Olamita resto's marketing mix that fallen into this category which are Decoration & Hygiene, Location, and Promotion. These 3 aspects is rated non-satisfactory by the respondents, therefore Olamita resto must now focus to make a new or change the strategy of the aspects.

Business Solution

Based on the questionnaire data that already presented above, author will try to find out the best business solution that suited current condition of Olamita resto. Author will now decide what strategy that is the best and suited the condition of Olamita resto the most. Strategies developed in this chapter will be covered by using tools and theories. Some tool and theory already reviewed in the previous chapter, but in this chapter that tools and theories will be developed based on the questionnaire and research result to make a better strategy for Olamita resto. While there are also new tools and theories to be developed for Olamita resto strategy. The tools and theories that is used to develop business solution of Olamita resto are SWOT, marketing mix, STPD and business canvas.



SWOT

Strengths

According to Humphrey (1970) strength is the aspect that have most power in a company compared to the industrial they pursue. It is the characteristics of the business or project that give it an advantage over others. Based on research result, there are 5 aspects of Olamita resto strengths. First is the unique product of Olamita resto which is the Gorontalo food. Not only the product is unique, research result also states that the product of Olamita resto get a very good ratings from its customers. Second strengths of Olamita resto is they currently the only resto to offer Gorontalo food in Jakarta. Since Olamita resto is the only restaurant that offers Gorontalo food in Jakarta, they don't have to worry competing with similar product at least for now.

Third strength point of Olamita resto is the owner's connection with Gorontalo people. Since Mr. Ihsan is Gorontalo born and his parents is well known among Gorontalo people, he is able to invite Gorontalo people that live in and visiting Jakarta. The owner even relying in this connection strategy during the beginning of Olamita resto opening and it is proven to generate a good number of revenue in that period. Fourth advantage of Olamita resto is the chef that has a broad knowledge of Gorontalo food. Olamita resto relying on its food's uniqueness and quality for attracting customer. The impact of this strategy is the chef ability and skill would become very crucial for the resto operation. Luckily Olamita resto has a good chef that is also Gorontalo born and have speciality in Gorontalo food. Mr. Ihsan also get some tips from his mother for some kind of food that help Olamita resto offer and maintain good and tasty food to its customer. Last strength of Olamita resto is their price and service. From the research result it is found that customer is so satisfied with the price range of the menu and the service provided by Olamita resto. In previous chapter reviewed that Olamita resto price range is the lowest among their competitors. While the service aspect, the good ratings from customer could be achieved because of the proactive of owner to greet the customer every time he available on the Olamita resto.



Weaknesses

Humphrey (1970) said that weaknesses is the aspect that prevent a company to reach its maximum level of general business operation. It is the characteristics that place the team at a disadvantage relative to others. . Based on research result, there are 5 aspects of Olamita resto weaknesses. First and foremost is the non-strategic location of Olamita resto. Based on the research result, location get a bad rating from the customer because the difficulty to access Olamita resto. The customer of Olamita resto is forced to do double U turn from Kasablanka, while customer from the opposite road must do one U turn. This problem causes by the newly closed road for railroad just before the Olamita resto. The traffic after office hour also makes the trip to Olamita resto would be too tiring for some customer that makes some of them cancel their plan to visit.

Second weaknesses of Olamita resto is the product is not well-known. Olamita resto do offer a unique and tasty product to its customer, however based in research result most customer is not familiar with Gorontalo food. Since restaurant that offers Gorontalo food is almost none in Jakarta and any other cities, this problem is normal. Olamita also don't give any teaser for the customer in front of their store that make the matter worse. Third weaknesses of Olamita resto is the lack of promotion from the owner. The promotion strategy of Olamita resto is only by put banner and signage in front of their store, plus sending SMS to the regular customer. This strategy simply not enough for a restaurant that looking for a traction during their beginning period. The owner strategy of promotion only by inviting his inner circle of Gorontalo people to visit Olamita resto. This strategy is successfully give good revenue to Olamita resto for only two months of their opening.

Next weaknesses point of Olamita resto is the poor hygiene and decoration in their store. Research result says that the customer is unsatisfied with Olamita resto hygiene and decoration. The owner himself says that he is not very concern about Olamita resto hygiene except for the food material and processing. While for the decoration, Olamita resto only put many handwritten testimonial in a framed piece of paper in every side of the wall which is not very aesthetic. Last weaknesses of Olamita resto is the lack of SOP in the process. Mr. Ihsan relying on their worker to get things done without any standard. Most of the time, some



job like purchasing and food stocking is not done in neat process. The staff is waiting for owner or chef order to do things.

Opportunities

Opportunities is one out of two external factors in SWOT analysis. Humphrey (1970) says that opportunities is the possibility of a company to widen or strengthen their existence in the market by taking some strategic move, usually this move will make the company generate more profit. Based on research result, there are 4 opportunities for Olamita resto that can be explored. First opportunities for Olamita resto is looking for supply a meeting or event. Since the non-strategic location of Olamita resto, the owner could try to use this strategy for boosting the sales of Olamita resto. Last November, Olamita resto got a catering order for political event. Olamita resto could also try to aim for Gorontalo's event catering in the future that always held during Ramadhan.

Second opportunity for Olamita resto is to open new stores. Olamita resto can open Olamita resto in other location, however this plan is still too early at least for now since the current location of Olamita store is still non-strategic. However after figuring out all of their problem and growing a good revenue from current store, Olamita resto can start to think about opening a new store in other location. Next opportunity for Olamita resto is to do franchising. Olamita resto can open a new store by using franchising method to minimize the capital required. But same as the previous opportunity, this one is also more likely to be executed in the future with a clear SOP needs to be figured out first.

Lastly, the opportunity for Olamita resto is to offer more promotional campaign. To attract more customers, Olamita resto could try to start offer promotional campaign. The promo could be in form of discount, free food, or any other kind. Olamita resto also need to be more aware about upcoming event to create a suitable and attractive promotional campaign. By using a good and correct promotional campaign, Olamita resto could gain more revenue.



Threats

Threats are the second external factors of SWOT analysis. Humphrey (1970) was implied that threats is a condition when company has some factor that can bother and reduce their working performance. Threats are uncontrollable, it will affect the stability and survival of the company will be at stake. Based on research result, there are 4 threats for Olamita resto that owner must be aware of. First threat is the easily imitated product of Gorontalo food. Olamita resto offer a unique and good product to its customer and currently have no other restaurant offer the same food. However things could change if Olamita resto get successful. Because it is pretty easy for competitor to offer Gorontalo food, there are almost no difficulties for them to enter this business.

Next threat for Olamita resto is the possibility of hijacked chef. Since most of the Olamita resto's product is made by their chef that has broad knowledge of Gorontalo food, hence he become one of the key aspect. However, there is a possibility this chef could be hijacked by other restaurant or even open his own resto. Third threat of Olamita resto is high number of employee turnover. Most of the Olamita resto employee is unskilled worker and paid below the standard salary. The impact is the possibility of high turnover rate of the employee, once the underpaid employee found a better paid job there is no reason for them to be loyal to Olamita resto. Last threat of Olamita resto is new restaurant opening nearby. Just 5 building after Olamita resto, there is a brand new restaurant that offers chicken menu. The close location of this resto can make the market shares of Olamita resto reduced because of the competition with this new restaurant.

Marketing Mix

Product

Product of Olamita resto fall into first category in their marketing mix result with average score of 4.65 from the customer and become the highest rated aspect. As stated in the previous chapter, Olamita resto is offering Gorontalo food to the customer. Gorontalo food are mostly seafood with special flavour of Gorontalo spices. Gorontalo food is very similar with Manadonese food that already popular and spreaded throughout Jakarta with the main



difference being the halal label. Gorontalo menu offer 100% halal food, while not all of the Manadonese food are halal.

The things that can be improved by Olamita resto in terms of product is to make customer more familiar with it. Based on the research result, only 14% respondent are familiar with Gorontalo food. The menu of Olamita resto also has unfamiliar name like Fish Woku, Goropa Bilenthango, Pilitode Lobuyu, Ilulia Fish Oci, Ilahe, and many others. Olamita resto can help the customer by putting details of the ingredients right below the menu name to help customer choosing the food.

Place

Place aspect of Olamita resto fall into the second category in research result with average score of 2.96 which is the second lowest. Olamita resto are located in Jl. KH. Abdullah Syafi'ie No.51, Bukit Duri, Tebet, Central Jakarta. The location should be pretty strategic, however the road are recently closed for rail track only, car and motorcycle should use the bridge with exit located after Olamita resto, the consequences is customer that come from Kasablanka road must do double U-turn to get to Olamita resto.

Olamita resto is suggested to find a more strategic place after finishing 2 years contract on current location. For now, Olamita resto can try to resolve this problem by looking some opportunity from events. Olamita resto can offer for catering services for events to boost their sales. Olamita resto can also try to improve the demand from their delivery service by making a proper packaging like box for the delivery services. Olamita resto can try encourage their customer to try delivery service using their delivery partners Go-Jek, Uber Eats, and Grab Food.

Price

Price aspect of Olamita resto fall into first category in the research result with average score of 4.3 which stand in the fourth rank among other marketing mix. As stated in previous chapter, Olamita resto's food price range are offered from Rp. 20.000,- until Rp. 60.000,- for the most priciest one. Most of the menu in the Olamita resto are served for 2-3 person for group dine. The special seafood menu like Goropha Bilenthago and Cakalang Fufu Rica are



priced Rp. 50.000,- while the the regular seafood menu like Ilulia Fish Oci and Tilumiti Fish Oci are priced at Rp. 20.000,-.

For the price aspect, Olamita resto no need to do any improvement since their price is already lower than the competitors. Olamita resto competitors like Beautika and ROA set a more expensive price that ranging from Rp. 35.000,- to Rp. 65.000,-. Olamita resto can just put their focus on pricing strategy for the promotional activities to get more traction from their customers.

Promotions

Promotion aspect of Olamita resto fall into the second category that also need improvement. Promotion aspect is in the lowest ranking of all marketing mix because of the lack activities of it by the owner. Olamita resto currently only have very few promotion media like signage, banner, and SMS blast for promoting the business. The reason Olamita resto only have few promotions media is because Mr. Ihsan still don't know the best form of promotion for his restaurant.

Olamita resto need to improve their promotions activities to reach more customers. From the research result it is found that the top 3 reason to try a restaurant are friend recommendation, viral in social media, and food blogger review. Olamita resto must start do those things to improve their promotion. First, Olamita resto must start to do promotions in social media like Instagram, Twitter, and Google directory. Food blog like Qraved and Zomato is also a good promotional media based on the research result. Olamita resto is also suggested to do some promo like 20% discount, combo set, and get free side dish to attract more customers to visit Olamita resto.

Physical Evidence

Physical evidence aspect also fall into the second category in the research result with average score of 3.3 which is the third lowest aspect in their marketing mix. As stated before, Olamita resto have a traditional restaurant design. The interior of Olamita resto are very simple with 12 tables that can serve up to 25 peoples. The place are decorated with photos and testimonial from well-known Gorontalo people that already visit Olamita.



The problem with Olamita resto physical evidence is the design of the store itself. Store design of Olamita resto way too simple and not even aesthetic. Mr. Ihsan must try to improve the design of the store by asking for recommendation from an interior designer. Olamita resto also need to make sure about the hygiene of the store since customer is not impressed with the current condition of store hygiene.

People

People aspect of Olamita resto fall into first category in the research result with average score of 4.48 which stand in the second rank among other marketing mix. As the previous chapter has reviewed, Mr. Ihsan have 9 employees to run Olamita resto with most of the employee are unskilled worker except for the chef. The employees consist of 1 chef, 5 operational employees, 3 waitress, and 1 cashier. The chef of Olamita resto is Gorontalo's born, he do almost all the cooking by himself.

Things that can be improved for this aspect is by giving some uniform to the front desk staff in order to create a neater vibe in Olamita resto. By giving uniform to the front desk staff, customer can easily differ the employee from the fellow customer. The impact of giving uniform also bring a better image from customers of Olamita resto.

Process

Process aspect of Olamita resto fall into first category in the research result with average score of 4.33 which stand in the third rank among other marketing mix. Based on the previous chapter, daily operation of Olamita resto is still conventional and supervised directly by Mr. Ihsan. Customer will be gather with waitress or the owner when they first arrived. Food processing is located in closed kitchen traditionally with minimum level of quality control. The payment still using written bill however all the order are taken with tablet for the point-of-sales substitution.

Things that can be improved in process aspect of marketing mix by Olamita resto is creating a SOP for daily operation standard. By having SOP and make sure all of the employee follow it everyday, the operation in Olamita resto will always run smoothly even



without direct supervision of the owner. SOP will make every staff have a clear job desk and know what and when to do their job.

S, T, P & D

Segmenting

Segmenting is the process of defining and subdividing a large homogenous market into a clearly identifiable segments that having similar needs, wants, or demand characteristic. After that, the business must try see the potential of serving needs, wants, or demand of the chosen segment. This is the first step when defining S, T, P & D of a business.

Olamita resto segmentation could be defined using the expense criteria and visitor criteria. For the expense per month criteria, Olamita resto could choose to serve either low expenses customers, middle expenses customers, or high expenses customers. Olamita resto should also choose to target customers based on the visitor criteria. Olamita resto can choose to target either families, youth & teenagers, couples, employees group, or mixed between all. Those two are the segmentation of Olamita resto.

Targeting

Targeting is selection process of potential customers to whom a business would sell their product or services based from the segmentation of customers with similar needs, wants, or demand. A business can either choose one specific segment to target or serve each segment by offer a different product or service to each of the target. For Olamita resto, the most possible to do is choose one of the segment and focus to target that specific market. Targeting is the second step of defining a business S, T, P & D.

Based on the research, the majority of the Olamita resto customer come from middle to high expense that ranging from Rp 6.000.000 until more that Rp 1.500.000 per month. So Olamita resto is suggested to target medium to high expense per month customer. This target market also fit with the pricing strategy of Olamita resto that is cheaper compared with their competitors. Based on the visitor criteria, Olamita resto should target employees group combined with family dining. Based from the observation, most Olamita customers are



employee that visiting during break or after office hour. These customers also coming back during weekend to eat with their families.

Positioning and Differentiation

Last step of S, T, P & D is defining a business positioning and differentiation. Positioning itself is an effort to influence consumer perception of a brand or product relative to the perception of competing brands or products. While differentiation itself is a promotional method employed by a business to create an especially strong presence in a particular market. Positioning and differentiation is affecting each other, a good differentiation would help a business create its positioning on the market.

The best positioning statement of Olamita resto is “home of Gorontalo food”. These positioning statement make Olamita resto as the only restaurant to serve traditional Gorontalo food in Jakarta. Olamita resto’s differentiation help them to create a clear positioning statement than their competitors. The differentiation of Olamita resto is their product of Gorontalo food which currently is the only one available in Jakarta.

Business Canvas

Value Proportion

The previous chapter’s value proportion of Olamita resto and the first and only available Gorontalo resto in Jakarta and Olamita resto offer a fresh Gorontalo’s fish that has unique taste. However, the better suited value proportion of Olamita resto is home of Gorontalo food. Since Olamita resto is the only Gorontalo resto in Jakarta, they can claim as the home of Gorontalo food by bring the unique food of Gorontalo to the customers.

Customer Relationship

Current customer relationship of Olamita resto are by giving discount to the regular customers and having personal chat with the owner himself Mr. Ihsan. Owner also sometimes sending personalized message to regular customers. The proposed customer relationship of Olamita resto is by giving discount for social media post by customers. With customers



posting Olamita resto in their social media, Olamita will give discount but in the other hands get promotion from their customers. Olamita resto can also do social media promo to their followers for gain customer traction.

Channels

Previously, Olamita resto are using banner, signage, and SMS to reaches and promoting their value proportion to its customer. Those channels is not enough for Olamita resto to gain customers. They need to start use social media channels like Instagram, Twitter, and Google directory for reaching more customers. Olamita resto also need to put their resto information in Qraved and Zomato in order for customer can know more about their menu.

Customer Segments

Olamita resto are currently targeting family and group customers, specifically Gorontalo people that live in Jakarta. However research result shows that their customer segments is not family and Gorontalo people, because this two segment only represent small part of Olamita resto customer. Their customer segments are 17-45 years old people with most of them work as employees and live on Jabodetabek area. Customer segment of Olamita resto are having medium expense.

Key Partners

It is previously stated that the key partner of Olamita resto are local market for supplying all of the ingredients needed and Gorontalo's fish market for some kind of special fish menu. It is proposed that Olamita resto must add Go-Food, Uber Eats, and Grab Food as these three can contribute revenue to Olamita resto using their delivery services. Zomato and Qraved should also added to their key partners for giving information to their customers.

Key Activities

Olamita resto key activities are almost the same with other restaurant business like daily operation like cooking and serving, marketing activities like creating promotions, and



the latest one is doing quality control to the food. For key activities aspect, Olamita resto do not need any changes.

Key Resources

In the previous chapter, key resources of Olamita resto are likes unique recipes of Gorontalo food, location that considered pretty strategic, and also the Gorontalo connection that Mr. Ihsan have to approach Gorontalo customers. However, research result shows that the location can't considered as key resource as customers believe Olamita resto located in non-strategic location. Chef of Olamita resto should also be added to the key resource as he is one of the important element in this business.

Revenue Streams

Previously, revenue streams of Olamita resto is only generated from the daily sales of the restaurant. However Olamita should start generate revenue from other type of sales. First suggestion of additional revenue stream is from event sales. Olamita resto should try to sell their product on events outside the store because of the unstrategic location problem. Recently, Olamita resto successfully supply the catering for a political event. Second proposed new revenue stream is from delivery service. Olamita resto should also try to generate more revenue from the delivery service.

Cost Structure

Last aspect of marketing mix is Olamita resto's cost structure which comes from the operational cost of making the food and hiring the staff plus marketing cost of promoting the Olamita resto to the target market. This aspect also do not need to be changed since it is already suit well.



CONCLUSION AND IMPLEMENTATION

Conclusion

Olamita resto has huge potential to become a good and profitable business. They got a unique product that supported by a talented chef and hard work of Mr. Ihsan. However, things still have not going as their planned. Olamita resto still struggled to generate a healthy number of revenue.

Olamita resto have a good strategy from their owner. In spite of that, their current strategy still need some improvisation from the owner in order to generate more revenue. This research result already give some insight to the owner about what aspects that still require major improvements and what aspects that only need to be maintained or get some minor improvements.

This research divide each aspects based from Olamita resto's marketing mix. As a restaurant business that giving service to their customers, Olamita resto's marketing mix is having 7Ps instead of conventional 4Ps. From 7 of those Olamita resto marketing mix Ps, 4 of them which product, price, people, and process are fall into the first category that only need to be maintained. While the other 3 which place, promotions, and physical evidence are fall into the category that need major improvements.

Implementation

In order for Olamita resto to execute all of the recommendation from this research, an implementation plan must be developed. The implementation plan is useful to make sure all of the recommendation from the research can be implemented into a real strategy. Implementation strategy of Olamita resto will also give some list of to do things for the owner. Below are the implementation strategy for the Olamita resto to improve their business.

- Make social media account
- Manage Olamita resto online information
- Put food information details on the menu
- Start promo campaign to get traction
- Generate income from event sales
- Create delivery service package



- Re-decorate the store
- Ensure hygiene of the store and products
- Move the store to more strategic location

Implementation Timeline

The implementation strategy for Olamita resto need to be executed with a timeline order. The timeline window of this implementation strategy is from January 2017 until April 2018 when the contract of the Olamita resto location end. Each of the task on the implementation strategy are marked during the month it should begin the execution until the task can be executed regularly. Below is the implementation strategy timeline of Olamita resto.

Task	2017												2018				
	Ja n	Fe b	Ma r	Ap r	Ma y	Ju n	J ul	Au g	Se p	Oc t	No v	De c	Ja n	Fe b	Ma r	Ap r	
Make social media account																	
Manage online information																	
Menu information details																	
Start promo campaign																	
Event sales																	
Create delivery package																	
Re-decorate the store																	
Ensure Hygiene																	
Move to new location																	

Figure 2: Olamita resto Implementation Timeline



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