



Increasing the Business Competitiveness of “Brownies Buah Boome”

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Abstract. “Brownies Buah BOOME” is the producer of affordable nutritious fruit filled brownies in Bekasi. They encounter fierce competition due to the availability many similar products in the area. Some of its competitors has the benefit of early entry to the market and has captive market. The Covid-19 pandemic affects its sales during the early days of the pandemic. This study aims to determine the competitiveness of “Brownies Buah BOOME” and identify ways to increase its competitiveness. Data collected from September 2021 to March 2022 through a series of interviews with the owner and customers. This study uses qualitative research methods with descriptive analysis techniques. The business is evaluated by the five factors of competitiveness: cost, quality, flexibility, delivery, and innovation. The results show that the business is competitive enough in terms of quality, flexibility, delivery and innovation. But the business needs to pay attention to the competitiveness factor of cost. We find that the business needs to reduce waster of materials in order to be more competitive.

Keywords: Brownies · Competitiveness · Five factors of competitiveness

1 Introduction

The consumption of cakes in 2020 is 77,160 pieces per capita per year. The average consumption annual growth from 2016 to 2020 is 3.547 percent per capita per year [1].

One of the favorite cakes is brownies. Brownies are soft and dense textured cakes, dark brown in color and has a distinctive chocolate taste The use of chocolate gives the cake brown surface, which is assumed as the origin of the name. There are two types of brownies in the market, baked and steamed brownies [2, 3].

In Indonesia, many bakeries sell brownies. Wholesale and retail trade, that includes wholesale and retail trade of bakery products is the largest business in Indonesia [Statistics Indonesia, 2018]. According to the survey by Mondelez International, Indonesian consumes snacks more often than meals, especially chocolate-based snacks [4, 5].

“Brownies Buah Boome” products are mainly available in Bekasi. The largest expenditure is food and beverage, where 21.25% of expenditure of people of Bekasi if for ready-made food and beverages. The ready-made food and beverages expenditure increase from IDR 307,436.65/capita/month in 2018 to IDR 322,997.88/capita/month in 2019 [6]. The people of Bekasi have the tendency to buy ready-made food and beverages such as ready-made brownies.

Bekasi is one of the largest industrial cities in Indonesia, which has 10 industrial estates and 4000 factories operating in the area. Bekasi ranked second in term of wages in Indonesia. Hundred-thousand workers earn a living in Bekasi. It offers many jobs [7]. The population of Bekasi is mainly people of productive age and young families. It is very potential for food products such as “Brownies Buah Boome”.

Due to the market potential, the competition of cake and bakery industries in Bekasi is fierce. The competitors of “Brownies Buah Boome” are Amanda Brownies, Holland Bakery, Khasanah Sari, Ta-Tha Bolu, Pita Bolu, and Restu Bolu. They have been there longer and have captive market. Therefore, the company needs to improve its business competitiveness in order to be sustainable. This study aims to determine the competitiveness of and identify ways to increase the competitiveness of “Brownies Buah Boome”.

Business competitiveness refers to the ability of a business to create a variety of strategies that able to place it in a strategic and more profitable position compared to other companies. There are five factors of competitiveness: cost, quality, flexibility, delivery, and innovation [8].

2 Research Methods

This study uses qualitative methods with the aim of being able to see an overview of business competitiveness of “Brownies Buah Boome”.

Data is collected from September 2021 to March 2022 through multiple sources. We conducted a series of in-depth interviews with the business owner. Fifteen customers were interviewed to get their point of view of the business. We reviewed business documents to get the detailed data and observed the daily operation of the business, from material handling, production, quality control and product delivery.

With various method of data collection, we can get a full understanding of each factor of competitiveness that includes quality (performance, feature, reliability, conformance, durability, serviceability, aesthetics, and perceived quality, and serviceability), flexibility (setup and changeover time), delivery (after-sales service), innovation (adopting new technology, reducing product development time) and innovation (introduction of new products).

We analyzed the data descriptively to get the full the understanding of business management and to propose strategies to improve the competitiveness of the company.

3 Results

3.1 Cost Competitiveness

The cost competitiveness of the company can be seen from the comparison of cost per unit and selling price per unit in Fig. 1.

The cost competitiveness “Brownies Buah BOOME” is increasing by time. Although the price is more or less stagnant, the company managed to decreased total (cost production costs, overhead cost, materials cost, and inventory cost). So, the overall profit per unit is increasing. To further increase their cost competitiveness, the company should pay attention to waste of materials, especially cheese and fruit. The loss of materials is mainly due to poor weighing process for fruit filling and haste cheese toping process.

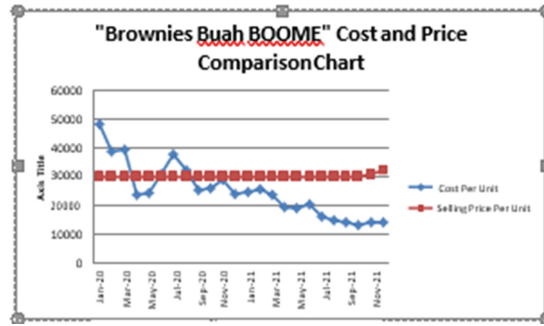


Fig. 1. Cost and price comparison

3.2 Quality Competitiveness

Based on results of in-depth interviews with its customers, the company main product, fruit filled brownies, has clear distinction from its competitors. The clear distinctions of product enhance the competitiveness [9].

This clear distinction means that the company can maintain the attributes that customer fond of from brownies (the aesthetics and perceived quality) while offer something new (the feature). Meanwhile the customers seen that the performance, reliability, conformance, durability and serviceability are the same as its competitor.

3.3 Flexibility Competitiveness

We found that the company has carried out the procedure for manage setup and changeover times very well. Changeover planning aims to anticipate equipment damage, lack of spare parts, and additional production process.

Delivery schedules rarely occurs. Throughout 2020 to 2021, the changes to the delivery schedule only occurred on 08 January 2020, 02 February 2020, 12 February 2021, and 08 June 2021. Whenever there is a change in the delivery schedule, the company always handled it well.

The company has a diverse product mix and production volume increases over time. The production volume has increased from 2020 to 2021. Sales and production volume increased rapidly in April 2020 and May 2020 because of Ramadan and Eid al-Fitr. Sales declined after it and the pandemic was starting to take effect. Sales and production volumes started to increase again during the mid until the end of 2020, to be precise from August 2020 to September 2020. It is due to purchasing power began to increase again after the early era of the Covid-19 pandemic. People are getting used to the new habits. Sales and production volume in 2021 has increased above 1000 boxes in the month of March 2021, April 2021, and May 2021. This relates to the moment of Ramadan and Eid al-Fitr 2021. In addition to producing brownies, the company also produces Eid cookies. After Ramadan and Eid al-Fitr of 2021, the production volume was continued to rise. The availability of vaccines increased the willingness of the people to mingle and consume more. The company flexibility in produce variety of products is good. It had different product mix and volume every month to fulfill customer demand.

Thus, based on dimensions of flexibility competitiveness such as: setup and changeover time reduction, ability to handle changes in customer delivery schedules, and the ability to change product mix and production volume rapidly, it can be concluded that the flexibility competitiveness of the company is good.

3.4 Delivery Competitiveness

Delivery duration varies due to destination. Fastest delivery time occurred on December 24, 2021, when the company deliver 5 boxes of banana brownies to the Sukaragam area in five minutes. Meanwhile, the longest duration occurred on June 30, 2020, when the company sent 1 box of premium almond brownie to Cipondoh area, Tangerang in twenty-four hours via expedition/courier service. The company often get orders from South Cikarang and Karawang that usually takes two-hours due to traffic jam.

Delivery accuracy of the company was good. All the deliveries were rightly fulfilled on time. The company has strict standard delivery.

Thus, based on the dimensions of delivery competitiveness such as: delivery speed enhancement, delivery accuracy enhancement, and after-sales service, it can be concluded that the delivery competitiveness of the company is good.

3.5 Innovation Competitiveness

The company use machines for production, such as mixers, blenders, roasters, and brownie steamers, for shorter production time. The company maintain and adapt its machineries to stay competitive.

The company often launch new products, but not on a regular basis. According to the owner, launch a new product that too routine/frequent will take time and money. The aim of this activity is to improve public awareness of the brand.

Thus, based on the results of research on the dimensions of innovation competitiveness such as: adoption of new technology, reduction of products development time, and the introduction of new products, it can be concluded competitiveness factor of innovation of the company is good.

4 Conclusion

The company competitiveness based on quality, flexibility, delivery, and innovation are good and in accordance with customer expectations, so it needs to be maintained. Meanwhile, the cost competitiveness factor is good, where the cost per unit of the main product decreased significantly. However, the company still need to pay attention to waste of materials, which can affect cost competitiveness.

Of all existing competitiveness (cost, quality, flexibility, delivery, and innovation), only cost competitiveness that still needs to be improved through better production standard to decrease waste.

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