



Post-Pandemic Digital Business Strategy in BanaJuo Restaurant Tangerang, Indonesia

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ABSTRACT

MSMEs has a strongly important role and have a big impact on the Indonesian economy. However, the development of MSMEs was severely depressed during the COVID-19 pandemic. During the COVID-19 pandemic, numerous MSMEs have incorporated technology into their business strategies. The Bana Juo Restaurant has also integrated technology into its operations. This research aims to find the right post-pandemic business strategy for Bana Juo Restaurant by using SWOT analysis. This qualitative descriptive research method was conducted through interviews and direct observation at Bana Juo Restaurant. This research indicates that when constructing and managing a business, it is essential to pay close attention to collaboration partners, opportunities, and consistency levels.

Keywords: MSME, Strategy, Digital Business, Pandemic.

1. INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) in Indonesia has a strongly important role which have a big influence on the national economy. One of Indonesia's ministries, Ministry of Cooperatives and SMEs, released that the total number of MSMEs in Indonesia currently reaches 64.2 million with total contributions to GDP of 61% or IDR 8,6 trillion. This number has grown steadily over the past five years. This contribution to the national economy includes the ability to absorb 97% of the total national workforce and can raise up to 60.4% of total investment.

MSMEs are one type of business that has experienced the impact of the pandemic era directly. 72% of micro, small, and medium-sized enterprises were influenced by the Covid-19 pandemic, according to Bank Indonesia's June 2020 survey [1]. When the government implements PSBB regulations for the development of MSMEs, especially when the lockdown was applied, it makes MSMEs business actors have to redesign previous strategies into the new one to survive. The decreases of Indonesia's economic growth especially in 2020 mostly caused by the Covid-19 proved that MSMEs has an essential role and big influence in Indonesia's economic growth, this is supported by some restricted movement for MSMEs.

Government released the regulation as the effort to stop the spread of the COVID-19 namely Regulation Number 21 of 2020 concerning PSBB or Large-Scale Social Restrictions due to the positive case number.

Based on Article 1 of the Minister of Health Regulation No. 9 of 2020 which illustrates the implementation of large-scale social restrictions in some areas where the positive cases number of COVID-19 pretty high with some limited activities such as; religion, defense and security, public facilities, schools, socio-culture, public transportation, and work in offices.

The purpose of PEN program is to handle the COVID-19 pandemic and/or face threats which can be endanger Indonesia's national economy and financial stability. The PEN program is a series of activities for the national economy's recovery and implemented by the Government. That pandemic handling program has been impact, as shown in the at least an increase in the percentage of the poor during the pandemic [2]. The existment of restrictions regulation makes MSMEs business actor hard in order to maintaining their businesses. Multiple restrictions, low purchasing power, numerous employee reductions, low levels of public trust in public dining establishments, as well as other factors, make it difficult for MSMEs to sustain their business. This forces MSMEs to seek out new strategies for business continuity, such as the shift from offline business to digital business.

The Bana Juo Restaurant is one of the MSMEs in the culinary industry that survived the pandemic. To help bana juo restaurant increase its sales in the post-pandemic, we created a SWOT analysis to analyze the weaknesses, strengths, opportunities and threats which will provide the right strategies that bana juo can do to grow its business.

2. LITERATURE REVIEW

Government Regulation of The Republic of Indonesia No.7 of 2021 concerning MSMEs tells the definition of MSMEs. Micro Enterprises are productive businesses owned by individuals and/or individual business entities that meet the criteria for Micro Enterprises. Based on business capital criteria, micro businesses are businesses that have business capital up to a maximum of IDR 1 billion, with land and buildings exception where the business is located. Small Business is not carried out by a companies or branches companies which usually being controlled, owned, or become part either directly or indirectly of Medium or Large-scale Businesses. Small businesses are also have some requirements to be recognized as a Small Business. Small businesses have a business capital between IDR 1 billion until IDR 5 billion, with structures and land exception for business premises. A medium-sized enterprise is an independent productive economic enterprise, which not carried out by a subsidiary or branch of a part either directly or indirectly a small enterprise or large enterprise. The medium enterprise has an enterprise capital between IDR 5 billion until IDR 10 billion, with land and buildings exception where the enterprise is located.

During the COVID-19 pandemic, the massive development of digital MSMEs has become an alternative to developing a national digital entrepreneurship [3]. Developing a digital business strategy can be a solution survival strategy as long as the COVID-19 pandemic happening [4]. The best marketing strategy based on the results of the SWOT analysis is maximizing the use of social media as a marketing tool [5]. It is required for some related associations to do training or alter the perspective of MSMEs actors in order for them to be able to keep up with technologically advanced marketing developments [6]. The Ministry of Cooperatives and Small and Medium Enterprises reports that 19% of MSMEs have been onboarded into the digital ecosystem, or 12 million MSMEs, higher than 2020's 13% or 8 million MSMEs [7].

Digitalization affects practically all sectors by creating opportunities and challenges for building enterprises, giant born digitals, and smaller start-ups [8]. The primary task of digitalization is to simplify the work with some large data, by automatizing the current activity of the enterprise, and building communications and bonds with the external environment [9]. Digitalization strategy is a system innovation process that is deliberately carried out with full awareness by companies to deal with environmental changes and anticipate the company's demands in the future so that it continues to exist and be profitable [10].

3. RESEARCH METHODS

This research uses a qualitative descriptive method by interviewing the owner of the Bana Juo Restaurant directly and observing the restaurant directly. According to Sugiyono (2016), this type research research is used to checking a condition natural objects [11].

This research was conducted at Gatot Subroto street, Cibodas district, Tangerang. The choice of this location cause of the very highly influence of Covid-19, especially at Bana Juo Restaurant. The research subject is an object, institution, or resource which is related to the research. The study subjects in this research were the owner of the Bana Juo Restaurant, namely Mr. Martius.

The types of data used in this study are primary and secondary data. The main or primary data retrieved directly from the source. The primary data which is in the form of words was retrieved through interviews and direct observation. Primary data were retrieved directly from the Bana Juo Restaurant. Primary or main data were retrieved from interviews with the business owner, Mr. Martius then from secondary data which retrieved indirectly through the intermediary media. The Secondary data sources are additional data sources that are not taken directly in the field, but from sources that have been made by other people [12]. Secondary or supplementary data in this research were retrieved by the documents that existed in the restaurant which contains stock reports, profit or loss reports, sales reports, return reports, and so on.

The analysis technique used in this study is SWOT analysis. Consists of analysis of strengths, weaknesses, opportunities, and threats (SWOT) is a common assignment for business studies students [13]. SWOT Analysis is a method for evaluating the 'strengths', 'weaknesses', 'opportunities', and 'threats' of an organization, plan, project, individual, or business activity [14].

4. RESULT AND DISCUSSION

The Bana Juo Restaurant is one of MSME's type in culinary sector that is survived and get through the pandemic. According to the shop owner, Mr. Martius said that this restaurant was constructed in 2009 and it is a business of his family who are indigenous Padang tribe. The Bana Juo Restaurant has 12 employees and has one branch about three kilometers away which is owned by the wife of the owner.

Mr. Martius said before the pandemic their sales were quite high every day, but after the pandemic appeared their sales dropped dramatically. This caused by the government's policy, PPKM (Enforcement of Restrictions on Community Activities), that caused a considerable impact on MSME's sector. With the existence of restrictions on the community such as

restrictions on activities in shopping centers / malls / trade centers, public facilities / public areas that are temporarily closed, restaurant activities which is only delivery / take away allowed, and other restrictions causing Bana Juo Restaurant's sales numbers decline during the pandemic. This makes the owner must have a new strategy during the Covid-19 crisis to be able to maintain his business. Furthermore, this restaurant should also have more strategies for future business growth.

According to the owner of Bana Juo Restaurant, there are several challenges while maintaining his business, such as the economic crisis caused by Covid-19 and digitalization. He must maintain the price of his products when the level of public consumption is low, while on the other side he must also be able to attract consumers to maintain his business. Facing digitalization, Mr. Martius said that lack of digital skills and knowledge, several errors in QRIS payments, and the complexity of repairing the system are the obstacles he faces in digitalization. These obstacles caused many MSMEs to not be able to face the digitalization.

According to Bank Indonesia Governor Perry Warjiyo, on various occasions to socialize the Indonesia Payment System Blueprint 2020-2025, there are several advantages for MSME if they digitalize. First, it is practical because there is no need to carry large amounts of cash which is inconvenient and takes up space. Second, it avoids various risks of carrying cash, such as: loss, damage, counterfeit money, and other risks. Third, it speeds up transactions. And fourth, for consumers and also MSMEs that sell products, the transaction always fits the amount even though the transaction is in fractions so there is no hassle looking for change and consumers are not disadvantaged because of the rounding up of the transactions they pay.

Knowing that digitalization is beneficial for MSME as well as technology developments, Mr. Martius began to adapt to technological advances by doing several things to advance his business.

1. Registering Bana Juo Restaurant to online applications

Three years ago in 2019, he registered his business with several online applications that are often used by people such as GrabFood and ShopeeFood. This was done because he saw the high potential benefits obtained when registering with the application. With the advancement and ease of technology, many people prefer to use online applications even though it costs a little more. But to overcome the cost of discounted application services, he raised the price of food 20% more expensive to still get the same profit. According to him, after registering with the online applications, his sales increased and his business became more crowded and known by many people.

2. Using QRIS payment method, GoPay, or another e-wallet.

Quick Response Code Indonesian Standard (QRIS). Bank Indonesia noted that, by February 2023, the number of merchants QRIS has reached 24.9 million with a total number of QRIS users of 30.87 million. Furthermore, the nominal QRIS transactions until February 2023 were recorded at Rp12.28 trillion with a transaction volume of 121.8 million. With the advancement of technology, now we no longer need to carry a lot of cash with a thick wallet. Many people choose not to carry a lot of cash for transactions, but they prefer to make any type of payment using a digital wallet such as m-banking or e-wallet. There are several benefits of using e-wallets such as instant financial transactions, can be used anytime and anywhere, reduce the risk of crime or loss, safer transactions, and many more promos available if using e-wallet.

According to Mr. Martius, besides the digital strategy, there are several things he did in maintaining his business especially during the pandemic, such as maintaining the quality of his products, keeping his shop very clean, maintaining the good services such as being friendly and always smiling when facing customers. He said, during the pandemic it was very difficult to maintain his business because his sales decreased dramatically due to the low level of public consumption. But this can be overcome by managing his financial turnover as well as possible and making expense savings such as making several employee layoffs, reducing water and electricity usage, maintaining with very strict his products, and calculating raw materials. Besides that, according to him it is very important to always be optimistic in running his business in any condition.

For future business plans, Mr. Martius said he will carry out a collaboration with Bank BTN where all his products will be sold at a price Rp 10,000 where all revenue shortfalls will be replaced by Bank BTN. Besides that, he also plans to open a branch through a partnership with Bank BTN where the bank will cover all the funds for the opening of the branch.

To determine the right business strategy for Bana Juo Restaurant, a SWOT analysis was conducted as below.

STRENGTHS	WEAKNESS
Has a strong bond between employees	No marketing team

Has its own characteristics	Has a high selling price
Strategic location	There are competitors who sell at lower prices
Clean, spacious, and comfortable	
Good customer service	
OPPORTUNITIES	THREATS
Doing social media promotions	Raw material prices increased
Make special offers	
Expand business branches	Competitors offer lower selling prices
Create new menu	There are several competitors around the location
Strategic location	

Matrix SWOT Analysis:

SWOT	STRENGTHS (S)	WEAKNESS (W)
	SO	WO
OPPORTUNITIES (O)	Have loyal customers so that they can attract customers if they create a new menu	make special offers to overcome high selling prices
	has its own characteristics so that it can compete with competitors	conducting promotions on social media to overcome the lack of a marketing team
	has a strategic location so that it can make it easier to products promotion	create a new menu with its uniqueness and special offers to overcome
	having good customer service so that makes it easier to attract customers with special offers	competitors who have lower selling prices
	has good quality products, services, and loyal customers so it is possible to expand business branches	

THREATS (T)	ST	WT
	Has product characteristics that can attract consumers from other stores	provide a marketing team to attract customers so that they can compete with competitors
	have loyal consumers and the uniqueness of the product so that it will not make consumers leave if the raw material prices increased	look for cheaper raw material suppliers to reduce selling prices and to overcome if there is an increase in raw material prices. so that it can compete with competitors who have lower selling prices.
	Besides having product uniqueness, it also has a clean, spacious, and comfortable place so that it can compete with competitors even though it has a higher selling price.	
	has loyal customers, uniqueness products, and good service so there is no need to be afraid to compete with competitors around.	

Internal Strategic Factors Analysis Summary:

Internal Strategic Factors	Weight	Rating	Scoring (weight x rating)
Strengths			
Has loyal customers	0,14	3	0,42
Has its own characteristics	0,14	3	0,42
Strategic location	0,11	3	0,33
Clean, spacious, and comfortable	0,14	4	0,56

Good customer service	0,145	4	0,58
Total Strengths Score	0,675		2,31
Weakness			
No marketing team	0,12	4	0,48
Has a high selling price	0,1	3	0,3
There are competitors who sell at lower prices	0,105	3	0,315
Total Weakness Score	0,325		1,095
Total Score (Strengths + Weakness)	1		3,405

Total Score (Opportunities + Threats)	1		2,795
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Based on the weight and rating assessment, Bana Juo Restaurant’s Strengths Opportunities (SO) value superior to the Weakness Threats (WT) value. It can be concluded that Bana Juo Restaurant will be more suitable to use the SO strategy for its business growth and development.

According to Rangkuti (2004), SWOT analysis is divided into four main quadrants that have different strategies for each quadrant. The SWOT analysis quadrant diagram and its explanation are as follows:



External Strategic Factors Analysis Summary:

External Strategic Factors	Weight	Rating	Score (Weight x Rating)
Opportunities			
Doing social media promotions	0,145	4	0,58
Make special offers	0,145	3	0,435
Expand business branches	0,12	4	0,48
Create new menu	0,1	2	0,2
Strategic location	0,12	3	0,36
Total Opportunities Score	0,63		2,055
Threats			
Raw material prices increased	0,09	2	0,18
Competitors offer lower selling prices	0,13	2	0,26
There are several competitors around the location	0,15	2	0,3
Total Threats Score	0,37		0,74

Based on the SWOT matrix strategy, the SO strategy is located in Quadrant I. This quadrant is a very favorable situation. The company has opportunities and strengths so that it can take advantage of existing opportunities. The strategy that must be applied in this condition is to support an aggressive growth policy (Growth oriented strategy). The following is the right digital business strategy for this quadrant for Bana Juo Restaurant:

1. Market Development

Bana Juo Restaurant currently has only one business branch which located three kilometers away. It will be great if Mr. Martius expands his business and chooses a strategic location carefully and in detail. Look for a location with high mobility, with an average population of middle to upper income, a place with many office buildings, and no similar restaurants arounds.

2. Product Development

Bana Juo Restaurant can carry out product development by making new innovations in its products such as adding food variants. Another way is by creating new products that have not existed before in his restaurant.

3. Market Penetration

Market penetration can be done by making innovations and new products that are not yet owned by any competitors, and conducting various kinds of promotions such as distributing flyers, social media such as having own Instagram and TikTok account and advertising by creating creative

content consistently, special offers, word of mouth, business collaboration, and so on.

4. Conglomerate Growth

Conglomerate growth can be done by Bana Juo Restaurant by opening business branches with the widest possible spread. The opening of new branches can also be sponsored by certain digital companies such as DANA, OVO, Shopeepay, GoPay for digital payment transaction, which is very beneficial for both parties.

5. Horizontal Integration

Bana Juo Restaurant can cooperate or make agreements with suppliers to only supply to his business to expand his business.

6. Forward Integration

Bana Juo Restaurant can spread its business by acquiring other restaurants and making these traders sell its business products. this will make bana juo more widespread and known to many people.

CONCLUSION

The Bana Juo Restaurant is one of MSME's type in culinary sector that is survived and get through the pandemic. They adapted technological advances by doing several things to advance his business, such as registering Bana Juo Restaurant to online applications (GrabFood and ShopeeFood) and using QRIS payment method, GoPay, or another e-wallet. They also maintaining the quality of their products, keeping their shop very clean, maintaining the good services such as being friendly and always smiling when facing customers.

For future business plans, The Bana Juo Restaurant will carry out a collaboration with Bank BTN where all his products will be sold at a price Rp 10,000 where all revenue shortfalls will be replaced by Bank BTN. Besides that, he also plans to open a branch through a partnership with Bank BTN where the bank will cover all the funds for the opening of the branch.

To determine the right business strategy for Bana Juo Restaurant, a SWOT analysis was conducted. And the result show Bana Juo Restaurant will be more suitable to use the Strengths Opportunities (SO) strategy for its business growth and development. Based on the SWOT matrix strategy, the SO strategy is located in Quadrant I where the strategy that must be applied in this condition is to support an aggressive growth policy (Growth oriented strategy).

To applied the right strategy base on the SWOT analysis, our recommendation for Bana Juo Restaurant are:

1. Market development by expands his business and chooses a strategic location carefully and in detail.
2. Product development by making new innovations in its products such as adding food variants or creating new products that have not existed before in his restaurant,
3. Market penetration by making innovations and new products that are not yet owned by any competitors, and conducting various kinds of promotions such as distributing flyers, social media, special offers, word of mouth, business collaboration, and so on.
4. Conglomerate growth by opening business branches with the widest possible spread.

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