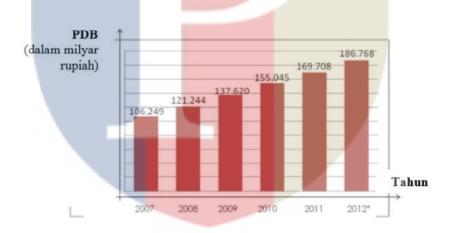
## **CHAPTER 1**

### Introduction

# 1.1. Background

The culinary business in Indonesia is one of the most popular business that is rapidly developing and has gain a big amount of interests among entrepreneurs. As seen in the graph below that its contribution to PDB rises each year. There have been many culinary businesses that gain a tremendous amount of profit. However, there were plenty of failures that have cost the businesses to close due to the lack of innovation and the right marketing strategy. In order to compete through rivalry, we must create the perfect marketing plan and food quality control where we can maintain a good relationship with the customers.



Picture 1. 1 Enhancement of the Contribution of Sub-Industry Restaurant towards PDB

*Source: BPS (2013)* 

Good relationship will be established if the restaurant is capable of delivering satisfaction to their customers' needs and expectations. One of the ways to give satisfaction to the customer is by giving a hygiene and high quality food to the customer. According to Ahmad (2007), the customer satisfaction is the key resource to indicate whether the food and service are properly handled or not. Pappajack has been expanded through different parts in Jakarta, but due to the intense rivalry in the industry, there is also an increase in the unfulfilled demand of customer satisfaction. This must be anticipated with the right strategy to keep the business sustainable and compete well in the market.

According to Kotler (2001), to develop customer satisfaction we should find the problem that occur frequently and how to fix it. Through further research, the solution given was to give a questionnaire in which customers may express their demand for their needs. The journal suggested that the success of the customer satisfaction is indicated by increasing the service so that the customers may feel satisfied after the transaction and will return for more.

Good quality of service and food quality are few of the most important factors to gain the market's interest. Customer satisfaction can be identified by the customers' willingness to continue using the service provided Tjiptono (2001). This case provided that if the customer is willing to go back after the first transaction, it means that their experience have fulfilled their expectation. If all the aspects above could be fulfilled, it will make the business more sustainable and profitable. Nevertheless if Pappajack fail to adapt, it will eventually get them out of the market and people will go to other café as well. This is why a questionnaire is extremely

important to find out what is lacking and how to fulfill more customer needs which leads to more maximize satisfaction.

#### 1.2. Problem Findings

Pappajack is a dining place that serves coffee and food which currently has many competitors. Bangi kopitiam, QQ kopitiam, Papparich and Western kopitiam are currently Pappajack's direct competitors. For example, Papparich is a brand similar to Pappajack, which opened 2 years ago with a similar menu and style. Customers' tastes and preferences will change as time progresses. With no variety in the menu, customers might get bored or uninterested and instead move to another restaurant to try out different foods. In order to make Pappajack develop more, a strategy is needed on how to maintain its position as one of the best cuisines. Based on the problem above, Pappajack will make a marketing strategy to compete with its competitor.

## 1.3.Objective

The objective of this plan is to increase brand awareness, customer satisfaction, facility and value added in Pappajack, which means that it will increase the revenue and expand its targeted market. The objective of the study is to indentify the followings:

- 1. Make a marketing plan for Pappajack.
- 2. Create a financial plans.
- 3. Analyze the result that were being implemented in Pappajack.

#### 1.4.Limitations

During this project, the writer will only analyse the marketing strategy that will be implemented on Pappajack. The location will be in Jakarta between January 2019 up to May 2019. It is limited only to Pappajack cuisines.

## 1.5. Systematic Writing

Chapter 1 Background

It contains the explanation of Backgrounds, problems purpose of the study, identifying problems and the method of research.

Chapter 2 Literature review

Explains the theory that will be used for chapter 3.

Chapter 3 Marketing Plan

It contains the marketing plan and also the analyses of external environment, industry analysis, competitor analysis and also the consumer.

Chapter 4 Result of implementation

The result of the implementation of the innovation.

Chapter 5 Suggestion and conclusion

Contains the suggestion and conclusion made by the final project.