

## **CHAPTER 4**

### **Business Implementation**

#### **4.1 New Menu Variant**

In implementing the Business plan and development, the first step that Pappajack implemented in this study is creating a new menu based on the survey that is conducted by our servers to the customer directly while serving them. The objective is to fulfill the desire of the customer that have not been fulfilled before.

Customers' tastes and preferences will change as time progresses. This is why Pappajack believes it is of an essential purpose that customers' tastes should be fulfilled. With no variety in the menu, customers might get bored or uninterested and instead move to another restaurant to try out different foods. Pappajack wants to maintain its strong customer base and add new customers who might be interested in trying the new menu added in the restaurant. By doing this, Pappajack has been able to keep its profits high while satisfying the customers' expectations in its changing preferences. On February 2019 we release new menu, which could be proven that it has impacted positively towards Pappajack. Here are the new menu variety that has been implemented by Pappajack recently:



Picture 4. 1. : New Menu



Picture 4. 2. : New Menu

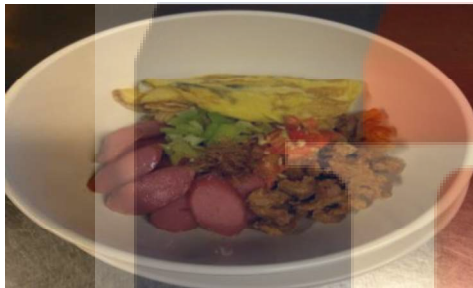
Source: Pappajack Data



*Picture 4. 3. : Rice with curry beef*



*Picture 4. 7. : Chilli paste shrimp with rice*



*Picture 4. 4. : Indomie*



*Picture 4. 8. : Sweet sauce fried chicken with rice*



*Picture 4. 5 : Fried Squid with dried chilli onion*



*Picture 4. 9. : Fried Tofu with chilli*



*Picture 4. 6. : Green bean with chicken*



*Picture 4. 10. : Fried chicken butter sauce*



*Picture 4. 11. : Vanilla ice cream served with tropical fruits*



*Picture 4. 12. : Sauteed Mixed Vegetables*



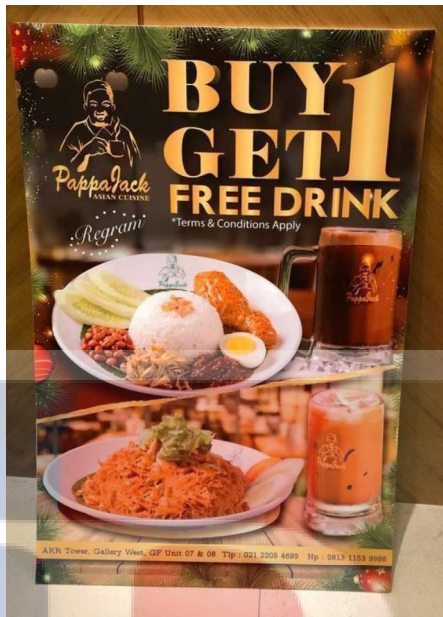
*Picture 4. 13. : Avocado with ice cream*

After implementing this new variety of foods to Pappajack, it is proven that customers are pleased with this additional menu and increase customers' satisfaction. With new innovation and high quality tastes, customers' most preferred menu is the Indomie with fried chicken, sausage, onion and egg. It has become the best seller food in Pappajack in no time, which help make Pappajack more profitable. It proves how the implementation of new menu variant could increase sales and customers' satisfaction in the restaurant. The menu adds a simple yet delightful addition to the variants of food provided by Pappajack.

#### **4.2 Promotions**

The second implementation of Pappajack to develop the restaurant is through the promotions we did. This is based on the customers' segmentation that tends to complain that Pappajack has less desirable promotion compared to other restaurants. In this implementation, we are going to make a promo that potentially will attract our regular customers and possibly attract new customers to revisit.

It is also one of our strategy to compete with other competitors as our competitors are very creative with their promotions. This can then increase brand awareness to customers so that customers could enjoy a better dining experience in Pappajack. The promotions shown are being implanted starting March 2019:



Picture 4. 14. : Free drink for every heavy meal purchases



Picture 4. 15. : Dim sum promo morning



Picture 4. 16. : Exclusive PappaJack membership card for customers



Picture 4. 17. : Special promotions for Ramadhan

### 4.3 Advertisements

PappaJack uses billboard for advertisement purposes so people can see clearly even within a far range, which impact greatly as it bring a lot of awareness towards the surrounding complex area. It is very crucial for PappaJack to use

advertisements like a billboard in front for marketing their restaurant in order that customers could easily locate the place or be interested in dining there. Therefore, the name of “Pappajack” with a bright LED light would effectively broadcast the name of the restaurant, whilst catching people’s attention to come enjoy the products served.

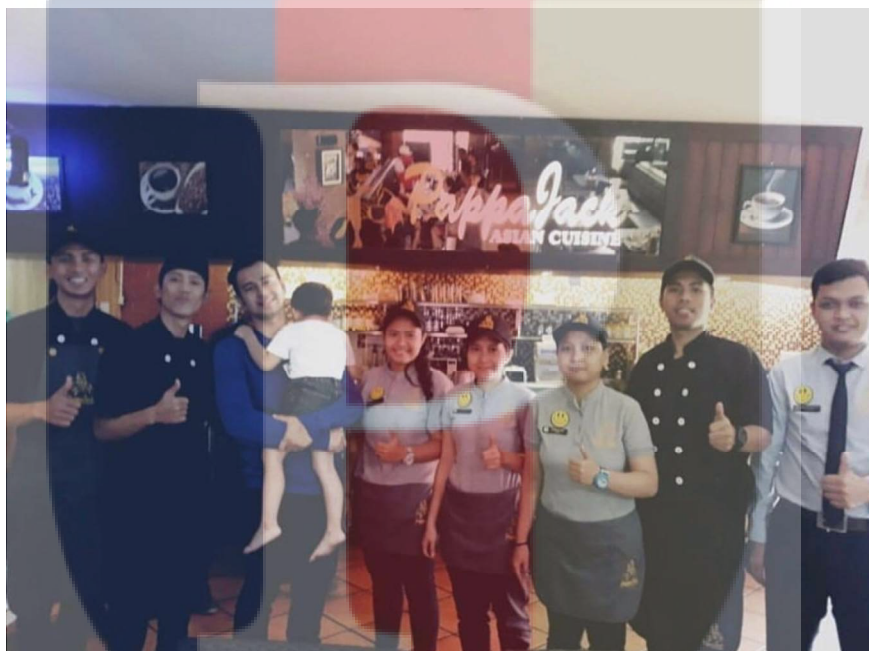


*Picture 4. 18. : Billboard*

Not only that, Pappajack uses social media, like Instagram, to reach a wider target market. Customers have played social media especially Instagram in this current digital era, so Pappajack took advantage of that and uses advertisement in



that medium. Posts are made by Pappajack where influencers who came to the restaurant took pictures with the staffs. This advertisement is done in order that customers could be influenced or interested in coming to Pappajack after knowing that influencers came and dine in the restaurant. It brings more awareness to the society about Pappajack's existence and customers could then look up about the foods served, which will increase sales as well.



*Picture 4. 19 : With Famous Artist Influencer*

#### **4.4 Development**

Through the process of the analysis in this study segmentation, Pappajack open its 31st branch at Wisma AKR building. It is located next to the office tower, which suit our target market. This development has helped increase the overall performance of Pappajack as it is located in a strategic place that aims directly to served foods for office workers near the area. It is proven that the sales increase and

Pappajack could bring more people to provide them with the variety of food according to their expectations.



*Picture 4. 20. : New Outlet*

#### **4.5 New concept VIP room**

Through the surveys that have been conducted, many customers had requested that there should be a VIP room for them to use for meetings or gatherings. This is why as of starting from February 2019, we renovate our branch in Wisma AKR and Alam Sutera to have a special VIP room complete with a projector for various purposes such as karaoke and meetings. The new concept is done to increase customer satisfaction in Pappajack in which their expectations could be fulfilled and increase their spending hours in the restaurant. By doing this, Pappajack could developed the restaurant into providing an available space for more exclusive area that customers highly demanded.



*Picture 4. 21. : VIP room in Flavor Bliss Alam Sutera*



*Picture 4. 22. : VIP Room*

LED Billboard for advertisement to create a sense of awareness to interested customers that Pappajack bring of a high quality taste for the delicacy it provides. This will then create more revenue for other businesses hiring the slot space.



Picture 4. 23. : Led Board

Arcade game is a new concept that Pappajack applied to the outlets in which it can bring more entertainment to the customers while they dine and enjoy the food in Pappajack.



Picture 4. 24. : Arcadage Game



*Picture 4. 25. : Live Music every weekend*



*Picture 4. 26. : Packaging For Gojek Delivery. Starting february 2019 we are available in gojek application (go food) which makes people easier for delivery*

#### **4.6 Results**

As the result of the implementation the sales that were made during realization is bigger than the projection created. Even though the advertisement expense is more than the projection, but this was tolerated as the expense that were added created more revenue which contributed to our sales through the period of time that were stated. During the Ramadhan on May our sale goes down as majority of people do not eat through the day. Even though our advertisement expense rises we still manage to get more net income which means the implementation is a success. As seen in the cash flow that during Ramadhan our sales falls by 50% which is normal.

Projection

Tabel 4. 1 Income Statement

Pappajack Income Statement January-June 2019			
Revenues			
	Sales	7,800,000,000	
	Cogs	3,224,000,000	40% Margin
Total Revenues		4,576,000,000	
Expenses			
	Salaries		194,000,000
	Rent expense		318,000,000
	Depreciation Equipment and Building		113,000,000
	Utilities expense		316,000,000
	Advertisement expense		119,000,000
	Total Expense		1,060,000,000
	Income before tax 10% PB1		3,516,000,000
	Net Income		3,164,000,000

Source: Pappajack Data

## Implementation

Tabel 4. 2 Income Statement

Pappajack Income Statement January-June 2019			
Revenues			
	Sales	9,800,000,000	
	Cogs	4,024,000,000	
Total Revenues		5,776,000,000	
Expenses			
	Salaries	194,000,000	
	Rent expense	318,000,000	
	Depreciation	113,000,000	
	Utilities expense	316,000,000	
	Advertisement expense	319,000,000	
	Total Expense	1,260,000,000	
	Income before tax 10%		4,516,000,000
	Net Income		4,064,400,000

*Source: Pappajack Data*



Projection

Tabel 4. 3 Balance Sheet

Pappajack Balance Sheet January-July 2019				
Assets				
Current Assets				
	Cash		1,400,000,000	
	Inventories		94,000,000	
	Pre paid		6,000,000	
	Other		21,000,000	
Total current assets			<b>1,521,000,000</b>	
Fixed assets				
	Property and equipment		3,521,000,000	
Total Asset			<b>5,042,000,000</b>	
Owner Equity				
	Investment Capital			2,500,000,000
	Retained Earnings			2,542,000,000
	Total Equity			5,042,000,000

*Source: Pappajack Data*

## Implementation

Tabel 4. 4 Balance Sheet

Pappajack  
Balance Sheet  
January-July 2019

Assets				
Current Assets				
	Cash		1,550,000,000	
	Inventories		104,000,000	
	Pre paid		37,000,000	
	Other		21,000,000	
Total current assets			<b>1,712,000,000</b>	
Fixed assets				
	Property and equipment		3,521,000,000	
		Total Asset	<b>5,233,000,000</b>	
	Owner Equity			
		Investment Capital		2,500,000,000
		Retained Earnings		2,733,000,000
		Total Equity		5,233,000,000

Source: Pappajack Data

Tabel 4. 5 Cash Flow

Pappajack Cash Flow			
	March	April	May
Cash on hand	208,333,333	962,033,666	586,867,000
Cash sales	1,633,000,000	1,875,000,000	562,000,000
Total cash	1,841,333,333	2,837,033,666	1,148,867,000
Cash paid out			
promotions	53,166,667	62,000,000	28,000,000
COGS	670,000,000	695,000,000	200,220,000
wages	32,300,000	32,300,000	32,300,000
equipment depreciation	18,833,000	18,833,000	18,833,000
rent	53,000,000	53,000,000	53,000,000
other expense	52,000,000	52,000,000	52,000,000
Total cash	879,299,667	913,133,000	361,353,000
owner withdrawal		1,500,000,000	
cash on hand end of month	962,033,666	586,867,000	787,514,000

*Source: Pappajack Data*

During this implementation KPI is used as a tools to identify which projection is achieve during the period of time that is set during the final project. Below is the table chart of KPI in which writer list the accomplishment of implementation that is achieved.

Tabel 4. 6 KPI

<b>Business / development strategy projection</b>	<b>KPI ( Key performance index)</b>	<b>Achieved / on process</b>
Create a new variety menu	Implemented, indomie goreng, toge cah ikan asin, tumis buncis and sosis goreng	Achieved
Make a private space for customer needs	VIP room with a projector , speaker , TV and karaoke system	Achieved
Billboard	A big billboard above our roof to get more recognition and awareness for surrounding area	Achieved
New outlet for expansion	A new outlet at Wisma AKR office tower lobby and Pondok Indah Mall Food Gallery	Achieved
Social Media Advertisement strategy	Get an artist or influencer to promote	Achieved

Delivery Partner	Get pappajack to be available in go food	Achieved
Promotion	Bank cooperation for discount	Achieved
A new innovation for people that spend long hour	Arcade game	Achieved
Daily Promotion For Breakfast	10k rupiah dimsum promotion	Achieved
Advertisement Board For extra Revenue	A Board that are for rent which can advertise an individual product or company	Achieved
Membership Program	A card that can be used for extra discount.	Achieved
Shareholder card	Spec	Achieved

Source: Personal Data