Pandemic Covid-19 Resilience In Improving Coffee Business Marketing in Local Coffee Bali as Tourism Product

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**ABSTRACT**

The Covid-19 virus is increasingly spreading in Indonesia, several policies set by the Government in Indonesia have had an impact on several sectors in Indonesia, one of which is the economic sector. This study aims to analyze the internal and external factors that affect Local Coffee Bali as tourism product and marketing strategies that can be applied by the management of Local Coffee Bali after facing the Covid-19 pandemic. The research methodology used is descriptive qualitative to analyze data by the influence of the business environment both internally and externally. The results of this study indicate that from the analysis of the internal environment using the SW matrix, the most influential strength (Strengths) is product quality and the most influential weakness (Weaknesses) factor is increasing promotional activities. While the external environment results through the OT matrix, the most influential opportunities are adding product variant innovations and the most influential Threats is increasing a comfortable and shady dine-in place. While the results of the SWOT matrix analysis through four alternative strategies can be found marketing strategies that can be applied by the management of Local Coffee Bali after facing the Covid-19 pandemic for tourism products are adding product variant innovations, improving product quality according to market prices, increasing promotional activities, increasing places to shop, cozy and shady dine-in.

1. INTRODUCTION

In the era of the Covid-19 pandemic, it was proven to spread very quickly with a transmission rate of 3-4 people compared to other viruses. The virus that spreads so quickly has an impact on various fields (Segaradana et al., 2022). One of the impacts that occurred was economic growth which experienced such a devastating impact that it was almost evenly distributed throughout the world. Many of the various countries in the world are experiencing an economic crisis due to this virus (Wisnawa et al., 2022). A study states that Covid-19 has impacted the Indonesian state in several sectors, including the tourism, financial market and trade sectors. On March 11, 2020, (WHO, 2021) declared Covid-19 a global pandemic. After this announcement, several countries have banned foreigners from visiting their countries, including the Indonesian government banning foreign nationals from visiting Indonesia. The existence of policies to reduce the domino effect and stop the spread of this virus, including social distancing, lockdown (regional quarantine) and work from home (work/activities from home) have led to a reduction in the world's traveling activities (Munandar et al., 2020). The spread of Covid-19 was so fast that it caused the Government to implement a social distancing system called PSBB (Large-Scale Social Restrictions) (Sugita & Wisnawa, 2021). The government's good intention to carry out the PSBB is very detrimental to Indonesian citizens, especially the impact of a declining economy and many workers who have lost their jobs (Wisnawa, 2021).

The Covid-19 virus is increasingly spreading in Indonesia, several policies set by the Government in Indonesia have had an impact on several sectors in Indonesia, one of which is the economic sector (Montalbo, 2022). This is inseparable from the existence of Covid-19 which has an impact on the tourism sector, trade sector, micro, small and medium enterprises (MSMEs). On the other hand, the economy is an important factor in life, as it is known that a person will directly touch economic needs in carrying out life (Wisnawa, 2021). In general, Covid-19 has also had an impact on economic growth in Indonesia, where previously it was 5.3 percent, some predict that economic growth in Indonesia will now reach 2 percent (Fatahilla et al., 2020).

The application of these regulations certainly greatly affects the Indonesian economic sector including tourism, one of which is the trade sector in Micro, Small and Medium Enterprises (MSMEs). The

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Minister of Industry, Agus Gumiwang Kartasasmita, believes that this phenomenon has had a major effect on domestic Micro, Small and Medium Enterprises (MSMEs), including Micro, Small and Medium Enterprises (MSMEs) in coffee processing, which have experienced a drop in sales of up to 50-90%. This has made cafes, coffee shops and restaurants forced to close due to the lack of visitors (Kemenparekraf RI, 2020). As happened in several regions of Indonesia, Micro, Small and Medium Enterprises (MSMEs) processing coffee in Badung district also feel the impact of the implementation of government regulations, one of which is the Local Coffee Bali coffee shop. The coffee shop is a local coffee shop that is quite successful because it already has several branches in Badung district. But behind its success, based on the results of interviews with the owner of Local Coffee Bali, in the last five months this coffee shop has experienced a decline in sales turnover (Candranegara et al., 2021).

The decline in sales turnover was also due to several other things such as government regulations regarding operating hours restrictions, product sales by take away (wrapped/taken home), and the high level of competition for coffee shops in Badung Regency. This problem makes the owner of Local Coffee Bali worry that their sales turnover will continue to decline which could affect the profit generated by this coffee shop. Management of Local Coffee Bali must be able to plan strategies in dealing with the COVID-19 pandemic situation, strategies from the right management will increase consumer decisions to buy products, thus increasing profits, and being able to maintain the sustainability of the business they are running (Wachyuni et al., 2021; Soegoto & Karamoy, 2020).

Marketing has an important role in planning a strategy for a business, through marketing strategies that can help a business to achieve its goals (Wisnawa et al., 2022). Marketing strategy is the marketing logic in which a business unit hopes to achieve its marketing objectives (Kotler et al., 2014). One strategy that can be used is to meet customer needs (Susila & Adi, 2021). In planning a marketing strategy, it can be based on a thorough analysis of the factors that affect the external and internal environment, as is currently happening, the external environment is changing rapidly thereby presenting various opportunities and threats, the consequences of changes in external environmental factors also result in changes in internal environmental factors to the strengths and weaknesses of a business (Rangkuti, 2006).

In the analysis of the current situation, the most popular model used is the SWOT analysis. SWOT analysis is the identification of various factors systematically to formulate company strategy. This analysis is based on logic that can maximize Strengths and Opportunities, but simultaneously can minimize Weaknesses and Threats. The strategic decision-making process is always related to the company’s mission, objectives, strategy and policies (Rangkuti, 2006). SWOT stands for internal environmental strengths and weaknesses, as well as external environmental opportunities (opportunities) and threats (threats) faced by the business world (Rangkuti, 2006). Strengths include internal capabilities, resources, and positive situational factors that can help companies serve customers to achieve their goals, Weaknesses include internal limitations and negative situational factors that can hinder the performance of a business, Opportunities include factors that favorable in the external environment that the company can use to gain profits, and threats (Threats) include factors in the unfavorable external environment that present challenges to company performance (Kotler et al, 2014).

Local Coffee Bali definitely has strengths, weaknesses, opportunities and threats during the COVID-19 pandemic. From these strengths, weaknesses, opportunities and threats, a marketing strategy for Local Coffee Bali can be created by using strengths to take advantage of opportunities, using strengths to overcome threats, minimizing weaknesses by taking advantage of opportunities, and minimizing weaknesses and avoiding threats. Marketing management is the art or science of choosing target markets and building profitable relationships with them (Kotler et al., 2014). Marketing mix as a collection of controllable tactical marketing tools that a company blends to produce the response it wants in the target market. The marketing mix can be grouped into four groups called the four P’s namely: i) Product, is a combination of goods and services that the company offers to the target market; ii) Price, is the amount of money customers have to pay to obtain the product; iii) Promotion, is an activity that conveys the benefits of a product and persuades customers to buy it; iv) Place, includes the company’s activities that make the product available to target customers.

SWOT analysis is the systematic identification of various factors to formulate corporate strategy (Rangkuti, 2006). This analysis is based on logic that can maximize Strengths and Opportunities, but simultaneously can minimize Weaknesses and Threats. The strategic decision-making process is always related to the development of the company’s mission, objectives, strategies and policies. SWOT stands for internal environmental strengths and weaknesses, as well as external environmental opportunities (opportunities) and threats (threats) faced by the business world. SWOT analysis compares external factors of opportunities and threats with internal factors of strengths and weaknesses (Rangkuti, 2006).

Previous research indicates that from the analysis of the external environment using the EFAS matrix, the most influential Opportunities factor is the development of technological progress and the most
influential Threats factor is the high bargaining power of consumers (Munandar et al., 2020). While on the results of the internal environment through the IFAS matrix, the most influential strengths (Strengths) are product quality and the most influential weaknesses (Weaknesses) are the unfavorable Free WiFi service. Whereas the results of the TOWS matrix analysis through four alternative strategies can be found marketing strategies that can be implemented by Black Cup Coffee and Roastery management in dealing with the COVID-19 pandemic, namely adding distribution channels in other potential areas, increasing consumer loyalty, increasing promotional activities, and improving quality, service. Another researcher found that the COVID-19 pandemic and tourist visits simultaneously affected the local community's income level by 45 percent or in the results of the path analysis by 0.7416, whereas if partially, the COVID-19 pandemic and tourist visits had a positive and significant effect on local community income level with a coefficient of 0.9343 (Yuniarso & Setyorini, 2021). This study aims to analyze the internal and external factors that affect Local Coffee Bali as tourism product and marketing strategies that can be applied by the management of Local Coffee Bali after facing the Covid-19 pandemic.

2. METHODS

This type of research data is descriptive qualitative. Descriptive research is a method used to analyze data by describing or describing the data that has been collected as it is without intending to make general conclusions or generalizations. While the qualitative research method is research based on the philosophy of post positivism, used to research on natural object conditions where the researcher is a key instrument (Sugiyono, 2019), data collection techniques are carried out by triangulation (combined), data analysis is inductive/qualitative, and the results of qualitative research emphasize meaning rather than generalization. The data source used in this study is primary data obtained from the results of distributing statements in the form of questionnaires to the tourist at Local Coffee Bali. Primary data is a data source that directly provides data to data collectors (Sugiyono, 2019). Primary data is data obtained directly from the source.

Qualitative research does not use the term population, but Spardley calls it “social situation” or a social situation consisting of three elements, namely place, actors, and activities that interact synergistically (Sugiyono, 2019). The population in this study are all tourists at Local Coffee Bali. Samples in qualitative research are not called respondents, but as sources or participants, informants, friends, and teachers in research (Sugiyono, 2019). The sample in qualitative research is also not called a statistical sample, but a theoretical sample because the purpose of qualitative research is to generate theory. The sample in this study were tourists who bought food/drinks at Local Coffee Bali from 17 to 23 October 2022, so the number of samples used in this study was 10 respondents. The sampling technique used in this research is random sampling. Random Sampling is taking members of the population randomly without regard to the strata (levels) in the population (Sugiyono, 2019). This sample is done if the population is considered homogeneous.

Data collection techniques are the most strategic step in research because the main objective of research is to obtain data (Sugiyono, 2019). In this study, the data collection technique used was a questionnaire. In this study, researchers used the SWOT Matrix to analyze data by describing or describing the influence of the business environment both externally and internally as well as determining marketing strategies that Local Coffee Bali management can apply in dealing with the COVID-19 pandemic.

3. RESULTS AND DISCUSSIONS

The results of the analysis of the Local Coffee Bali SWOT Diagram is presented in Figure 1 and The results of SWOT matrix analysis of Local Coffee Bali is presented in Table 1.

Internal Factor Analysis Summary (IFAS) matrix analysis
Based on the results of internal environmental analysis using the Internal Factor Analysis Summary (IFAS) matrix, it can be identified the strengths and weaknesses that influence Local Coffee Bali with details on the strength factor, there are five very important factors that get a rating of three with a value respectively namely product quality 0.76, product innovation 0.77, product variant 0.77, competitive product prices 0.77, and strategic location 0.73. Whereas on the Weaknesses factor there are five important factors that get a rating of two with their respective values, namely promotional activities that are not yet maximal 0.5, free Wifi service is not good 0.57, for dine-in is inadequate because the place is outdoor 0.55, the coffee machine lacks high quality 0.55, and the service is less than optimal along with the growth of enthusiasts 0.58 with details on the Strengths factor having a greater value of 3.80 than the Weaknesses factor which only gets 2.78.
Table 1. Local Coffee Bali SWOT Analysis Matrix

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<tbody>
<tr>
<td>1. Changes in the economy and lifestyle also affect tourist's consumption patterns.</td>
<td>1. Promotional activities that have not been maximized</td>
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<td>2. The development of technological progress</td>
<td>2. The free Wifi service is not good.</td>
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<td>3. Establish cooperation with investors.</td>
<td>3. Dine-in is inadequate because the place is outdoor.</td>
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<td>4. Opportunity to sell food and beverages with a bundling system.</td>
<td>4. The coffee machine is not high quality.</td>
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<td>5. Diversify by adding new products and exploring new flavors of coffee from various regions.</td>
<td>5. Lack of maximum service along with the growth of enthusiasts.</td>
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<td>SO Strategy</td>
<td>1. Add product variant innovation.</td>
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<td>WO Strategy</td>
<td>Increasing promotional activities.</td>
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<td>ST Strategy</td>
<td>Improving product quality according to market prices.</td>
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<td>WT Strategy</td>
<td>Increase the space for a comfortable, shady dine-in.</td>
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</table>
External Factors Analysis Summary (EFAS) matrix analysis

Based on the results of the analysis of the external environment using the External Factor Analysis Summary (EFAS) matrix, it can be seen that the factors of opportunities (Opportunities) and threats (Threats) that influence Local Coffee Bali with details on the factors of opportunities (Opportunities) there are five very important factors that get a rating of three with a value respectively, namely the opportunity to sell food and beverages with a bundling system 0.69, and changes in the economy and lifestyle also affect tourist's consumption patterns 0.63, diversify by adding new products and exploring new flavors of coffee from various regions 0.63, working with investors 0.62, and developments in technological progress of 0.61. Whereas on the Threats factor there are four important factors that get a rating of two with a score of 0.42 superior competitors, the emergence of new competitors 0.42, the number of substitute products for coffee drinks 0.42, macroeconomic changes cause coffee bean prices to increase at the level of farmers and suppliers 0.36. While there is one important factor that gets a rating of 1 with a value of erratic weather changes causing an unstable coffee processing process of 0.40, so that a total score of 3.18 is obtained with details on the opportunity factor (Opportunities) having a greater value of 1.15 compared to threat factor (Threats) which only get 2.03.

SWOT Diagram Analysis of Local Coffee Bali

Based on the results of the SWOT diagram analysis, it is known that Local Coffee Bali’s position is in quadrant I which is a very profitable situation because it has opportunities and strengths so that it can use strength to take advantage of existing opportunities. The strategy that must be applied in this condition is to support an aggressive growth policy (growth-oriented strategy).

Local Coffee Bali SWOT Matrix Analysis

Based on the results of the TOWS matrix analysis through four alternative strategies, it can be found that marketing strategies that can be implemented by Local Coffee Bali management in dealing with the COVID-19 pandemic are SO Strategy: Adding product variant innovation, ST Strategy: Improving product quality according to market prices, WO Strategy: Increase promotional activities, and WT Strategy: Increase the place for dine-in that is comfortable and shady.

4. CONCLUSION

Based on the results of an internal environmental analysis through the IFAS matrix, there are ten factors consisting of five strengths and five weaknesses that influenced Local Coffee Bali as tourism product during the COVID-19 pandemic, with the most influential strengths (Strengths) being product quality and Weaknesses the most influential is the poor free Wifi service. Based on the results of the SWOT matrix analysis through four alternative strategies, it can be found that marketing strategies that can be implemented by Local Coffee Bali management in dealing with the COVID-19 pandemic are adding distribution channels in other potential areas, increasing consumer loyalty, increasing promotional activities, and improving service quality.

5. REFERENCES


Segaradana, I. P. J., Suastini, N. M., & .. (2022). Effectiveness of Instagram and Facebook Marketing on the


