

Application of Market Innovation Strategies for Banjaran Coffee Products using the Walk Shop

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Abstract

The business development undertaken by this partner group includes several issues. Problems related to the development of marketing activities that have been carried out so far and want to change the marketing concept from online to offline. Although constrained by the limited location of store stock from each coffee partner, they still want to innovate directly through the idea of a tavern. The concept of business planning and product innovation is not yet understood as a tool that effectively recognizes business potential through on-going shop innovation. Marketing problems through other promotional media and cooperation. The method of implementation used to obtain solutions and target outcomes set, through training, technical guidance, and assistance. In the implementation of a team with experts who are experts in their fields, determine the stages and procedures in getting solutions to problems faced by partners, so partners can develop into sustainable businesses, and have competitiveness. The community activity program plan is carried out for 8 months starting from the preparation, implementation, monitoring, and evaluation, presentation, and reporting of activities and writing of publications in International Standard Serial Number (ISSN) journals, national seminar proceedings, and training modules for the implementation of activities.

Keywords: *Current Shop Model, Business Plan, Innovation Strategy, Creative*

INTRODUCTION

Profile of Ciapus Village, Banjaran District, Bandung Regency, is an area based on the topography of Ciapus Village extending from North to South. The northern part is the lowlands bordering the Banjaran Village as well as the Capital District of the Banjaran District which is the economic center with various shops along the provincial road and the Banjaran market which borders directly with the Ciapus Village area so that the population of Hamlet I is the majority of economic actors are the majority of the trade comes from a corner.

As is known, that Banjaran is a very cool region, so to develop the potential of coffee will bring benefits to coffee entrepreneurs in the region. The raw material produced for this coffee product is obtained from the Mount Puntang region, where the area produces high-quality coffee beans with a variety of distinctive and varied scents and flavors. For local people, drinking coffee has become a culture, of course, the majority of the daily population as a strong connoisseur of coffee (Mulyaningsih, 2015).

Moreover, this Banjaran coffee product business has various types of variants with diverse aromas and flavors, making people increasingly feel bored with coffee. Judging from the number of coffee lovers who are rich in benefits, surely the coffee business has a pretty high chance (Said, 2017).

Ignorance of the community about coffee makes them lack understanding of the taste of coffee with good quality. Given the economic level in Indonesia, including the majority of the lower middle class. Of course, to visit coffee with good quality, they will think twice, because the basic necessities of life are high. Therefore, most people prefer to enjoy sachet size coffee at a low price. They can enjoy the taste of coffee for only IDR 2,000. Without them knowing, that actual sachet coffee does not have the same benefits as real coffee (without additional processed).

Most sachets with pulp, not the original pulp but mixed with cornflour. Of course, the benefits are different. Coffee has a character which when mixed with other preparations, the benefits will be reduced and may even disappear or switch to drinks with less healthy side effects. As it has the potential to contain high levels of sugar and acids, it is not good for the stomach and can increase blood sugar. Because coffee when it is mixed with sugar, the acid content can also increase up to four times.

The target market for Small and Medium Enterprises (SME) activities has several market segments. Main Partner Group already has its own brand, namely Banjaran coffee stock, gedongan coffee group, a group that produces local types of Banjaran coffee, and the southern Bandung coffee group. The marketed price for this type of Banjaran coffee product is set for size of 100gr at a price of IDR 35,000 and for a type of size 500 gram is sold at a price of IDR 135,000. Over time, the phenomenon of Online to Offline or vice versa. Online to Offline seems to be the future that "must" become a culture in Indonesia in order to foster online purchases and the public must be educated. Indonesian people today still need tangible physical evidence from a store (Cao, 2014).



The age of the Banjaran Coffee Stock business is 4 years old (since March 2019). The brand is very iconic with a picture of a train (Sundanese for Delman). In each package of this Banjaran coffee product, it becomes an icon of the Banjaran's uniqueness, because some of the consumers consider that this Banjaran coffee can be a form of local souvenirs.

Another plan of the Banjaran Coffee Stock using marketing techniques is to combine matching between the present and past elements. Having the impression of a product that appears from its packaging, Kopi Banjaran looks classic but does not lose its elegant impression. As an attraction of this condition, when we enter the Banjaran Coffee Shop, there is a contemporary impression that appears there (for example, the display frame used in this shop building uses aluminum frames). At first glance, this store has provided a modern atmosphere.



Fig 1. Study partner group

In examining the map of innovation development for the marketing of Banjaran coffee products, there are several things that can be observed externally from the existence of this coffee product. According to Rangkuti (2000), it is necessary to pay attention to aspects of the SWOT analysis in order to read opportunities and threats externally by optimizing the strengths, among others, as follows: (1) This Banjaran coffee product has the opportunity to be developed into a product that has a very large opportunity position to develop into a typical Banjaran product; (2) Innovations developed by Banjaran coffee (partners) have not been fully effective, especially sales that are direct to consumers because of their limited area; (3) Banjaran coffee has already been introduced through online media, so that a small number of consumers already know this product; and (4) The Main Partner Group already has its own brand, namely Banjaran Coffee Stocks, Coffee Group with the brand name Kopi Olla, Gedongan Coffee Group, and a Group that produces Banjaran Coffee in the Bandung Regency called the South Bandung Coffee Group (see Figure 1).

Figure 2 explains the Banjaran coffee market segment having several coffee group partners working together as a development of the Banjaran coffee sales, including gedongan coffee partner groups, Banjaran south Bandung coffee groups, olla coffee groups, and local consumer groups. Aside from collaborating with these partner groups, the main partners also sell directly to the market.

Problems faced by partners related to the market innovation strategy of using a mobile shop for coffee products, among others: (1) Banjaran coffee products that when first doing O2O marketing (online to offline) doing online media by offering through Facebook this time will be done with using the offline method still has limitations in its marketing activities, so it is necessary to think of ways to be able to develop O2O innovations with new innovation patterns so that the concept of selling that has limited partners can be changed; (2) Even though they are constrained by the limited location of store stock from each coffee partner, they still want to innovate directly through the idea of a tavern; and (3) The concept of business planning and product innovation is not yet understood as an effective tool to recognize business potential through on-going shop innovation.

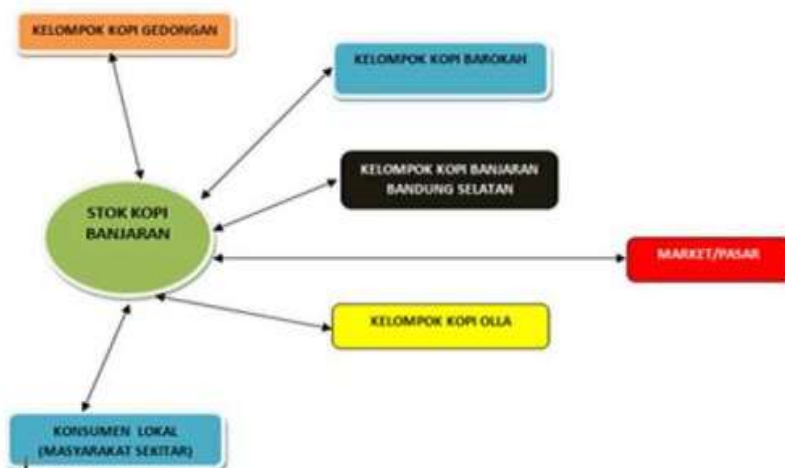


Fig 2. Banjaran coffee market segment



In the absence of a structured business plan, partners currently only produce according to the wishes of the customers. Lack of knowledge of group members in understanding business planning (Fadhlih & Rinawati, 2017). This is because of the average educational background of group members at the senior high school level. In addition, marketing issues through other promotional media and also cooperation such as promotional media and partnership cooperation are still minimal.

The achievement targets in the PKM activities are as follows: (1) Efforts to introduce innovative products with the concept of Kedai Walk are carried out based on shop patterns that are made in such a way as named gallery coffee that presents a variety of packaging from Banjarn coffee products; (2) Increasing the capacity of individuals and equipping SMEs to get to know the marketing mix through the Design of Walkstalls; (3) Directing the designated partner group involved in a series of training activities; and (4) Preparing partner groups to have superior and creative abilities in realizing these ideas; (5) The concept of a Walk-in Store provides an alternative choice for solutions faced by partner groups with financing plans that do not cost too much; (6) The benefits obtained are expected to add new partners in marketing the Banjarn coffee product to a wider range; and (7) Partner groups can design similar types of training to be able to disseminate to others who are interested in opening a business in the coffee sector.

MEASUREMENT

The method used in designing the shop model can be used by the Banjarn coffee group as part of the technology used. Marketing concept-based training methods that contain training content include: making business plans using the Canvas Business Method (BMC) or daily social, the concept of community approach, the concept of expanding marketing through media and foot networks (Siagian, 2014).

BIMTEK method (guidance and technology) and assistance as an effort to improve the ability of individuals and groups to the maximum, because the results can be appropriate in accordance with the target. Then, assistance will be made in managing the restaurant. After that, monitoring and evaluation is needed to ensure the sequence of activities goes according to plan (Maria et al., 2019; Indriastuti et al., 2020).

The store walk business plan is behind a plan. The business situation that will be carried out in PKM activities, and also outlines an innovation plan to develop a marketing, financial, and planned training activities plan. The shape of the Kedai Walk design is very interesting and colorful, with various unique ornaments adapted to be able to make a magnetic force for the expansion of the business. The pattern on coffee running is inseparable from a number of things, such as marketing strategy innovation plans, financial strategy plans, and training plans.

Informants who were the object of research, i.e: coffee drinkers who come to the coffee shop, with criteria for selecting coffee shops, the amount of coffee consumption, and the frequency of visits to coffee shops. In this research, using a purposive sampling technique. This is intended because the researcher will choose the informant who is considered to know the information, the problem in-depth, and can be trusted to be the source of the data.



Fig 3. The walking coffee model

The technique of collecting data through primary data is observation. Observations were made directly and were participants. Next, interviews are conducted with coffee shop owners to get an idea of a concept (Solikatur, 2018). To capture the meaning in-depth, it is necessary to look at how coffee consuming behavior becomes a comprehensive community culture. Interviews were conducted by researchers continuously until they obtained complete data.

DISCUSSIONS

The canvas business development model in running a shop offers an innovative concept that can be utilized by the Banjarn coffee partner group. To shift marketing activities, starting from online to offline, in order to provide alternative options for new opportunities for the development of this business. This solution developed from observations through the desire of coffee group partners to make new breakthroughs, so that it can easily and quickly reach its target market (Regina & Alfianur, 2016).

As for reviewing the weaknesses of the business location of the existence of this partner group, it is still considered to be less strategic because of limited capital, so there is no opportunity to rent a store in a strategic location. To that end, the service team offers a solution by introducing the concept of structured business planning so that the marketing strategy by following the stages of the plan through BMC is adjusted to the current location of the business location (Karinov, 2018).

Canvas business is a business concept, where companies as benefit makers and consumers as beneficiaries. Business model canvas is an easy way to describe business models in visual form on one page (Konnertz et al., 2011). With this model, it presents a framework for thinking, understanding, and helps the team to focus together.

Through the 9 main pillars that encapsulate business processes, it breaks down from corporate values, customer segments, to financial structures. The canvas model generates a business idea for running a tavern that has the potential to market its products.

Customer segments, obtained observations in the section that describes that the main customers of the manufacture of mobile coffee shops are those who enjoy coffee and also from young people, as potential customers of coffee products running.



Value propositions, which are interesting from the added value of the current store creation is to make a unique concept in making a shop. The very dominant red color display for the entire product is a reflection of the innovation that will be presented from the current store. With black and red details, it will be combined with the presentation of coffee that is made as attractive as possible with affordable and high-quality coffee prices. In addition, it is necessary to bring the style atmosphere of the store to run is to make this shop business as a place for hangouts and discussion of people after they work or study.

The channel, which is the chosen media for coffee marketing activities through a mobile store other than through social media, and among other things the results of applying canvas business activities can also be illustrated by making a business canvas video.

Revenue streams, is the result of revenue, of course, sales revenue as income is expected to increase after the innovation of making the business. The income derived from the amount of coffee sold out during the sales period. Customer relationships, help maintain long-term relationships with customers, so the innovation of the shop is to provide after-sales services or anyone interested in pursuing this superior coffee business.

Key activities, the results of the description to create a tavern innovation as a technological innovation that makes it easy to meet directly with customers, thus enabling a direct approach. After that, it is necessary to show uniqueness as a key activity with interesting coffee-based drinks, a variety of flavors, and tastes. Then, the third is to develop a new marketing strategy for the long term by adding back the innovation that is spread to several customer points.

Key resources, as an element of key resources that are used include: from raw materials used, then the labor that serves the making of coffee, and chooses the place where the chosen place is located in the area of the flood and then the idea of products that must continue to be sought innovation and also maintenance of shops walk this.

Key partnerships, as partners of current store activities, are aimed at SMEs actors who indeed contribute to coffee production. For new clients who are interested in learning techniques and creating ideal quality coffee beans, they are considered as brand ambassadors for promotional activities. In addition, there are also courier services in serving orders from door to door and become part of the distribution.

Cost structure, is an approximate picture for the financial statements of the current store innovation: (1) Revenue streams at a certain price see the quantity sold as revenue from sales; (2) Cost is the cost incurred to produce the product through fixed costs (costs for making a shop plus employee salaries) and variable costs (total production costs, materials for production, promotional costs, and prices for raw materials); and (3) After calculating business income and expenses, the Break-Even Point (BEP) value, or better known as return on capital, is determined when the income (expenses when the business starts or cost revenue); and (4) Can calculate the payback period, a period of time in which this business reaches BEP. In this situation, we can understand whether a business that is designed with a shop running, produces profits or losses

Next, the result of the next activity is to make a business plan to develop activities made at BMC (Wijaya, 2015). Store Walk business plan looking at the background of the business must look at the high interest of consumers in the demand for coffee drinks. Because it is still very much like a business concept to help develop the marketing of coffee business, the servant tried to propose a business feasibility model as making a running shop for the continuation of online to offline innovation. The shape of the Kedai Walk design is very attractive and colorful because it is adapted to a variety of unique ornaments to be able to make a magnetic force for the expansion of the business.

The marketing strategy innovation plan should pay attention to several things, i.e: (1) Begin to conduct a survey/research to partner groups regarding the plan for making walk stalls activities; (2) Preparing the concept in accordance with the target market that will be adjusted to the coffee community starting from the interior design, how to present it and so on; (3) Targeting locations that will be used as a place and at the same time accessible by the target market; (4) Steps to introducing a soft opening through promo media through Instagram, Facebook, West Java mass media, as well as looking for promotional opportunities in local events; and (5) Creating a promo month for dissemination to all regions, because it will be targeted as a promo then action.

The financial strategy plan begins to prepare a budget calculation (RAB) for making the store run. In the end, the report will be accounted for in the form of community service performance results with the RAB value as a budgeted effort.

The training plan for coffee groups and other SMEs is very important, so as to understand in more detail the marketing activities and business strategy expansion that will be presented to several related agencies to support the improvement of entrepreneurial skills. In addition, there is also guidance from several experts in their fields, ranging from the Indonesian Young Entrepreneurs Association (HIPMI), the SMEs Office, and coffee specialty SMEs that already exist.

Work procedures for realizing the PKM program plan, starting from the team that sets work procedures. Preparation of the operational plan for this activity, the team prepares a plan from the team's coordination, correspondence identifies criteria, mentors and assistants, prepares the model and RAB for the implementation of activities, schedules activities, implements training programs, conducts monitoring and evaluation, to plans for reporting activities and writing scientific articles (such as the National Journal or Mass Media).

The coordinating meeting of the implementation team for the distribution of their respective tasks and the agenda of the coordination meeting is intended so that the implementation of activities ranging from: preparation, implementation, monitoring, and evaluation, to the preparation of the report can run according to the plans that have been set.

Job desk trainers, mentors, and assistants, consisting of several sections, starting from preparing prospective partners who are partners of this activity are groups of coffee partners who are involved in the Banjarn coffee business; and assign BIMTEK to accompany activities in this program (involving experts or experts in their fields).

The preparation of the PKM program planned for 8 months with consideration of activities ranging from preparation to implementation of the BIMTEK program. Finally, the coordination phase of training activities and planned to be carried out in two places (campus and partner business locations). Meanwhile, BIMTEK activities and mentoring are carried out at partner business locations.

Monitoring is an activity carried out by the activity implementation team in observing and monitoring the implementation (both training and BIMTEK) carried out. Evaluation is an evaluation activity carried out by the implementation team, from preparation to the end of the program to mediation This activity is intended to measure indicators of success, as well as weaknesses that may exist by looking for the causes, and also as material for the preparation of the report. Recommendations for ongoing activities as a form of community service. Monitoring is an activity carried out by the activity implementation team in observing and monitoring the implementation (both training, technical guidance, and implementation of assistance). Meanwhile, the evaluation is an evaluation activity carried out by an implementation team that has been formed.

CONCLUSION

The implementation of this PKM discusses the activities of productive economic communities that already have coffee businesses. The activity began on February 26, 2016, to directly observe the coffee owner pursue his business online, which continued with the first broadcast on social media Facebook. An idea arose to start building a physical coffee shop from Banjarn coffee products.



The presence of the O2O phenomenon or vice versa provides a concrete picture that their hopes in the Banjaran Coffee Shop can serve customers who visit the shop for coffee purchases and payments through Go-Pay. The O2O system is a future that "must become a culture in Indonesia. In order to foster online purchases, the community must be educated first. The community also currently needs tangible physical evidence from a store.

As a result of improving the marketing concept of online to offline media marketing as an alternative choice for new opportunities for the development of the Banjaran coffee stock business, the output targets include recording and re-inventorying consumers who have been served via online, creation of new breakthroughs by conceptualizing marketing themes that directly serve consumers face to face and creating a new generation of coffee partners with the expectation of the objectives of this activity, able to provide new jobs and have been followed by beginners.

Increasing innovation by using a shop runs through several main steps, i.e: (1) The partner group understands the innovations to be developed related to marketing activities; (2) The mobile shop becomes an end product of the technology applied in PKM; (3) Structured business plan and product innovation; (4) Partners have understood the process and stages of preparing a business plan through the BMC method; (5) Can determine the target market; (6) Making product planning; (7) Can gather resources; and (8) Apply creativity in product development.

In the future, an attractive business strategy needs to be done by placing promotional media, creating a new partnership network, to using e-commerce in marketing products.

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