



Cake Business Development through a SWOT Analysis Approach

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ABSTRACT

This SWOT analysis can be used as a basis for business actors to achieve their business targets. This research aims to analyze and examine the development of the Al Fatih Kitchen cake business. The research uses descriptive qualitative methods. The data sources in this research are: The primary data obtained was obtained from Al Fatih Kitchen through interviews, observation and documentation. The analysis method used is SWOT matrix analysis. The SWOT analysis method consists of combining the elements of strengths, weaknesses, opportunities and threats. The research results found that the SO strategy used by the medium-sized business Al Fatih Kitchen is maintain quality and guaranteed production raw materials, determine the time and production plan in a well-scheduled manner; The ST strategy used by Al Fatih Kitchen is have superior products as a characteristic of the business, Procurement of stock of raw materials needed to support the production process; The WO strategy used by Al Fatih Kitchen is Pay attention to product attributes includes taste, color, appearance, texture and aroma, increase the entrepreneur's ability to carry out digital marketing and manage social media; The WT strategy used by Al Fatih Kitchen is to diversify the types of products offered and sold to consumers, carry out quality checking and control measures to ensure product quality.

INTRODUCTION

Facing increasingly tight competition in the business world, currently every entrepreneur is required to be able to develop his business so that his business can progress, grow and become a successful entrepreneur. Creative and innovative ideas are needed to be able to produce better products, be more able to compete and win market competition (Rofaida et al., 2019), even though they face many obstacles in the business world, and strategies are needed in business development so that businesses can survive for a long time and not go bankrupt.

Becoming an entrepreneur is easy, but not easy. Not only do you need capital, but more importantly you need a strong determination accompanied by a mentality that doesn't give up easily and the intelligence to read every business opportunity.(Firman et al., 2023). A principle that is no less important and must be instilled in an entrepreneur is the courage to see existing potential.

One of the businesses developing in the food sector in South Sinjai is Al-Fatih Kitchen. Initially the business only produced pia cakes but now it has produced various types of cakes, but pia cakes are a superior product from Al-Fatih Kitchen which is offered in various flavors, including chocolate, cheese and green bean flavors, with online sales modes. or offline. Not only that, Al-Fatih Kitchen produces its products using selected ingredients whose quality is guaranteed, as is the image it has built "Healthy Without Preservatives, Diversion in Relaxing Time".

The Al-Fatih Kitchen business still has one shop, which is located in Sinjai Regency. Therefore, an appropriate business strategy is needed to maintain the existence of a business, as we all know, many large companies have closed due to lagging behind in innovation or products due to weak strategies and no strategy updates in view of threats from competitors.

Culinary business actors must continue to have and develop these advantages as a form of strength to continue to survive and compete. The advantages offered in the culinary business are competitive prices, providing a sense of satisfaction to consumers, good communication, good product attributes, and excellent service.(Ramadani et al., 2021). Location is also a factor to facilitate the development of a culinary business by considering the number of competitors, position and location access, and costs(Christine, 2023). Business development, especially in the culinary sector, is very much needed to achieve the business goals desired by business actors.

One of the efforts that can be made is to carry out a SWOT analysis. SWOT analysis is used to identify situations from the categories of strength, weakness, opportunity and threat(Syauqi et al., 2022). Things that need to be considered in company strategic decisions are internal factors which include strengths and weaknesses and external factors which include opportunities and threats. This SWOT analysis can be used as a basis for business actors to achieve their business targets(Meftahudin et al., 2018). If this analytical tool is used correctly, then this can be directly proportional to the accuracy of strategy formulation in an effort to achieve its goals, which can then minimize risks in facing threats, as well as exploit and pursue existing opportunities.(Istiqomah & Andriyanto, 2018).

The use of SWOT analysis is quite simple but it turns out that it can help formulate strategies for both organizations and companies. In general, SWOT analysis has the following uses: used to analyze personal conditions and the personal environment, used to analyze the internal conditions of the institution and the external environment of the Institution(Fatimah, 2016), used to find out how far we are in our environment, used to find out the position of a company/organization among other companies/organizations and used to find out a company's ability to run its business compared to its competitors.

Many researches related to Home Industry development strategies have been carried out by(Saleh & Nusran, 2018)found that UKM Multi Kue is in quadrant I, which means the recommended strategy is the Strengths Opportunities (SO) strategy or what is known as the Growth strategy. Quadrant I shows that Multi Cake UKM is classified as a developing business and has a strong position and opportunities. The strategies obtained are to guarantee the quality of the products offered in order to build a good image in the eyes of consumers by maintaining and paying attention to consistent product quality and always innovating products in order to compete.

Then,(Bakhri et al., 2019)in his research applySWOT analysis by analyzing and selecting things that influence the four factors. From the research results, manufacturers' strategies to continue to compete are maintaining product quality with good quality raw materials, providing good service, competitive prices and online marketing. Meanwhile, the SWOT analysis includes

maximizing production, maintaining product quality, providing parking space, increasing the variety of pinch flavors, increasing capital and expanding marketing.

Research (Hamidah & Haqi, 2019) explained *Kedai Loss Coffee* is a business that provides facilities for the Jombang community, especially young people and students, as a place to hang out or just relax for a while while enjoying coffee or lunch after carrying out various activities by providing wifi facilities and a strategic location. In this case, it is important to pay attention to the marketing strategy used as well as SWOT analysis in determining future strategies. Based on the description above, then This research aims to analyze and examine the development of the Al Fatih Kltcken cake business.

LITERATURE REVIEW

SWOT analysis

SWOT Analysis Approach In SWOT analysis there are two approaches to make it easier to carry out SWOT analysis, namely as follows:

- 1) SWOT Analysis with a Qualitative Approach, a qualitative approach means carrying out an in-depth analysis of the institution's internal and external factors using various qualitative methods (Suriono, 2021). The data used in conducting qualitative SWOT is data described in words and not numbers, the methods used include in-depth interviews, documentation and observation.
- 2) SWOT Analysis with a Quantitative Approach, a quantitative approach means carrying out an analysis of the internal and external factors of the institution using various quantitative methods (Sari et al., 2020). The data used is in the form of statistical figures, data collection techniques using questionnaires. Therefore, the preparation of a questionnaire using a grid of instruments to explore data really determines the validity of the data used.
- 3) SWOT Analysis Steps: The following are the SWOT analysis steps from both a qualitative approach and a quantitative approach.
 - a) SWOT analysis steps with a qualitative approach, data collection, data collection can be carried out by presenting all institutional stakeholders. Can be done with in-depth interviews, documentation and observation. Conduct a SWOT analysis with the help of a SWOT matrix to determine strategies as guidelines and framework for business development programs that must be carried out. By using the following strategies: SO strategy (strength-opportunity strategy), WO strategy (weakness-opportunity strategy), ST strategy (strength-threats strategy), and WT strategy (weakness-threats strategy).
 - b) SWOT analysis steps with a quantitative approach. Weighting of internal and external factors that influence improving the quality of education.
 - (1) Identify strengths, weaknesses, opportunities and threats.
 - (2) Determine the rating value of each factor.
 - (3) Calculate the strengths, weaknesses, opportunities and threats of each factor.
 - (4) Recapitulation of calculations and then included in the quadrant matrix.
 - (5) Assess the business position.
 - (6) Determine strategies for growth.

Business Development Strategy

Strategy can be defined from at least two different perspectives: from the perspective of what an organization will do, and also from the perspective of what an organization ultimately does. (Mohamad & Rahim, 2021), whether his actions were planned from the start or not. From the first perspective, strategy is "a broad program for defining and achieving an organization's goals and carrying out its mission.

Development is a planned effort by an organization to increase employee knowledge, skills and abilities (Gustiana et al., 2022). Development emphasizes increasing knowledge to carry out

work in the future, which is carried out through an integrated approach with other activities to change work behavior. Business development is trade carried out by an organized group of people to make a profit by producing and selling goods or services to meet consumer needs.

A development strategy is a prospective action that requires top management decisions in business development to realize it (Siregar & Gusnina, 2023). Apart from that, development strategies also influence organizational life in the long term, for at least five years. Therefore, the nature of development strategy is future-oriented. A development strategy has the function of formulating and considering internal and external factors facing the company.

Strategy formulation is the development of long-term plans for the effective management of environmental opportunities and threats, looking at the Company's strengths and weaknesses (Ratnawati, 2020). The strategies formulated are more specific depending on management's functional activities. Strategy formulation includes the activities of developing the vision and mission of a business, identifying the organization's external opportunities and threats, determining the organization's internal strengths and weaknesses, establishing the organization's long-term goals, creating a number of alternative strategies for the organization, and selecting certain strategies to use. Business development strategies can be grouped into 3 (three) types of strategies (Slamet et al., 2016), that is:

- 1) Management strategy;
- 2) Investment strategy;
- 3) Business strategy.

Stages of Business Development

Business Development Stages In carrying out business development activities, an entrepreneur generally develops these business activities through the following business development stages:

- a. Having a Business Idea The beginning of an entrepreneur's business comes from a business idea. An entrepreneur's business ideas can come from various sources. Business ideas can emerge after observing the success of other people's businesses. Apart from that, business ideas can also arise because of an entrepreneur's strong sense of business.
- b. Screening of Business Ideas or Concepts
In the next stage, the entrepreneur will put the business idea into a business concept, which is the next stage. Business ideas will be carried out through formal or informal business idea feasibility research activities.
- c. Developing a Business Plan Entrepreneurs are people who use economic resources to gain profit. So the main component of business planning that will be developed by an entrepreneur is calculating the projected profit and loss from the business being run. Profit and loss projections are the culmination of various other business planning components, namely operational business planning. In preparing a business plan, entrepreneurs have differences in making detailed business plans.
- d. Implementation of Business Plans and Business Control. The business plan that has been made both in detail and globally, written or unwritten will then be implemented in the implementation of the business. A business plan will be a guide for implementing the business that an entrepreneur will carry out. In implementing a business plan, an entrepreneur will direct the various resources needed such as capital, materials and labor to carry out business activities.

Identify the most important stages in business development and when they occur. Sometimes we need to discuss the stages that have been carried out, so that the reviewer understands how quickly the business has developed to the point of preparing a business plan.

Business Development Strategies

Strategies can be grouped into four strategy groups (Fuadi et al., 2023), that is:

- a. Vertical Integration Strategy (Vertical Integration Strategy)
This strategy requires companies to carry out more supervision over their distributors, suppliers and/or competitors, for example through mergers, acquisitions or creating their own company.
- b. Intensive Strategy (Intensive Strategy)
This strategy requires intensive efforts to improve the company's competitive position through existing products.
- c. Diversification Strategy (Diversification Strategy)
This strategy is included for new products. This strategy is increasingly less popular, at least in terms of the high level of management difficulty in controlling different company activities.
- d. Defensive Strategy (Defensive Strategy)
This strategy intends for the company to take steps to save it from greater losses, which could ultimately result in bankruptcy.

METHODS

The research uses descriptive qualitative methods. The data sources in this research are: The primary data obtained was obtained from Al Fatih Kitchen through interviews, observation and documentation. Meanwhile, secondary data is obtained from websites.

The data collection techniques used in this research are as follows:

- a) Interview. The method used is oral questioning of the party to be researched, namely the Al Fatih Kitchen. The type of interview used by the researcher is an unstructured interview, namely a free interview where the researcher does not use an interview guide that has been arranged systematically and completely to data collection.
- b) Observation is observation, attention, or supervision. The method of collecting data by observation means collecting data or capturing data by recording carefully (carefully and carefully) and systematically. Observations carried out by researchers are non-participant where the observer or researcher actually acts as a person outside the group of subjects being observed. Observations were made by observing events related to business ventures at Al Fatih Kitchen.
- c) Documentation is a record of past events. Documentation can be in the form of writing, drawings or someone's monumental works. The documents in question are all notes, whether in the form of notes on paper (hardcopy) or electronically (softcopy). Documents can be books, mass media articles, diaries, manifestos, laws, minutes, blogs, web pages, photos, and others. In this research, documentation was obtained directly from Al Fatih Kitchen.

Apart from being analyzed qualitatively, the research results will also be analyzed using SWOT analysis. SWOT analysis is a strategic planning method used to evaluate strengths, weaknesses, opportunities and threats. (Lusiana & Novitaningtyas, 2020), in a project or a business speculation.

RESULTS

SWOT analysis is an important thing to do to find out the internal and external conditions of the business, so that the steps taken in the future can improve business development. By using the following strategies: SO strategy (strength-opportunity strategy), WO strategy (weakness-opportunity strategy), ST strategy (strength threat strategy), and WT strategy (weakness-threats strategy). The SWOT analysis table regarding strategies and opportunities can be seen in Table 1 as follows:

Table 1. SWOT Analysis Based on Internal and External Factors of Al Fatih Kitchen

<p>Internal factors</p> <p>External Factors</p>	<p><i>Strength (Strength/S)</i></p> <ol style="list-style-type: none"> 1. Selected raw materials whose quality is guaranteed. 2. Healthy without preservatives 3. Orders according to consumer requests. 	<p><i>Weakness (weakness/W)</i></p> <ol style="list-style-type: none"> 1. Limited product stock. 2. Short product shelf life. 3. The use of social media is not optimal.
<p>Opportunity/Opportunity (O)</p> <ol style="list-style-type: none"> 1. The products offered can be accepted by various groups. 2. Can meet consumer needs on special days/certain moments. 3. Online marketing trends. 4. Expanding business partners. 	<p>SO Strategy</p> <ol style="list-style-type: none"> 1. Maintain quality and guaranteed production raw materials. 2. Medetermine the time and production plan in a well-scheduled manner. 	<p>WO Strategy</p> <ol style="list-style-type: none"> 1. Pay attention to product attributes includes taste, color, appearance, texture and aroma. 2. Improve the entrepreneur's ability to carry out digital marketing and manage social media.
<p>Challenge/Threat (Threat/T)</p> <ol style="list-style-type: none"> 1. The number of business competitors increases. 2. Price increases and limited raw materials. 3. Changing consumer trends. 	<p>ST Strategy</p> <ol style="list-style-type: none"> 1. Having superior products as a business characteristic. 2. Procurement of stock of raw materials needed to support the production process. 	<p>WT Strategy</p> <ol style="list-style-type: none"> 1. Diverse the types of products offered and sold to consumers. 2. Carrying out quality checking and control measures to ensure product quality.

DISCUSSION

The analysis above shows that business performance can be determined through a combination of internal and external factors. The combination of these two factors is presented in the SWOT matrix table and can become Al Fatih Kitchen's business development strategy as follows:

a. SO Strategy (Strength - Opportunity)

This SO strategy combines internal factors of Strength and external factors of Opportunity. This strategy uses all of the company's strengths and takes advantage of existing opportunities. The SO strategy used by the Al Fatih Kitchen medium business is:

- 1) Maintain quality and guaranteed production raw materials.
- 2) Medetermine the time and production plan in a well-scheduled manner.

b. This ST strategy is a combination of internal Strength factors and external Threat factors. This strategy utilizes all strengths to overcome all threats. The ST strategy used by Al Fatih Kitchen is:

- 1) Having superior products as a business characteristic.
- 2) Procurement of stock of raw materials needed to support the production process

c. WO Strategy (Weakness – Opportunity)

This WO strategy is a combination of internal factors of Weakness and external factors of Opportunity. This strategy involves taking advantage of all opportunities and reducing the company's weaknesses. The WO strategy used by Al Fatih Kitchen is:

- 1) Pay attention to product attributes includes taste, color, appearance, texture and aroma.

2) Increase the entrepreneur's ability to carry out digital marketing and manage social media.

d. WT Strategy (Weakness-Threat)

This WT strategy is a combination of internal Weakness factors and external Threat factors. This strategy is defensive in nature by reducing all weaknesses and avoiding all threats. WT strategy used by Al Fatih Kitchen:

1) Diversify the types of products offered and sold to consumers.

2) Carrying out quality checking and control measures to ensure product quality.

From the several strategies above which are input for Al Fatih Kitchen medium business owners to develop their business for the better, the author will add several important elements to support business development. The important elements in business development are as follows:

a. Internal elements

1) Owners must be more active in learning new things that can influence the development of their business.

2) Create a good management system to make it easier to achieve specified goals, for example financial management which aims to find out income and expenses and create a budget.

3) Great intention and determination to develop the business to make it more advanced, because without intention the strategy above will not be useful for the business.

b. External elements

1) Looking for information on whether the conditions of the product marketing location are good or not for running a business.

2) A low price does not guarantee that the product will sell on the market without good quality and taste.

Another thing that is no less important in business development is innovation and creativity in all aspects from ideas, production, to the marketing stage. Innovation and creativity will greatly contribute to business development.

CONCLUSION

Based on the research that has been carried out, a conclusion can be formulated that the SWOT Analysis approach can be used to analyze external environmental factors as well as the internal environment for Al Fatih Kitchen in determining business development strategies. The SO strategy used by the Al Fatih Kitchen medium business is maintain quality and guaranteed production raw materials, determine the time and production plan in a well-scheduled manner; The ST strategy used by Al Fatih Kitchen is have superior products as a characteristic of the business, Procurement of stock of raw materials needed to support the production process; The WO strategy used by Al Fatih Kitchen is Pay attention to product attributes includes taste, color, appearance, texture and aroma, increase the entrepreneur's ability to carry out digital marketing and manage social media; The WT strategy used by Al Fatih Kitchen is to diversify the types of products offered and sold to consumers, carry out quality checking and control measures to ensure product quality.

LIMITATION

This research has limitations because the research object is only in Al Fatih Kitchen. The suggestions in this research are For future researchers, they can expand the research object so that it can be used as a reference and point of reference

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