

# Effectiveness of the SWOT Analysis Business Approach and Canvas Business Model Through Amunisikita's Culinary Business Practices in Business Competition

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## ABSTRACT

Food is a basic need for humans. This makes the culinary business a promising business. Competition between culinary businesses is becoming increasingly competitive. A competitive strategy is needed as well as unique features that make a business attractive and in great demand. Apart from that, it is also necessary to have an effective approach to be able to analyze a business so that you can see two points of view, namely inward and outward. One approach that can be taken is using SWOT analysis and also the Business Model Canvas. These two approaches can analyze business from two points of view. This research was carried out through business practice, namely experimentally where the research results were based on the use of the SWOT Analysis business approach and the Business Model Canvas which were directly applied to business practice. The business that is used as practice is a culinary business with the Amunisikita brand which sells Korean food products. The results of business practice research show that the SWOT Analysis and Business Model Canvas business approaches are quite effective in business competition. Through the SWOT Analysis business approach and Business Model Canvas, businesses can assess themselves from the outside and inside so that they can help determine the right competitive strategy in competition between other culinary businesses.

**Keywords:** SWOT Analysis, Canvas Business Model, Culinary Business, Business Competition

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## INTRODUCTION

The culinary business will never run out of opportunities to develop because the culinary business is a promising business. The culinary business will never die because food is a basic need for humans. Considering the large opportunities in the food business, Amunisikita is the embodiment of the desire to seize these opportunities. However, the culinary business also has competitive competition. As the number of opportunities increases, the number of competitors increases.

The existence of competitive competition requires a business to have an effective approach to survive and develop the business. There are several approaches that can be used but choosing the right and effective approach requires time to learn. This research is here to help provide a real picture of how

a business approach can be carried out. This research will use 2 approaches, namely using SWOT analysis and business canvas models.

SWOT analysis was first introduced by Albert Humphrey in the period 1960 to 1970 when he led a project at Stanford University to develop methods to help companies in the United States plan change (Humphrey A. SRI. 2005). In this research, the term SWOT first appeared, which stands for Strength, Weakness, Opportunities and Threat. SWOT analysis was first introduced by Albert Humphrey in the period 1960 to 1970 when he led a project

Analysis is an effort to uncover the strengths and weaknesses of an organization, analyzing opportunities at Stanford University to develop methods to help companies in America plan change (Humphrey A. SRI. 2005). Due to improvements, and looking at possible external obstacles that need to be anticipated. SWOT analysis is widely used to study the term SWOT which is an abbreviation of Strength, Weakness, Opportunities and Threat which first appeared.

The main objective of strategic analysis is an effort to reveal the strengths and weaknesses of an organization, analyze opportunities for improvement, and see possible external obstacles that need to be anticipated. SWOT analysis is widely used for strategic planning for long-term and short-term development in an organization.

At the beginning of its development, SWOT analysis was widely used to plan the development of companies and industries in the United States. Later, SWOT analysis was adopted by organizations in other fields. In a study, van Wijngaarden et al. trying to modify the SWOT analysis method to develop strategic planning for health service organizations in Europe, (Van Wijngaarden JDH, et al, 2012). Another study used SWOT analysis to plan significant changes at the University of Warwick (Dyson, 2014).

Decision support system techniques can be applied which include determining the weight (level of importance) of each factor. Traditional techniques usually ignore the differences in weight between factors that cause deficiencies in the SWOT analysis results at evaluation stage 7. There have been many studies exploring the possibility of automating SWOT analysis in various domains, such as small and medium businesses. 8, forestry 9, and electronics industry 10.

Amunisikita is a means to actualize SWOT analysis theory and the canvas business model into a food business. The food business is a wide field for entrepreneurs to play and express themselves because the food business is a business that has many opportunities. Besides having many opportunities, the culinary business is a business that has competitive competitors.

## **THEORY**

### **SWOT analysis**

SWOT analysis is an extension of strengths, weaknesses, opportunities and threats. SWOT analysis is a strategic planning method used to evaluate the strengths, weaknesses, opportunities and threats of a business (Gurel & Tat, 2017).

#### **1. Strengths (Strength)**

Strengths refer to a company's internal resources, skills, or competitive advantages that can be mobilized to achieve goals. For example, a strong brand, a good management team, an efficient production process.

#### **2. Weaknesses**

Weaknesses refer to a company's limitations or deficiencies in one or more resources or skills. For example, poor brand image, outdated facilities, weak finances.

### 3. Opportunities

Opportunities are external situations that are profitable for a company if they are able to take advantage of them. Such as rising market trends, new technological advances, the opening of new markets.

### 4. Threats

Threats refer to external situations that are unfavorable to a company's competitive position. Such as substitute products, the strength of new competitors, changes in government regulations. SWOT analysis helps audit the company's current condition before developing strategies and plans for the future. So that the business can run as expected.

## Business Model Canvas

The Business Model Canvas is a framework for comprehensively describing and analyzing organizational business models developed by Alexander Osterwalder. The Business Model Canvas consists of 9 main elements, namely customer segments, value proposition, channels, customer relationships, revenue streams, main resources, key activities, main partners, cost structure (Osterwalder & Pigneur, 2010). With this framework, all key elements of the business model are mapped thoroughly, making it easier to evaluate the business model comprehensively.

### 1. Customer Segment

Who are the target customers to be served? Customer segments define the groups of people or organizations that a company will serve. It is necessary to identify the specific patterns and needs of each targeted customer segment. Who are the target customers to be served? Identify which customer groups to target (Osterwalder et al., 2022)

### 2. Value Proposition

What value is offered to customers. The value proposition explains what specific value is provided to each customer segment to meet their needs, which can be a combination of products/services, additional benefits, or specific supporting services. What can be offered to customers so that their needs are met? Value can be product, service, design, brand, low price, comfort, etc

### 3. Distribution Channels

How to deliver value to customers. Distribution channels explain how products/services are delivered and distributed to customers. These channels can be direct or indirect with distribution partners. How are products/services delivered to customers? Is it through your own channels or partners? Face to face or online?

### 4. Customer Relations

How to build good relationships with customers. Customer relationships describe the type of interaction that is built with each customer segment, for example personalized or mass automation. How is the relationship established with each customer segment? Personal/automation? Personal selling or self-service?

### 5. Income Stream

How does the company make money/revenue? Where does the money come from? What is the payment and mechanism? What price is charged?

### 6. Key Resources

The resources this business model requires. What are the most important assets needed for a business model to operate? It can be physical, financial, intellectual, or human.

### 7. Key Activities

The most important activities for business operations. What are the most important operational activities that must be carried out for the business model to work? Production, troubleshooting, platform/network, etc.

#### 8. Key Partnerships

External partners that support the business model. Which key partners support the business model? Suppliers, alliance partners, investment partners?

#### 9. Fee Structure

The main costs of the business model. The main costs that must be covered in this business model? Including fixed costs, variables, economies of scale, etc.

### FINDINGS

#### Business Model Canvas (BMC) Application (In the Amunisikita Food Business)

##### a. Customer Segment

Amunisikita's customer segment is students and residents around the outlet, namely Jalan Timoho Gondokusuman.

##### b. Value Proportion

In this component, Amunisikita provides authentic products that are unique and different from other outlets. Products with their own recipes that are processed from raw materials into finished products. Amunisikita also provides affordable prices and competes with competitor products. It is located on the side of the road so access is easy for customers who want to buy products from Amunisikita.

Apart from that, the existence of our new ammunition product, namely citang, adds value to the fact that our ammunition produces food that is only available in our ammunition. The price is affordable and gives a different feel, namely a combination of fried potatoes and cilok, making amunisikita a unique F&B business with this product.

##### c. Distribution channel

Our ammunition product distribution channels are online and offline. Online can be done via Instagram @amunisikita\_ or Facebook @Amunisikita and can also be found at various online food deliveries available at Grabfood and Shopee Food. Offline, customers can come directly to the Amunisikita outlet on Jl. Tmoho. Apart from that, Amunisikita also holds pre-orders and can be delivered to affordable areas and can be COD.

##### d. Customer Relations

Relationships with customers are carried out directly or indirectly, to get closer to ammunition customers, we accept orders via WhatsApp, which later customers can order first to have it prepared, then once it is ready, customers can immediately pick it up at the outlet. To build relationships with customers, amunisikita accepts suggestions and criticism openly from customers via Instagram or directly to employees. Apart from that, Amunisikita also provides giveaways for customers who meet certain requirements, this is to further strengthen relationships with customers

##### e. Income Stream

The income stream of our ammunition business comes from selling Topoki products directly to consumers, namely Business to Consumer and Business to Business, where there are resellers who help sell our ammunition products, namely Topoki, and also collaborate with various marketplaces,

namely Shopee Food, Grab Food and Jogist. Resellers usually place pre-orders with consumers, then after the purchase data has been collected, they will submit it to our ammunition and then make it according to the order. This collaboration is carried out by Amunisikita providing special prices to resellers at Rp. 12,000,- and for resale we do not require the reseller to sell according to the price of our ammunition, so resellers are free to sell according to their wishes and for certain reasons.

Collaboration with marketplaces such as Shopee, GrabFood and Jogist is carried out by creating a shop on each application, then when sales occur on the application, Shopee Food, Grabfood and Jogist take a percentage of the total sales amount which is adjusted to each related application system. However, the collaboration is only taking place with Shopee Food and Grabfood because the Jogist application has never received orders from this application. It's just that our Amunisikita gets a product name banner

f. Key Resources

Resources in our Amunisikita business are needed to support business continuity. The assets needed for our Amunisikita business are physical, intellectual, human resources and financial facilities. Our Amunisikita business human resources include employees and business owners as chefs as well as purchasing and digital marketing. The next resource that supports this business is physical facilities in the form of outlet equipment and supplies including stoves, tables, chairs, tents, etc. The next asset is intellectual assets in the form of brand names, consumer and supplier databases and so on. The fourth asset is financial such as cash or credit and also financial guarantees such as insurance.

The main resources of our Amunisikita business include human resources, namely one employee of our Amunisikita and one manager and business owner. Business facility resources include outlet equipment and supplies such as tents, stoves, chairs, cooking utensils, etc. Apart from that, other resources such as intellectual assets in the form of brand names, namely our Amunisikita, product recipes, consumer and supplier databases as well as financial assets such as cash or credit.

g. Key Activities

Purchasing raw materials such as rice flour, spices for soup sauce, cups for packing, frozen food for filling topoki and others. After purchasing raw materials, then preparing equipment and supplies for sales which are handled by employees. Processing raw materials into semi-finished materials which are then processed at the outlet for sale. Apart from that, it also collaborates with various online food marketplaces such as Grab Food, Shopee Food and Jogist. Apart from that, carrying out various marketing strategies using several social media accounts such as Instagram and Facebook.

h. Key Partnerships

Establishing collaboration for a business is important because basically doing business is working together, both with partners and consumers, with mutual benefits, the business makes a profit, consumers get benefits from the products they buy from the business. Building the most important collaboration in the Amunisikita business is of course working with suppliers, working with land owners for rent, working with work partners such as employees, also working with consumers as product assessors and reciprocal benefits.

i. Fee Structure

The cost structure of a business consists of things that must be paid for so that the business can run well. The cost structure has several characteristics, namely:

- Fixed costs, usually the basic costs that the company has to pay, such as salaries, electricity, equipment rental and maintenance. In our Amunisikita business, fixed costs are used to rent a place to be used as an outlet, including electricity costs and employee salary costs.
- Variable costs, costs whose total expenditure value cannot be ascertained, depending on the production carried out by the company. These costs are like materials for production.

## **Application of SWOT Analysis to the Ammunition Business**

### **Strength**

Different taste from other outlets

Amunisikita\_ introduces Korean food products that have an Indonesian taste. This is adjusted to the place where the tteokbokki product is bought and sold. By using Indonesian flavors, product connoisseurs are not only people who like Korean food but also the general public can enjoy it well because it has been adapted to their taste buds.

Many prefer local flavors

Regarding food, regardless of the region, because they are used to the tastes served every day according to their respective regions, everyone will easily accept food that is closely related to the tastes of their respective regions. Therefore, Amunisikita creates foreign products that have local flavors because local flavors are more popular than foreign ones.

### **Weakness**

There are many tteokbokki outlets

Currently, many tteokbokki outlets have been established, especially in Jogja, both selling on the side of the road and in restaurants. This makes our Amunisikita competitors\_ as a tteokbokki food business have many competitors. Moreover, many tteokbokki outlets have mushroomed everywhere, such as Topoki Time, which is a topoki brand that is already big in Jogja.

Not yet familiar to the general public

Even though there are many tteokbokki outlets and mushrooming in Jogja, their existence is still limited only to young people or people who like Korean food. Tteokbokki is not yet well known by the wider community, such as meatballs, chicken noodles, seblak, and so on. This becomes a weakness where the market owned will become smaller. Apart from that, it is a challenge for Amunisikita to introduce its products more intensively so that the general public can get to know this tteokbokki food.

### **Opportunities**

The outlet is located on the side of the road and close to the university, boarding houses, student dormitories, and shopping places so there are lots of people passing by and it's busy. This is an opportunity for Amunisikita to be seen by customers and attract many customers.

With local flavors it will be more accepted in society.

People will be more satisfied if the food they buy has flavors they recognize and like. This will be an opportunity where people will not hesitate even though foreign food has a local taste, so it is hoped that consumers who have purchased will feel a different experience and sensation.

Korean food is trending.

Korean food is currently trending and hotly discussed everywhere, especially young people. Korean fever is really very clear from the many young people who are fond of Korean boy bands and girl bands and enjoy watching Korean dramas. This triggers their desires and preferences for things

related to Korea, such as lifestyle, from fashion, food, preferences and so on. This is an opportunity for Amunisikita to be accepted and even sought after because many people want to try and like Korean food.

### **Threats**

Competitive market competition

There are many food businesses that have the same products and are competitors, including Topoki Time, Korean Mart, Korean Express and others.

Natural disasters

Natural disasters are a threat that must be considered because this could happen. Natural disasters such as floods, earthquakes and others are serious threats that are difficult to predict.

## **DISCUSSION**

SWOT analysis provides an in-depth analysis of the company so that what is extracted is information about business strengths, weaknesses, business opportunities and threats. SWOT analysis provides space for a business to assess more deeply about itself, whether it is able to compete with its competitors, whether it needs improvements and innovation by looking at the weaknesses of the business, whether there are other opportunities that can be taken, and several constructive questions that can be answered by using SWOT Analysis.

Different from SWOT Analysis, the Business Model Canvas (BMC) has its own way of helping to develop a business. BMC provides an approach to looking out the business. How a business can see things from the outside that help in business continuity.

## **CONCLUSION**

Based on the findings, namely the results of the analysis from the SWOT Analysis approach and the Business Model Canvas applied to the Amnisikita business, it provides an illustration that both approaches can be used effectively in a business. These two approaches can provide two-way points of view in assessing a business, namely looking inside the business and looking outside the business, namely the external environment/things that help the business run.

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