Marketing Strategies in Increasing Sales of 136 Roastery & Coffeeshop in East Java

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Abstract
Coffee is a drink that comes from roasted and processed coffee beans and has global appeal with various types, flavours and brewing methods. Coffee beans are obtained from coffee berries that grow mainly in tropical areas, such as Malang City, East Java, known for its moderate humidity level and an average temperature of 27°C, giving coffee from this area a unique taste. With the times, coffee shops have become popular places to enjoy coffee and work. 136 Roastery & Coffeeshop, seeing opportunities in Indonesia’s rapidly growing coffee shop industry, especially in East Java, decided to invest in a roaster machine. This research is a response to the company’s efforts to increase sales using various methods to achieve and increase profits. By facing various obstacles and weaknesses, companies innovate according to current developments to have characteristics that differentiate them from competitors. This research aims to evaluate the strengths and weaknesses of the marketing strategies implemented by 136 Roastery & Coffeeshops in East Java. Qualitative research methods using primary and secondary data, involving interviews and documentation, show that companies can increase sales by implementing marketing strategies using the 7P Marketing Mix and SWOT Analysis.

Keywords: Marketing Strategy, Increasing Sales, 136 Roastery & Coffeeshop

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1. Introduction
Marketing plays an important role in meeting people's needs and promoting products that improve people's lives. This inspires companies to innovate and improve product positions in the market. Successful marketing builds product and brand loyalty, creates job opportunities, and increases social responsibility. However, making effective marketing
decisions can be challenging. The importance of marketing lies in understanding the meaning of markets and marketing and identifying weaknesses and activities in marketing.

Market, a term often used to describe a particular region or location, can be misleading if not properly understood. In the past, markets were geographically located, but in modern times, markets are considered institutions operating in various economic conditions. Markets can be categorised into three types: communities, cities, and economic entities. Communities are individuals or groups who are responsible for managing the city, while the town is the geographical area where transactions occur. Economic entities manage the city, including government intervention and implementing various economic policies. This can give rise to monopolies, oligopolies and other conditions that can affect the situation in a particular city.

According to Kotler et al. (2022: 59), the strategy involves selecting a well-defined market in which the company will compete and determining the value it wants to create in this market. Tactics, also called the marketing mix, bring a company's strategy to life: It defines the key aspects of the offering developed to create value in a specific market. In this context, it includes acquiring, offering, creating and transferring valuable products with other parties. In business, marketing aims to achieve sales volumes that generate optimal income and profits. Coffee is a variety of drinks made from coffee beans that have gone through a roasting and brewing process. Coffee is famous in various countries, and there are two main types of coffee: robusta (coffee canephora) and Arabica (coffee arabica). Recently, interest in the coffee lifestyle has increased, especially among the younger generation. Almost all the time, we can observe and hear about the popularity of modern coffee among today's youth. The number of coffee enthusiasts or fans among the younger generation can be seen from the number of modern coffee shops that have sprung up, which is widespread in Indonesia.

Coffee has become a trendy drink in various situations, ideal for enjoying both cold and warm. Apart from being delicious and able to lift your spirits, coffee also has many positive benefits for your body's health that can be obtained from consuming coffee, from increasing energy to overcoming excessive fatigue caused by the caffeine content in coffee. Coffee can also maintain brain function, improve memory, maintain blood sugar levels, prevent depression, reduce weight, maintain liver and heart health, and prevent inflammation.

136 Roastery & Coffeeshop is a coffee drink business founded by Mr Eko Sri Wibowo and his wife, Mrs Mila Suryo; 136 Roastery & Coffeeshop has a vision and mission to become the best Roastery & Coffeeshop in Malang City. Over time, more and more competitors appear, encouraging business owners to continue to innovate and improve their shortcomings with various strategies they have. The primary key to the success of every company lies in implementing effective marketing activities because marketing is the primary channel that bridges the relationship between the company and consumers.

136 Roastery & Coffeeshop is known to the people of Malang and its surroundings. It has several flavour choices that can be tailored to the tastes of coffee lovers, affordable prices, and delicious, distinctive flavours, making for an unforgettable coffee experience. 136 Roastery & Coffeeshop is spreading its wings by opening several 136 Express branches in Malang and Cikarang. This will, of course, increase costs and profits for business owners as outlets increase over time. The 136 Roastery & Coffeeshop business is a business that will not be eroded by time and era; by upholding the values of honesty and integrity, 136 Roastery & Coffeeshop has several loyal customers who come from coffeeshops in the capital and
surrounding areas. The taste of coffee is delicious and has its characteristics, giving consumers several choices to try out all of its products. Concentrating on roastery products and opening new opportunities through Coffeeshop and 136 Express makes 136 Roastery & Coffeeshop a growing business. Through the application of case studies in the field, the author aims to evaluate the success of the business strategy implemented by 136 Roastery & Coffeeshop in increasing sales volume, as well as in managing related aspects, such as production, marketing and employee management.

According to Kotler et al. (2022: 14), market success usually results from careful market analysis, planning, and management. Rarely do accidents bring good luck. Succeeding in the marketplace requires companies to develop viable strategies and action plans that make the business model a reality. To achieve this goal, the company needs to implement various methods so that the plans that have been made can be implemented. The strategic marketing plan is the primary means of achieving company targets, emphasising efforts to develop sustainable competitive advantages through accessed markets and marketing programs implemented to serve target markets.

Marketing Mix Strategy (Marketing Mix) is a marketing strategy that helps companies realise value for customers and form strong customer bonds. This involves segmenting and targeting customers, defining their needs, and positioning them effectively. Integrating marketing mix strategies, such as product, price, place, promotion, people, process, and physical evidence, helps companies achieve the desired customer response. The explanation is as follows:

**Product.** The essence of a great brand is a great product. To achieve market leadership, companies must offer products and services of superior quality that provide unmatched customer value (Kotler et al., 2022: 18). This product can be a good or service produced by a company to meet consumers' needs, desires and needs. In addition, it is hoped that the products developed can be used to achieve company and business goals, both in commercial and non-commercial contexts. A product concept includes core, desired, complementary, and potential products. It can be concluded that a product is not only an entity provided to consumers but is also expected to be a tool to achieve organisational or company goals in a commercial and non-profit context. Products reflect the complexity and diversity inherent in understanding consumers.

**Price.** According to Kotler et al. (2019: 270), price is the money charged for a particular product. Therefore, pricing must be consistent with the determined marketing strategy. So, setting prices based on the committed marketing strategy is important. Pricing also has a significant impact on the value and benefits received by consumers. Mistakes in setting prices can have negative consequences for the products offered and can even hinder their sales on the market. Therefore, a careful pricing policy, coordinated with a marketing strategy, is essential for a product's success in the market.

**Place.** When it relates to distribution channels, which include the distribution of goods from producers to consumers, companies must make good considerations in implementing and determining distribution channels. (E. R Taufik, 2023:48).

The product distribution involves three main stakeholders: service providers, intermediaries, and customers. This may include channels such as direct sales, distributors, and franchises. The distribution function facilitates the flow of goods from producers to
consumers. The primary role of these distribution channels is to support the marketing process by enabling producers to efficiently receive the goods they produce and sell them to consumers.

**Promotion.** Promotion is a series of activities designed and implemented by marketers to communicate the goods and services produced to consumers to inform, influence and persuade target consumers. (ER Taufik, 2023: 51). Another important thing in implementing promotions is choosing a promotional combination. The promotional mix includes various elements such as advertising, personal selling, sales promotion, public relations, and direct marketing.

**People.** According to Wirtz & Lovelock (2022), defining "people" refers to individuals with the ability, capability and willingness to interact with customers. The “people” component involves company employees, customers, and other parties interacting with the company. The element "people" has two meanings: people who serve and customers. Service personnel in a company have a crucial task in providing good, fast and efficient service, while customers are another important factor in building positive relationships.

The "People" element in the marketing mix refers to the individuals involved in communicating with consumers, which aims to provide information about the advantages and benefits of a company's products so that consumers can be motivated to use the product.

**Process.** According to Wirtz & Lovelock (2022), the process focuses on designing and implementing customer service, including resource and capacity allocation and how customers interact. Suppose you want to achieve an effective process. In that case, it is important to consider the following factors: operational input and output, customers actively participating in producing service products, and balance in demand and capacity. So, processes are company activities that have products and deliver them to consumers. Processes are differentiated based on steps and stages and the changes that occur.

**Physical Evidence.** According to Wirtz and Lovelock (2022), the physical environment, or service scape, is deliberately created to support consumer services. This is related to providing concrete evidence of the company's image and service quality. This situation increases consumers’ perception of risk when making purchases. Thus, an important element of the marketing mix is to minimise the level of risk perceived by consumers through physical evidence of the characteristics of the service offered, such as promotional materials that illustrate the characteristics of the product or service. Physical evidence in the marketing mix is unreal because it has not been felt, but the company makes it accurate to attract consumers to use its products.

According to Sulasih & Sulaeman (2020), SWOT analysis is a strategic planning tool businesses and organisations need to ensure that a project or business has clear objectives and all factors related to the positive and negative results are identified and discussed. Aspects originating from the external environment play a role in monitoring micro and macroeconomic conditions, focusing on opportunities and threats related to the organisation. On the other hand, internal aspects include strengths, which are assessed to identify advantages, and weaknesses, which are used to evaluate deficiencies within the company.

According to Cipta and Hatamar (2020), an organisation can estimate strengths, recognise weaknesses, exploit opportunities, and avoid threats through SWOT analysis. An evaluation of strengths and weaknesses is carried out to understand the opportunities and threats that
may arise now and in the future. The deeper the understanding of strengths and weaknesses, the less likely it is not to take advantage of existing opportunities. Opportunities can be used to overcome threats, while weaknesses can be handled by optimising the company's strengths. Some of the factors covered in a SWOT analysis involve:

**Strength.** A company's strength lies in its resources and capabilities, which provide a relative advantage in meeting customer needs compared to competitors. The source of this power comes from financial aspects, reputation, market dominance, relationships with buyers and suppliers, and other elements. Special competencies, superior skills, flagship products, and other factors in an organisation create a comparative advantage in the market at the business unit level. This makes the organisation more reliable than competitors in meeting planned market needs.

**Weakness.** Weakness refers to an inability or deficiency in one or more resources compared to competitors; it can be considered a weakness that hinders efforts to meet customer needs effectively. These limitations and deficiencies may be reflected in the ownership or lack of facilities, low managerial skills, marketing strategies not in line with market demands, lack of consumer interest in the product, or inadequate profit levels. Internal strengths and weaknesses reflect activities that can be managed by an organisation and can experience success or failure, including management, marketing, finance or accounting, production, research and development.

**Opportunities.** Opportunities create favourable conditions in the company's environment and are generally one of the primary sources of these opportunities. Identification of previously overlooked market segments, changes in the competitive or regulatory environment, technological advances, and improved relationships with buyers or suppliers can be considered opportunities with positive potential for the company.

**Threats.** Threats create significant obstacles in achieving the desired position, as they indicate unfavourable conditions for the company. The emergence of new competitors, slowing market growth, increased negotiating power on the part of key buyers or suppliers, technological changes, and regulatory revisions or updates can be considered challenges that can hinder a company's success. Companies face elements in the form of internal factors in the form of strengths and weaknesses, as well as external factors in the form of opportunities and threats from the surrounding environment.

2. **Research Methods**

This research adopts qualitative research methods. Qualitative research is a research approach rooted in the philosophy of post-positivism. This method is different from the experimental approach to investigate the condition of natural objects. In qualitative research, the researcher acts as a critical instrument, data collection is carried out through triangulation techniques, data analysis is inductive and qualitative, and the emphasis is on meaning rather than generalisation in research results. (Sugiyono, 2019). The research location is Siguragura Green Park, C2, Karangbesuki Village, Malang, 65149, East Java Province. Data sources consist of primary data and secondary data. Primary sources directly provide data to researchers; secondary sources do not provide data to researchers, for example, through other people or documents (Sugiyono, 2019). Data collection techniques involve unstructured interviews, observation, and documentation, as well as applying data analysis techniques and checking the validity of the findings.
3. Results and Discussion

136 Roastery & Coffeeshop implement a marketing strategy to increase sales volume, which involves using the 7P Marketing Mix (Product, Price, Place, Promotion, People, Process, Physical Evidence) and a SWOT Analysis (Strengths, Weaknesses, Opportunities and Threats). The following is an evaluation of the implementation of this marketing strategy:


Product

136 Roastery & Coffeeshop provides several product choices ranging from 136 ground coffee (Robusta), coffee beans (original and houseblend) both in grind and bean form with many flavour choices (Arabica: Aceh Gayo, Ijen, West Java, Kerinci, Papua. Robusta: Dampit, Temanggung). 136 Roastery & Coffeeshop also innovate by developing coffee products in coffee bags (brewed coffee), as well as various coffee drinks (espresso, cappuccino, latte, brewed coffee) and various non-coffee drinks (tea, chocolate, strawberry, green tea and mint flavoured powder) which can be enjoyed directly at the coffeeshop. In terms of volume, the 136 (robusta) ground coffee product is a superior product that is in great demand by customers from the coffeeshop business such as JTI, GRP, Gudda Coffee, Upojiwo, Astaloka coffee, general customers on Tokopedia (purchase online). Regarding taste, 136 Roastery & Coffeeshop has the Ijen Lestari variant, which has the most delicious taste compared to other coffees. This is followed by cappuccino, the favourite coffee drink at several outlets.

Price

The price of coffee at 136 Roastery & Coffeeshop is affordable, ranging from IDR 15,000 to IDR 400,000. The average price of coffee beans is IDR 100,000/kg, the average price of exceptional coffee is IDR 400,000/kg, and the average price of various cup drinks is IDR 15,000/cup. The warm and cold variants are the same in price. 136 Roastery & Coffeeshop also provides coffee in 500 ml bottles with many flavour choices, ranging from IDR 40,000 to IDR 50,000/bottle. The pricing strategy at 136 Roastery & Coffeeshop is cost-based, where the owner will try to minimise production costs so that he can sell his products at an affordable price, not more expensive than competitors and not cheaper than competitors. Prices can change at any time, depending on fluctuations in the price of coffee beans harvested by farmers. Still, the owner can guarantee that if prices increase, it will be insignificant because the owner will keep production costs as low as possible. 136 Roastery & Coffeeshop believes in the quality of its products, so if one day a competitor lowers the price of its coffee significantly, 136 Roasterry & Coffeeshop thinks that its products can still compete in the market "Because taste never lies," said Mr Eko Sri Wibowo as a business owner.

Place

136 Roastery & Coffeeshop has its roasting factory, in the form of a house without rental fees, located in Siguragura Green Park, C2, Karangbesuki Village, Malang 65149 (coffeeshop & production house) and Japan Tobacco, PT. Karyadibya Mahardhika, Purwosari-Malang (136 Express). The location of 136 Roastery & Coffeeshop is not an advantage compared to other competitors in the surrounding area, which have a large parking area and are located on a road with a more strategic position. However, the location of 136 Roastery & Coffeeshop is still affordable for the public. 136 Roastery & Coffeeshop also has empty land, allowing it to expand its business.
Promotion

136 Roastery & Coffeeshop carries out promotional activities by word of mouth and uses all its social media platforms at certain times. Currently, 136 Roastery & Coffeeshop has Tokopedia and Go-Food, making it easier for consumers to make online purchases. 136 Roastery & Coffeeshop is also actively participating in certain events related to its coffee business and is open to collaborating with other MSME products.

People

Mr. Eko Sri Wibowo and his wife, Mrs. Mila Suryo, have sufficient knowledge about coffee, so they have good business prospects in the long term. The owner and his team have expertise in developing effective customer communication and building a loyal customer base. They are also committed to upholding the values of honesty and integrity. By implementing a strategic leadership style, owners can optimise employee potential and continue to improve it. Baristas are required to take part in training and obtain certification as part of skills development efforts to meet the standards set by the company. Now, 136 Roastery & Coffeeshop has three employees, one specifically for coffee roasting and 2 Baristas stationed at the outlet. 136 Roastery & Coffeeshop regularly holds monthly meetings to review performance and product sales, and its employees are often actively involved in various coffee events, such as visiting coffee farmers. Apart from expanding knowledge about coffee, this effort also aims to improve harmonious relations between employees and business owners. Not only that, Mr. Eko also gives awards or bonuses to employees who succeed in achieving or exceeding sales targets. This step motivates employees to work more diligently and enthusiastically.

Process

As previously explained, 136 Roastery & Coffeeshop has its factory and machines for roasting coffee, so 136 Roastery & Coffeeshop can serve various products, both blends, powders (Tobruk) and grinds with their characteristics. In all processes, from selecting coffee beans, roasting, and product packaging, Mr Eko and Mrs Mila effectively monitor both processes, namely delivery and sales. Employees who perform according to their respective skills are fully responsible for their duties. The sales process is carried out by accurately determining operational hours and work times. If a customer makes an online purchase, the employees will prepare the product according to the order and package it as best as possible to send it safely to the consumer.

Physical Evidence

Product coffee blend 136 Roastery & Coffeeshop has unique characteristics that suit the type of product, making 136 Roastery & Coffeeshop easy to find and known to customers. Its strategic location makes Roastery & Coffeeshop easy to find. It is characterised by the black number 136 logo on the board in front of the outlet. The interior and exterior design of 136 Roastery & Coffeeshop considers coffee fans' interests. It has adequate facilities for customer comfort, such as providing toilets inside the outlet and free internet access. 136 Roastery & Coffeeshop openly accepts criticism and suggestions and tries its best to improve it to meet the needs of coffee enthusiasts if there are still areas for improvement in facilities and infrastructure. So, the physical evidence provided by 136 Roastery & Coffeeshop, such as interior design and customer service, play a role in creating impressions and experiences that can influence consumer perceptions of the brand or product.
3.2. Analysis of the implementation of SWOT Analysis (Strengths, Weaknesses, Weaknesses, Opportunities and Threats) in Roastery & Coffeeshop 136

Strengths

136 Roastery & Coffeeshop's main strength lies in product quality, good production infrastructure, affordable prices, and a deep understanding of coffee. This combination creates a strong foundation for competitiveness in the local coffee market. 136 Roastery & Coffeeshop has superior coffee products in terms of taste. This is a significant strength because it can attract customers looking for high-quality coffee products. 136 Roastery & Coffeeshop also has reliable roastery machines and optimal roasting locations, providing advantages in producing desired coffee. Having your roastery factory offers greater control over product quality and production processes. Affordable product prices can be attractive to various levels of consumers, allowing 136 Roastery & Coffeeshop to reach a broader market. The owner also has excellent knowledge about different types of coffee so that he can give customers confidence regarding the authenticity and superiority of the product.

Weakness

136 Roastery & Coffeeshop needs to improve capital and packaging and other problems with external parties, such as logistical problems regarding poor product handling during delivery and fluctuations in raw material prices. The main weakness is limited capital; Mr Eko and Mrs Mila use personal capital from severance pay and are reluctant to borrow from other parties, such as banks. This becomes an obstacle in developing and expanding businesses, such as opening new branches in certain areas. Then, regarding product packaging, 136 Roastery & Coffeeshop uses ordinary plastic packaging, so there is a fairly high risk of damage when shipping goods. 136 Roastery & Coffeeshop has been using external expeditions/logistics for product delivery; this also increases the risk of poor product handling because it is a third party that the business owner cannot directly supervise. Poor product handling results in the product being damaged, while 136 Roastery & Coffeeshop's biggest customer is a company that purchases around 15 kg/month, so if damage occurs during delivery, it will undoubtedly be very detrimental. Furthermore, coffee beans, the primary raw material, are supplied directly through farmers, so climate or weather changes can affect coffee harvests, such as damage to coffee beans and low productivity resulting in price fluctuations. This influence will certainly impact 136 Roastery & Coffeeshop products, which may experience price increases at any time.

Opportunity

The roasting process requires time that cannot be shortened to get good quality coffee. However, most of 136 Roastery & Coffeeshop's customers want fast service with high-quality products; we see this as an opportunity where 136 Roastery & Coffeeshop can maximise its production capacity to increase sales. Furthermore, opportunities exist to increase sales by considering potential consumers; for example, 136 Roastery & Coffeeshop branches could be developed to expand the sales area in Jakarta or other big cities. 136 Roastery & Coffeeshop has good prospects for the future because it has adequate knowledge about coffee products, has good communication with customers, upholds honesty, and has integrity, which are considered the main factors in maintaining the excellent condition and prospects of 136 Roastery & Coffeeshop in future. Government policies support the running of MSME
businesses, such as making it easy to obtain company permits, easy tax management, and toll access, which makes it easier to send goods.

**Threat**

The threats to MSMEs are competitors with large capital who can manipulate the market prices of coffee products and competitors who open their businesses 24 hours a day. Other factors, such as climate, also significantly impact coffee plants, such as when El Nino occurs, which causes crop failure, resulting in reduced availability of raw material stocks. Competitors' more attractive and high-quality packaging designs, such as Excelso brand coffee packaging, threaten 136 Roastery & Coffeeshop. Another problem that occurs most often is logistics and poor product handling, which can cause losses.

4. **Conclusion**

136 Roastery & Coffeeshop is a micro, small and medium enterprise (MSME) that sells coffee products. Through Marketing Mix or 7P analysis, it can be seen that 136 Roastery & Coffeeshop offers a variety of coffee products, from ground coffee to brewed coffee in a variety of types and flavours. These products are supported by selected raw materials from high-quality coffee and a roasting process using reliable machines. Product prices are grouped in an affordable price range with a strategy that reflects an understanding of consumer needs and competition in the coffee market. Product distribution is done by establishing outlets in Malang and delivery services and considering branch expansion, especially in Jakarta, to reach a broader market. 136 Roastery & Coffeeshop demonstrates apparent communication efforts regarding product quality, coffee knowledge, and company integrity. However, 136 Roastery & Coffeeshop's packaging design and materials are considered less competitive when compared to competitors such as Excelso; this requires 136 Roastery & Coffeeshop to make improvements. The 136 Roastery & Coffeeshop outlet is easy to find and has an attractive interior design for coffee lovers. In the SWOT analysis, 136 Roastery & Coffeeshop's strengths lie in high-quality coffee products, adequate knowledge about coffee, good relationships with customers, and roasting locations that provide complete control over the production process, as well as optimal climate conditions that support business owners to gain quality raw materials. However, the shortcomings lie in limited capital, less competitive packaging designs, and recurring problems in logistics that depend on external parties. Opportunities for 136 Roastery & Coffeeshop lie in the potential for branch expansion, innovation opportunities in packaging design to increase consumer appeal, and diversification of coffee bean supply sources to reduce the risk of price fluctuations. Threats come from competition with competitors with significant capital, competitors who are open 24 hours, the influence of climate on coffee production, and packaging designs from leading competitors.

With superior quality coffee products, 136 Roastery & Coffeeshop can consider expanding branches in various potential areas for coffee lovers. Diversification of coffee supply sources is necessary to overcome price risks so that customer desires can be adequately met. By looking at 136 Roastery & Coffeeshop products that have superior quality, we can consider increasing capital through investors to support expansion so that the threat of price competition with competitors can be overcome. And find solutions to improve packaging quality without sacrificing company finances. Overall, 136 Roastery & Coffeeshop has
excellent potential to grow and compete in the coffee market by optimising strengths, overcoming weaknesses, and taking advantage of existing opportunities.

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