STRATEGIC MARKETING FOR RESTAURANT BUSINESS (CASE STUDY OF LAWANGWANGI CAFÉ)

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Abstract: The purpose of this research is to examine the restaurant strategy by discussing the relationship between the current condition and the service quality of Lawangwangi Café. The research objective is to determine a current condition of the Lawangwangi Café, develop new strategy for the company, and give recommendation for better performance of the company. This research presented the theories that come from the experts. It used to identify and analyse the data and also as the support to answers the research question. The theory used in this research are Service Quality, External and Internal Analysis, SWOT Analysis, Corporate Strategy, Business Strategy, and Functional Strategy. For the methods and gathered data, this research used problem identification, exploratory research, external and internal analysis, analysis of strategic factors, strategy formulation, then conclusion and recommendation. For exploratory research, this research used a questionnaire that spreaded to 300 respondents, the respondents were Lawangwangi Café customers. An interview with the owner of the Lawangwangi Café also conducted in this research. After the data gathered from the questionnaire and interview, this research analyzed the data. First is the questionnaire data, it is divided into 5 sections analysis, which are demography, gap between customer expectation toward service given of Lawangwangi Café, Lawangwangi Café’s food and beverage quality, customer behavior, and their recommendation for Lawangwangi Café. The next analysis conduct of interview result, This part explored the information about the management and development of Lawangwangi Café. After that, this research analysed to determine new strategy to be implemented in the Lawangwangi Café in order to improve the service performance to gain more customer. The last part is to determine the conclusion and provide a recommendation in the form of strategy for Lawangwangi Café. The recommended strategies were to do a proper employee training, service quality controlling, hired a professional restaurant manager, and enhance the promotion like student promotion, by showing their student card they can get a discount on weekdays, every Tuesday by showing a student card, they get free ice tea for minimum order Rp. 35.000. Those of promos would become a new attraction for Lawangwangi Café to attract more customers

Keyword: restaurant strategy, service quality, external and internal analysis, SWOT analysis

Introduction

Lawangwangi Café is a combination of cafe and art gallery located on Jl. Dago Giri 99 Mekarwangi, North Bandung, which established in November 2012. The owner, Ms. Andonowati established Lawangwangi Café in purpose to provide the place to eat with unique concept that hopes that every people who enter the Lawangwangi Café will be inspired. In order to achieve the restaurant strategy, the research was undertaken with the aim to measure the service quality to determine the level of customer satisfaction which shown by the gap between customers expectation and service given by Lawangwangi Café. The research objective is to determine a current condition of the Lawangwangi Café, develop new strategy for the company, and give recommendation for better performance of the company.
Methods

This chapter discussed about the methodology that used in this research, This chapter also showed several steps used to gather the information in order to make a conclusion and recommendation in this research.

Problem Identification
This step is a process to identify the problem that occurred in the business and industrial scope. Problem identification used to help the researcher in gathering data and information. It also supported by research question and research objective.

Exploratory Research
This step conducted to gather the data needed to solve the research question. Exploratory research guided this research to gathered data to find the suitable answer for research question. The data gathered as the guidance to define the conclusion in this research. There are two methods in gathering the data with exploratory research which are primary data and secondary data. Here are the explanations of both methods:

Primary Data
In primary data, there are two data collection which are questionnaire and in depth interview. The questionnaire spread to the customer who has come to Lawangwangi Café at least one time. After that, the researcher will sample the answers of each question. Sample of the questionnaire will define by its need, target market and data required. The Slovin’s formula will be used to count the sample number. While for in-depth interview conducted with Ms. Andonowati as the owner of Lawangwangi Café, and Ms. Andonowati’s little sister, Ms. Andajani Trahaju as the General Manager of PT. Lawangwangi. Ms. Andajani Trahaju has in charged in managing Lawangwangi Café since there is still no manager in Lawangwangi Café. After that, it will resulted the data of internal condition and strategy for the future planning of Lawangwangi Café.

Secondary Data
For the secondary data, the information sources collected from external sources such as, books, journal and articles for supporting the primary data. Secondary data is the best option to collect the industrial scale data that is hard to get since the budget and other limitation.

External and Internal Analysis
To evaluate the condition and situation of Lawangwangi Café, external and internal analysis needed. External factors are formed by the society that affects industry and company grows which contains some important factors, which are; economic, technological, politic-legal, and social cultural. Then generated Porter Five Forces Analysis. While Internal factors are formed by the strength and weaknesses of the company that give certain benefit or loss in fulfilling need of company target market, which contains resources, capaabilities, and competencies. Then generated Value Chain Analysis.

Analysis of Strategic Factors
Analysis of strategic factors determined which kind of strategy are suitable to the condition of Lawangwangi Café. SWOT analysis is the theory that used to identify the current condition which analyzed the strength, weaknesses, opportunity, and threat of Lawangwangi Café. The SWOT Analysis Diagram defined the position of Lawangwangi Café.

Strategy Formulation
This step determined the way for the Lawangwangi Café to implement the strategy into the real business formulation. This formulation helped the author to develop a new marketing strategy for the Lawangwangi Café so Lawangwangi Café still can compete with another food seller in the food court area.
Conclusio7n and Recommendation
Conclusion and recommendation was the last step of this research. Conclusion showed the result of whole research process. This result also used as the foundation for conduct the suitable strategy to improve the performance of Lawangwangi Café. Recommedation clarified the factors that need to be developed and improved to be a great restaurant in its sectors and target markets.

Result
The questionnaire spread to 100 respondents who have at least visited Lawangwangi Café once. The respondent filled 42 questions, which include demography, gap between customer expectation toward service given of Lawangwangi Café, Lawangwangi Café’s food and beverage quality, customer behavior, and their recommendation for Lawangwangi Café. After that, it sampled the answers of each question. Sample of the questionnaire defined by its need, target market and data required. The interview with the PT. Lawangwangi’s Owner and General Manager are also included in this section.

Questionnaire Result
The result and analysis of the questionnaire was classified into demography, gap between customer expectation toward service given of Lawangwangi Café, Lawangwangi Café’s food and beverage quality, customer behavior, and their recommendation for Lawangwangi Café. The result from this questionnaire revealed the gap between customer expectation and service given by the Lawangwangi Café.

Service
Gap between Customer Expectation toward Service Given by Lawangwangi Café
This part showed which gap appeared between the customer expectations toward service given by Lawangwangi Café. The questionnaire contained 5 dimension of RATER dimension (Reliability, Assurance, Tangibles, Empathy, and Responsiveness). Those 5 RATER dimensions explained 5 areas that generally consider being important for the customer when they use a service of Lawangwangi Café. Both customer expectations part and service given by Lawangwangi Café had the same question that contain RATER to compared those expectation and service given. All of the dimensions compared using the differences between averages of each dimension.

<table>
<thead>
<tr>
<th>No</th>
<th>Dimension</th>
<th>Customer Expectations</th>
<th>Service Given</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reliability</td>
<td>3.66</td>
<td>3.60</td>
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<td>Assurance</td>
<td>3.66</td>
<td>3.46</td>
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<tr>
<td>3</td>
<td>Tangible</td>
<td>3.99</td>
<td>3.98</td>
<td>0.01</td>
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<tr>
<td>4</td>
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<td>3.95</td>
<td>3.10</td>
<td>0.86</td>
</tr>
<tr>
<td>5</td>
<td>Responsiveness</td>
<td>3.66</td>
<td>3.23</td>
<td>0.43</td>
</tr>
</tbody>
</table>

The table above revealed gap between dimensions that the service provider must achieve to deliver and gain the customer satisfaction. The biggest gap revealed which dimension that needs to be improved most. To sort the data based on the biggest gap to the low one:

<table>
<thead>
<tr>
<th>No</th>
<th>Dimension</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Empathy</td>
<td>0.86</td>
</tr>
<tr>
<td>2</td>
<td>Responsiveness</td>
<td>0.43</td>
</tr>
<tr>
<td>3</td>
<td>Assurance</td>
<td>0.20</td>
</tr>
<tr>
<td>4</td>
<td>Reliability</td>
<td>0.06</td>
</tr>
<tr>
<td>5</td>
<td>Tangible</td>
<td>0.01</td>
</tr>
</tbody>
</table>

From the data, the Empathy dimension (0.86) had the biggest gap from all of the six dimensions. Which means, Empathy dimension became the first priority need to be developed in order to satisfy
the customer. As the second one came the Responsiveness dimension (0.43), the third one was Assurance dimension (0.20), the fourth onewass Reliability (0.06), and the fifth one was Tangible dimension (0.01).

**Food and Beverage Quality**

*Food and Beverage Have a Good Taste and Good Quality*

The result showed that 46% Agree with the good taste and the good quality of food and beverage in Lawangwangi Café. Followed by 30% neutral, 15% disagree, 5% strongly disagree, and 4% strongly agree. The total of positive feedback was the result of strongly agree + agree = 50% respondent. Meanwhile the total of negative feedback was the result of strongly disagree + disagree = 20% respondent. The rest of the respondent chose neutral as their answer by 30%. By the 50% as the positive feedback about the good taste and the good quality of food and beverage, Lawangwangi Café is already in a good position, but Lawangwangi Café has to improve the taste and quality of their food, because they are not in the safe position yet, they have to reduce the 20% of negative feedback and make sure the 30% respondent feel the improvement, so they will agree with the good taste and good quality of food and beverage in Lawangwangi Café.

*Food and Beverage Have an Attractive and Appropriate Appearance*

The result showed that 44% agree with the attractive and appropriate appearance of food and beverage in Lawangwangi Café. Followed by 25% neutral, strongly agree by 19%, disagree by 10%, and 2% strongly disagree. The total of positive feedback is the result of strongly agree + agree = 63% respondent. Meanwhile the total of negative feedback is the result of strongly disagree + disagree = 12%. The rest of the respondent choose neutral as their answer by 25%. By the 63% as the positive feedback about the attractive and appropriate appearance of the food and beverage, Mostly customer of Lawangwangi Café agree that food and beverage in Lawangwangi Café have an attractive and appropriate appearance.

*The Freshness of The food*

The result showed that 54% agree with the freshness of the dishes in Lawangwangi Café. Followed by 21% neutral, strongly agree by 14%, disagree by 10%, and 1% strongly disagree. The total of positive feedback was the result of strongly agree + agree = 68% respondent. Meanwhile the total of negative feedback was the result of strongly disagree + disagree = 11%. The rest of the respondent choose neutral as their answer by 21%. By the 69% as the positive feedback about the freshness of the dishes, Mostly customer of Lawangwangi Café agree that dishes in Lawangwangi Café were served hot and fresh.

*Food and Beverage Variation*

The result showed that 48% agree with that Food and Beverage are varied in Lawangwangi Café. Followed by 27% neutral, strongly agree by 12%, disagree by 11%, and 2% strongly disagree. The total of positive feedback is the result of strongly agree + agree = 60% respondent. Meanwhile the total of negative feedback was the result of strongly disagree + disagree = 13%. The rest of the respondent choose neutral as their answer by 27%. By the 61% as the positive feedback about the variation of the food and beverage, Mostly customer of Lawangwangi Café agree that food and beverage in Lawangwangi Café were varied.

*Prices Food and Beverage are Appropriate*

The result showed that 42% respondent choose neutral with the appropriate prices of the food and beverage in Lawangwangi Café. Followed by 33% agree, disagree by 13%, both strongly agree and strongly disagree are resulted each by 6%. The total of positive feedback was the result of strongly agree + agree = 39% respondent. Meanwhile the total of negative feedback was the result of strongly disagree + disagree = 19%. The rest of the respondent choose neutral as their answer by...
42%. By the 40% as the positive feedback about the appropriate prices of the food and beverage, Lawangwangi Café should consider and customize the prices of their food and beverage since 40% is not a good result for the safety of Lawangwangi Café pricing position.

“Nasi Goreng Cikur” Satisfaction Level
The result showed that 67% respondent chooses neutral about the satisfied with “Nasi Goreng Cikur”. Followed by 21% agree, disagree by 6%, strongly disagree by 4%, and 2% strongly agree. The positive feedback “Nasi Goreng Cikur” gets was 23% (Strongly Agree + Agree) and the negative feedback “Nasi Goreng Cikur” gets was 10%. The other 67% of the entire respondent choose neutral, as they had not try “Nasi Goreng Cikur” before. This means that “Nasi Goreng Cikur” menu need to be develop since there are only 23% from the entire respondent that satisfy with this food.

“Ayam Penyet Lawangwangi” Satisfaction Level
The result showed that 56% respondent chooses neutral about the satisfied with “Ayam Penyet Lawangwangi”. Followed by 31% agree, disagree by 6%, strongly disagree by 4%, and 3% strongly agree. The positive feedback “Ayam Penyet Lawangwangi” gets was 34% (Strongly Agree + Agree) and the negative feedback “Ayam Penyet Lawangwangi” gets was 10%. The other 56% of the entire respondent choose neutral, as they had not try “Ayam Penyet Lawangwangi” before. This means that “Ayam Penyet Lawangwangi” menu need to be develop since there are only 34% from the entire respondent that satisfy with this food.

“Sop Buntut Bakar taliwang” Satisfaction Level
The results showed that 50% respondent choose neutral about the satisfied with “Sop Buntut Bakar Taliwang”. Followed by 34% agree, strongly agree by 7%, strongly disagree by 5%, and 4% disagree. The positive feedback “Sop Buntut Bakar Taliwang” gets was 41% (Strongly Agree + Agree) and the negative feedback “Sop Buntut Bakar Taliwang” gets was 9%. The other 50% of the entire respondent choose neutral, as they had not “Sop Buntut Bakar Taliwang” before. This means that “Sop Buntut Bakar Taliwang” menu need to be develop since there are only 41% from the entire respondent that satisfy with this food.

“Tenderloin Steak” Satisfaction Level
The results showed that 43% respondent choose neutral about the satisfied with “Tenderloin Steak”. Followed by 41% agree, disagree by 7%, strongly agree by 6%, and 3% strongly disagree. The positive feedback “Tenderloin Steak” gets was 47% (Strongly Agree + Agree) and the negative feedback “Tenderloin Steak” gets was 10%. The other 43% of the entire respondent choose neutral, as they had not try “Tenderloin Steak” before. This means that “Tenderloin Steak” menu need to be develop since there are only 47% from the entire respondent that satisfy with this food.

“Mushroom soup” Satisfaction Level
The results showed that 52% respondent choose neutral about the satisfied with “Mushroom Soup”. Followed by 30% agree, both the result of strongly agree and disagree each by 9%, and there is no respondent choose strongly disagree in this case (0%). The positive feedback “Mushroom Soup” gets was 39% (Strongly Agree + Agree) and the negative feedback “Mushroom Soup” gets was 9%. The other 52% of the entire respondent choose neutral, as they had not tried “Mushroom Soup” before. This means that “Mushroom Soup” menu need to be develop since there are only 39% from the entire respondent that satisfy with this food.
**Customer Behaviour**

**Respondent Visit to Lawangwangi Café**

The result showed 0% of all the respondents are very often visiting Lawangwangi Café, 11% of them often visiting Lawangwangi Café, 39% of all the respondents took neutral in visiting Lawangwangi Café, 34% of them were rare in visiting Lawangwangi Café, and the remaining 16% were very rare in visiting Lawangwangi Café. From the data there were more respondent that rarely and very rare in visiting Lawangwangi Café than the respondent that often and very often in visiting Lawangwangi Café. This means that Lawangwangi Café need to improved their performance to fulfill the customer need. So there will be more customers visit Lawangwangi Café.

**Respondent Will Return to Lawangwangi Café**

The result showed 27% of all the respondents were disagree to return to Lawangwangi Café, 26% of them were strongly agree to return to Lawangwangi Café, 25% of all the respondents were agree return to Lawangwangi Café, 12% of them were strongly disagree to return to Lawangwangi Café, and the remaining 10% were neutral to return to Lawangwangi Café. From the data there were more respondent that agree and strongly agree to return to Lawangwangi Café than the respondent that disagree and strongly disagree to return to Lawangwangi Café. This means that Lawangwangi Café already in a good position that has 53% of customer’s willing return to Lawangwangi Café. But this position is really unsafe because there are still 39% of customers who disagree and strongly disagree to return to Lawangwangi Café, and it is must be fixed.

**Respondent wills Recommend Lawangwangi Café**

The result showed 23% of all the respondents were strongly agree to recommend Lawangwangi Café to their friends/family, 54% of them were agree to recommend Lawangwangi Café to their friends/family, 22% of all the respondents took neutral in recommending Lawangwangi Café to their friends/family, 1% of them were disagree to recommend Lawangwangi Café to their friends/family, and the remaining 2% were strongly disagree to recommend Lawangwangi Café to their friends/family. From the data there were more respondent that agree and strongly agree to recommend Lawangwangi Café to their friends/family than the respondent that disagree and strongly to recommend Lawangwangi Café to their friends/family. This means that Lawangwangi Café already as a recommended café.

**Respondent Reason in Visiting Lawangwangi Café**

The result showed 97% of all respondents said, their reason for visiting Lawangwangi Café because Lawangwangi Café was comfortable and beautiful place. The rest of the respondents said, their reasons for visiting Lawangwangi Café were because of tasty food (1%), affordable Price (1%), and satisfied with the service given (1%). There were a good situation that Lawangwangi Café already achieved in their business, Lawangwangi Café has comfortable and beautiful place as the primary reason (98%) why all of the respondents visited Lawangwangi Café. But in the other hand, the data resulted that the reason why the respondents visited Lawangwangi Café was not because of the tasty food, was not because of the affordable price, and was not because of the satisfaction of the service given. So, Lawangwangi Café must to consider improving their performance on their kitchen, pricing, and management training in order to increase Lawangwangi Café customer.

**With Whom did Respondent go to Lawangwangi Café**

The result showed 64% of all respondents went to Lawangwangi Café with friends, 25% with lovers, 9% with family, and 2% they went by alone. From the result, Lawangwangi Café was a good place to hangout with friends or lovers.
How many times Respondent go to Lawangwangi Café
The result showed 47% of all respondents have went to Lawangwangi Café for no more 3 times and at the same result, 47% of all respondent have went to Lawangwangi Café for 3 – 6 times. 6% of the respondents have went to Lawangwangi Café for 6 – 9 times. And there was no respondent that have went to Lawangwangi Café for more than 9 times. From the result, Mostly of all the respondents have already went to Lawangwangi Café are no more than 6 times. Lawangwangi Café has to improve their performance to increase the customer loyalty to go back for visiting Lawangwangi Café.

Distance between Respondent Home and Lawangwangi Café
The result showed there were 34% of all respondents who lived 5 – 10 km to Lawangwangi Café, 32% who lived more than 15 km to Lawangwangi Café, and each 17% of all respondents who lived below than 5 km and who lived between 10 – 15 km.

How The Respondent Find Out Lawangwangi Café
The result showed there were 34% of all respondents who lived 5 – 10 km to Lawangwangi Café, 32% who lived more than 15 km to Lawangwangi Café, and each 17% of all respondents who lived below than 5 km and who lived between 10 – 15 km.

Where The Respondent Go Out Besides Lawangwangi Café
The result showed 27% of all respondents usually went out to Congo Café, 24% wen out to Takigawa, each 12% went to Burgundy and Stone Café, and 25% went to other places.

Interview Result

Ms. Andonowati Result
Ms. Andonowati initiated ArtSociates in 2007; an entity that was later hosted at a private Art and Science Estate, Lawangwangi starting in late 2009. In January 2010, Lawangwangi inaugurated as the Art & Science Estate. At the same year, Ms. Andonowati initiated “Bandung Contemporary Art Awards.” It was annual awards to encourage young talented artists to develop ideas in art and visualize them using diverse media. In the middle of 2012, Lawangwangi changed into Creative Space, which consists of 3 main company foundations, which engaged in the Art Gallery, Design Space and Café. Creative Space was essentially accommodated the ideas and innovations of creative works which was the intersection between Arts, Crafts, Culture and Science and Technology. On November 3rd 2012, Lawangwangi officially became a Limited Liability Company under the name of PT. Lawangwangi which expanding its business in the field of Art Gallery, Design Space, Café and Property.

Lawangwangi Café open since November 2012, it was a part of the Lawangwangi Art Space. The concept of artistic retro colonial style building in 1950, combined with modern elements. Dominance of white, black, and grey, geometric shape, minimalistic, and the use of materials concrete construction combined natural stone, brick, glass, and aluminium. Colonial style architecture chosen because it was considered the best and is eternal. The reason why Ms. Andonowati established Lawangwangi Café was because Ms. Andonowati wanted to reach more people to come to Lawangwangi to enjoy the the area that blend with the beauty of the art and nature around also to be a place for innovators to meet, chat and discuss, which is expected to provide a magical stimulant which appears bright ideas discussed and found its realization.

Ms. Andonowati said that Lawangwangi Café was a café that served western and Indonesian food with unique concept. There were several annual activities at Lawangwangi Café, since Lawangwangi Café is a part of Lawangwangi Art Space; there is monthly art exhibition that showed some artworks at Lawangwangi Café. Lawangwangi Café has favourite weekly special menu to indulge the customer satisfaction. Ms. Andonowati said, there was some community that like to do gathering in Lawangwangi Café, for example, art community
and photography community. Lawangwangi Café also used to be a venue for filmmaking and pra-wedding photo session; it took the price for Rp. 600.00 per 5 hours. There is also live music that held in Lawangwangi Café on Friday, Saturday, and Sunday.

Lawangwangi Café operates on Tuesday to Thursday from 11am until 10pm, Friday from 10am until 11pm, Saturday from 11am until 12pm and closed on Monday. Ms. Andonowati said that Lawangwangi Café is the only one restaurant in Bandung that inseparable with the art gallery with monthly exhibition event. The artworks nicely decorated the interior of the café itself and they will be different artworks each month. Ms. Andonowati said, those of the artworks are not cheap but Lawangwangi Café possible to showed those of the artworks for public. This unique thing is hard to find in other places, she said. Ms. Andonowati hopes that people who come to Lawangwangi Café can be inspired in Lawangwangi Café, especially for young people who still have a long life journey, they can be more creative after they come to Lawangwangi. Ms. Andonowati said that Lawangwangi has a symbol, that is “Anjungan” or pier that often to be an attraction for Lawangwangi Café’s customer to take a photo on it.

Ms. Andonowati said that before Lawangwangi become a public company, the capital is owned only by Ms. Andonowati. But since November 3rd 2012, Mr. Trenggono became the investor of PT. Lawangwangi and He has the biggest share on PT. Lawangwangi. After that, PT. Lawangwangi expands their business to café, and property. The fluctuated economic situation in Indonesia affects some factors in Lawangwangi Café in running business. When the price of the gas has increased, its affected the cost of the raw material that made Lawangwangi Café had to raise some of the price of their menu by 20% to stabilize their margin. For example, Lawangwangi Café had to increase the menu that consist the meat on it because meat had the lowest margin. But the increasing price of some menu did not affect the amount of the customers. Ms. Andonowati said that Lawangwangi Café, which has a very unique place, still could be categorized as a café with an affordable price.

Ms. Andonowati said that Lawangwangi Café has many suppliers, but there is also an exclusive supplier for imported raw materials. For example, Monin the syrup and coffee that imported from other country. Lawangwangi Café has several weaknesses; the first weakness is the poor quality of human resources, such as no manager in charged. Also the poor service given by the waiters/waitresses, since there were some complains from the customer about the service given by the waiters/waitresses. The second weakness, since there was no production kitchen in Lawangwangi Café, it was difficult to serve many people in peak hour. Ms. Andonowati said that she would hire a good human resources division to improve the employee’s performance. In the other side, Ms. Andonowati said that Lawangwangi Café has a strong point. Besides it was nicely decorated by the art exhibition, Lawangwangi Café surrounded by the beautiful scenery.

Ms. Andajani Trahaju Result

Ms. Andajani Trahaju was the General Manager of PT. Lawangwangi that also a little sister of the owner, Ms. Andonowati. Since Lawangwangi Café has not have any manager yet, this café controlled by Ms. Andajani Trahaju who has in charged as General Manager in PT. Lawangwangi. She had not have enough experience and knowledge to manage the café before. But, Ms. Andajani Trahaju is learning by doing in managing Lawangwangi Café. This interview focused on the daily management of Lawangwangi Café and internal and external factors that affected Lawangwangi Café performances. As for the main job desk, Ms. Andajani Trahaju took responsibility in managing and controlling Lawangwangi Café. If there was a daily problem in Lawangwangi Café, the decision had made by Ms. Andajani Trahaju. Ms. Andajani Trahaju said that the target market for Lawangwangi Café was people who lived in Bandung, middle up class that want to enjoy food and the beautiful scenery. The reality, most of the customer that came to Lawangwangi Café is young people like college student from North Bandung. Lawangwangi Café also became a gathering place for some of communities.

Ms. Andajani Trahaju said that there was a difficulty when running this café business, which was the human resources problem. There are three divisions in Lawangwangi Café, which are Bar, Kitchen, and Floor. Kitchen Division usually has a problem with the sensitivity of emotional employee. One of the factors is happened because the temperature on the kitchen is hot, she said. There was also a problem with chef assistant or called cook. The problem was cook usually works only below a year, they usually moved to another restaurant. So Lawangwangi Café had to find another cook to fulfill the restaurant need because it was affected the production time. Ms. Andajani trahaju wanted to hire the Restaurant Manager soon, because she has too much things to handle at the same time as the General Manager of PT. Lawangwangi.
As the General Manager of PT. Lawangwani, Ms. Andajani Trahaju has a plan to expand the business by establishing villa hotel, concept store, and other restaurant near the Lawangwani Café area. For Lawangwani Café itself, Ms. Andajani Trahaju wanted to remake the interior design with new furniture, new menu design, add pastry menu, and she said that she had wondered to have a barbeque in Lawangwani Café but still just a draft. Lawangwani Café will be re-grand opening in March 2014, she said. Ms. Andajani Trahaju said that there was no direct competitor for Lawangwani Café by the concept. Lawangwani Café also has beautiful scenery that hard to find in another place. But, for the food and beverage, there are many restaurants that have the same menu with Lawangwani Café. But nowadays, people come to the restaurant not just for dine in but they want to enjoy the beautiful decoration, cozy atmosphere, and the beautiful scenery, she said.

For the marketing strategy for Lawangwani Café, there was no official marketing strategy; Ms. Andajani Trahaju said that nowadays people who used to come to Lawangwani Café usually used the social media to check in at Lawangwani Café. The customer spread out the Lawangwani Café through word of mouth, so the existence of Lawangwani Café is increase. There was also some magazine that put Lawangwani Café on its article. Ms. Andajani Trahaju said that in the future, social media and word of mouth would be not enough, since most of the customers of Lawangwani Café found that café from the recommendation from their friend or word of mouth, Lawangwani Café should take serious on their promotion to gain more customer and profit. The completion of restaurant business in Bandung is High. There is a lot of new restaurants and possible to become a competitor. But it depends on the restaurant itself. If they have a unique concept, strategic place, good management, and always be creative, there will be difficult for any restaurant to compete.

External and Internal Analysis

External Analysis

Economic

Table 1.3.3.1 GRDP per capita of Bandung City in 2010 – 2012

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<th>Years</th>
<th>Current Market Price</th>
<th>Constant Market Price</th>
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<td>2012</td>
<td>45.07</td>
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</table>

(Based on: Badan Pusat Statistik Kota Bandung, 2012)

From the table above, GRDP per capita at constant prices of Bandung showed significant improvement. If the per capita income in 2010 reached Rp. 13.4 million/person, then in 2012 experienced a significant increase to Rp. 15.35 million/person. If using current prices, per capita income in 2012 Bandung has reached Rp. 45.07 million/person, which increased compared with 2010 that only Rp. 34.68 million/person. The increased of GRDP per capita of Bandung, means Lawangwani Café has opportunity to get more customers.

Technological

Since Lawangwani Café did not have their own production kitchen yet, the production time has to be slower, and indirectly it has also makes them gain lower profit. If the production cost is low, Lawangwani Café could sell their product at lower price, and if the production time is high, Lawangwani Café could be more efficient in produce their product. Lawangwani also did not have the program for storage called “Accurate” which is database program to measure the ingredients of raw material that needed for each menu. For those things lead Lawangwani Café to gain more profit.

Political-legal

Lawangwani Café has to concern on the political-legal issues that happen in the country in order to decide which strategy should Lawangwani Café chose to survive in the competition. For
example, the increased level of subsidize fuel had affected the price level of the raw material that made Lawangwangi Café increased some price of the menu.

**Sociocultural**
Along with the time changes, Indonesian people tendency that prefers to eat outside the home has increased by a variety of practical reasons, economic or prestige. The concept offered to consumers varies from fast food concept that is intended for those who are busy and have not enough time to eat, and nowadays this concept extends to the splendor of the restaurant business that offers a comfortable place to eat. In line with the splendor of the restaurant business, consumer-buying behavior is also evolving. Changes in purchasing behavior is initially not too critical which purchasing price is the only to be the benchmark, while other factors tend to be ignored, consumer buying behavior is now turned into a very selective and critical in determining the choice purchase. Not just from the taste of the food, but there are also many other factors that are currently influencing consumer

**Porter’s Five Forces**
**Bargaining Power of Buyers**
Bargaining Power of Buyers of Lawangwangi Café is strong enough because there were many kind of food and beverage, the unique place that has become attraction for customers and the segment is wide. These make the customers have a lot of options to meet their needs. Based on this fact, the product differentiation played an important role in the competition. High differentiation established the superiority of the uniqueness of the product or places in Lawangwangi Café case; because Lawangangxi Café is unique, which makes different from other restaurants.

**Bargaining Power of Suppliers**
Lawangwangi Café needed a lot of raw material to support the production since there were many food variations in Lawangwangi Café. The supplier played the important role in keeping Lawangwangi Café performance well. For Lawangwangi, the supplier bargaining power is low, because Lawangwangi Café has many options of suppliers of basic raw materials. But, Lawangwangi Café has a rare supplier that imported some of the raw material needed, which are Monin the syrup and coffee that imported from other country.

**Degree of Rivalry between Companies**
There is also some of the restaurant that located in Dago Pakar hill to attract the customer with the beautiful scenery. This is become a factor that restaurant industry rivalry in Bandung especially in North Bandung is high. Each company tried to achieve a strong position in the market. This condition affected the pricing strategy that made the company. When the price is too high, it made customers switch to another restaurant. Meanwhile, if the company lowers the price, it caused a loss because they cannot cover the production costs. Product development is one of strategy that Lawangwangi Café must to do in this competition condition. Product development prevented the saturation of existing customers and also to reach new market share.

**Threat of Substitutes**
Threat of Substitutes in restaurant means different substitutes product that can replace and meet the same needs that offered by similar restaurants. The presences of substitute products made consumers faced with a variety of options for their needs. Bandung is a culinary city that has a high demand of food and beverage. Lawangwangi Café sells authentic Indonesian food and western food. There are a lot of restaurant in Bandung that sell Japanese, western, Korean, and Indonesian food that made the threat of substitute product for Lawangwangi Café is high.

**Threat of Entry of New Entrants**
The number of population in Bandung increased every year that made the business opportunities in the sectors of food supply fulfillment opened wider. It was also increased the level of competition in Bandung restaurants. Every year the number of restaurants in Bandung continued to increase. It was happened because the barriers to entry for new entrants were not really big. Every new restaurant could have each different concept. In the other hand, since there was no direct competitor for Lawangwangi Café by the concept, which a collaborated restaurant and art gallery, and surrounded
by a beautiful scenery that hard to find in another place, made the threat of new entrants for Lawangwangi Café on the concept side is low.

**Internal Analysis**

**Resources**
Resources are the company’s assets. They include tangible assets, such as capital, concept of the restaurant, product, human assets, employees, and system, and the intangible assets, such as technology (patents and copyrights) and culture. The owner has the land and the building that include of Lawangwangi Café and Artspace with the unique architecture of the building and interior design surrounded by the beautiful scenery. There are three divisions in Lawangwangi Café, which are Bar, Kitchen, and Floor. Lawangwangi Café did not have restaurant manager yet, so Ms. Andajani Trahaju as the General Manager of PT. Lawangwangi Café temporary in charged in managing Lawangwangi Café. Lawangwangi Café recruited 70 employees. They recruited by Ms. Andajani Trahaju. All of the concept and the interior design came from the idea of the owner, Ms. Andonowati.

**Capabilities**
Capabilities refer to a company’s ability to exploit its resources. They consist the business processes that manage the resources to turn inputs into outputs. Lawangwangi Café has capabilities that also the company strength, the unique concept. The unique architecture of the building and interior design that hard to find in others place; it also became a place to eat and a place for an art exhibition that gathered so many communities especially art community, the architecture of the building and interior design supported by the beautiful scenery surround as an attraction for people to come to Lawangwangi Café.

**Competency**
Competency is the combination of resources and capabilities to become the source of the company's competitive advantage. Competency usually is activities that add unique value to the goods and services a company sells. Lawangwangi Café competency is provide the place to eat with unique concept that hopes that every people who enter the Lawangwangi Café will be inspired.

1.3.3.2.1 Value Chain Analysis
Value chain analysis used to define the internal condition of Lawangwangi Café. Lawangwangi Café’s value chain analysis is shown on figure below.

![Lawangwangi Café Value Chain Diagram](image)

**Figure 1.3.3.1** Lawangwangi Café Value Chain Diagram

**SWOT Analysis**
Table 1.3.1 SWOT of Lawangwangi Café

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The unique architecture of the building and interior design that hard to find in other places.</td>
<td>• Young restaurant that still need to arrange its marketing and promotion performance.</td>
</tr>
<tr>
<td>• Weekly special menu from Lawangwangi Café.</td>
<td>• There is still a difficulty to serve many people in peak hour.</td>
</tr>
<tr>
<td>• Besides the food, customer can enjoy the cozy café that nicely decorated by the artworks and the art gallery as another attraction in Lawangwangi Café that also becomes a place for art exhibition.</td>
<td>• The poor quality of human resources, such as no manager and the poor service given by the waiters/waitresses.</td>
</tr>
<tr>
<td>• Lawangwangi Café surrounded by the beautiful scenery.</td>
<td>• Lawangwangi Café is located in less strategic location. The small road to Lawangwangi Café that usually makes the traffic jammed happened.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Since mostly Lawangwangi Café visitors are teenagers that like to hang out in café or restaurants, there is a lot of university in North Bandung.</td>
<td>• The presences of substitute products made consumers faced with a variety of options for their needs.</td>
</tr>
<tr>
<td>• Lawangwangi Café often to be a gathering place for communities.</td>
<td>• The fluctuated economic things, like the increasing cost of fuel caused the cost of raw material also increase.</td>
</tr>
<tr>
<td>• The beautifulness and the uniqueness of Lawangwangi Café’s architecture, interior design, and the view, makes Lawangwangi Café become a place for wedding photo session, and filmmaking.</td>
<td>• High level of new restaurants as a competitor in Bandung.</td>
</tr>
<tr>
<td>• Fast market growth in Bandung restaurant industry.</td>
<td>• A slump in the economy like the increasing of tax reducing customer’s disposable income spent on eating out.</td>
</tr>
</tbody>
</table>

Grand Matrix Strategy

**EFAS**

Table 1.3.5.1 EFAS of Lawangwangi Café

<table>
<thead>
<tr>
<th>Internal Strategic Factor</th>
<th>Importance</th>
<th>Weight</th>
<th>Rating</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. Opportunities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O1 Teenagers lifestyle</td>
<td>4</td>
<td>0.13</td>
<td>5</td>
<td>0.65</td>
</tr>
<tr>
<td>O2 Communities gathering place</td>
<td>3</td>
<td>0.10</td>
<td>4</td>
<td>0.4</td>
</tr>
<tr>
<td>O3 Nicely decorated café</td>
<td>5</td>
<td>0.17</td>
<td>4</td>
<td>0.68</td>
</tr>
<tr>
<td>O4 Fast restaurant market growth</td>
<td>3</td>
<td>0.10</td>
<td>3</td>
<td>0.30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Internal Strategic Factor</th>
<th>Importance</th>
<th>Weight</th>
<th>Rating</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. Threats</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T1 The presences of substitute products</td>
<td>4</td>
<td>0.13</td>
<td>-3</td>
<td>-0.39</td>
</tr>
<tr>
<td>T2 Increasing raw materials</td>
<td>3</td>
<td>0.10</td>
<td>-3</td>
<td>-0.30</td>
</tr>
</tbody>
</table>
The total score of measurement of EFAS is 0.43. It concluded that the company opportunity factors have bigger affect than the threat factors. So Lawangwangi Café is allowed to develop their business, as the opportunity is good. Lawangwangi Café should utilize every opportunity to grow as a business.

IFAS

Table 1.3.5.2 IFAS of Lawangwangi Café

<table>
<thead>
<tr>
<th>Internal Strategic Factor</th>
<th>Importance</th>
<th>Weight</th>
<th>Rating</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strength</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S1</td>
<td>5</td>
<td>0.17</td>
<td>4</td>
<td>0.68</td>
</tr>
<tr>
<td>Hard to find Lawangwangi Café unique building in other places</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S2</td>
<td>3</td>
<td>0.10</td>
<td>3</td>
<td>0.3</td>
</tr>
<tr>
<td>Weekly special menu</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S3</td>
<td>4</td>
<td>0.13</td>
<td>4</td>
<td>0.52</td>
</tr>
<tr>
<td>There is also an art exhibition</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S4</td>
<td>4</td>
<td>0.13</td>
<td>4</td>
<td>0.52</td>
</tr>
<tr>
<td>Surrounded by beautiful scenery</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weakness</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>W1</td>
<td>4</td>
<td>0.13</td>
<td>-4</td>
<td>-0.52</td>
</tr>
<tr>
<td>Low marketing and promotion performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>W2</td>
<td>4</td>
<td>0.13</td>
<td>-4</td>
<td>-0.52</td>
</tr>
<tr>
<td>Difficult to serve in peak hour</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>W3</td>
<td>4</td>
<td>0.13</td>
<td>-3</td>
<td>-0.38</td>
</tr>
<tr>
<td>Lack of human resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>W4</td>
<td>2</td>
<td>0.07</td>
<td>-3</td>
<td>-0.21</td>
</tr>
<tr>
<td>Less strategic location</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1</td>
<td></td>
<td></td>
<td>0.39</td>
</tr>
</tbody>
</table>

The total score of measurement of EFAS is 0.39. It concluded that the company strength is bigger that the weakness. So Lawangwangi Café is allowed to grow the business since they have a good capability in doing their business.
Figure 4.26 Lawangwangi Café Grand Strategy Matrix

Based in the Grand Strategy Matrix, the position of Lawangwangi Café is on quadrant 1 which is “Growth” where the x coordinate falls in 0.43 and the y coordinate fall in 0.39. This situation means that growth strategy is the suitable strategy for Lawangwangi Café since there are a lot of business opportunities and Lawangwangi Café has the capability to grow.

**Porter’s Competitive Strategy**

From the advantages aspect or the strong, Lawangwangi Café located in the middle of the naturally beautiful Dago Atas area, Lawangwangi Café surrounded by the beautiful scenery. Lawangangi Café nicely decorated by artworks that appear as the restaurant interior and the art gallery as another attraction since Lawangwangi Café also became a place for art exhibition. This unique factor has become the image of Lawangwangi Café that attracts many customers to come. Lawangwangi provided Indonesian food and western food with Lawangwangi Café specialties.

Lawangwangi Café aims for every person who wanted to get different experience about the unique concept of the café. This means that Lawangwangi Café aims for broad target market including teenagers, adult, college student, teacher, and employee. The price is of the Indonesian food is higher than the other Indonesian restaurant, but still affordable for college student and teenagers.

The conclusion of the strategy for Lawangwangi Café is the Differentiation Strategy, which means Lawangwangi Café aims for the uniqueness. Lawangwangi Café has a different concept as they charged a higher price than the Indonesian restaurant and they aim the broad target market.

**TOWS Matrix**

**SO Strategies**

There were three strategies that Lawangwangi Café needed to implement for the combination of strength and opportunity. The first strategy was maintained the beautiful decoration and artworks. Based on the questionnaire, 97% of all respondents said, their reason for visiting Lawangwangi Café is because Lawangwangi Café is comfortable and beautiful place. So, Lawangwangi Café needs to maintain the beautiful decoration and the artworks since it is become strong point of the uniqueness of Lawangwangi Café to keep their customer loyalty. The second strategy, Lawangwangi Café needs to conduct marketing promotion. Based on the art exhibition that annually held in Lawangwangi Café has become an attraction for communities, Lawangwangi Café has to make an marketing promotion to reach more people and communities to come to Lawangwangi Café. Promotion is also can boost the people to come, for example, the community gathering event should have a discount on the specific occasion. It will help Lawangwangi Café to keep their customer’s loyalty. The third strategy is product development to fulfill the customer need. Based on the questionnaire, most of the customer that visit Lawangwangi Café is college student, so Lawangwangi Café need to develop a product that match with their need. In this case, Lawangwangi Café needs to make student card discount program to increase the customer loyalty.

**ST Strategies**

There were two strategies that Lawangwangi Café needed to implement for the combination of strength and threat. The first strategy is special product development. Lawangwangi Café needs to develop a new special product. By weekly special menu Lawangwangi Café could makes customer come to try the special menu and makes the presences of substitute products low, So the special menu would attract customers to come. But in the other hand Lawangwangi Café has to concern about the increasing cost of the raw material as the threat. Lawangwangi Café should choose the raw material for the special menu wisely. By using the special product strategy, Lawangwangi Café will keep outstanding than the new incomers in the future. The second strategy is conduct marketing promotion. Since The level of new incomers is high and they did not do any official marketing promotional strategy, Lawangwangi Café should do the advertisement to promote and increase the existance of the Lawangwangi Café itself. Its also helped Lawangwangi Café to compete in the industry. Lawangwangi Café has to maximize its strong point as Lawangwangi
already has a unique concept and surrounded by the beautiful scenery that hard to find in another restaurant.

**WO Strategies**
There were three strategies that Lawangwangi Café needed to implement for the combination of weakness and opportunity. The first is improving Lawangwangi Café marketing performance. Bandung can be categorized as a city that has the fast restaurant market growth. That is an opportunity for Lawangwangi Café to maximize that condition by improving their marketing performance. Lawangwangi Café will compete with any other restaurant in the industry. So, they have to concern about their marketing performance. They have to match what is their customer expectation toward service given by Lawangwangi Café. The second strategy is improving the operation performance. Lawangwangi Café has to improve their operation performance. They have to avoid the lack production time in the peak hour. That problem can be solved by giving a good management trainee to the employee. All of the employee have to be ready to serve the customer in the peak hour in the future. The third strategy is improving the human resources performance. Lawangwangi Café has to have their own restaurant manager immediately. The role of the restaurant manager in a café is important, the restaurant manager has to controlling the daily activities of the café and managing the employee. The lack human resources performances can affect the café market growth. So, Lawangwangi Café has to take seriously in this case in order to improve the performance of the café itself.

**WT Strategies**
For the combination of weakness and threat, Lawangwangi Café needs to make an effective and efficient marketing and advertisement to boost up the existence. Lawangwangi Café has to concern on their advertisement to reach more customer. With an effective and efficient marketing, Lawangwangi Café can gain more profit in the future.

**Discussion**

**Conclusion**

**What is the people perception about Lawangwangi Café?**
To define the people perception about Lawangwangi Café, the answer will be based on the 100 respondents from the questionnaire spread. Almost of the respondents (97%) said that they were visit Lawangwangi Café because of the comfort and beautiful of the place. Means that the atmosphere and beautiful decoration become the main point as the reason people visit Lawangwangi Café.

For the food variation, the respondents who agree that food and beverage in Lawangwangi Café are varied (60%, Agree + Strongly Agree) are bigger than people who disagree that food and beverage in Lawangwangi Café are varied (13%, Disagree + Strongly Disagree). Means that people perception about the food and beverage variation in Lawangwangi Café is good. This result proved by the weekly special menu that served in Lawangwangi Café.

For the taste and quality, the respondents who agree that food and beverage in Lawangwangi Café have a good taste and good quality (50%, Agree + Strongly Agree) are bigger than people who disagree that food and beverage in Lawangwangi Café have a good taste and good quality (20%, disagree + strongly disagree). Means that people perception about the food taste and quality in Lawangwangi Café is good enough.

From the questionnaire result, appeared that half of the respondents (51%, Agree + Strongly Agree) willing to return to Lawangwangi Café. But this position is really unsafe because there are still respondents who disagree (39%, Disagree + Strongly Disagree) to return to Lawangwangi Café, and Lawangwangi Café has to concern why there are still big amount of people (39%) that disagree to return to Lawangwangi Café.

From the questionnaire result, only a few respondents often visit Lawangwangi Café (13%, Often + Very Often). While half of the respondents rare visit Lawangwangi Café (50%, rare + very rare). This means Lawangwangi Café has to concern to fulfil what are the customers’ needs.
From the questionnaire result, appeared that most of the respondents (75%, Agree + Strongly Agree) will recommend Lawangwangi Café to their friends and family. The result means that Lawangwangi Café has a great opportunity in growing its market. Lawangwangi Café has to concern to fulfil the customer need.

**How is the current situation of Lawangwangi Café?**
To define the current situation of Lawangwangi Café, Grand Strategy Matrix is used on this research, which contains EFAS and IFAS. Lawangwangi Café EFAS score is 0.43, which means Lawangang Café has bigger total opportunity than total threat. Then, the IFAS score of Lawangwangi Café is 0.39, which means Lawangwangi Café has more total strength than total weakness. As the result, Lawangwangi Café located in quadrant 1 which is growth. The conclusion is Lawangwangi has a potential to develop and grow the business.

**What is the factor need to be improved in Lawangwangi Café?**
To define the factor that needs to be improved in Lawangwangi Café, this research used the customer gap dimension analysis to define which gap appeared between the customer expectations toward given service by Lawangwangi Café. The questionnaire contains 5 dimension of RATER dimension (Reliability, Assurance, Tangibles, Empathy, and Responsiveness). From the result, the Empathy dimension (0.86) has the biggest gap from all of the six dimensions. Which means empathy dimension become the first priority need to be improved to satisfy the customer. As the second one, came the responsiveness dimension (0.43).

**What is the most suitable recommendation to improve the performance of Lawangwangi Café?**
To determine the most suitable recommendation to improve the performance of Lawangwangi Café, this research used several strategies to generate the proper recommendation for Lawangwangi Café. The strategies are Corporate Strategy, Business Strategy, and Functional Strategy.

1. **Corporate Strategy**
   Grand Strategy Matrix is used in this strategy, which contains EFAS and IFAS. As the result of EFAS and IFAS, Lawangwangi Café is located in quadrant 1 which is growth. Means that Lawangwangi Café has a capability and opportunity to improve and grow in the industry.

2. **Business Strategy**
   Porter's Competitive Strategy is used in this strategy. The competitive strategy for Lawangwangi Café is Differentiation Strategy. Lawangwangi Café aims for every person who wants to get different experience about the unique concept of the café. This means that Lawangwangi Café aims for broad target market including teenagers, adult, college student, teacher, and employee. The price is of the Indonesian food is higher than the other Indonesian restaurant, but still affordable for college student and teenagers. This unique factor has become the image of Lawangwangi Café that attracts many customers to come.

3. **Functional Strategy**
   TOWS Matrix is used to analyze the strengths, weaknesses, opportunities, and threats of Lawangwangi Café in this strategy. The analysis generated to become the strategy that Lawangwangi Café need.
Table 5.1. Lawangwangi Café Marketing Function Strategy

<table>
<thead>
<tr>
<th>Function</th>
<th>Function Strategy</th>
</tr>
</thead>
</table>
| Marketing | 1. Maintain the beautiful decoration and artworks  
2. Conduct marketing promotion  
3. Product development to fulfil the customer need  
4. Special product development  
5. Conduct marketing promotion  
6. Improve Lawangwangi Café marketing performance  
7. Improve the operation performance  
8. Improve the human resources performance  
9. Make an effective and efficient marketing and advertisement |

**Recommendation**

Based on the Grand Strategy Matrix, Lawangwangi Café located in “Growth” quadrant, which means that Lawangwangi Café has the capability and opportunity to develop and grow. In order to maximize development in growth condition, Lawangwangi Café has to reveal the right direction. Lawangwangi Café has to know what customer expect from them, so they can fulfill what customer need. The recommendation based on the chapter 4 results.

From the service performance result showed that the biggest gap happened in Lawangwangi Café was empathy dimension. Empathy refers to the relationship between the employee and the customers, which means caring and individualized manner. From the interview and observation, this gap happened because Lawangwangi Café still has not a good human resource management. Lawangwangi Café did not take as a serious thing in hiring employee. Beside that, Lawangwangi Café did not have a restaurant manager yet, this was become one reason that the gap of empathy dimension happened in Lawangwangi Café was because there is no restaurant manager who control the daily activity. To overcome those problems, the recommendation for Lawangwangi Café is to do a proper employee training and also service quality controlling, fix the management of human resource division, and hire a professional restaurant manager. By the proper employee training and service quality control by the restaurant manager, Lawangwangi Café would improve their performance in the future.

For the promotion, since Lawangwangi Café has no official promotional things yet, as a café business it has to concern about the promotional things. Lawangwangi Café already used the twitter and Instagram as its promotional tools in social media. But Lawangwangi Café did not has a person in charge as an admin who handle those things. So the social media activities did not work good enough. As a recommendation, Lawangwangi Café has two option to solved this problem; first, Lawangwangi Café has to hire a social media manager/admin to maintain the social media, second, Lawangwangi Café just has to give a training and add more task to marketing division to be a social media manager/admin in order not to hire more employee to reduce the cost. Lawangwangi Café has to take serious in promoting in social media, because nowadays social media has a big impact in promoting and since most of Lawangwangi Café customer is college student, which they are using the social media most of the time. For other promotional things, Lawangwangi has to realized that most of the customer of Lawangwangi is college student (69%) and other young adult who are 18-22 years old (69%) and 23-27 years old (22%). Lawangwangi Café has to meet what they need. The recommendation is Lawangwangi Café should makes a student promo by showing their student card they can get a discount on weekdays, or other example, every Tuesday by showing a student card, they get free ice tea for minimum order Rp. 35.000. Those of promos will become a new attraction for Lawangwangi Café to attract more customers.
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<table>
<thead>
<tr>
<th>Category</th>
<th>Action</th>
<th>Participant</th>
<th>Objectives</th>
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</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>March</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruitment</td>
<td>Hire professional restaurant manager</td>
<td>Human Resources</td>
<td>Hire a capable restaurant manager</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Interview the candidates</td>
<td>restaurant manager candidates</td>
<td>Selecting capable restaurant manager</td>
<td>-</td>
</tr>
<tr>
<td>Training</td>
<td>Presentation by general manager and restaurant manager of PT.</td>
<td>Lawangwangi Café waiters</td>
<td>Brief the service quality knowledge</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Lawangwangi Café</td>
<td></td>
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<tr>
<td></td>
<td>Coaching and training by human resources of Lawangwangi Café</td>
<td>All Lawangwangi Café employee</td>
<td>Improve the service quality skills</td>
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<tr>
<td>Promotion</td>
<td>Conduct social media promotion</td>
<td>Marketing division (social media manager)</td>
<td>Promote Lawangwangi Café, reach more customers</td>
<td>Y</td>
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<tr>
<td></td>
<td>Conduct others promotion; student card promotion</td>
<td>Marketing division</td>
<td>Delivering promotion and increase the Lawangwangi Café existence</td>
<td>Y</td>
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<tr>
<td></td>
<td>Conduct advertisement; spread the printed and billboard</td>
<td></td>
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<tr>
<td>Development</td>
<td>Add new menu</td>
<td>The general</td>
<td>Develop new</td>
<td>-</td>
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<tr>
<td>Add new weekly specialties menu</td>
<td>manager and head chef</td>
<td>menu</td>
<td></td>
<td></td>
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<tr>
<td>Add new artworks for decoration and attraction</td>
<td>The owner and general manager</td>
<td>Attract more customers</td>
<td></td>
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<tr>
<td>Create new art exhibition</td>
<td>The general manager</td>
<td></td>
<td></td>
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<tr>
<td>Resistance</td>
<td>Conduct reward and punishment system</td>
<td>All Warung Taru Employees</td>
<td>Increasing motivation</td>
<td></td>
</tr>
</tbody>
</table>