

Food Customer Preferences Study Case: Indonesia Micro Enterprises

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Abstract

The swift changing in the world has change how customer spending their money on food. The popularity of street food has change the map of culinary business. From big space with variety menu into small space with one menu only, street vendor has successfully gained customer attention. After the restaurant domination for thirty years, the street vendor has come to give customer an option to eat fried chicken. They become serious contender for the remain restaurant due to their product and business strategy. The question is how they conduct competitiveness among giant restaurant. This research objectives is to find customer preferences to buy fried chicken from street vendor. This is quantitative research using survey method. The respondent is customer who ever buy fried chicken from Sabana, KFC, and Mc Donalds. Data for this research is obtained by conducting questionnaire. The findings of this research is group of several variables that attracted customer to buy Fried Chicken on MSMEs or big restaurant, especially the variables on product and business strategy. In conclusion, there are several group of variables that become customer preferences to buy fried chicken

Keywords: *Customer Preferences, Micro Enterprises, Street Vendor, Marketing*

Abstrak

Perubahan yang sangat cepat di dunia telah merubah bagaimana pelanggan menghabiskan uang mereka untuk makanan. Popularitas makanan kaki lima telah merubah peta bisnis kuliner. Dari yang memerlukan ruang besar dengan berbagai menu menjadi ruang kecil dengan satu menu saja, makanan kaki lima telah berhasil mendapatkan perhatian pelanggan. Setelah tiga puluh tahun dominasi restoran, pedagang kaki lima datang untuk memberikan pelanggan pilihan lain untuk memakan ayam goreng tepung. Mereka telah menjadi penantang serius untuk restoran cepat saji lainnya dikarenakan produk dan strategi bisnis mereka. Tujuan Penelitian ini adalah untuk mencari preferensi pelanggan dalam membeli ayam goreng dari pedagang kaki lima. Ini merupakan penelitian kuantitatif yang menggunakan metode survey. Responden adalah pelanggan yang pernah membeli ayam goreng dari Sabana, KFC, dan Mc Donalds. Data penelitian didapatkan dengan menggunakan kuesioner. Hasil penelitian ini adalah kelompok beberapa variabel yang menarik pelanggan untuk membeli ayam goreng dari usaha MSM atau restoran besar, khususnya pada variabel produk dan strategi bisnis. Kesimpulannya, terdapat beberapa kelompok variabel yang menjadi preferensi pelanggan dalam membeli ayam goreng.

Kata Kunci:

Preferensi Pelanggan; Usaha Mikro; Pedagang kaki lima; Pemasaran

INTRODUCTION

The swift changing in the world
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money on food. The popularity of street food has change the map of culinary business. From big space with variety menu into small space with one menu only, street vendor has successfully gained customer attention.

Fried chicken has become everybody food on their plate. In 1978, Kentucky Fried Chicken (KFC) was the first fast food restaurant who introduced modern fried chicken in Indonesia. Following them, more fast food restaurant established here such California Fried Chicken (CFC) in 1984, Mc Donalds (McD) in 1991, Texas Chicken (1984). Although KFC had negative period, they has back to lead the fast food restaurant in last decade. Then, they have serious competitor called Sabana.

Sabana is one of successful micro franchise company who sell crispy fried chicken in cheaper version. The company who was established in 2006, already have 2,503 franchisee in all province of Indonesia (Sabanaku, 2022). Their strategy is to provide fried chicken close to customer home, cheaper than restaurant, and one best menu only.

After the restaurant domination for thirty years, the street vendor has come to give customer an option to eat fried chicken. They become serious contender for the remain restaurant due to their product and business strategy. The question is how they conduct competitiveness among giant restaurant.

In other side, Indonesia population is 275 million people in 2022 with the population growth rate is 1,17% by Indonesia Central Statistical Agency (ISCA, 2022). The cake is quite big to share between the street vendor and the restaurant. in addition, Indonesian people are highly consumptive which already make the country survice with its economic crisis in 1998, 2004, and 2008.

The lockdown and social distancing to combat Covid-19 virus has generated significant disruptions on consumer behavior where all consumption is time bound and location bound (Sheth, 2020). People more convenient to buy the food from their mobile phone or at least by short walking. Time to work is more valuable in today business. Meanwhile price and hygiene is always be top of customer mind.

It is interesting to see how this micro enterprise survive in post pandemic era. This research is conducted to find out their main strategy to keep competitive in this situation especially on how the product can attract customer.

This research objectives is to find customer preferences to buy fried chicken from street vendor. As more people buy food from street vendor, it can be seen that they already increase the quality of food nor service. This research try to figure out customer perspective when they decide to buy food from street vendor.

The phenomena of this research is product from MSMEs can compete

with the big player in the market which has loyal customer and popular for long time. From the phenomena, there are questions need to be answered before we found the variables that could be explained. Then, the research question was conducted to find variables that affected phenomena which focused on customer preferences when they bought fried chicken.

Main research question is What is their preferences to buy fried chicken?

Research should have contribution for society whether in theoretical and or practical. In theoretical, this research is expected to extent our knowledge about customer preferences in selecting food. As customer preferences become more important in marketing field, the research will give the reader another point of view on street vendor competitiveness. In addition, it also expected to explained how MSMEs can optimize the opportunity to compete with larger company. Hopefully this study could be trigger for further research regarding product development in order to compete with competitor in large market.

This research contribute to practical implication where the factor that drives the consumer to buy could be used to make future business strategy and can be used by government to support novice entrepreneur. Then government could make future economy strategic plan to push entrepreneurship in Indonesia.

This research also has other practical implication which would be sign the resurrection of small and medium enterprises competencies in fighting with large company in market war. It means that our small and medium enterprises has grow up and become serious challenger for large company which it is good for Indonesia economic growth. It also a sign that poverty in Indonesia has become smaller where inline with the economic growth.

METHOD

Survey is a research strategy which involves the structured collection of data from a sizeable population. Data collection may take the form of questionnaires, structured observation and structured interviews (Saunders & Lewis, 2002). A survey design provides a quantitative or numeric description of trends, attitudes, or opinions of a population by studying a sample of that population (Creswell, 2003). Surveys include cross-sectional and longitudinal studies using questionnaires or structured interviews for data collection, with the intent of generalizing from a sample to a population (Babbie, 1990).

Before we conduct survey research there are steps in conducting survey. Derived from research question then continue to make the variables before fix questionnaire. Type of survey is physics and electronic questionnaire due to everybody could be answer in internet and ease of acces. Type of questions in questionnaire is closed-

ended question to direct the respondent to choose the nearest truth answer of them. Response formats for this research is likert scale to examine how strongly subjects agree or disagree with statements.

Population is consumer of fried chicken whether he/she bought in small restarurant or large restaurant. This population is common wide segment where it can be found easily especially in urban city. Therefore, the sample is random people who ever bought and eat fried chicken.

This research is conduct by using probability sampling technique with classification systematic sampling technique. Probability sampling because the sample are random from fried chicken consumer and systematic sampling technique because this research study part time worker who still student in higher education.

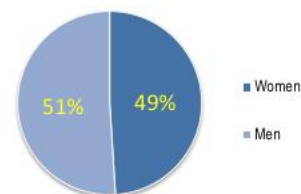
Variables is important to guide us to create the questionnaire before it spread out to respondent. Actually, Variables are the main thing that we would like to research which the result will be answer our research question in this paper.

In this research research, the variables was selected to reveal the answer buyer consideration when they bought fried chicken where the variables is the most possible to be the factor that affected it. All the variables are related to marketing operation, product development and business strategy which more focus on the product it self.

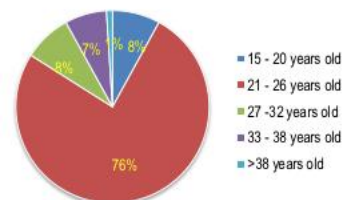
In this research the question variables was stated on table 1 at attachment page.

RESULT AND DISCUSSION

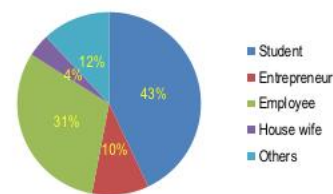
The Questionnaire was Spread out by using physic paper and mail electronic. Total paper and mail has been answered is 100 unit with proposition of physic paper is 20 and mail electronic is 80. Mail electronic was spread out by moving the link from one friend to random person, while the physics was conducted in food court and giving it manually.



Picture 1. Respondent Gender



Picture 2. Respondent Age



Picture 3. Respondent Occupation

The purpose of Coding is to make to make it easy to read. All variables have their own code which each code are unique and different with other. This coding will helping when analyze a lot of data. Fill data form with

likert scale data from questionnaire, then change the variable name with this code to make it easy to compute.

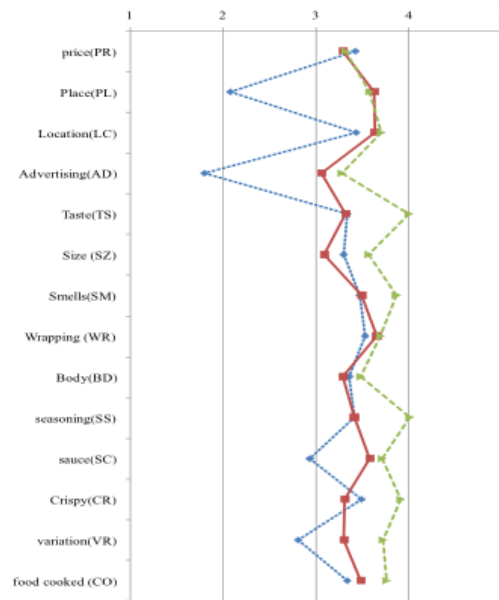
Table 1. Code for variables

Variables	Code
Price	PR
Place	PL
Location	LC
Advertising	AD
Taste	TS
Size	SZ
Smells	SM
Wrapping	WR
Body	BD
Seasoning	SS
Sauce	SC
Crispy	CR
Variation	VR
Cooked	CO

Where :
 Sabana (S)
 Mc Donalds (M)
 KFC (K)

The Snake plot will be helpful to identify each attribute comparing between several brand of product. Also, if we could identify factors in this attribute then we will know about customer perceptions using just the factors.

In this process, we can see that correlation every variables between Sabana, Mc Donalds, and KFC product. the result can be seen as follows:



Picture 4. Snake plot

After all process of analysis, the last table should be interpreted to give the name for each component. The condition now is each component consist of several variables which have closed correlation between them. Each variable will created new name of group that can represent buyer preferences when they bought fried chicken.

Standard (TS_K ; SM_K; WR_M; WR_K; SS_K; SC_K; CR_K; VR_K; CO_K), Exclusive (LC_S; TS_S; SZ_S; SM_S; WR_S; BD_S; SS_S; CR_S; VR_S; CO_S), Originality (TS_M; SM_M; SS_M; CR_M), Condition (PR_K; PL_M; PL_K; LC_M; LC_K), Appearance (BD_M; BD_K; CO_M), Marketing Factor (PR_S; PL_S; AD_S; SC_S), Promotion (AD_M; AD_K), Size (SZ_M; SZ_K), Variation (SC_M; VR_M).

CONCLUSION

In previous section there are new group of variables that been created from many variables. Those variables has definition for each group name

1. Standard : all the standard variable should be included in this group
2. Exclusive : all variables must be included into this group, therefore this group is highly standard
3. Originality : unique taste is the most consideration for this group
4. Condition : external condition will be support this group
5. Appearance : eye catching is everything for this group
6. Marketing Factor : advertising, competitive price and place is important
7. Promotion : promotion has attract this group
8. Size : size is the most consideration for this group
9. Variation : seasoning, form, color, are important for this group

In summary, there are 9 group of variable that could be buyer preferences when they bought fried chicken. These 9 groups has involved the product and business strategy. Sabana company has succeed to read the market demand, therefore they can compete with large company in fried chicken competition. They can provide originality and keep quality in their product, so that's why they capable to fight the large company in market. From sabana experience and this research contribution, it could be our

knowledge to bring this idea to support development of SMEs in Indonesia.

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