



Strategic Planning in Homemade Food Industry: A Case Study of “Mama Agym’s Business” in Batam, Kepulauan Riau, Indonesia

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Received: 24 July 2024; Revised: 12 October 2024; Accepted: 15 October 2024

Published online: 26 December 2024

Abstract

The purpose of this study was to analyze and identify the business strategies used by Micro, Small and Medium Enterprises (MSMEs) for homemade food business Fish Cake Soup “Mama Agym”, in developing business which includes marketing, production and operational distribution process. This analysis method uses descriptive qualitative research with the aim of describing the external environment, circumstances and social fact of the business. The qualitative research that seeks to collect facts and circumstances as they should be through interviews, moreover the interviews were conducted with business owners, employees, and several consumers where informants were taken using purposive sampling technique. Then identify the business's environmental conditions using SWOT analysis, Porter's Five Forces and PEST Analysis. Based on the results of evaluation analysis, the strategies that have been implemented by the business have not worked optimally and have not maximized existing resources. For example, some methods such as payment systems and distribution still do not work optimally following existing technological developments. Through this research study, researchers can provide recommendations to business regarding alternative strategic planning that can be used in the future.

Keywords: Micro small and medium enterprises (MSMEs), PEST analysis, Porter's five forces, Strategic planning, SWOT analysis

I. INTRODUCTION

Business people must identify the strengths and weaknesses they have to run their business activities effectively. They must minimize their weaknesses so that they are not easily read by competitors. Then, the existing opportunities can be utilized to attract more consumers, on the part of threats to be a significant obstacle to business operations (Pramayanti, Rachmawati, Sudrajat, Permana, & Sutisna, 2021). If the entrepreneur knows the strengths and weaknesses of the business owned, as well as knowing the circumstances of the scope of the business that is being carried out, the entrepreneur can know the current position of the company in the middle of business competition. Strategic planning is very important for businesses because it provides a design plan to achieve long-term goals, then identify opportunities, and reduce risks that will be faced. Obviously this is compiled based on the strengths, weaknesses, opportunities, and threats of the current company or business. Entrepreneurs also need to make efforts such as providing excellent products, utilizing existing opportunities to continue to developing their business while making a profit. But unfortunately, there are some things that small businesses often face in growing and develop their business for the better. The issue that is often faced by Micro, Small and Medium Enterprises (MSMEs) is how and where the product is marketed, then whether the product can meet customer needs. How the distribution process has not been optimized so that it cannot reach a wider range of customers. Another problem is that operational management in utilizing technology is not maximally developed. An effective business strategy can stabilize the level of sales from year to year in accordance with the quantity of products that a business can produce. Micro, Small and Medium Enterprises (MSMEs) at Fish Cake Soup "Mama Agym", which sells homemade food, already has customers who are always consistent in

making purchases. But customers are only from that area and nearby, there is no expansion in distribution and very minimal product marketing. The business uses a make-to-order system and has not seen significant development in the last three years. So, the author wants to know how the business's environmental conditions strategy is carried out by Fish Cake Soup "Mama Agym" using SWOT analysis, Porter's Five Forces and PEST Analysis. Through the analysis, external and internal factors of the Fish Cake Soup "Mama Agym" business environment can be obtained which will later be used to formulate a suitable business strategic planning carried out in this business with the intention of developing and growing the business being operated.

II. LITERATURE REVIEW

A. Strategic Management

According to Wheelen, Hunger, Hoffman, and Bamford (2015) a collection of managerial choices and actions known as "strategic management" contribute to the long-term success of a business. It includes evaluation and control, formulation of strategies (long-term or strategic planning), strategy implementation, and environmental scanning internal and external. Strategic management consist of:

1) *Environmental Scanning*: The process of monitoring, evaluating, and communicating information to important individuals within the company from both the external and internal settings is known as environmental scanning. Its goal is to identify strategic factors, those internal with external components that will support an analysis of the company's decision-making process.

2) *Strategic Formulation*: The process of research, analysis, and decision-making known as the research, analysis, and decision-making procedure referred to as "strategic formulation" gives the business the framework it needs to gain a competitive advantage. It involves defining the company's competitive advantages, identifying

inefficiencies that affect the business, developing the corporate mission, outlining realistic goals, and establishing policy standards.

3) *Strategic Implementation*: The process of positioning plans and policies into action through the setting up of budgets, schedules, and procedures is known as strategy implementation. This process may include modifications to the organization's general culture, structure, or management system. Moreover, according to Wheelen, Hunger, Hoffman, and Bamford (2015) a business's strategy outlines a thorough plan that outlines how the company will carry out objectives and missions. It reduces and optimizes competitive disadvantages and competitive advantages. Furthermore, there are three types of strategy: corporate strategy, business strategy, and functional strategy.

To have effective strategic management requires a systematic approach in the form of strategic planning, which in this research study involves analyzing the internal and external environment of the business to be identified. Strategic planning being an important component of the strategic management part, as it enables a business to set clear goals and objectives that help the business in decision-making. According to Thompson, Scott, and Martin (2022) stable conditions lend themselves best to the employment of formal strategic planning methods. Forecasts of environmental possibilities and dangers are followed, as we have seen previously, by the planning and execution of strategies. It is most likely that strategies that are acceptable, feasible, and desirable will aid the company in accomplishing its goals. Systems of strategic planning suggest that plans be methodically and thoroughly chosen through an analytical process.

B. The External Environment Scanning

Environmental scanning to identify an organization's external surroundings and changes in the environment

of the business. In this research study, external environments were selected to be analyzed as an illustration to show how MSMEs in Batam, Indonesia, are doing. They include the following:

1) *Industry Environment*: Understanding the external environment in which their firm competes is necessary before starting any kind of strategy plan. According to Wheelen, Hunger, Hoffman, and Bamford (2015) since developing a plan is impossible without having an in-depth understanding of the current situation of the external environment. Industry analysis is an in-depth examination of important elements inside the job environment of a firm and is referred to as an industry analysis. The natural, social, and task settings need to be kept an eye on in order to assess the strategic elements that have a significant influence on business success or failure.

2) *Industry's Key Success Factors*: According to Thompson and Strickland (2003) Industry's key success factors are those that have the biggest impact on an industry member's capacity for success in the marketplace. These factors include the specific strategy element, product attributes, resources, competencies, competitive capabilities, and business outcomes that ultimately determine whether a company succeeds or fails in the marketplace.

3) *General Environment*: The numerous external influences impact a company's decision-making about direction and action, which in turn affects its internal processes and organizational structure. These elements can be separated into elements in the distant environment, contributing to the external environment. The environment: elements that come from outside of and typically independent of any one firm's operational environment, including economic, social, political, and technological (Pearce & Robinson, 2009) these factors are as follows:

Political factors, which define the legal and regulatory framework that businesses need to operate inside are determined by political considerations.

Economic factors, the kind, and the direction of the economy in which a company operates are considered economic considerations. Every company needs to consider the economic developments in the market segments that have an impact for business, as the relative wealth of different market groups influences consumption habits.

Social factors, which impact a company include people's views, values, attitudes, opinions, and way of life as shaped by their cultural, ecological, demographic, religious, educational, and ethnic upbringing.

Technological factors, define a company as a must be informed about technological advancements that might impact its business in order to prevent obsolescence and foster innovation. Innovative technology modifications can offer opportunities for brand-new items, enhancements for current products, or advancements in production and marketing techniques.

4) *Competitive Environment*: The general competitive conditions affect all companies offering comparable goods and services. Michael E. Porter, a professor at Harvard, thrust the idea of the industrial environment into the core of company planning and strategic thinking (Pearce & Robinson, 2009).

The threat of new entrants in an industry, newcomers bring with them fresh capabilities, the will to increase their market share, and frequently significant resources.

Bargaining power of suppliers that can influence industry participants through price increases or a decline in the quality of goods and services acquired. As a result, strong suppliers have the capacity to extract profits from a sector of the economy that cannot absorb cost rises through increases in prices.

The bargaining power of buyers refers at the expense of industry profits, customers may also drive down prices, demand better quality or more services, and push rivals against one another.

Threat of substitute products defined as the replacement items that need the most strategic attention are those that: (a) are produced by profitable industries; or (b) are prone to developments that improve their price-performance trade-off with the industry's product. When a breakthrough in their industry enhances competition and leads to price reductions or performance improvements, substitutes frequently enter the picture quickly.

The threat of new entrants, bargaining power of suppliers, bargaining power of buyers, and threat of substitute products are all significant factors in an industry. Newcomers bring new capabilities and resources, while suppliers can influence industry participants through price increases or quality declines. Buyers may drive down prices, demand better quality, and push rivals against each other.

C. SWOT Analysis

Gain insight and help the organization for the current and future position with SWOT analysis. According to Pearce and Robinson (2009) internal analysis, another crucial paradigm is the resource-based view of a company. By looking at a range of distinct yet related resources and competencies that each company has, and then assessing the extent to which they serve as the foundation for a long-term competitive advantage based on industry and competitive factors, this method outperforms SWOT analysis. Managers use the SWOT analysis approach to quickly summarize the strategic position of a firm.

D. TOWS Matrix

TOWS Matrix to assess external environmental factors, identifying opportunities, threats, strengths, and weaknesses to optimize a business's advantages and minimize its inadequacies. According to David (2011) the most challenging aspect of creating a matrix is matching important external and internal aspects. This involves decision-making, and there is no one ideal set of matches. Most of the time, internal and external interactions are more complicated, matching demands for several alignments for every plan that is developed. The fourth strategies factors:

1) *Strengths-Opportunities (SO)*: Strategies capture outside chances. Every management wants to see his company in a position where it can use its internal resources to make the most of external developments and trends.

2) *Weaknesses-Opportunities (WO)*: Strategies seek to improve internal shortcomings, by capturing external possibilities. Important external opportunities may present themselves, but a company's internal shortcomings keep it from taking advantage of them.

3) *Strengths-Threats (ST)*: Strategies make use of the strengths of a business to keep away from or minimize the effects of external threats. This does not suggest that a powerful organization must constantly face external threats head-on.

4) *Weaknesses-Threats (WT)*: Strategies are preventative measures used to minimize weaknesses within and keep away external threats. An organization may be in a risky situation if it is dealing with a lot of external threats in addition to internal weaknesses.

III. RESEARCH METHODOLOGY

A. Data Collection Method

This study the authors used several methods as a process of collecting data from all relevant sources and

then analysis research study. The data can be collected in a variety of ways, including:

1) *Interviews*: In this study analyzing data or information in the form of narratives from semi-structured interviews related to Micro, Small and Medium Enterprises (MSMEs) in Fish Cake Soup "Mama Agym" along with documentation related to the business. Interviews are conducted via Google Meet and Zoom, and also ask questions on the form provided.

2) *Informants*: In this study using purposive sampling by conducting interviews with business owners, employees, and 10 consumers from Fish Cake Soup "Mama Agym" business customers. Informant was chosen with consideration, namely someone who knows very well about the problem of the object under study.

3) *Data Source*: The primary data sources used in this research study were obtained directly from informants without intermediaries, and the data was gathered from responses to questions related to the research study. The primary data in this research was obtained through interviews with several informants. Moreover, this section employs documentary research, utilizing existing documents like journals and books for review and analysis, as well as supporting data for the study.

B. Data Analysis Method

This study the authors used several methods as process of analysis data method, including:

1) *Type of Data Qualitative*: This study uses qualitative data, specifically research conducted through qualitative descriptive research produced through semi-structured interviews. Through this method, the author will analyze the data obtained from the field in detail and comprehensively. The data analysis in this study employs descriptive analysis and utilizes SWOT analysis.

2) *Triangulation Data*: This analysis method uses triangulation to determine the authenticity of data

obtained from several sources. Triangulation data source in this study rechecks and compares the level of reliability of the information obtained. Thus, the author obtained data sources from business owners, employees, and several consumers of the Fish Cake Soup business which were then analyzed and compared to one another.

3) *Techniques Analysis Data*: In this research study using model techniques Milles and Huberman. According to Saleh (2017) describe model techniques Milles and Huberman, data are collected in a variety of ways, which are usually processed before use, but qualitative analysis still uses words which are usually arranged in expanded text. In this model there are three components of analysis, namely: *data reduction, data display and concluding drawing*.

IV. RESULTS AND DISCUSSION

A. Industry Environment Analysis

The analysis focuses on identifying key success factors in Mama Agym's industry, analyzing growth prospects, competitive strategies, and external industry factors.

1) *Market Growth*: Each year, the development of the market always experiences ups and downs, when the pandemic in 2020 hit Indonesia, business development experienced severe obstacles. In 2021, the MSE-scale business experienced quite low growth.

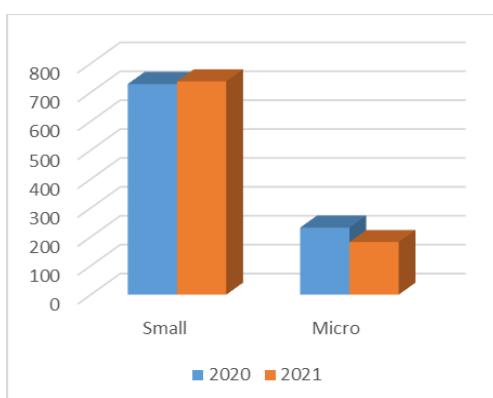


Figure 1: Number of business in industry of MSE in Batam City 2019–2022

Figure 1 shows a slight increase in Small Enterprise from 729 in 2020 to 738 in 2021, while Micro Enterprise declined from 232 in 2020 to 182, indicating a need for support and resources.

2) *Scope of Competitive Rivalry Enterprise*: The intense competitive rivalry among Micro-Small Enterprise (MSEs) companies in Batam is driven by their commitment to providing superior products and services to their customers. According to Department of Communication and Information Batam City (2022) the competition from several businesses in the Batam city MSEs industry has diversity and is divided into 3 parts or groups.

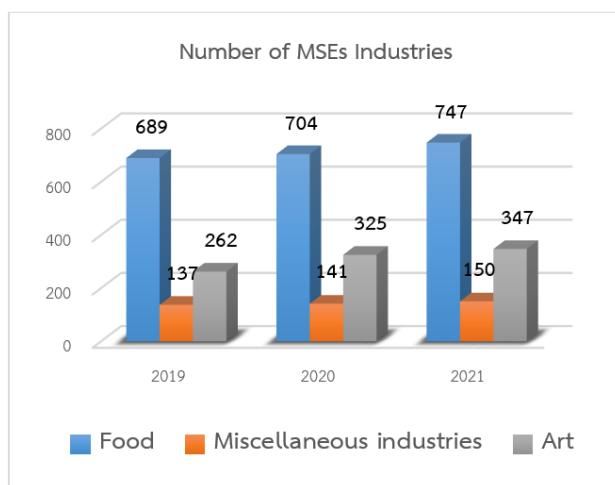


Figure 2: MSE industry in Batam City 2019-2021

The data shows a steady increase in Micro Small Enterprises (MSEs) in Batam, Indonesia, from 2019 to 2021. Figure 2 data show food sector saw a significant increase, with 747 MSEs in 2021. Miscellaneous industries also saw a positive trend, with 50 MSEs in 2021. The art industry also experienced significant growth, with 347 MSEs in 2021. Competition in all three industries is increasing, with the food industry being the most superior.

3) *Barriers to Entry*: Starting an MSME faces obstacles like initial capital preparation, but the government aims to reduce entry barriers for small business owners. Since 2021 provincial government Kepulauan Riau has



a capital assistance program for MSMEs with 0 percent interest in collaboration with banks for the public. Assistance from the local government in an effort to restore the economy during the pandemic (Bani, 2023).

4) *Key Success Factors*: Strategic Location: Batam City's strategic location on the Malaysia-Singapore border offers opportunities for economic growth, influencing the success of MSEs in the region, affecting visibility, accessibility, and potential customer base Singapore. Activity of MSME entrepreneurs, the aim is to introduce main products in Batam to neighboring countries. The main products are culinary and there are also handicrafts.

Business License/Permit: A business permit safeguards a MSME's legal operations, promoting trust with customers, suppliers, and stakeholders by ensuring compliance with regulations and preventing fines or closures.

Moreover, continues activities to provide direct socialization to the community and provide facilities in making electronic business permit cards or *Number Identification Business* (NIB). Batam local government, especially the Batam Integrated Business Service Center, provides free NIB registration services through an online system, as well as offers coaching for businesses and consultants to assist in various aspects, including quality improvement and effective marketing strategies (Yuliandra, 2024).

Digital Training and Seminars: The development of the times and digitalization is increasingly advanced, it will affect and have an impact on businesspeople, especially in Batam City.

Furthermore, in 2023, a national seminar was held for small and medium enterprises in the Kepulauan Riau, Batam. This activity organized by the government aims to develop MSMEs by providing education and training for business owners in expanding the market. MSMEs in the Kepulauan Riau region also have a

geographical location that supports the expansion of the market to export (Ekoburianto, 2023).

B. Competitive Analysis

Mama Agym's business analysis utilizes Michael Porter's Five Forces Porter framework, gathered through interviews with business owners, and external environmental analysis, highlighting advantages for increased profitability, as follow:

Table 1: Porter's five forces

Indicators	Conclusions
The threat of new entrants	High
The threat of substitute products	High
The bargaining power of buyers	Low
The bargaining power of suppliers	Low
Industry rivalry for competitors	High

Based on table 1 find that Porter's Five Forces Analysis approach was used to analyze Mama Agym's business environment. The study found high threats of new entrants, high threat of substitute products, low bargaining power of buyers and suppliers, and high industry rivalry due to the availability of affordable raw materials and easy access to competitors.

1) *The Threat of New Entrants*: To get into the fish cake business competition is not difficult because the raw materials are easy to find in the market. Based on the results of the owner interview, starting with a capital of IDR 150,000 means that starting this business does not require a large amount of capital. But the competitor of this household business is another business that also sells snacks at a cheaper price. The owner continues to try to maintain the quality and taste of the food produced. Newcomers who enter sell food that has a varied menu and varied food processing. Meanwhile, Mama Agym's business has not had a variety of menus and is focused only on one meal.

2) *The threat of substitute products:* The main competitors are the big restaurants in the mall and the food court that also sells fish cake soup. But based on the results of the interviews, it has no impact on Mama Agym's own business. Because it is a very distant location, and it has different target customers. Mama Agym's business faces intense competition from big restaurants that have large resources and maintain their performance at the market. The competitive rivalry for Mama Agym's business is high, some restaurants sell this menu, especially in Batam. But compared with the competitors who sell fish cake soup in the residential area and the number of residential blocks, no one has sold traditional food like this. Some sell food, snacks, and traditional foods, but not fish cake soup.

3) *The bargaining power of buyers:* Mama Agym's business only works with one supplier local to buy fish and a raw material store to buy other supplements. However, in the market there are a lot of fish suppliers because Batam, known as Island City has so many suppliers that sell the kind of fish on the market. But in an interview, the owner said that only bought from one supplier. Since the start of the business, the supplier who always supplied fish has remained the same, even before the business started. The owner considers that the quality of the fish provided by the supplier is very good and the price is not too expensive, for prices to be adjusted to market conditions. The prices to be adjusted to market conditions where prices change every day.

4) *The bargaining power of suppliers:* Consumers who buy fish cake soup do not have the strong bargaining power of buyers. Based on the results of interviews, the prices offered by Mama Agym's are very affordable for customers. So, a low-priced offer by a customer never happened. Even though the initial price was Rp 8,000 and increase to Rp 10,000, customers still bought. It is evident from the interest of customers who

still keep buying so far, so the bargaining power of buyers can be said not to happen to Mama Agym's home business.

5) *Industry rivalry for competitors:* At the fish cake soup business, Mama Agym has not offered any other products or menus; the focus of the business for the moment is only selling fish cake soup. In an interview, the owner said that in the residential district, no one has sold the same menu as Mama Agym's business. Even in the other houses that are in one area, no one sells. But the threat comes from replacement products from small as well as large restaurants that sell food made from processed chicken or meat. Processed fish products also have a variety of choices. Some sellers also sell foods like meat ball soup and other high-quality processed foods that sell around in the residential area every day. The threat of substitution products does not have much influence on business because consumers still buy products offered by Mama Agym businesses.

C. General Analysis

The food homemade business is influenced by political, economic, social, and technological factors, affecting market competitiveness if unsatisfied factors are not addressed, as follows:

Table 2: General analysis

PEST Analysis	Conclusions
Politic	Medium
Economic	Medium
Social	High
Technology	Low

Based on table 2, find that Mama Agym's home business impacts political and economic factors with stable sales of fish cake soup, despite inflation and religious celebrations. Socially, the endemic era influences flexible food purchasing, with low technology impact.

1) *Politics*: There are no political regulations that affect Mama Agym's home business or are directly connected. This business has not been registered as a business entity and has not been able to follow the trade regulations made by the government. But what is interesting is that, in this political year and close to the end of the year, the price of basic commodities tends to increase. From the interview results, the owner said that some raw materials prices are rising and candidates from political parties will promise to make the price cheaper. This has become something interrelated; during the political year, the price of commodities will increase not only on important days such as religious celebrations but also at the end of the year.

2) *Economic*: In the economic sector, Mama Agym's business is still stable in terms of selling fish cake soup. According to the results of the interviews, the business is affected by the increase in the price of basic ingredients. Because this will affect suppliers, who will also increase the selling price of their products.

During religious celebrations, commodities will rise, but this is also proportional to the increase in the amount of money circulating in the community. This economic cycle is vulnerable to inflation which leads to an increase in other raw materials as raw materials for making fish cake soup. The prices offered in 2021 have increased, but by 2023 and 2024 the sales prices offered by Mama Agym's business remain the same and keep the quality of the product.

3) *Social*: The change to the endemic era has affected

consumer behavior, where consumers are more flexible in buying food. From the interview results, the owner said that customers sometimes pick up the order directly. Then the majority of customers use online food delivery as a preference in shopping. Mama Agym Business has not worked with a third party and still distributes food manually by delivering directly to consumers.

When the business started, orders were only for a few servings that were consumed personally. However, as demand increased, customers also ordered for specific events and in large quantities. Finally, Mama Agym's business also follows consumer behavior and fulfills the demand for those who order a certain amount for an event or small-scale party.

4) *Technology*: In terms of technology, all production carried out is still conventional and has not used the technology that has developed to the fullest. According to the results of interviews with the owner, he does not record expenses and income in the bookkeeping. The promotions carried out are also still limited to WhatsApp only and have not used other social media. Payment has also not been used non-cash.

Mama Agym's business has not been open to utilizing technology in the production and distribution processes. Everything is still using conventional methods, but it does not rule out the possibility that in the future it will utilize technology in conducting promotions or in the food distribution process, such as collaborating with online food delivery, for example.

D. SWOT Analysis

Table 3: SWOT of the business

Strengths	Weaknesses
S.1 The prices offered are competitive and affordable	W.1 Packaging that is still less attractive
S.2 The savory and delicious taste of fish cake soup	W.2 There are no other food product options, and the menu is not varied
S.3 Provides good service to the buyer	W.3 Businesses are not yet working with online food delivery services

Table 3: SWOT of the business (Cont.)

Strengths	Weaknesses
S.4 The use of good quality raw materials	W.4 Does not have a label or brand as an identifier
S.5 Introducing the taste of traditional food from Palembang	W.5 Do not yet have a specialized social media account to promote products
S.6 The business's location is in a residential area	W.6 The business does not yet have a purposeful and organized management system
S.7 This business does not yet have many competitors selling the same products	W.7 There is no activity to record the accumulated profit per month
S.8 The raw materials to make fish cake soup are easy to find in the market	W.8 Raw material purchasing activities to prepare fish cake soup are not recorded in detail and clearly
S.9 The production process is easy to make and uses original recipes from the region	W.9 Product promotion activities are still very low, and are not carried out regularly and massively
S.10 The capital required to start this food business is not large and is still relatively small	W.10 The food delivery area has not been arranged and only accepts residential areas that are not too far away
Opportunities	Threats
O.1 Able to expand target area customers for fish ball soup sales	T.1 The price of raw materials continues to rise
O.2 Create a selection of frozen food products so that customers can customize their own food according to their taste	T.2 Customers who choose to buy other food through online food delivery
O.3 Adding other menu options while still using fish-based ingredients	T.3 Competition with culinary foods that have low calories and are healthy
O.4 Create special social media as a promotion besides WhatsApp	T.4 The ever-growing development of fast foods options
O.5 Open opportunities for cooperation with online food delivery	T.5 A very approachable and more interesting frozen food option based on fish
O.6 Potential to grow because it does not have many competitors in selling fish cake soup, especially in residential areas	T.6 Sales will decline if there are competitors selling the same product in the same area
O.7 Consumer interest in ordering large quantities for important events	T.7 There is a change in taste from consumers who buy food and switch to other products
O.8 Convenient food serving can help consumers to save time	T.8 There is a growing trend to choose healthy foods that are low in salt
O.9 Use food packaging that has an attractive appearance and is safe to use	T.9 Government regulations related to business or trade licenses that must be followed
O.10 Flexible payment by adding cashless option in payment	T.10 Other types of food businesses that have excellent distribution and promotional planning activities

E. TOWS Matrix Analysis

Table 4: TOWS of the business

Strengths-Opportunities (SO)	Weaknesses-Opportunities (WO)
1. Identify traditional food products that can be developed and made into new products	1. The packaging also contains product information such as the flavor or weight of the product and the cellphone or social media that can be followed
2. Collaborate with third parties.	2. Businesses can also recruit people as special couriers to deliver food far away

Table 4: TOWS of the business (Cont.)

Strengths-Opportunities (SO)	Weaknesses-Opportunities (WO)
3. Fish cakes are sold in frozen form, then there are complementary seasonings.	3. Creating a timeline of which days to post available products, fixed schedules about operating day
4. Utilize features from social media such as WhatsApp that have special business account features.	4. Recording how much capital spent on each stock product made. Cash and flow of the business.
Weaknesses-Threats (WT)	Strengths-Threats (ST)
1. Businesses must choose an area that has easy access.	1. Recognize existing competitors as looking for product differences to focus on the advantages that make this business different from other businesses.
2. Conducting an evaluation to pay attention to the capital and operational costs for each month.	2. The choice of time in conducting promotions must also be considered, such as choosing prime time.
3. Packaging that is able to keep the frozen food product.	3. Business will follow the applicable government regulations.
4. Conduct planning and prioritize the establishment of a comprehensive and systematic management system within the business to navigate effectively.	4. Create a monthly schedule to conduct business evaluations, analyze customer responses and plan to maintain existing quality.

F. Strategic Action Planning

1) *SO - Identify traditional food products that can be developed and made into new products:* New menu options using fish-based ingredients, including soup and dry options with added sauces, are offered at different prices. To determine customer satisfaction, a free trial of fish-based meals can be conducted and based on the free trial that has been carried out can ask how the evaluation of the taste to the customer. Whether the new menu will be liked by customers or not.

2) *SO - Collaborate with third parties:* The third party can be chosen based on the delivery application that is most widely used by most people in Indonesia.

3) *SO - Fish cakes are sold in frozen form, then there are complementary seasonings:* This option will make it easier for customers who want to store food in advance and do not want to consume it on the same day.

4) *SO - Utilize features from social media such as WhatsApp that have special business account features:* The food business, with few competitors, can leverage social media platforms like WhatsApp, Facebook, and Instagram for promotion, with a focus

on updating product stock and scheduling promotional activities accordingly.

5) *WO - The packaging also contains product information such as the flavor or weight of the product and the cellphone or social media that can be followed:* A clear product logo or brand aids in easy product identification. Packaging should include this visual identifier, along with product information like flavor, weight, contact information, and social media for customer inquiries.

6) *WO - Businesses can also recruit people as special couriers to deliver food far away:* Businesses do not have to pay fees through the application but can pay directly for courier services that deliver food with an agreed agreement at the beginning.

7) *WO - Creating a timeline of which days to post available products and fixed schedules about operating day:* The business plans to post product availability, store closures, operating hours, and customer reviews, while updating stock on social media to maintain a made-by-order system.

8) *WO - Recording how much capital spent on each stock product made. Cash and flow of the business:*

Recordkeeping, including capital spent on stock products, raw material prices, and production quantities, is crucial for tracking growth and ensuring the business can meet customer needs.

9) *WT - Businesses must choose an area that has easy access:* Businesses need to define the boundaries of the delivery area on the products sold. Because businesses still make deliveries independently to customers directly.

10) *WT - Conducting an evaluation to pay attention to the capital and operational costs for each month:* Businesses evaluate capital and operational costs, daily and monthly income, and raw material purchases to ensure they align costs with growth goals and profits, recording purchases until the product is ready for market sale.

11) *WT - Packaging that is able to keep the frozen food product:* Frozen food products must have special packaging and require standardized, standardized packaging with expiration dates and proper storage to prevent damage and ensure good use before the expiry date. The packaging of frozen food should have instructions on how to keep it fresh and safe.

12) *WT - Conduct planning and prioritize the establishment of a comprehensive and systematic management system within the business to navigate effectively:* Implementing clear protocols and procedures, the business must ensure that it will evaluate and then focus on the growth and development of the products it already has. Business has a business license related to trade, the business can ensure to obey the regulations and legal requirements of trade that have been made by the government.

13) *ST - Recognize existing competitors as looking for product differences to focus on the advantages that make this business different from other businesses:* Maintain the taste and quality of the product itself and maintain good relationships with customers. To maintain

brand image and maintain customer relationships, businesses must innovate, pay attention to customer reviews, and focus on product differences.

14) *ST - The choice of time in conducting promotions must also be considered, such as choosing prime time:* Promotional activities are conducted to increase brand awareness to customers by creating engaging content and appealing captions. Timing, such as a crucial for effective promotion, attracting customers to purchase, post an upload on social media such as before lunch or before the night rest.

15) *ST - Business will follow the applicable government regulations:* Businesses comply with government regulations, including obtaining a business license and registering a trademark, to ensure good products and raw materials, and follow to halal logo standards.

16) *ST - Create a monthly schedule to conduct business evaluations, analyze customer responses, and plan to maintain existing quality. Optimizing evaluation business activity:* This process is an effort to improve the daily operational management and gain value-added because it can help to find factors that have a low value or high value in the business general analysis obtained from business identification, then look for the solution to solve the challenge.

V. CONCLUSION AND SUGGESTIONS

This qualitative research explores the business plan strategy of Mama Agym fish cake soup, utilizing direct interviews, customer reviews, and customer reviews to develop a comprehensive strategy plan.

Conclusions: Kepulauan Riau region, particularly Batam, is experiencing strong market growth, with competition in food, art, and miscellaneous industries. Key success factors include strategic location, government support, ease of business licenses, and entrepreneurial training. Also, Mama Agym's business offers competitive prices, delicious fish cake soup, good

customer service, and quality raw materials. However, it lacks attractive packaging, diverse menu options, online food delivery services, labeling, and a purposeful management system. Opportunities include expanding sales through customizable frozen food options and online delivery partnerships. Threats include rising raw material prices and competition. Following this research study, the authors were able to describe some of the potential challenges that micro and small enterprises may face. In this research study, one of the challenges faced by micro and small-scale business entrepreneurs is, as follows:

First, there are limitations in reaching the market: Micro businesses may find it difficult to reach out to a wider market due to limited resources, making it difficult to compete with larger businesses.

Secondly, limitations in adapting to change: Small micro enterprises find it difficult to adapt to changes in the market or industry, as well as technology or changes in marketing due to their limited size and resources.

Suggestions: Business should focus on product development, inventory review, sales tracking, growth potential, long-distance delivery estimates, customer trust, distribution processes, third-party assistance, and participating in government-created small business development activities to increase brand awareness. Here are some more specific recommendations: Expand market reach through e-commerce platforms, and then use environmentally friendly packaging. Businesses can evaluate through regular customer surveys to gather feedback on products, as well as business services, and overall customer experience. One that could be considered is mobile payment options to increase convenience and reduce transaction time.

Suggestion for next study: Future researchers should consider selecting multiple informants to gain diverse perspectives and aid in the analysis process of their research. Also, the study can be extended to include

micro-based, other scales, culinary, art, miscellaneous, established, and new businesses, as well as businesses in various fields and categories. Moreover, researchers can examine the government's role in micro-small-scale businesses, revealing that business owners directly benefit from government programs.

ACKNOWLEDGEMENT

Thank you to all those who have contributed to the process of completing this manuscript, as well as would like to thank the business owner, also the members of the editorial team of Journal of Business Administration and Languages (JBAL). The author is very grateful to the advisors, the committees, for their kind and thoughtful guidance. Furthermore, to the faculty of the College of Graduate Study in Management and Khon Kaen University, gratefully for giving the opportunity to continue learning and enhancing knowledge.

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