

EXECUTIVE SUMMARY

Introduction

WARBIASA!, which is a short form of Warteg Luar Biasa!, is a start-up food and beverage chain establishment located in JADETABEK region, Indonesia. WARBIASA! expects to attract the regular customer with its broad variety of Indonesian signature food products made from fresh and hygienic ingredients, and with its modern “warteg-style” ambience of the restaurant. It attempts to change the common perception of warteg as dirty and unhealthy, WARBIASA! plans to build a strong market position based on its differentiation strategy and its new paradigm of warteg which offers high quality food and service for its customers.

WARBIASA! aims to sell its products at a competitive price to meet the demand of office workers, students, and home residents.

Product and Services

WARBIASA! offers a wide range of Indonesian traditional food (such as ayam serundeng or tempe orek), all produced from fresh and hygienic ingredients. The food quality is controlled by a five star hotel-grade chef for its freshness and taste before reaching the end consumer. Furthermore, WARBIASA! caters to all of its customers by serving every customer with not only food but also with unique service quality and ambience.

The service quality revolves in delivering an experience which is different from the conventional warteg such as returning the plate after finished eating, easy payment system, and modern-style comfortable ambience without ignoring the warteg identity.

WARBIASA! will also have a central kitchen system to fulfill the demand of food for each chain restaurant as a part of optimizing the company operational flow moving forward to become a big food chain.

The Market

The total sales of food and beverage industry in Indonesia was as big as 844,35 trillion rupiahs in 2018 and is still expected to grow at 9% CAGR per year. There are 34 thousand wartegs in Jakarta and this number reflect how close the society to the food offered by warteg. Other than these general facts, BPS (Badan Pusat Statistik) Indonesia has shown that there is a huge gap between the demand and supply of Indonesian traditional food product often called “masakan rumahan”. The statistics

shows us that there is still a very small restaurants or food chain offering traditional food compared to the interest of the society in Jadetabek area (600 thousand portions per day compared to 18 million portions per day respectively).

WARBIASA! wants to establish a large regular customer-based with its food chain concept. WARBIASA! will target its business and marketing towards office workers in JADETABEK Residence (starting from Tangerang/BSD area). This segment is expected to be the main revenue generator to sustain the business. In addition, campus will be potential significant contributors (probably 20%) of the revenues. WARBIASA! offers competitive products and services which are critical to capture the young potential customer of this market segment.

Competitive Advantage

WARBIASA!'s competitive advantages lie on its differentiation from conventional warteg as it utilizes technological advancement in operating its business. It offers a modern payment system (Gopay, OVO, etc.), unique service quality (semi self-service model), parking areas with easy access, healthy food, modern design, while still maintaining a competitive price on the product.

Other than that, WARBIASA! also invests in a central kitchen to produce their food products to minimize unstandardized quality of their food from chain to chain and simultaneously reducing cost of mass production (Economic of Scale).

Financial Considerations

WARBIASA! will raise Rp 5,000,000,000 of its own capital and this investment is expected to be sufficient for financing the business for at least five years.

WARBIASA! plans to achieve sale about Rp 6,110,208,000 in the first year, followed by Rp 24,733,103,680 in the second year, and Rp 58,376,777,600 in the third year.

The rising trend is expected to continue until at least the fifth year of operating. Profit of the business is expected to be approximately Rp (2,583,690,560) (loss) for the first year, Rp 3,066,793,430 for the second year, and Rp 5,452,630,575 for the third year.

The payback period is estimated to happen in the third-to-fourth year (most likely 3 years and a month). The company also does not foresee any cash flow problems. With these figures, it can be concluded that WARBIASA! business will be able to sustain after operating for at least two year.