

Executive Summary

The food and beverage (*F&B*) sector has become one of the most promising business sectors to be explored by entrepreneurs at large, medium, and small scales, including MSMEs (micro, small, and medium enterprises). The food and beverage sector has managed to sustain and grow positively each year, with 2023 data showing an average annual growth of 4.27%. Additionally, advancements in technology and digitalization have facilitated various aspects of food and beverage consumption. One commonly used innovation is the application for food and beverage delivery, which experienced substantial growth, especially during the recent pandemic. Moreover, the F&B sector contributes 28.33% to the overall distribution of the people's economy, particularly MSMEs, making this sector a backbone of the national economy. As the pandemic has subsided, consumer behavior in the food and beverage (F&B) sector has shifted again, with increased interest in dine-in visits and consumption at F&B tenants. This resurgence has brought about new challenges, such as limited market access, queues, and inefficient operational processes at tenants. These issues remain unaddressed comprehensively. FoodCompass offers a digital platform-based solution designed to tackle the problems faced by F&B tenants (customers) and their consumers (users), particularly during on-site food and beverage consumption activities. Several main issues identified by FoodCompass form the basis for its application development, including:

1. F&B tenants facing challenges in accessing the market.
2. Inefficient ordering processes due to manual operations.
3. Inconvenience for consumers during ordering due to waiting times and limited information on order progress.
4. Limited adoption of data-driven business practices among tenants, especially MSMEs, leading to errors in operational, business planning, and decisions making.

FoodCompass, as a digital platform, develops features to address these issues, with the goal of providing benefits in terms of cost reduction, process efficiency, order cycle improvement, and revenue increase.

The FoodCompass solution will be developed as a web-based and mobile application. This accessibility is expected to maximize the experience for both consumers (users) and tenants (customers) during dine-in activities. The application development is estimated to take 6 months, initially funded by the founder's own capital. After the development phase, as the market penetration phase begins, FoodCompass will seek additional financing to support further development and operational needs for the following year. The total initial investment required for platform development and market adoption operations is IDR 19,85 billion, with IDR 11.35 billion funded by the founders, and the remainder obtained from Angel Investors and or/ Venture Capital. Furthermore, in its first five years, FoodCompass will focus its market penetration on F&B tenants, especially food court or other form of tenant in public spaces area like canteen, event, etc, in DKI Jakarta, West Java, and Banten, with a potential of 80 million dine-in transactions per year. FoodCompass aims to capture a 10% market share, or approximately 8 millions transactions at the end year 5. Achieving this market share would result in excellent prospects and profitability for the company, with an NPV (*excluding terminal value*) of IDR 22.35 billion over five years of operation and an internal rate of return of 64.94%, significantly above the company's cost of capital at 25%. This strong performance would benefit both platform users and customers, and shareholders, with good profit performance allowing for dividend distribution and promising capital gains for investors.

