

Analysis Using Internal Factor Evaluation Matrix Case Study at Nat Café & Resto, Bekasi

Benedicta Evienia Prabawanti & Bintang Theresia

Management Program, Faculty of Economics and Business, Atma Jaya Catholic University Indonesia

Email: benedicta.ep@atmajaya.ac.id

Abstract

Population growth has become a pressing issue in Indonesia, notably in Bekasi. According to data from the Central Statistics Agency, Bekasi experienced a population growth rate of 0.91% in 2022, reaching 2,590.3 thousand people—a significant increase from the 0.65% recorded in 2020. Research indicates a significant correlation between population growth and economic development (Yunianto, 2021). This is supported by data from the West Java Tourism and Culture Office, revealing Bekasi as the city with the highest number of restaurants, eateries, and cafes in West Java, totaling 2,752 establishments in 2021, marking a nearly 1,000% growth from 2018 to 2021. The surge in population has stimulated economic growth, particularly in the food and beverage sector, resulting in the emergence of new businesses. However, the intensified competition poses challenges for industry players. This study focuses on Nat Café & Resto, a business operating for over a year in Bekasi. The owner recognizes the necessity of evaluating internal factors to understand current strengths and weaknesses. This research aims to identify and assess the impact of internal factors on Nat Café & Resto's performance. Through interviews and customer satisfaction surveys, key strengths and weaknesses were identified—the paired comparison method weighted factors to create an Internal Factor Evaluation (IFE) matrix. The total IFE score for Nat Café & Resto was 2.684, indicating a relatively robust internal performance. The most influential strengths include offering non-halal dishes with authentic flavors, while the primary weakness revolves around the limited availability of live music, especially on weekends. This research provides valuable insights to help Nat Café & Resto enhance its strengths, address weaknesses, and navigate the competitive landscape of the food and beverage industry.

Keywords: Internal Factor, IFE Matrix, Strengths, Weaknesses

1. Introduction

Population growth, including Bekasi City, is no longer an old issue in Indonesia. Based on data from the Central Statistics Agency, the population growth rate in Bekasi in 2022 reached 0.91%, with a population of 2,590.3 thousand people. This growth rate has increased compared to 2020, which was only 0.65%. In research, it is explained that population growth significantly influences economic growth (Yunianto, 2021). This statement is supported by data from the Tourism and Culture Office of West Java Province, which records Bekasi as the city with the highest number of restaurants, eateries, and cafes in West Java, totaling 2,752 establishments in 2021. The number of businesses grew by almost 1,000% from 2018 to 2021. Out of these 2,752 establishments, 1,024 are restaurants. Population growth drives economic growth, resulting in the emergence of new businesses, especially in the food and beverage sector.

Even without data, society can easily observe the rapid economic growth from the appearance of various new restaurants, cafes, and branches of existing ones. Although supported by an increasing population, it cannot be denied that this also threatens businesses in the food and beverage sector. They are required to be able to compete in fierce competition. Business owners often close down and switch to other ventures if unable to compete. This challenge is also felt by Nat Café & Resto, one of the players in the food and beverage industry in Bekasi.

The business has been operating for over a year without any internal study. The business owner knows that it is essential to understand the strengths and weaknesses before beginning an overall performance evaluation. In his journal, Aprilus (2018) identified the distinctive taste of Italian cuisine as a strength and high prices as a weakness for La Piazza Restaurant in Makassar. Najma (2021) identified the role of internal factors for Ramen Boy Restaurant using an Internal Factor Evaluation (IFE) matrix score of 3.339. Also, Dwi and Sudjoni (2021) determined the internal evaluation score of CV Winna Sari, a business in salak fruit, as 0.396. Nazla et al. (2022) identified 5 (five) internal factors of a coffee shop in Banda Aceh, one of which is affordable prices for the community. Riswandi et al. (2016) concluded that the IFE matrix result for Darisa Café Campus Restaurant was 1.97. Many journals are still discussing internal business evaluations, indicating the urgency of conducting such evaluations for a business. Therefore, this study aims to find the factors that constitute weaknesses and strengths for Nat Café & Resto and identify their significant influence on the business.

2. Literature Review

Various previous studies use other objects, such as those by current researchers. Researchers used these studies as references when creating and completing this research. Here are some of the studies.

No	Name and Title	Objective	Method	Conclusion
1.	Lojie, Budiman, & Sembiring (2022) Cafe Business Analysis using the QSPM Method and Based SWOT Analysis <i>Value Chain</i>	Find alternative business strategies for The Hidden Hertiv Cafe and determine priority strategies to implement.	• SWOT analysis • IFAS (<i>Internal Factor Analysis Summary</i>) & DELETE (<i>External Factor Analysis Summary</i>) • Matrix IE (<i>Internal External</i>) • SWOT Matrix • Analysis <i>Value Chain</i> • QSPM	After carrying out the QSPM analysis, it can be concluded that the priority strategy is to form the image of The Hidden Hertiv brand strongly offline and online. Meanwhile, based on the <i>value chain</i> , strategies that can be implemented are related to marketing and sales.
2.	Andriyanty et al. (2020) Padang Restaurant	Designing a business development strategy for the	• SWOT analysis • IFE & EFE matrix • Matrix IE	There are 5 (five) alternative strategies that business actors can carry out. The strategy with the

International Conference of Organizational Innovation 2024

Proceedings

ICOI

2024

e-ISSN: 3064-6030
FMI, Vol 1
23-25 July 2024

	Business Development Strategy Around the IBI Kosgoro Campus 1957	Padang Restaurant around the IBI Kosgoro 1957 Campus to win the competition.	• SWOT/TOWS Matrix • QSPM	highest interest score is to manage the supply chain with trustworthy suppliers, with a score of 5.62.
3.	Aprilius, Pono, & Munir (2018) Restaurant Business Development Strategy Using SWOT and QSPM Analysis (<i>Quantitative et al.</i>) At La Pizza Makassar Restaurant	Find a business development strategy for La Pizza Restaurant in Makassar to win the competition.	• SWOT analysis • IFE & EFE matrix • Matrix IE • SWOT Matrix • Matrix <i>Grand Strategy</i> • QSPM	La Pizza restaurant is positioned to hold and maintain, so a suitable strategy is an intensive strategy such as market penetration or product development. There are 5 (five) alternative strategies produced in the SWOT matrix analysis, and the one that got the highest score in the QSPM was creating a variety of food and beverage menus with a score of 9.37.
4.	Damariyanti, Hartiati, and Gede (2021) Business Development Strategy for the Coffee Shop "Kandera Coffee" Denpasar Bali Using the SWOT and QSPM Methods.	Finding the position of the Kandera Coffee Coffee business in the IE matrix and determining the right business development strategy to increase the number of visitors.	• Internal & External Environmental Analysis • IFE & EFE matrix • Matrix IE • SWOT Matrix • QSPM	Based on the results of the IE matrix, it was found that the Kandera Coffee Shop is in quadrant (V), and it is recommended to take a strategy hold and <i>maintain</i> such as market penetration and product development. Apart from that, various alternative strategies were also produced, and providing the best service to consumers was a priority strategy with a score of 4.94.
5.	Sabita, Djanggu, and Budiman (2021) Business	Finding a development strategy that is right on target for the Ratio	• SWOT analysis • IFE & EFE matrix • Matrix CPM • SWOT Matrix	There are 5 (five) alternative strategies produced. Developing innovation and quality and adding product variations

International Conference of Organizational Innovation 2024

Proceedings

ICOI

2024

e-ISSN: 3064-6030
FMI, Vol 1
23-25 July 2024

	Development Strategy in Business <i>Coffee Shop</i> with the QSPM Method (Case Study: <i>Coffee Shop</i> 'Coffee Ratio')	Coffee business so that it can win the competition, especially during the COVID-19 pandemic.	• QSPM	is the first priority strategy, with a <i>Total Attractive Score</i> (TAS) of 5.661 resulting from QSPM analysis.
6.	Musfar, Sitepu, and Wildah (2023) Business Development Planning Using <i>Business Model Canvas</i> and SWOT Analysis at the Pekanbaru Coffee Session.	Carrying out business development strategy planning for the Coffee Session business in Pekanbaru, which does not yet have a business model.	• <i>Business Model Canvas</i> (BMC) • SWOT analysis (with mechanism <i>Focus Group Discussion</i>)	This research shows that the existing business model from the Coffee Session with the BMC approach got pretty good results even though several elements still need development. Next, alternative strategies and improvements to the 9 (nine) elements in BMC have been formulated, which can be implemented for business development from the Coffee Session.
7.	Lestari and Masrifah (2022) Business Strategy in Cafe Business in Bekasi (Study at Je.Da Kopi in Rawalumbu Bekasi)	Determine the right business strategy to win the competition from Je.da Kopi in Rawalumbu Bekasi.	• <i>Business Model Canvas</i> (BMC) • SWOT analysis • IFAS & ERASE	The research results show that Je.da Kopi is in quadrant I, an aggressive or "growth-oriented" strategy. Therefore, researchers suggest analyzing the current market situation, developing the market, and developing products. After carrying out a SWOT analysis on the previous BMC, a new BMC was also obtained in this research, which has been improved based on the results of the selected strategy.

8.	Sulaiman & Asmawi (2022) Business Development Strategy to Increase Consumer Loyalty and Profitability at Rich's Coffee	Finding the right business development strategy to increase customer loyalty and profitability of Rich's Coffee.	• SWOT analysis • SWOT Matrix	This research shows the need for good, maintained communication with consumers to increase loyalty. Furthermore, Rich's Coffee is also considered to have to patent its brand to expand its market share and increase profits or profitability.
----	---	--	--	---

The following is the framework for thinking in this research (see Figure 1). As a first step in starting the entire research, the researcher will first identify the business vision and mission that Nat Cafe & Resto wants to achieve based on the business owner's opinion as the founder of this business. The research continues by identifying the business profile of Nat Cafe & Resto, which comes from business owners, managers, and direct observations of researchers on the research object. Researchers will identify all of Net Cafe & Resto's internal factors, then carry out an analysis of strengths and weaknesses by maintaining existing strengths and reducing existing weaknesses.

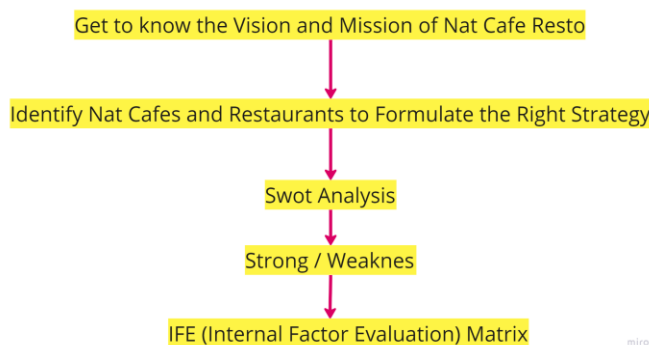


Figure 1. Conceptual Framework

3. Research Methods

This research will focus on delving deeper into the strengths and weaknesses of Nat Café & Resto, which will subsequently be analyzed using the Internal Factor Evaluation (IFE) Matrix. The ultimate goal is to serve as an evaluation tool for business performance to enhance the number of visitors. The study will be conducted within the scope of Nat Café & Resto, located at Jl. WR. Supratman No. 63, Cimuning, Bekasi (inside the Graha Bintang Meeting Building complex).

This research will employ a descriptive method with a qualitative approach. A descriptive method is a research approach used to illustrate or describe the current situation or condition of

the research object based on observable facts without interpreting them (Hadari Nawawi, 2005, p. 63). The qualitative approach focuses on holistic description and expression through language and words in a natural context, utilizing various scientific methods (Moleong, 2010, p. 6). The researcher uses the descriptive method with a qualitative approach to provide a detailed, clear, and in-depth description of the situation or events observed at the field location, especially in the context of Nat Cafe & Resto. The researcher will use several informants who can provide information about Nat Café & Resto, including the business owner and 40 customers, as sources of assessment related to the performance and service of Nat Café & Resto.

In this study, the researcher uses various data types to obtain the maximum amount needed to achieve the research objectives. Data collection is divided into 2 (two) categories: primary data and secondary data. Primary data is divided into 3 (three) methods: observation, which is collecting information by observing and paying attention to the situation or activities taking place (Sukmadinata, 2013, p. 220). The second method is interviews, involving dialogue between the researcher and respondents to obtain information during the research (Sangadji & Sopiah, 2010).

The last is the questionnaire, the most effective method when the researcher clearly understands the target variables to be measured and reasonably expects respondents' responses (Sugiyono, 2015, p. 142). In addition to primary data, this study also uses secondary data. Secondary data refers to information obtained indirectly from sources other than the original data collector (Sugiyono, 2008).

The researcher uses data from journals, theses, dissertations, or electronic library platforms. Subsequently, the obtained data will be analyzed in the Internal Factor Evaluation (IFE) Matrix by first identifying weaknesses and strengths. Using the IFE Matrix will explain how internal factors play a role in the business (Mayang et al., 2020).

4. Finding and Discussion

Through interviews with the owner and the distribution of customer satisfaction questionnaires, several factors that constitute the strengths and weaknesses of Nat Café & Resto have been identified. These factors are delineated through qualitative descriptive analysis to illustrate various facts within Nat Café & Resto, considering aspects of management, finance, marketing, production operations, and research development (Rina Sari, 2019).

Factor	Strength	Weaknesses
Management Factor		1. Oversight of operational standard procedures (SOP) that are not yet strict.
Financial Factor	1. Utilizing own capital.	1. Incurring many unforeseen expenses.
Marketing Factor	1. Having adequate supporting facilities (WiFi, parking space, etc.).	1. Ineffective promotional strategies. 2. Lack of promotions

	2. Capable of providing a comfortable and tranquil atmosphere. 3. Space available for event rentals. 4. Offer various payment methods (Cash, card, QR, transfer). 5. Regularly organizing events every month.	provided. 3. Live music is only available on weekends.
Operational and Production Factors	1. Providing non-halal dishes with authentic flavors from Siantar, rarely found in the surrounding area.	
Research and Development Factor		We are developing menu variants without sufficient non-halal options.

After identifying internal factors, namely strengths and weaknesses, the next step involves weighting using the paired comparison method (Kinnear & Taylor, 1991) to determine the level of importance of each factor. The weighting results are used to form the Internal Factor Evaluation (IFE) matrix, which is then multiplied by the ranking of each factor. Each multiplication yields a score for each internal factor, and after summing all the scores, it produces the total score for the internal business evaluation (David, 2011). The calculation results in the following IFE matrix.

No.	Internal Factor	Weight	Rating	Score
		A	B	C = A x B
Strengths				
1.	Utilizing own capital.	0,087	4	0,348
2.	Has adequate supporting facilities (WiFi, parking area, etc.).	0,066	4	0,262
3.	Able to present a comfortable and calm atmosphere.	0,069	4	0,275
4.	A place that can be rented to hold events.	0,072	3	0,216
5.	Provides various payment methods (Cash, Card, QR, Transfer).	0,067	3	0,200
6.	Organizing events regularly every month.	0,092	3	0,275
7.	Providing non-halal dishes with	0,093	4	0,371

	authentic Siantar flavors that are rarely found around the location.			
Total Strengths				1,948
Weaknesses				
1.	Supervision of work operational standards (SOP) is still not strict.	0,072	2	0,144
2.	Have many expenses for unexpected costs.	0,071	2	0,142
3.	Promotional strategies that are still ineffective.	0,066	2	0,131
4.	Lack of promotions provided.	0,071	2	0,142
5.	Live music is only available on weekends.	0,088	1	0,088
6.	The development of menu variants without non-halal elements is still lacking.	0,087	1	0,087
Total Weaknesses				0,735
Total				2,684

According to David (2017), a total Internal Factor Evaluation (IFE) matrix score below 2.5 indicates the business has a relatively weak internal performance. Conversely, if the IFE matrix score is above 2.5, the business has a solid internal performance and position. From the above IFE matrix results, the score is 2.684, indicating that Nat Café & Resto has a sufficiently internal solid performance. Additionally, as seen in the table, the most influential factor in strengths is providing non-halal dishes with authentic flavors from Siantar, which are rarely found in the surrounding area, with a weight of 0.093. Therefore, this factor is crucial and needs to be maintained in the future development of Nat Café & Resto. The most influential weakness factor is that live music is only available on weekends, weighing 0.088. This is a significant factor that Nat Café & Resto needs to improve to meet customer needs.

In the scoring section of the table, regarding strengths, once again, the factor of providing non-halal dishes with authentic flavors from Siantar, rarely found in the surrounding area, has the highest score of 0.371. This is a primary strength for Nat Café & Resto, indicating that this strength factor effectively meets consumer needs. As for weaknesses, the highest score is obtained from the oversight of operational standard procedures (SOP), which is not yet strict, with a score of 0.144. Standard operating procedures serve as guidelines for all aspects, especially employees performing their tasks, and can be a strength if handled correctly with strict supervision. This primary weakness must be a crucial concern for the owner as it can pose risks to the business.

5. Conclusion

Nat Café & Resto has several internal factors divided into strengths and weaknesses. Based on the results and discussions conducted, it is evident that Nat Café has been able to leverage its

strengths to address its weaknesses, with a score of 2.684. The strengths, especially from providing non-halal dishes with authentic flavors from Siantar, rarely found in the surrounding area, should be maintained and even developed to advance the business. As for weaknesses, such as the oversight of operational standard procedures (SOP), which is not yet strict, improvements should be made to avoid future risks to the business. Recommendations for Nat Café & Resto include maintaining strengths and improving weaknesses. Additionally, Nat Café & Resto can conduct an external analysis to identify opportunities and challenges. Ultimately, Nat Café & Resto is advised to formulate a development strategy to ensure the business has goals, direction, and targets to achieve over time.

References

- Aprilius, Adrianus, Pono, Maat, & Munir, Abd. (2018). Business development strategy for La Pizza restaurant using SWOT analysis and QSPM: A case study in Makassar. *Journal of Economics & Social Sciences*.
- Atikah, N. (2021). Marketing strategy analysis using SWOT and QSPM methods: A Ramen Aboy restaurant case study. *Journal of Management and Business*.
- Barney, J. B. (2019). *STRATEGIC MANAGEMENT AND COMPETITIVE ADVANTAGE: Concepts and Cases: Vol. 6th Edition*.
- Berrachedi, R., Rachid, C., Kelilba, M., Hafida, K., & Monira, K. (2023). *For a sustainable strategic positioning of the company in the market: a Numidia Constantine dairy case study*. 1, 341–347. <https://www.researchgate.net/publication/371158843>
- Chungyalpa, W., Professor, A., & Gd, S. (2019). Understanding Business Sustainability: The What, the Why, and the How of Sustainable Business Practices. In *Indian Journal of Sustainable Development* (Vol. 5, Issue 2). <http://publishingindia.com/ijsd/>
- David, Fred R. (2011). *Strategic management: Concepts and cases*, 13th ed. New Jersey: Pearson Education Inc.
- David, Fred R., & David, Forest R. (2017). *Strategic management: A competitive advantage approach, concepts, and cases*, 16th ed. Harlow: Pearson.
- Hadari Nawawi. (2005). *Applied research*. Yogyakarta: Gajah Mada University Press.
- Jasmani. (2019). PENGARUH PRODUCT DEVELOPMENT DAN PROMOTION MIX TERHADAP PENINGKATAN PENJUALAN YANG BERDAMPAK PADA KEUNGGULAN BERSAING (Studi Kasus Industri Baja Lapis Seng di Indonesia). *Jurnal Ekonomi Efektif*, 1(2).
- Jayanti, D., Sari, M., & Sudjoni, M. N. (2021). Marketing strategy of Salak Fruit Center (Case Study: Pronojiwo Winna Sari Souvenir Center, Pronojiwo Village, Pronojiwo Subdistrict, Lumajang Regency). *JU-Ke (Journal of Food Security)*. <https://doi.org/10.33474/ju-ke>
- Kim, H., Sefcik, J. S., Bradway, C., & Nursing, G. (2017). Characteristics of Qualitative Descriptive Studies: A Systematic Review HHS Public Access. *Res Nurs Health*, 40(1), 23–42. <https://doi.org/10.1002/nur.21768>

Mayang, A., Astuti, I., & Ratnawati, S. (2020). SWOT analysis in marketing strategies: A case study at the Magelang City Post Office 56100. *Journal of Management Science* (Vol. 17, Issue 2). <https://journal.uny.ac.id/index.php/jim/article>

Moleong, L.J. (2010). *Qualitative research methodology*. Bandung: PT Remaja Rosdakarya.

Nana Syaodih Sukmadinata. (2005). *Educational research methods*. Bandung: Remaja Rosadakarya.

Nazla, H., Kasimin, S., & Saiful Bahri, T. (2022). Identifying internal and external factors in coffee shops in Banda Aceh during the COVID-19 pandemic for marketing strategy determination. *Journal of Agricultural Student Scientific Journal*, 7(4). www.jim.unsyiah.ac.id/JFP

Nurjanah. (2021). *Analisis Kepuasan Konsumen dalam Meningkatkan Pelayanan Pada Usaha Laundry Bunda Nurjanah*.

Riswandi, A., Thahir, H., Santi, I. N., & Manajemen, J. (2016). Competitive strategy analysis of Darisa Cafe Campus restaurant. *Journal of Management and Economics*, 2(3), 293–304.

Sangadji, E. M., & Sopiah, S. (2010). *Practical research methodology*. Yogyakarta: CV Andi Offset.

Sugiyono. (2008). *Quantitative, qualitative, and R&D research methods*. Bandung: CV Alfabeta.

Sugiyono. (2015). *Management research methods*. Bandung: CV Alfabeta.

Yunianto, Badan Pusat Statistik Penajam Paser Utara, D., & Timur, K. (2021). Analysis of population growth and density on economic growth. *Economic Forum*, 23(4), 687–698. <http://journal.feb.unmul.ac.id/index.php/FORUMEKONOMI>

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>)