



Digitalization Strategy Implementation in Business Development of Kopisore Coffee Shop in Cibinong Neighborhood

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Abstract

This study discussed the implementation of digitization strategies in the business development of the Kopisore coffee shop located in Cibinong. The primary objective of this research was to analyze how the application of digital technology can enhance operational efficiency, expand market reach, and increase sales and customer satisfaction. The research method used was a case study with a qualitative approach, involving in-depth interviews with the coffee shop owner and direct observation of the business processes. The research results showed that the use of social media, online ordering platforms, and customer management systems had a significantly positive impact on the growth of the Kopisore business. Digitization strategies had proven to increase business competitiveness amidst the increasingly fierce competition in the coffee shop industry. This study concluded that digitization was an essential step that must be taken by small and medium-sized business owners to remain relevant and grow in the digital era.

Keywords: Coffee Shop, Implementation Strategy, Digitization

Introduction

The development of Industry 4.0 has led to rapid digital transformation. Digital transformation is essential for ensuring Indonesia does not lag behind other countries, as it contributes to increased productivity, innovation, efficiency, and the effectiveness of public access to information (Agustin et al., 2023). Digital transformation can be understood as the use of digital technology across various sectors of modern society that are far from digital literacy and competence, but it refers to a company's ability to successfully implement new technologies and procedures to improve their business operations Sari et al., in (Reggina Wike Anjani, 2023).

One of the tangible impacts of the Industry 4.0 era is the development of information

technology, which significantly affects the global economy, especially for countries like Indonesia with strong national economic potential. One of the key sectors is Micro, Small, and Medium Enterprises (MSMEs). MSMEs create new job opportunities to reduce unemployment in Indonesia. With low initial investment and relatively low talent recruitment costs, this type of business is flexible in adapting to the changing market needs (Maghfirotnun & Wirdyaningsih, 2022).

Coffee shops have become a significant part of urban culture, serving not only as places for coffee consumption but also as social hubs and workspaces. The Cibinong neighborhood has seen a proliferation of coffee shops in recent years, reflecting a growing demand for such establishments. This research aims to

understand the business development of coffee shops in Cibinong, examining the strategies they use to thrive in a competitive market. The coffee shop business development highlights several critical success factors, including product quality, customer service, location, ambiance, and effective marketing strategies. Digitalization and the use of social media for marketing and customer engagement have also been identified as essential components for modern coffee shop success. This study builds on existing literature by focusing specifically on the Cibinong neighborhood and identifying localized strategies that contribute to business growth.

This research focused on the Kopisore coffee shop, an MSME located in the Cibinong area, to observe how the business owner develops Kopisore by implementing digitization strategies through available platforms to enhance productivity and efficiency. Digitization strategies include the use of Google systems as an information tool related to the Kopisore coffee shop and leveraging social media for marketing strategies. Furthermore, this research serves as a reference and lesson for other MSMEs to understand the importance of technology in implementing digitization strategies for their businesses in the digital transformation era (Billah et al., 2022).

Digital transformation brings challenges for business owners due to competition. Entrepreneurs need to consider various competitors to remain competitive. Using the right marketing and media strategies can easily target the desired market, increasing sales and profits (Ratna Gumilang, 2019). Digital marketing offers an extra advantage for accessing and penetrating vast markets globally, especially in previously unreachable areas. Nowadays, in a rapidly evolving digital era, businesses must adapt and innovate to stay competitive. This study explores the digitalization strategy implementation in the business development of Kopisore Coffee Shop, located in the Cibinong neighborhood. The primary objective is to analyze how integrating digital technologies can enhance operational efficiency, broaden market reach, and boost sales and customer satisfaction.

This research approached the owner of Kopisore coffee shop to gather information on the implementation of digitization strategies in the business. Subsequently, an analysis of similar businesses in the Cibinong area is conducted to understand the importance of digitization strategies for coffee shops. The research resulted in discussions based on field analysis and approaches to the Kopisore coffee shop, concluding with findings from the research.

Method

This research focuses on the development of the Kopisore coffee shop by utilizing digitization to enhance its business effectiveness and efficiency. The analysis of the digitization strategy implementation in this research aims to observe strategies employed by entrepreneurs in the digitalization era for MSME development, particularly the Kopisore coffee shop. The objective of this research is to provide information and insights by representing the results achieved by the Kopisore coffee shop owner in leveraging digitization to aid daily activities.

This research uses a qualitative approach that presents information based on written words, oral statements, or observed behavior (Nofriyanti & Prasetya, 2024). The case study method is employed to focus on in-depth information from the Kopisore coffee shop owner on developing the business using digitization. Several stages are involved in conducting the case study method: 1) Selecting the theme, topic, and case; 2) Formulating the research problem; 3) Literature review; 4) Data collection techniques, which include interviews, observation, and focus group discussions (FGD); and 5) Data processing and reporting (Poltak & Widjaja, 2024). Data collection involves informal interviews with the owner to build comfortable communication, facilitating open and relaxed responses during the interview. Additionally, observations are conducted to validate answers based on research questions. The interviews are concluded with group discussions to summarize the owner's responses and corroborate observations.

Results and Discussion

Kopisore was established by Mr. Asep Mahendra Lunedy in 2018 with a cafe concept, but due to market misalignment, it transitioned into a coffee shop. The name Kopisore was chosen for its simplicity and memorability, according to the owner. Located in Cibinong, Bogor Regency, Kopisore leverages the owner's extensive land and existing equipment, minimizing initial capital expenditure. Proximity to numerous schools in Cibinong enables Kopisore to cater to young consumers' tastes.

Some strategies can be shown based on the strategy for general strategies, such as: 1) Owner Strategies: Successful coffee shop owners emphasize the importance of maintaining high product quality and offering unique, signature beverages. They also focus on creating a welcoming atmosphere and fostering a sense of community, 2) Challenges: Common challenges include competition, fluctuating customer demand, and the need for continuous innovation; and 3) Marketing Practices: Effective use of social media and digital marketing tools is crucial for attracting and retaining customers. Owners report that engaging content and regular updates help build a loyal customer base.

The research findings indicate that the implementation of digitalization strategies has significantly contributed to the growth and development of Kopisore Coffee Shop in Cibinong. Key results from the study include: 1) Increased Operational Efficiency: The use of digital tools such as customer management systems and online ordering platforms has streamlined business operations, reducing manual workload and improving service speed; 2) Expanded Market Reach: By leveraging social media platforms like Instagram and WhatsApp Business, Kopisore has effectively expanded its market reach, attracting a broader customer base and enhancing brand visibility; 3) Enhanced Customer Satisfaction: The adoption of digital payment systems, particularly QRIS, has provided customers with convenient and secure payment options, thereby increasing overall customer satisfaction; 4) Community Building:

Through the use of WhatsApp Business groups, Kopisore has successfully built a loyal customer community, fostering engagement and direct communication with its patrons; and 5) Accurate Financial Management: The utilization of Microsoft Excel for financial tracking has improved the accuracy and transparency of financial records, aiding in better decision-making and financial planning.

Implementation of Digitization at Kopisore Coffee Shop

Based on the collection of information and facts from the research results obtained through the interview method and the results of observations which are then implemented to achieve the objectives, MSME players from Kopisore have digitalised their business. He stated that the use of digital media is very influential for the development of his business, and it is one of kopisore's business strategies in expanding audience reach which is useful for achieving targets according to the business owner. Along with technological developments, many digital media platforms have been realized in opening business opportunities. Following this context, Kopisore's business uses several digital media platforms, each of which has its benefits. these platforms include:

Instagram

Instagram is a social networking service app owned by American company Meta Platforms. Instagram has a social media platform that allows users to share photos and videos, and communicate with others through various features such as posts, comments, and direct messages. In addition, Instagram also offers various tools and features for businesses, including Instagram ads, business profiles, bios, and links to websites or online store pages. Instagram has over one billion active users, making it one of the most popular social media platforms in the world (Hartono et al., 2022).

The rapid development of information technology and the large number of Instagram users in Indonesia make business people use Instagram as a medium of communication with customers. One of them is the implementation of a digitalization strategy carried out by the "Kopisore" coffee shop, this is useful for reaching

the total number of audiences in doing digital marketing, making it easier for consumers to reach business profiles and as a visual platform so that sellers can increase sales by displaying attractive images and videos and displaying products in more detail to promote their products.

The implementation of Instagram by the Kopisore coffee shop business owner began in 2018. According to him, this Instagram application is an obligation that must be carried out by every MSME owner because it is very useful for every business that is run, in this case, the Kopisore coffee shop does not use Instagram as the main tool in running its business, Instagram is only carried out as an identity media, In addition, Kopisore utilizes the mention feature as a promotional medium carried out by its customers when uploading their activities on Instagram stories or while doing live broadcasts.

WhatsApp Business

WhatsApp Business is one of the applications designed to meet the needs of businesses in communicating with customers, being the right choice used as a communication tool to facilitate business people in managing messages. WhatsApp Business is the right choice to use because it allows businesses to send messages to customers efficiently. In addition, Whatsapp Business is also an application that is easy to use by Indonesians, including MSME players, because it can be downloaded for free (Al et al., 2021).

In the digitalization carried out by the "Kopisore" coffee shop, WhastsAp Business acts as an advertising media or distribution channel with the features in Wh WhatsApp Business that will help make it easier for the coffee business owner to communicate with customers easily and efficiently. Business owners can reply to automated messages, provide information to customers, sort messages, and answer customer questions quickly. Kopisore utilizes the group feature in WhatsApp as a place to form a Kopisore community because Kopisore's target market segment is school children, so this community is used to not involve the alma mater that is carried or remove the identity of the school of origin of each school child. In

addition, Kopisore uses the group as an initial promotional media when the shop owner wants to sell new products and become a place for Kopisore's loyal customers to evaluate the products to be sold and become a place to disseminate other information.

QRIS

Quick Response Code Indonesia Standard (QRIS) is an official website created by Bank Indonesia which is used as a national digital payment media. The presence of QRIS helps business people in running their businesses to be more effective, efficient, and safe, because functionally this site helps in the speed of payment transactions, avoids counterfeit money and business people do not need money back because the nominal paid is following the transaction made (Yuliati & Handayani, 2021). The use of digital payments makes it very easy for consumers who rarely carry cash. QRIS offers invaluable benefits, by simplifying the need for complex and expensive payment systems, QRIS helps Kopisore MSMEs in saving operational costs and time previously spent on manual payment management D. Gea, in (Yuliati & Handayani, 2021).

QRIS provides the possibility to expand their market reach. With the convenience and security offered, QRIS can reach customers not only at the local level but also at the international level, opening up opportunities for greater business growth. QRIS implementation is also an important indicator of MSMEs' adaptability to current market trends, which is crucial for long-term business growth. With QRIS in place, Kopisore MSMEs are demonstrating their readiness to embrace technology with the changes in the digital business ecosystem. Overall, QRIS offers a significant opportunity for Kopisore to improve efficiency, security, and convenience in transactions. This becomes a key aspect in a business strategy aimed at growth and adaptation in the digital economy era. QRIS is not just about improving transaction efficiency, but also about leveraging technology to ensure sustainable business growth, allowing Kopisore to remain competitive and relevant in a fast-changing market.

The implementation of QRIS digitalization at Kopisore coffee shop was only implemented in January 2024. QRIS is used not only for payment media but Kopisore coffee shop owners to expand the implementation of QRIS. Kopisore Coffee Shop makes QRIS a medium of money exchange and makes transactions outside the main products sold by the owner of Kopisore Coffee Shop. However, the QRIS owned by Kopisore coffee shop has a disadvantage, namely the two-day time lag of the money received after the transaction, this causes the owner of Kopisore coffee shop to have to prepare funds to make sales the next day.

Microsoft Excel

Microsoft Excel is a Microsoft application program used to process numbers. Microsoft Excel is software for performing automatic data processing such as basic calculations, using functions, creating graphs, and managing data (Siregar et al., 2023). This software is very useful in solving administrative problems, from the simplest to the most complex ones. This application is also known as a spreadsheet (electronic worksheet). This program helps users to calculate, analyze, and present data. Excel can be used to calculate the profit or loss of Kopisore MSMEs, calculate MSME profits in a certain period, store attendance data, and so on. There are many risks involved if MSME actors only make standard records or the actors cannot read the reports presented by their employees, namely fraud in recording, the risk of losses due to recording errors, and the most fatal risk is that the business being undertaken goes out of business. Sumarno, 2020 in ((Siregar et al., 2023).

A new strategy that can be used by Kopisore MSME players in recording financial reports is with the help of software services. This method will make it easier for Kopisore MSME players to calculate financial statements automatically. Even through Microsoft Excel, financial reports can be prepared simply with a shorter cycle, namely from preparing journals to simple financial reports. The benefits of using financial reports using Ms. Excel are minimizing data damage compared to paper media and making it easier to perform calculations.

Before implementing Microsoft Excel, the owner of Kopisore coffee shop still did manual calculations using books. However, in April 2023, the implementation of Microsoft Excel was done because Kopisore Coffee Shop had a partner. According to him, this must be done so that the part-timer who works gets a decent wage according to working hours and creates transparency for the worker. This has proven to be effective in seeing more and more part-timers working and helping the owner of Kopisore coffee shop in terms of calculating daily sales.

Google Business

As for the various innovations in Kopisore business development strategies, one important platform that is useful for business people is by registering the Kopisore MSME profile in Google business. This is not only beneficial for business people, but also useful for making it easier for consumers to reach the information listed in the media. As an MSME actor, the thing that needs to be considered in developing his business is that complete information is needed from the business being run. Google Business in this case includes a business profile, it makes it easier for MSME players to use and register by including a business name, telephone number, and valid email address. So that Google Business can directly connect between users and customers via chat (Hidayat et al., 2022).

The many features in Google Business that open up opportunities for MSMEs, business people from Kopisore businesses use the Google Maps platform. The aim is to make it easier for consumers to find the location of the Kopisore coffee shop placement. In addition, there are also features for customers to provide reviews of trade businesses for Google Business users. The more positive reviews or comments that MSME players get, the place and name of the business will be seen as good and its quality will be trusted by the community (Utami et al., 2022).

Utilizing a case study approach, the research involves in-depth interviews with the coffee shop owner and direct observations of business processes. By examining the impact of social media, online ordering platforms, and customer management systems, this study aims to highlight the significant benefits of digitalization

for small and medium-sized enterprises (SMEs) like Kopisore. The findings provide valuable insights for other SMEs seeking to remain relevant and grow in the digital age (Sholikhatin et al., 2022).

The discussion explores how these digitalization strategies have been applied and their impact on Kopisore Coffee Shop: 1) Social Media Utilization: Instagram has served as a powerful tool for marketing and brand promotion. The visually appealing nature of Instagram allows Kopisore to showcase its products and engage with customers through posts, stories, and direct messages. This strategy has not only increased customer engagement but also boosted sales by reaching a larger audience; 2) Online Ordering and Customer Management: The integration of online ordering platforms has streamlined the ordering process, making it more efficient and reducing wait times. Additionally, customer management systems have enabled Kopisore to maintain a database of customer preferences and purchase history, allowing for personalized marketing and improved customer service; 3) Digital Payment Systems: The implementation of QRIS has revolutionized the payment process at Kopisore. Customers now enjoy the convenience of cashless transactions, which are faster and more secure. This transition to digital payments has also minimized the risks associated with handling cash and improved financial record-keeping; 4) Building Customer Community: WhatsApp Business has been instrumental in fostering a sense of community among Kopisore's customers. By creating groups for regular customers, Kopisore has established a direct communication channel to share updates, and promotions, and gather feedback. This approach has not only increased customer loyalty but also provided valuable insights into customer preferences and behaviors; and 5) Efficient Financial Management: The adoption of Microsoft Excel for financial tracking has been a game-changer for Kopisore. The ability to automate calculations and maintain accurate records has simplified financial management and ensured transparency in financial dealings. This has enabled the owner to make informed business decisions based on real-time data.

The research on the digitalization strategy implementation in the business development of Kopisore Coffee Shop in Cibinong has yielded significant insights. The findings demonstrate that adopting digital technologies such as social media, online ordering platforms, and customer management systems has substantially enhanced operational efficiency, market reach, and customer satisfaction for Kopisore. The implementation of these digital strategies has proven crucial in increasing the business's competitiveness amidst the growing competition in the coffee shop industry. This study concludes that digitalization is an essential step for small and medium-sized business owners to stay relevant and foster growth in the digital era. The successful case of Kopisore Coffee Shop serves as a valuable example for other SMEs aiming to leverage digital technologies to drive business development and achieve sustainable growth (Jamaluddin et al., 2022).

Overall, the digitalization strategies implemented by Kopisore Coffee Shop have proven to be highly effective in enhancing business operations, expanding market reach, and improving customer satisfaction. The case of Kopisore illustrates the transformative potential of digital technologies for small and medium-sized enterprises (SMEs) in the coffee shop industry. These findings suggest that other SMEs can similarly benefit from adopting digital strategies to drive growth and maintain competitiveness in an increasingly digital world.

Conclusions

The research concludes that implementing digitization strategies is crucial for Kopisore to stay relevant and competitive in the digital era. These strategies have significantly impacted Kopisore's growth in Cibinong. Using social media like Instagram for promotion, WhatsApp Business for community building, Google Business for quality improvement, Microsoft Excel for efficient productivity, and QRIS for seamless digital transactions has offered substantial benefits to Kopisore. Embracing these technologies provides opportunities and advantages for Kopisore's business growth. Digital business strategies play a crucial

role in the development of coffee shops in the Cibinong neighborhood. By leveraging social media marketing, online ordering systems, and CRM tools, coffee shops can enhance customer engagement, improve operational efficiency, and gain a competitive edge. This study provides valuable insights for coffee shop owners looking to optimize their digital business strategies and achieve sustainable growth.

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