

# Hailam Ko Abun Entrepreneurship Success in Marketing Strategy in the City of Balikpapan

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# Abstract

This research applies the type of descriptive qualitative research. Attention or focus on research includes marketing strategies used in Hailam Ko Abun coffee shops as entrepreneurial success consisting of product, price, promotion, place, people, tangible evidence (physical) and factors that limit marketing planning on Hailam Ko Abun coffee shop as entrepreneurial success. Data sources include primary data, namely new owners, previous owners, and one consumer of Hailam Ko Abun coffee shop, as well as secondary data. The data analysis applied was Miles and Huberman's qualitative analysis technique. The results of this study prove that the owner of the Hailam Ko Abun coffee shop still maintains price and product planning even though the cost of essential commodities has increased. Even so, the owner of the Hailam Ko Abun coffee shop is still minimal in promoting the product or the Hailam Ko Abun coffee shop through the media, banners, colors, and the language used does not attract the attention of consumers. It can be concluded that the marketing strategy of Hailam Ko Abun coffee shop as an entrepreneurial success is quite effective. It is recommended to maintain service, traditional coffee shop.

Keywords: Entrepreneurial Success; Marketing Strategy

## Introduction

Indonesia's Micro, Small and Medium Enterprises (MSMEs) are one of the national economic development preferences. Business is the pillar of the populist economic system, aimed at reducing income inequality between income groups and business actors or alleviating poverty and employment (Munizu, 2010). Most (close to 99%) of Indonesian MSMEs are micro-enterprises in the informal sector, usually using local raw materials and local markets. This is why it is not directly affected by the global crisis. The 2010 World Economic Forum (WEF) report puts the Indonesian market in 15th place (Setyanto et al., 2015). MSMEs are owned by individuals and business entities that meet the legal requirements for micro-enterprise standards in Law Number 20 of 2008.



Rapid advances in technology and information have changed people's consumer behavior. Meeting the needs of previous household consumption expenditures, today's life has become a secondary and primary need. This reflects higher lifestyle expenditures than food and beverage consumption. According to data from the Central Bureau of Statistics, household consumption expenditures of Gross Domestic Product (GDP) in restaurants and hotels are calculated based on constant prices in the third quarter of 2018, an increase of 5.69% compared to the third quarter of the previous year.

However, food and beverage consumption are still dominant at around 39% of household expenditure. These data prove that the food and beverage industry experiences dynamic changes over time. The food and beverage industry is not only functioning to meet consumers' primary needs but has become a dominant lifestyle for consumers. A coffee shop is one type of business in the food and beverage industry.

Indonesia is one of the countries with the most significant coffee consumption in the world. Data from the International Coffee Organization (ICO) noted that coffee consumption in Indonesia during 2016-2017 reached 4.6 million packs of 60 kg/lb (60 kg), which is the sixth country that consumes coffee, second only to Russia, ranking first in the world. According to data from the International Coffee Organization (ICO), from 2000 to 2016, Indonesian coffee consumption showed an increasing trend. Consumption of 2000 Indonesian coffee has only reached 1.68 million packs (packs) of 60 kg, but in 2016 it reached 4.6 million bags of 60 kg, an increase of more than 174%. Even since 2011, coffee consumption has increased to 2016. Indonesia is one of the world's largest coffee exporters.

Coffee is a plant cultivated with a long cultivation time and high economic value. 70% of the world's coffee consumption comes from arabica coffee and 26% from robusta coffee. Coffee was first discovered in the mountains of Ethiopia on the African continent. However, coffee was only known to the international community after the plant was developed by Arab merchants in Yemen and South Arabia (Rahardjo, 2012).

The VOC (Vereenigde Oostindische Compagnie) introduced coffee to Indonesia in 1696. The early development of this coffee plant was the result of experiments on the island of Java. Because the test results were satisfactory and considered profitable as a VOC trading commodity, it was disseminated to various regions so that people could plant it (Najiyanti & Danarti, 2014). The coffee tree (Coffea L.) is a plantation plant that has existed for a long time as a cultivated plant. The types of coffee plants usually cultivated are Arabica coffee (Arabica coffee) and Robusta coffee (Honeysuckle coffee). According to Siswoputranto (1992), Arabica coffee tastes good and has a high taste and low caffeine content compared to the Robusta species, so Arabica coffee is more expensive. Coffee factory I entered Java was 1996, the Dutch East Indies era (Afriyanti, 2016). The seeds of the Arabica coffee plant came from the Dutch Governor from Malabar-India and were accepted by the Bogor government, developed by experiment, and succeeded (Siswoputranto, 1992).

The Indonesian people's lifestyle is improving, which also helped increase the coffee market in Indonesia to become more developed. We know that there are various famous coffee shops in big cities, including Starbucks, Kopi Promise Jiwa, Fore Coffee, Coffee Beans, Kopiria, Kedai Kulo, Excelso, Coffee Toffee and various other coffee shops. Each coffee shop also has its characteristics, and there is an option to combine the coffee menu with various other foods.

The increasing mobility of today's people and modern lifestyles, especially in big cities in Indonesia, has caused the growth of coffee shops to develop very rapidly. One of them is the city of Balikpapan which is the largest city in East Kalimantan. It seems that people of all ages have a strong interest in spending their free time sipping a cup of coffee, so activities such as spending free time sipping a cup of coffee are starting to increase.

In fact, the culture of drinking coffee has changed. Coffee drinks contain psychotropics, one of which is caffeine, which can stimulate the production of two stimulant hormones, cortisone and epinephrine. Therefore, coffee effectively eliminates drowsiness and increases mental awareness, thought, and concentration or response. Drinking coffee can also make the body stay awake and healthy and increase energy. At the same time, the reality about coffee shops is that the need for modernization is increasingly emphasizing this lifestyle. Coffee shops are now used as a place to socialize, a hangout for young people, comfortable meeting places, and places for breakfast with friends. People can enjoy coffee while taking a break to chat with other coworkers.

With the number of coffee shops that have sprung up, it creates high competition in the culinary business in the coffee shop field. The current social trend of people tends to like to spend time in certain places, for example, coffee shops. To attract consumers' attention, each coffee shop must pay attention to the creativity of the products offered so as not to compete with other coffee shops. This relates to the marketing strategy applied to each culinary business.

The marketing strategy's success is influenced by many factors: market research and analysis, product decision making, pricing, promotion, and distribution (marketing mix). The applied marketing mix can influence consumer purchasing decisions because companies can promote their products and offer and convince consumers to buy the products offered. When the company carries out the right and effective marketing mix activities, consumers can learn more about the products offered, thus making consumers decide to buy larger products.

One type of marketing strategy is the 7P marketing mix, namely product, price, place, promotion, people, process, and physical evidence. The 7P marketing mix strategy is applied to produce the desired response in the target market. Manufacturers use a marketing mix strategy to produce commodity products ready to be marketed. In this case, product quality, design, brand, and packaging are also referred to as product attributes.

The preparation of product attributes is designed to develop and market products to consumer desires. Product marketing has undergone several stages: the development stage, introduction stage, sales growth stage, maturity stage, saturation stage, and reduction stage. This stage is also referred to as the product life cycle.

Hailam Ko Abun coffee shop, located in Balikpapan City, was established in 1999, where this coffee shop was founded with the target owner being consumers around 40 years and over. In contrast to the current coffee shop, which focuses on young consumers. With its target of penetrating the consumer market around 40 years and over, this Hailam Ko Abun coffee shop has a different design of the place, service, sales, and menu. Still, it has its trademark, namely traditional coffee blends. Since its inception, this coffee shop has begun to attract the attention of people aged 40 years and over and can still compete with other coffee shops in Balikpapan. This can be seen from the visitors who are always there every day, from opening to closing hours.

Based on interviews conducted with the owner of the Hailam Ko Abun coffee shop, currently its customers reach approximately 30 customers per day. From the observations made by researchers, the Hailam Ko Abun coffee shop serves coffee that maintains the traditional coffee blend that has been passed down from generation to generation, which cannot be found in other coffee shops.

The price of a cup of coffee sold at Hailam Ko Abun starts from IDR 10,000 to IDR 15,000. The customer's favorite coffee menu is black coffee which is traditionally made. In enjoying this black coffee, you can add milk or ice cubes so that this black coffee becomes a favorite coffee menu at Hailam Ko Abun coffee shop. In addition to the coffee menu, there is a favorite food menu, toast spread with srikaya jam, typical of the Hailam Ko Abun coffee shop. However, the number of business competitors similar to



coffee shops in Balikpapan makes Hailam Ko Abun coffee shop have the right marketing strategy to survive in this business.

Based on the description above, researchers are interested in conducting research titled "Hailam Ko Abun Coffee Shop Entrepreneurial Success in Marketing Strategy in Balikpapan City." From the background of the problem above, the researcher formulates the research problem: How effective is the marketing strategy of Hailam Ko Abun coffee shop in Balikpapan on entrepreneurial success?

#### **Research Purposes**

Based on the formulation of the problem, the purpose of this study is to analyze the marketing strategy of the Hailam Ko Abun coffee shop in Balikpapan.

## **Benefits of Research**

The results of this study are expected to be useful for business owners participating in Hailam Ko Abun coffee shops to improve their marketing strategies. This research is also expected to be helpful as a reference for additional sources of information for students in the future.

#### **Theory Basic Framework**

#### A. Strategy Concept

David (2011) suggests that strategy is a common goal with long-term goals to be achieved. In addition, according to Rangkuti (2008), strategy is a tool to achieve certain goals, whereas, in a business, strategy can change along with the development of environmental conditions. Business strategies may include geographic expansion, diversification, acquisitions, product development, market penetration, tightening, divestment, liquidation, and joint ventures. Strategy can also be interpreted as a potential action that requires management decisions and large amounts of company resources.

#### **B.** Marketing Concept

The definition of marketing, according to Kotler (2012), is a social process by which individuals and groups can obtain something they need or want by creating, offering, and exchanging products and services of value with other parties. Noor (2014) suggests that marketing is a social and managerial process that can meet the needs of individuals and groups through the creation and exchange of products with others.: research, strategic action, advertising, publicity and sales promotion, which means monitoring the effectiveness of marketing programs (Zeth, 2019). According to Irawan (1998), marketing is a social stage in where individuals and groups obtain what they need and want by creating and exchanging product and estimate with individual or other groups.

# C. Marketing Strategy

Swasta and Irawan (2005) explain that a company manager can use a marketing strategy in three ways to make decisions: to determine the expected consumers, consumer desires, and the marketing mix. These three elements determine the direction of a company's marketing strategy.

Marketing strategy is an essential tool that is prepared to achieve the company's target by increasing advantages in sustainable competition through the market that is taken and the marketing strategy applied to serve the target market (Tjiptono, et al., 2012).



Sofian (2007) explains that marketing strategy is a systematic, comprehensive, and intrinsic plan in the field of marketing that guides the activities carried out to achieve the company's marketing objectives.

Buchari (2008) mentions that marketing strategy is the process of determining and analyzing the target market, namely a group of people who want to be contacted by a company or business, so that it manifests a marketing mix that is appropriate and meets the target market.

Marketing strategy is defined as an analysis of development and implementation planning activity in planning the termination of the target market for products in each business component, the termination of marketing targets, and the improvement, implementation, and management of marketing program planning, termination of market containers made to meet the desires of target market customers (Purwanto, 2008).

Marketing strategy includes sales actions that can affect product demand, such as changing prices, moderating advertising efforts, planning mainstay promotions, deciding on the choice of distribution channel, and others (Chandra, 2002).

#### **D.** Marketing Mix

There is a set of marketing media known as the 4Ps: product, price, place, and promotion. For service marketing, there are other media, namely people, processes, physical evidence (physical environment). Therefore, the marketing mix is known as the 7Ps: product, price, place, promotion, people, and physical evidence.

Kotler, et al. (2012) explain the factors of the marketing mix, namely:

#### 1. Product

The product is the most important part, because the company strives to meet the needs and desires of the consumer community. Product is also something that can be given or offered to the market to attract the attention of consumers, so that consumers can purchase the products sold, to be used or consumed which can meet a need or need from the customer.

#### 2. Price

Price is an economic sacrifice made by consumers to get a product or service, besides that price is also an important factor for consumers to decide whether to make a transaction. Price is also the total value that customers exchange for the function of having or using a product or service whose value is decided by the buyer and seller through bargaining, or decided by the seller for a price that is suitable for all buyers.

#### 3. Place

One part of the marketing mix is a place or location which is usually interpreted as distribution and one of the strategies to market its products from the point of view that is easily accessible to consumers. Place or place has the meaning of a distribution container aimed at achieving customer goals.

#### 4. Promotion

Promotion is an activity that conveys information to consumers to influence consumer attitudes and behavior so that purchasing decisions can occur. Promotion serves as a method of marketing information and marketing a product to target customers.



# 5. People

The person or participant is an employee of a service provider who is directly or indirectly involved in the sales process.

## 6. Process

The process is an activity that shows how to provide services to consumers in the purchasing decision process.

## 7. Physical evidence

The physical environment includes the atmosphere, circumstances, and physical conditions of the environment around the store.

# **Research Methods**

## A. Types of Research

The type of research used in this research is descriptive qualitative research. This type of qualitative descriptive research is research that describes, describes, explains, classifies, and analyzes the variables studied. Sugiarto (2017) defines qualitative descriptive as a term used in qualitative research for a descriptive research study. The selection of this type of research is intended to present a detailed description of the variables being studied.

# **B. Research Focus**

- 1. Product(Product)
- 2. Price(Price)
- 3. Place(Distribution channel)
- 4. Promotion(Promotion)
- 5. People(Employee)
- 6. Process(Process)
- 7. Physical evidence(physical environment)

## C. Research Location and Time

The research was conducted at the Hailam Ko Abun coffee shop located at Jl. Adil Makmur No.27, Balikpapan. The study is estimated for one week, starting from December 7, 2021, to December 14, 2021.

## **D.** Data Types and Sources

- 1. The key informant in this study is Mr. Ronald Hariyanto, the owner of the Hailam Ko Abun coffee shop.
- 2. Other informants and are expected to help provide additional information related to this research are determined by purposive sampling, namely:
  - a. Mr. Abun Hariyanto and Mrs. Syolan as the former owners of the Hailam Ko Abun coffee shop.
  - b. Mr. Edi is a customer at Hailam Ko Abun coffee shop.



# **E. Data Collection Technique**

- a. Primary Data Collection are:
  - 1. Interview
  - 2. Observation
- b. Secondary Data Collection, namely: 1. Literature Study

# F. Data Analysis Technique

The type of research used in this research is descriptive qualitative research. This type of qualitative descriptive research is research that describes, describes, explains, classifies, and analyzes the variables studied. Sugiarto (2017) defines qualitative descriptive as a term used in qualitative research for a descriptive research study. The selection of this type of research is intended to present a detailed description of the variables being studied.

## **Research Results and Discussion**

## A. Description of Research Site

Initially, the Hailam Ko Abun coffee shop was founded on the will of the previous owner, Mr. Abun Hariyanto, who intended to develop a family business. Mr. Abun is a chef who migrated to East Kalimantan, especially to the city of Balikpapan. Mr. Abun also wants the Hailam Ko Abun coffee shop to develop a more traditional and unique coffee taste than other public coffee shops so that the public widely knows the Hailam Ko Abun coffee shop, especially those aged 40 years and over in the city of Balikpapan. Hailam Ko Abun coffee shop has become a strong stepping stone to increase the coffee shop business so its successor owner, Mr. Ronald Hariyanto, hopes to open other branches around other Balikpapan areas.

## **B.** Product

Based on the results of the study, it was found that the marketing strategy applied by Hailam Ko Abun coffee shop from the product sector was to always pay attention to the raw materials used before being processed into drinks or food, such as expiration dates, aromas, unpolluted coffee conditions and blending your own coffee. Furthermore, Hailam Ko Abun coffee shop also has special or favorite menus, for example, Black Coffee, Milk Coffee, Black Ice Coffee, Iced Coffee Milk, Iced Tea, Hot Tea, Milk Tea, Srikaya Toast, Egg Bread, and others. Although the menus look general, they still have homemade specialties that cannot be found in other coffee shops.

Based on the results of previous research conducted by Christine (2016) stated that the product is everything that can be given or offered by producers to be purchased, used, consumed, requested, noticed, or sought as a necessity to fulfill the needs or wants of the relevant market in the form of goods or services.

The results of this study are supported by previous research conducted by Fakhriyan (2016), which suggests that the marketing mix planning in terms of the product has been used well and based on customer reviews in terms of the product has been used properly, it can be seen that there is a match between the company and consumers. Based on customer reviews, the company already offers a variety of products and quality in terms of taste and shape. This arises from using quality ingredients at the production stage, and having a permanent recipe for maintaining the quality of the products provided to customers.



In the marketing mix, product planning is the most serious or important area, because it can affect other marketing plans. Determining the type of product produced and sold will affect the promotional activities required and the pricing and distribution process. When in a competitive situation, a company is very wary if it only relies on products without any special efforts to improve them, therefore when a company enters a competition, it is mandatory to innovate in creating and developing new products to maintain the sales capacity of the products offered or given to consumers. Customer.

A product aspect is a form of producer's tangible and intangible offer to gain interest, be purchased, consumed, sold, sought, and requested to meet the needs and desires of customers. The main product elements that customers see are used as the main basis for making purchasing decisions which are attributes of the product such as brand, warranty, and packaging.

#### C. Price

Based on the results of the research conducted, it was found that the marketing planning applied by the Hailam Ko Abun coffee shop was based on the price element, namely the standard price, for example, the price of coffee at the Hailam Ko Abun coffee shop started from Rp. 10,000 to Rp. 15,000 for tea from Rp. 8,000 to 10,000, for food menu ranging from 12,000 to 20,000. These prices are cheap and can be reached by all ages, especially those aged 40 years. However, the low price does not increase the profit much because there are days when there are many visitors, there are also not many visitors and coffee prices are rising.

Research conducted by Christine (2016) suggests that price is important in the customer's purchasing decision process. The price solely depends on the provisions of the company's policy, but of course there needs to be consideration of various things. A price that is expensive, cheap, or normal for each individual does not have to be the same because it depends on someone who is different in the environment and individual situations.

The results of this study are supported by research conducted by Fakhriyan (2016) which suggests that the marketing mix planning in terms of price (price) that has been implemented well and based on consumer reviews in terms of price that has been applied has not been good, which shows that there is no conformity between the company and the customer. According to consumer reviews, there are no discounts on certain purchases. In making payments, the company provides good and fast service. This is also felt by customers when making payments, and the owner swiftly serves customers.

The theory stated by Kotler and Armstrong (2012) suggests that the price is all the money asked for, for a product or service and the amount of value that consumers exchange for benefiting, owning, or using a service or product. One of the marketing mix elements in deciding a price requires a strong analysis so that the price can be an advantage of a product produced by the company. For customers, that price is all forms of monetary capital sacrificed by customers to get, have, and take advantage of all the combinations of services and goods from a product. For companies, pricing is the stage to compare the offerings or offers from other competitors.

Two general factors must be considered in deciding prices, namely internal factors such as marketing targets, companies, marketing mix strategies, and production capital. External factors such as the nature of demand and the market, policies, government regulations, and the presence of other competitors.

## **D. Place**

Based on the results of the research conducted, it was found that the marketing planning carried out by the Hailam Ko Abun coffee shop was based on the element of place, namely the owner determined



a strategic location on the side of the road, precisely on Jalan Adil Makmur No. 27, Exodus Baru Ilir, Balikpapan City, the location of the place was decided to make it easier for the public to know and for reasons of convenience for customers. However, consumers who visit sometimes look for 9 other locations due to a lack of parking space or some other visitors who do not park their vehicles neatly because there is no one to arrange to park and maintain vehicle security.

Based on research by Christine (2016), distribution is an effort to make a product available in locations that make it easier for customers to buy it whenever they need it. Determining the location requires careful consideration of factors such as reach, for example, roads that make it easier for customers to find the place. Visibility, for example, a place that customers can clearly see on the side of the road. For example, parking locations have their own or public parking lot. Expansion, such as the availability of adequate space to expand the business. Government regulations, such as business licenses. Lastly, competition, such as careful consideration of competitors' locations.

The results of this study are supported by previous research conducted by Fakhriyan (2016) which suggests that the marketing mix planning in terms of a place that has been implemented by the company well and based on customer reviews in terms of place has not been implemented properly. There is a match between the company and the customer. The company stated that the strategic location however, is behind a residential area which makes customers have to go inside and look for shops, in the distribution or presentation of products implemented properly and quickly in line with customer orders by the company.

This is to the theory stated by Suryana (2013) which suggests that locations that attract customers are strategic, efficient, and pleasant locations. Achieve a good location target, it can be done by expanding distribution channels, increasing coverage or capacity, improving the appearance of the business location, implementing an efficient delivery process, and changing inventory from one warehouse to another. It is necessary to control inventory and give or offer.

## **E. Promotion** (**Promotion**)

Based on the research results, it was found that the marketing planning used by Hailam Ko Abun coffee shop was from the promotional element. Namely, there was a name banner that was easy for people to see, the owner also made a website for the address and location of the coffee shop on google. However, the promotions carried out had unattractive language and the color of the banners used, there were no discounts (discounts), only a place to sit.

Research conducted by Christine (2016) suggests that promotion (promotion) is an effort by a company to attract prospective customers by using all fields or the 7P marketing mix (marketing mix). In general, promotion is a form of marketing communication which means marketing activities that seek to expand information, influence, and remind the target market of the company and its products to be ready to buy, accept, and be loyal to the products given or offered by the company concerned. Promotional tools that can be applied to this business are sales promotion, advertising, publicity, public marketing, and public relations. Termination of promotional tools that will be applied based on the type and form of the product itself.

The results of this study are supported by previous research conducted by Fakhriyan (2016) which suggests that the marketing mix planning of the promotional elements used by the company is in the poor category and based on customer reviews the promotional elements used by the company are in the poor category, it can be seen that there is a match between the company and the customer. Based on customer reviews, it is stated that the company does not or has not carried out promotional activities to offer its products. The company prefers product quality that is well maintained to offer quality products.



The theory put forward by Suryana (2013) suggests that promotion is the stage of communicating the goods and services that will be provided so that customers know and make purchases. In line with the benefits of promotion, namely to inform, to remind, to influence, and to persuade, so that based on the promotion of goods or services produced will be easily recognized by the public.

## F. People (Participants)

Based on the results of the research conducted, it was found that the marketing planning applied by Hailam Ko Abun coffee shop from the people element (participant) was the owner of the coffee shop providing the best service to consumers, friendly attitude, fast service and according to customer orders. However, when the Hailam Ko Abun coffee shop is busy with customers such as Saturday or Sunday afternoons, the owner is sometimes overwhelmed in serving coffee.

Based on research conducted by Christine (2016) suggests that people (participants) are individuals who contribute to showing the services offered to customers as long as there is a purchase of goods. In this study, restaurant owners contribute actively in offering services to customers during the buying process, this people (participant) factor contributes actively and can positively influence purchasing decisions. The more positive the performance made to the customer, the better the purchase decision made by the customer. People (participants) are all actors who have a role in presenting services or products so that they can influence purchasing decisions. The elements of people (participants) are company employees, customers, and customers in the service environment. The elements of people (participants) have two aspects: service people for service organizations and service people to hold dual positions such as carrying out services and selling these services. Based on fast, responsive, kind, thorough, and accurate service, it can realize customer satisfaction and trust in the company, ultimately improving its good name. The customer is another factor that influences the relationship that exists between consumers. And accurately can realize consumer satisfaction and trust in the company which in turn will increase the good name of a company. The customer is another factor that influences the relationship that exists between consumers, and accurately can realize consumer satisfaction and trust in the company which in turn will increase the good name of a company. The customer is another factor that influences the relationship that exists between consumers.

The results of this study are supported by previous research conducted by Fakhriyan (2016) which suggests that the people (participant) marketing mix strategy used by the company is in a good category and based on customer reviews, the people (participant) element applied by the company is in the category good. The owner of the company performs the appropriate service. Based on customer reviews, the marketing mix strategy of the people (participants) element has been going well. Based on customer reviews, the company serves customers well in terms of cashier services that are reliable and careful in serving customers. Good customer service is an initial picture of how the company's quality in serving customers to gain customer loyalty.

#### **G.** Process

Based on the results of the research conducted, it was found that the Hailam Ko Abun coffee shop from the process element is the owner of the coffee shop prioritizing coffee quality and service, where consumers come to be welcomed, say greetings, welcome to decide on the menu, if consumers ask the mainstay menu, they are given information favorite food or drink, after which consumer orders are immediately served. Another thing is that the food and drinks provided are presented fresh and well.

Research conducted by Christine (2016) suggests that the process element is how the company is serving the requests of each of its customers. It starts with the customer ordering (ordering) and then finally the customer gets the desired order. Each company generally has a special or unique way of



serving its customers. The marketing process is the entire system that proceeds to the implementation and determines the quality of the smooth implementation of services that can provide customer satisfaction.

By the theory put forward by Jay Hezer (2006) which suggests that process planning has a relationship with the layout of the production channel and product channel. The layout is an important condition that decides the efficiency of an operation in the long run. The layout has a strategic influence because the layout decides the competitiveness of the company in terms of capacity, flexibility, cost, work environment, customer relations, company figures and processes. An efficient layout can help an organization achieve a plan that supports diversity, quick response, and low capital.

#### H. Physical Evidence (Physical Environment)

Based on the results of the research conducted, it was found that the marketing planning applied by Hailam Ko Abun coffee shop from the elements of the physical environment was the owner using traditional concepts, so that the atmosphere created made customers feel at home. There is a photo of the owner, the date, and short words on the wall.

Based on research by Christine (2016), supporting media is part of service marketing that has a strong contribution because services delivered to consumers often require supporting media in delivery. This makes the presence of these services increase. Because with the availability of physical supporting media, the service will be understood by consumers. Marketers in realizing quality services need to see elements of physical services as media related to customer service and also need to be reviewed by company management. A magnificent building with refrigeration infrastructure, modern communication equipment or quality office facilities and others are considered by consumers in deciding on a product or service.

*Physical evidence* (Physical Environment) affects customers' enjoyment of buying and using the goods or services. Physical evidence is the physical environment of the company where services are realized and where services are available and customer interaction, plus tangible (physical) elements that are applied to communicate and contribute to the benefits or role of the service.

## **Conclusions**

#### A. Conclusion

The product aspect is to always pay attention to the expiration date, the aroma, and the condition of the coffee that is not polluted and to make your own coffee. Furthermore, Hailam Ko Abun coffee shop also has special or favorite menus such as Black Coffee, Coffee Milk, Black Ice Coffee, Iced Coffee Milk, Iced Tea, Hot Tea, Milk Tea, Srikaya Toast, Egg Bread, and others. Although the menus look general, they still have homemade specialties that cannot be found in other coffee shops.

The price aspect is the standard price, for example the price of coffee at Hailam Ko Abun coffee shop starts from IDR 10,000 to IDR 15,000, for tea from IDR 8,000 to 10,000, for food menus from 12,000 to 20,000. These prices are cheap and can be reached by all ages, especially those aged 40 years.

The place aspect is that the owner sets a strategic location on the side of the road, precisely on Jalan Adil Makmur No. 27, Exodus Baru Ilir, Balikpapan City, the location of the place was decided to make it easier for the public to know and for reasons of convenience for customers.

The promotion aspect (promotion) is that there is a name banner that is easy for people to see, the owner also makes a website address and 12 coffee shop locations on Google.



Aspects of people (participants), namely coffee shop owners provide the best service to consumers, friendly attitude, fast service and by customer orders.

The process aspect (process) is that the coffee shop owner prioritizes the quality of coffee and service, where consumers come to be welcomed, say hello, are welcome to decide on the menu, if the consumer asks for the mainstay menu, they are given information on their favorite food or drink, after which the consumer's order is immediately served.

Aspects of physical evidence (physical environment), namely the owner use traditional concepts, so the atmosphere creates makes customers feel at home. There is a photo of the owner, the date, and short words on the wall.

#### **B.** Suggestion

The menu prices offered by the Hailam Ko Abun coffee shop are expected to maintain the idea of a lower price than other coffee shops. It could also be by applying discounts or discounts on special days so that customers are interested in data at the Hailam Ko Abun coffee shop. The Hailam Ko Abun coffee shop is expected to pay attention to the location of the purchase of basic commodities by looking for lower prices of basic ingredients with the same quality to increase profits. It can also be expected to maintain the traditional concoction that is the hallmark of Hailam Ko Abun coffee shop.

Hailam Ko Abun coffee shop should be further developed by implementing special brochures that can provide information to consumers and physical menus that consumers can see. Hailam Ko Abun coffee shop owners should maintain friendly service while doing the job. When serving food should be careful and according to customer orders. The physical environment is recommended to develop security such as parking lots, air conditioners and a comfortable atmosphere.

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