

SWOT ANALYSIS FOR DEVELOPING COMPETITIVE ADVANTAGES FOR ONLINE FOOD BUSINESS VIA DIGITAL MARKETING

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ABSTRACT

Cencan Food, as an online food business that serves chicken dishes, snacks, and modern drinks, faces challenges in maintaining competitiveness in the increasingly competitive online food industry. This study aims to analyze the strengths, weaknesses, opportunities, and threats (SWOT) faced by Cencan Food, as well as formulate the right strategy to build competitive advantage through digital marketing. The SWOT analysis identified several key strengths of Cencan Food, such as the ability to adopt new technologies and the appeal of its products to various customer segments. However, several weaknesses found were inconsistencies in product quality and limitations in marketing resources. Key opportunities that can be utilized include increasing the use of social media and food delivery applications, while threats faced include intense competition and healthier food trends. The proposed strategies include menu diversification and implementation of a quality control system. Cencan Food can contribute to the Sustainable Development Goals (SDGs), especially for responsible consumption and production by prioritizing the use of sustainable raw materials and reducing food waste. Through this approach, Cencan Food is expected to strengthen its position in the market and achieve sustainable business growth. This study provides important insights for online food businesses in facing market challenges and taking advantage of digitalization opportunities.

Keywords: Cencan food, competitiveness, marketing, sustainability, SWOT

A. INTRODUCTION

The online food business is one of the sectors that continues to grow rapidly (Chun & Nyam-Ochir, 2020). This development is driven by changes in the lifestyle of urban communities who increasingly prioritize speed and convenience in terms of food consumption (Hanaysha, 2022). Businesses operating in the online food sector are highly vulnerable to replication by rival companies (Galli-Debicella, 2021). As a result, there has been a significant surge in the number of competitors in this industry.

Amidst increasing competition, the need for businesses to improve their competitive advantage is underlined by the need to maintain consistent quality and taste. Businesses also need to realize that developing strategic innovation is one of the key steps to increase their competitiveness (Le & Ikram, 2022). Strategic innovation is not only about creating new products or services, but also involves changes in business models, production processes, and marketing strategies (Bresciani, Huarng, Malhotra, & Ferraris, 2021).

In this context, online food businesses must constantly adapt and innovate to maintain their position in the competitive market. Cencan Food (<https://www.instagram.com/cencan.food/>), as one of the main players in this business, is not free from these challenges.

Currently, one of the important aspects that determines the success of an online food business is the ability to adapt to technological developments and digitalization. Digital marketing has become a crucial element in expanding market reach and increasing brand visibility. However, Cencan Food faces several major problems, namely increasing competition, inconsistency in product quality and taste, and the ineffectiveness of the marketing strategies implemented. Therefore, the development of a multichannel marketing strategy involving various digital platforms is one solution to strengthen Cencan Food's position in the market.

In this context, the application of SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis is a relevant step to identify the strengths and opportunities of Cencan Food, as well as overcome existing weaknesses and threats. Digital marketing offers a variety of opportunities, such as the use of social media, delivery applications, and data-driven marketing, which can help Cencan Food reach more consumers, increase customer loyalty, and differentiate itself from competitors through menu diversification and more consistent service quality.

Through this SWOT analysis, this study aims to provide strategic recommendations that can help Cencan Food build a competitive advantage in the competitive online food business, with a focus on implementing digital marketing as a primary tool to strengthen its market position, maintain customer loyalty, and create sustainable business growth

B. IMPLEMENTATION AND METHODS

The purpose of this community service activity is to help Cencan Food identify and resolve the main problems it faces so that the business can continue to grow, maintain competitiveness, especially in the development of small and medium enterprises (SMEs) in the culinary sector.

The methodology of this community service activity is carried out by analyzing the situation, program partners and problem situations.

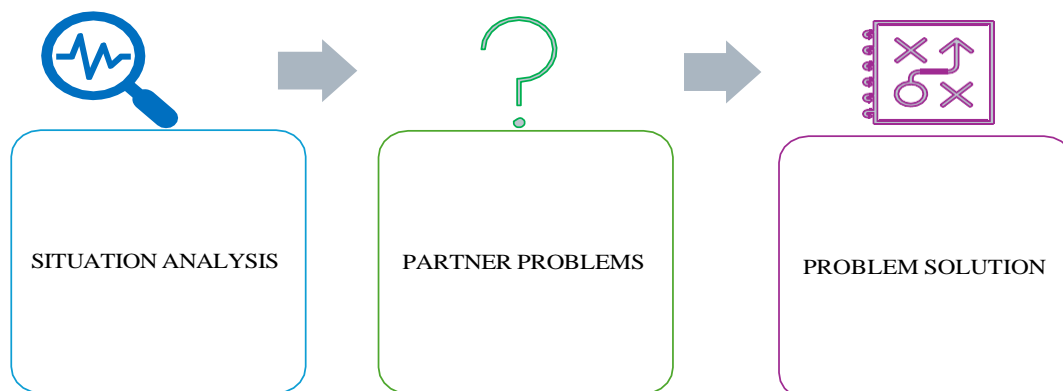


Figure 1. Community Development Method

1. SITUATION ANALYSIS

Cencan Food, as a online food business that serves various chicken dishes, snacks, and contemporary drinks, has become one of the favorite places to eat for many customers. However, like other businesses, Cencan Food is also faced with several problems that need to be solved so that its

business continues to grow and maintain its advantage in the market. This research aims to identify the key problems faced by Cencan Food and offer appropriate solutions.

2. PARTNER PROBLEMS

Here are the problems faced by the community:

- **Increasing Competition:** In the online food business, competition is increasing with the emergence of new competitors offering similar concepts or similar products.
- **Consistency of Quality and Taste:** Ensuring consistency in the quality and taste of food is a challenge for Cencan Food, especially with fluctuating order volumes and changes in the supply chain.
- **Marketing and Promotion:** Although Cencan Food has quality and affordable products, effective marketing and promotion efforts are still needed to attract more customers and retain the existing customer base

3. PROBLEM SOLUTION

To overcome the problems faced by producers in digital marketing, several solutions can be considered:

- **Menu Diversification:** To overcome increasing competition, Cencan Food can consider diversifying its menu by adding new, interesting and innovative options, such as new chicken variants, snack options, or unique drinks that are in line with current market trends.
- **Implementation of Quality Control System:** Cencan Food needs to strengthen its quality control system by setting clear standards for each stage of production, including raw material selection, processing, and product packaging.
- **SWOT Strategy:** An approach to analyzing Strengths, Weaknesses, Opportunities, and Threats (SWOT) owned by Cencan Food. This analysis aims to understand the strategic

position of the business and develop appropriate strategies to maximize strengths and opportunities, while minimizing weaknesses and threats (Puyt & Wilderom, 2023).

C. RESULTS AND DISCUSSION

The SWOT analysis of Cencan Food provides a detailed overview of the internal strengths and weaknesses as well as external opportunities and threats faced by the business in the competitive online food industry. This analysis serves as the basis for formulating effective strategies to address the current challenges and leverage the potential growth avenues.

Table 1. SWOT Analysis

Strengths (S)	Weaknesses (W)	Opportunities (O)	Threats (T)
Cencan Food is open to adopting new technologies and digital marketing strategies.	Inconsistency in Quality and Taste: Lack of strict quality control standards can impact customer experience and damage brand reputation.	Brand exposure and appeal can be enhanced by the rise in social media users, delivery apps, and influencer marketing.	The emergence of new fast-food restaurants, both local and global, could put pressure on Cencan Food's market share.
Cencan Food can more successfully reach customers through a variety of platforms, including social media, food delivery apps, and email marketing, by diversifying its digital marketing strategy.	Limitations in Marketing Resources: Lack of investment or mature digital marketing capabilities can hinder a more effective and expansive strategy.	Create innovative new menus that reflect regional tastes or adhere to gastronomic trends.	The trend towards healthier or more environmentally friendly foods could reduce interest in fast food which is considered less healthy.
Chicken dishes, snacks, and modern drinks are a special attraction for various customer segments.	Reliance on Traditional Menu: Although popular, reliance on only chicken menu without significant innovation may make Cencan Chicken less attractive compared to more innovative competitors.	Utilizing digital marketing data analytics to optimize marketing expenses, improve campaign efficacy, and more accurately target customers.	Increased digital exposure raises the possibility of public criticism of a product or service's quality, which can spread quickly on digital platforms.
Fried chicken and modern snacks are favorites among kids, teens, and adults.	Inconsistent Customer Experience: Uneven customer service can decrease customer satisfaction and loyalty.	A solid digital strategy can capitalize on the public's propensity to purchase food online.	Changes in the global or local economy may affect consumer purchasing power and fast-food consumption patterns.

Table 2. Strategy Based on SWOT Analysis

	Opportunities (O)	Threats (T)
Strengths (S)	Increased digital marketing can help you reach new and broader customer segments by utilizing social media and delivery platforms to increase brand awareness and product popularity.	Increasing brand loyalty through digital customer programs targeting young age groups who are active on social media to face tough competition and manage online reviews.
Weaknesses (W)	Address quality inconsistencies by implementing a strict quality control system and integrating it into digital platforms, while leveraging customer data for more personalized campaigns.	Strengthening digital marketing capacity and improving product quality and customer experience to reduce the negative impact of bad reviews and maintain appeal amidst the healthy food trend.

Cencan Food’s openness to digital marketing and technological innovations provides a strong foundation for growth. By utilizing various digital platforms—such as social media, food delivery apps, and email marketing—Cencan Food has the potential to reach a broader audience and improve brand visibility. The appeal of its core offerings, such as chicken dishes and contemporary snacks, further enhances its ability to attract diverse customer segments. These strengths create opportunities to tap into emerging trends in digital marketing, allowing the business to not only maintain but also expand its customer base.

Despite these strengths, Cencan Food faces several internal weaknesses that need immediate attention. Inconsistent quality and taste, as well as a lack of strict quality control measures, pose a significant risk to customer satisfaction and brand loyalty. This inconsistency could negatively impact repeat business, especially in the highly competitive online food sector, where customer reviews are critical. Furthermore, the business's over-reliance on a traditional menu without significant innovation may limit its appeal compared to competitors offering more diverse and modern options. To address these challenges, Cencan Food must implement rigorous quality control systems and focus on diversifying its menu to attract more customers.

The rapid rise of social media users and food delivery platforms presents significant growth opportunities for Cencan Food. Digital marketing strategies, such as influencer collaborations and

data-driven marketing, can help increase brand exposure and customer engagement. Additionally, utilizing digital analytics to optimize marketing campaigns could improve cost-effectiveness and targeting precision. By offering innovative menu items that reflect current gastronomic trends or local flavors, Cencan Food can further differentiate itself from competitors and appeal to new customer segments.

However, the external environment presents notable threats that could hinder Cencan Food's progress. The emergence of new competitors, both local and global, poses a direct challenge to its market share. Moreover, the growing trend toward healthier and more environmentally friendly food options may diminish interest in fast food offerings, which are often perceived as less healthy. To mitigate these risks, Cencan Food must focus on maintaining strong customer loyalty through personalized marketing and digital customer programs. Additionally, maintaining high product quality and responding swiftly to customer feedback on online platforms can help the business safeguard its reputation in a highly visible digital environment.

To maximize opportunities and counter potential threats, Cencan Food must integrate its strengths—such as its digital marketing capability and popular product offerings—into a well-rounded strategy. For example, expanding its digital marketing reach can attract broader customer segments, while loyalty programs can help retain existing customers. At the same time, investing in a robust quality control system will ensure consistent customer experiences, which are essential for maintaining positive online reviews and customer loyalty in the long term.

D. CONCLUSION

Cencan Food needs to capitalize on its strengths in digital marketing and its appeal to a broad customer base to sustain and expand its market position in the increasingly competitive online food industry. Cencan Food has the potential to greatly increase its brand visibility and reach by adopting the latest technological advancements and making use of various digital platforms. Its wide range of

well-liked products, including chicken dishes and modern snacks, guarantees that it appeals to a wide range of consumers, from kids to adults.

Cencan Food needs to address some serious internal issues, such as inconsistent product quality and a narrowly focused menu, in order to take full advantage of these opportunities. While diversifying its menu with cutting-edge offerings can help the business stay relevant in the face of growing competition, implementing a strict quality control system is essential to maintaining customer satisfaction. It can also increase customer engagement and loyalty by improving its marketing efforts with focused, data-driven campaigns.

Success for Cencan Food ultimately hinges on its capacity to strike a balance between opportunities from outside sources and internal advancements. Through adapting to new market trends, enhancing its online presence, and ensuring constant product quality, Cencan Food can establish a long-term competitive edge in the fast-paced online food sector. It will be better equipped to handle competition thanks to this strategic approach, which will also guarantee long-term business growth and client loyalty.

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