

# UNIVERISTI TEKNOLOGI MARA PERLIS BRANCH ARAU CAMPUS

# FACULTY OF BUSINESS AND MANAGEMET BA243- BACHELOR OF BUSINESS ADMINISTRATION (HONS.) HUMAN RESOURCE MANAGEMENT

# ENT530: PRINCIPLES OF ENTREPRENEURSHIP WRITTEN REPORT OF CASE STUDY

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## **1.0 INTRODUCTION**

## 1.1 Background of the study

As sellers, we must fulfill customers' preferences when selling products in order to become highlevel firms in today's times. Customer happiness is the most crucial factor in increasing sales. When a seller prioritizes the customer, they can establish a growth business by matching their demands with the consumer's. It is also a significant selling element for attracting new customers to a thriving business environment.

In this case study, students are requested to do research on any corporation or business to identify challenges that the company or organization is facing. The students should examine the scenario and come up with a great solution on how to solve the problems.

All businesses have their own objectives that they want to achieve. A business plan is important in order to achieve all the goals they want. Business strategies are critical resources for raising funding before a company has a track record. Every business should have a strategic plan. To be a successful corporation, the company must have a strategic plan to help it reach its objectives.

As a result of this case study, students will have a deeper understanding of how businesses run. I hope that this case study would be a wonderful learning tool for students to understand how to solve the problems.

#### 1.2 Purpose of study

The purpose of this research is to teach students about the manufacturing industry. The objective of this study is that students can comprehend how manufacturing and business work in the actual world. Furthermore, this is additional knowledge before students face real-life situations. This study can teach students how to be well-prepared in the workplace one day. As a result, students can learn how to speak effectively and interact with their peers in the sector.

The research's purpose is to examine a business strategy, identify its strengths, weaknesses, possibilities, and threats, research the findings, argue the challenges, and provide a few possible solutions. This task requires you to examine real organisations in today's day, which is fun because we can learn how to develop a business like them as well. Following a brief interview with a corporate employee, qualitative and quantitative research are used to aid in the identification of the business core in each plan and the evaluation of its financial success, allowing the study to be carried out and completed.

This strategy assists companies in boosting the economy of a country. Entrepreneurship courses were also included in other educational institutions and government programmes. This method can assist students in gaining knowledge and learning how to be entrepreneurs one day.

## 2.0 COMPANY INFORMATION

## 2.1 Background

The name of the business is Balbuk Haus. It is located at Lorong Long Chin Kampung Balik Bukit Chuping 02500 Kangar, Perlis. It has been operating since May 2022. It starts its business from Thursday to Tuesday from 6:00 p.m. to 10:00 p.m. and closes on Wednesday. The owner is Ahmad Sofi. It is a sole proprietorship business. The business's objective is to sell products focused on traditional Perlis food, coffee and air bunga telang. This leads to fulfilling the demand of coffee lovers. The owner and six other employees operate the business. Four of the employees are full-time, while another two employees are part-timers.

| NAME OF THE COMPANY | Balbuk Haus  |  |  |  |  |
|---------------------|--|--|--|--|--|
| TIME                | Everyday: 6.00 p.m to 10.00 p.m<br>Closed: Wednesday                 |  |  |  |  |
| BUSINESS ADDRESS    | Lorong Long Chin Kampung Balik Bukit<br>Chuping 02500 Kangar, Perlis |  |  |  |  |
| WEBSITE             | https://www.facebook.com/dapoqbalbuk/                                |  |  |  |  |
| TELEPHONE NUMBER    | 013-506 5625   |  |  |  |  |
| FORM OF BUSINESS    | Food and coffee  |  |  |  |  |
| MAIN ACTIVITY       | Selling traditional of Perlis food and coffee                        |  |  |  |  |
| DATE OF REGISRATION | May 2022   |  |  |  |  |
| EMAIL               | arafathambali7@gmail.com   |  |  |  |  |

Table 1: Biodata Background of Balbuk Haus

## **2.2 Organizational Structure**

| ſ | Owner        | Helper |        | Kitchen |           |         | Barista |         |        |     |
|---|--------------|--------|--------|---------|-----------|---------|---------|---------|--------|-----|
|   | (Ahmad Sufi) | (Muhd  | Farhan | bin     | (Siti     | Farihin | binti   | (Syafiq | Zafwan | bin |
|   |              | Fazli) |        |         | Zulkifli) |         | Yahya)  |         |        |     |
|   |              |        |        |         |           |         |         |         |        |     |

Table 3: Organizational structure of Balbuk Haus

## 2.3 Product of Balbuk Haus

Balbuk Haus has been in the market for one year and is also known as a famous viral café in Kangar, Perlis. Primarily a wide variety of Perlis food lovers. Besides that, they also sell a variety of coffees and the popular drink is air bunga telang from her wife who is locally Sabah. They also provide online service by selling their products likes sambal tomat on Facebook and Shoppee.

## 2.4 Business, Marketing and Operational Strategy

## 2.4.1 Business Strategy

A business strategy outlines an organization's plan of action to achieve its goals and vision, and it also acts as a decision-making framework to enhance the company's financial stability in a competitive industry. In a nutshell, business strategy is the set of skills and information required to help a company accomplish its goals. It indicates the approach employed to accomplish the given aim. Balbuk Haus serves a range of traditional Perlis meals and coffee. This company has a vision and a mission.

Selling different Perlis traditional foods and coffee at the café may assist customers fall in love with the food and surroundings, according to the idea. The objective is to satisfy customer product requests and give the highest quality at the most competitive pricing. Balbuk Haus additionally enhances the retention of customers by providing discounts and presents to consumers in order to maintain the relationship. They also provide outstanding and respectful customer service and are active on social media.

In addition, they sell unique products such as nasi lalap which attract customers to the cafe. Furthermore, one of the most important things in attracting people to the cafe is offering higherquality items at reasonable costs. To put it simply, it is a price strategy designed to attract more customers.

Balbuk Haus is one of the cafés that serves Perlis food and coffee. Balbuk Haus believes that providing high-quality items is the key to business success. Jabatan Kemajuan Islam Malaysia (JAKIM) has also certified its items as Halal. They can acquire the faith of Malaysia's Muslim population by obtaining a Halal certificate.

## 2.4.2 Marketing Strategy

Balbuk Haus offers traditional Perlis food at an affordable price, with prices ranging from RM5.00 to RM12.00. The cost of every food is determined by its category and portion size. According to the cafe's owner, the pricing is moderate and cheap.

They have utilised a variety of outlets to promote their products, including social media platforms such as Facebook. They are always creating fresh videos for customers that visit their café in order to advertise it. As a result, many customers visit the café after seeing it on social media. Aside from that, they inform their social media when they create a new product and customers use it. Customers may simply buy their popular product, Sambal Tomat, via social media platforms such as Facebook and Shoppee if they do not walk in. Finally, customers may view their cafe's surroundings on social media before visiting.

#### 2.4.3 Operational Strategy

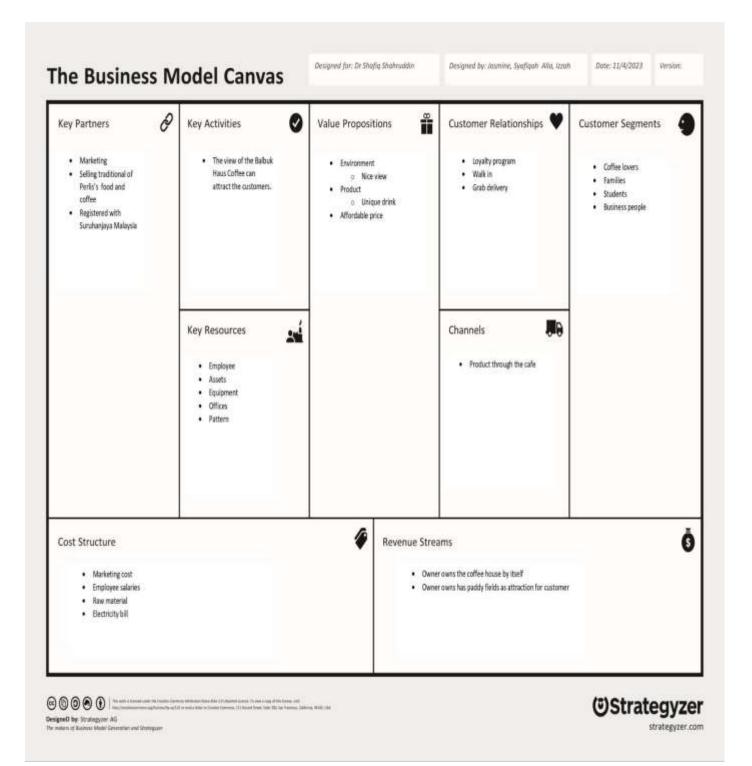
A plan that governs an organization's resource allocation and utilises it to maintain a competitive edge is known as an operational strategy. It is also a decision-making process that affects an organization's long-term plan for achieving the goals of the mission statement. Companies can design an operations plan to define the aimed quality of their product and then guarantee that the objective is reached at every step of the process. Product quality is one of the criteria in operational strategy.

Even though it has its own logistic management, Balbuk Haus is using another strategy for its distribution channel by outsourcing to other logistic industries. This is because they want to ensure that their customers receive fresh products from their café. Furthermore, they planned to improve their market share by developing more varied packaging and an exclusive menu to fulfill the demands of a new consumer segment.

#### 2.5 Financial Achievement

Financial achievement is an unreliable measure of a company's ability to earn money by using resources from its primary method of business. The phrase may also be used to reflect a company's overall financial health during a given time period. Balbuk Haus Cafe's income per employee is RM2,500, while its business earns roughly RM5,000 per month by selling its products to customers. They did, however, have to overcome various obstacles in order to accomplish the company's aim and ambitions. Despite this, they frequently handle the problem professionally and have glowing staff. To increase the company's income since every Ringgit Malaysia saved may be used to expand it, they must avoid debt and save costs. This is critical for the business's success.

## **3.0 COMPANY ANALYSIS**



The key partners in this company do marketing to make sure their business runs well. This business sells traditional Peruvian food and coffee. This is what gives them their uniqueness, which only this café does this kind of selling. The most important thing is that Balbuk Haus is registered with SSM so that they can run their business well.

The key activity at this Balbuk Haus Coffee is the view itself, which can attract customers. The view showed us the nature of Kampung Balik Bukit, Perlis. The view was so great and suitable for the "healing" port, as anyone who loves nature will fall in love with the view.

The value proposition at Balbuk Haus is the environment itself. The view was so nice and suitable for teens to take pictures with friends and so on. The product of Balbuk Haus itself is very unique since it can't be found anywhere else. They have their own signature, which is Bunga Telang Drink, that is suitable for all people to give a try and has a very delicious taste. Last but not least, the price is affordable, and maybe this is the reason why people always choose this Balbuk Haus, despite the delicious taste.

About the customer relationships, many of the customers choose to walk into Balbuk Haus. This can be because the view can attract people to come, and the surroundings are good. They also provide grab delivery for those who do not want to walk in; they can order through the delivery, and they will serve people with the best delivery they have had. Customer loyalty is when they give a card to their customers every time they come, and when they reach 10 times, they can claim a free drink. This is the very best way to attract more customers and keep their regular customers.

For the key resources, they have five employees so far. As they opened this cafe before, they had just 1 employee, but then they had up to 4 employees within 5 months. This is a very good improvement from them. Next, for the equipment: they have efficient equipment in this cafe.

Regarding the channels, they are selling products through the cafe. They also use Instagram to update about their shops, but they do not sell any of their products through the apps. This is due to the fact that they are cooking something fresh, and if it is cooked later, it might taste different or the food will not be eaten anymore.

For the cost structure, it involves marketing costs. The marketing cost very little due to their many collaborations with other clubs in Perlis, so they can advertise their cafe through their collaborations together. For the employee salaries, they have five employees, so it might take a huge amount of money to pay them, but they can still manage it. Raw material is the basic necessity to provide food and drink, and they buy it daily to make sure they have no debt. The electricity bill is also part of the cost structure, but it is still not a huge amount since their cafe is not that big.

The revenue streams, owner owns the coffee house by itself. They build the cafe on their own land, so they will not need to buy land or pay any landlord every month, which can help them save more money and stick to their budget. The owner also owns paddy fields that attract customers. The paddy field beside and behind the cafe was their own so that they could manage it based on their customers' tastes if they wanted to design anything at the nearby cafe.

### **4.0 FINDING AND DISCUSSION**

#### 4.1 Findings

#### 1. Poor Product Packaging

Products from Balbuk Haus that need to be delivered to clients have a problem with the packaging being unsafe during delivery and easy to spill. Customers who receive orders feel unsatisfied with the owner's product packaging due to this issue, which prevents them from accepting orders through the online meal delivery system.

#### 2. Lack of Main Power

Balbuk Haus has experience in having 'bad services' that are commented on by the customers. It is because they only recruit three employees who assist them with food and beverages preparation and product delivery to the customers. They had to set limitations for orders online even though they receive many orders per day.

In order to maintain the quality of its services, Balbuk Haus needs to restrict the number of guests and receive orders thru online platforms at one time due to the lack of workers.

#### 3. Less Customer-Friendly Place

The open and less conducive environment is not suitable for customers with families. This is because the space provided is more for relaxation and those with families are less recommended.

#### **4.2 Discussion**

#### 1. Improve product packaging

Both client happiness and product demand might rise as a result of appropriate packaging. To make the water container tighter and safer to distribute to consumers, we advise Balbuk Haus to use a product like coolBlog or tealive that has a fixed plastic lid. The machine for this method may be expensive to buy, but by utilizing the proper packaging, the goods will be delivered on schedule and without damage, resulting in happy consumers who will buy from you again. If they don't run out, it can also be used for clients that walk in to allow them to return.

#### Solution 1

Advantage: Improve customer satisfaction and increase product demand. Disadvantage: Need to spend money to improve product quality.

#### 2. Recruit Main Power

Entrepreneurs can emphasize the need of looking to boost the number of part-time workers to maintain the service quality and customer satisfaction. By offering excellent customer service can lead to increased marketing and sales opportunities. So, meeting the customers' satisfaction is paramount to keeping the business growing successfully.

#### Solution 2

Advantage: To maintain the service quality and customer satisfaction. Disadvantage: The possibility of experiencing a workforce that is less skilled and needs guidance.

#### 3. Apply Customer Family Friendly Places

Provide a special place for customers with families. A company's goal is to make customers feel at ease and welcome them. A warm welcome is important for families because parents are concerned about the environment in which their children will be raised. The more satisfied guests, the more likely they are to spend more, visit repetitively, share their positive experiences and recommend restaurants to friends and families. It is important not to inconvenience guests at a restaurant's convenience.

#### **5.0 RECOMMENDATION**



Figure 1: Clitoria Smoothies

## 1. Product Description

Our new startup business name is Clitoria Smoothies. The name of our product was inspired by the name of our main ingredient in the product which is Clitoria Ternatea or also known as Butterfly-Pea. This flower is used as the main ingredient in our products because we saw a lot of Butterfly-Pea around the area during our survey of the chosen business. Surprisingly, the Butterfly-Pea is not only used in food manufacturing but it can also be used in beverage products. The outcome of the innovation we want to carry out is that we want to run a business that produces Clitoria Smoothie that is blended with creamy yoghurt and honey abstract to give a flavorful and fatty taste to our customers.

The decision to use Butterfly-Pea as the main ingredient in our product was made because the material is easy to find, the cost of production is low and it adds a unique flavor to the product. Aside from the simple nature of producing, this product has several benefits for its practitioners, including the presence of active ingredients such as ernatins, fintoin, flavanols, proteins, and anthocyanins. This Butterfly-Pea is distinguished by its bright blue colour, which is always used as a natural dye in cooking or drinking. According to a study published in 2010, butterfly-pea seeds and roots combined with Vigna mungo herb reduced cholesterol, triglycerides and lipoproteins. It is also beneficial in the treatment of cancer, internal inflammation and skin care. In order to

preserve these sources of goodness, we only add ingredients like yoghurt and honey abstract so that the active ingredients can work for our customers. The unique flavor and at the same time nutritious are the features we bring into our business and product itself.

## 2. Business Background

## Business Description

The product of Clitoria Smoothie will be registered under the category of partnerships for small and medium-sized business (SME). The business operated from Monday to Friday and closed on Sunday from 12.00 pm to 7.00 pm. We estimated the business will employ 3 people at our first operation and one kiosk at Kangar, Perlis.

## Organizational Structure



## Marketing Strategy

Marketing strategy is one of the important parts of running a business. Marketing strategy that we may use in our business consists of 4 key variables.

#### i. Product

Clitoria Smoothie would be the next Malaysia favorite drink that contains a lot of benefits. Customers would be more eager to try and taste our uniqueness as we created it. Thus, our product is suitable for every level of age and no need to be worried about drinking every day.

## ii. Price

Price is an important competitive weapon for our business because price multiplied by the number of units sold equals the firm's revenue. Price is also something that buyers need to consider in order to obtain and maintain a product in the market. To ensure our business is effective, the prices of our products and raw materials need to be monitored periodically to ensure customer satisfaction is always guaranteed.

## iii. Place Distribution

Channels are also one of the important things in business to connect business with our customers. In making a promotion about the product, we use the method of selling to our beloved customers which is direct purchase. Our customers can purchase our product at the kiosk located in Kangar, Perlis.

## iv. Advertising & Promotion

It is an example of marketing communication that assists each target while raising awareness of products, brands, and services. Promotion also aids in attracting the attention of our target customers, generating interest in products, generating demand, and encouraging the public to purchase our products.

We also used social media platforms such as Facebook, Instagram, and TikTok to promote and inform customers about our product. These platforms assist businesses in increasing profits because they are widely used in the community.

## • Operational Strategy

The system that a company uses to fulfill its long-term objectives and mission is known as an operations strategy. It involves making decisions based on a variety of variables such as product management, supply chain management, inventory, forecasting, quality and management of facilities.

For our business we have planned and worked with several suppliers to obtain raw materials on a daily basis in order to prevent delays and inefficiencies in our business operations. Additionally, the company creates an operations plan to specify the desired level of product quality and then ensure that it is attained at each stage of the process. One requirement of operational strategy is product quality.

#### **6.0 CONCLUSION**

After carefully evaluating all the facts and discussions, we can claim that Balbuk's cafe has exhibited a strong performance in terms of selling their goods. However, Balbuk cafe should start implementing all of our suggestions right now in order to restart their operation and steer clear of any potential problems that might have an impact on how they handle things or how they market their products. Owner Ahmad Sufi also stated that he is still renovating the store in an effort to make improvements and that certain adjustments need to be made to his current merchandise. He continually attempts to create effective marketing strategies to leave a good first impression on prospective customers who stop by to taste their products while admiring the hamlet's beauty.

Nobody tells the truth if they say running a business is simple. Even the tiniest firm can experience complex issues. According to our study, Balbuk Haus is also having issues with its business, including a lack of personnel and a failure to accept orders through an online meal delivery service because of the packing. This leads us to the conclusion that the new store is also experiencing a number of difficult obstacles and will need to put in more effort if it wants to become one of Malaysia's most well-known retailers. The cafe in Balbuk Haus is recommended and encouraged for.

#### **EXECUTIVE SUMMARY**

Balbuk Haus is a sole proprietorship business located in Kangar, Perlis. It has been operating since May 2022 and serves traditional Perlis food, coffee and air bunga telang. The objective is to satisfy customer product requests and give the highest quality at the most competitive pricing. They also provide outstanding and respectful customer service and are active on social media. They have been certified as Halal by Jabatan Kemajuan Islam Malaysia (JAKIM) and offer traditional Perlis food at an affordable price, with prices ranging from RM5.00 to RM12.00.

An operational strategy is a plan that governs an organization's resource allocation and utilizes it to maintain a competitive edge. Operational strategy is a decision-making process that affects an organization's long-term plan for achieving the goals of the mission statement. Balbuk Haus Cafe is outsourcing to other logistic industries to ensure fresh products and improve market share. Financial achievement is an unreliable measure of a company's ability to earn money. Balbuk Haus has poor product packaging, lack of main power, and a less customer-friendly environment. To improve customer satisfaction and increase product demand, the company must improve product packaging, recruit main power workers, apply customer family friendly places, provide customers with a variety of payment options, give customers a Google form or comment card, and develop bottle caps that are tighter and less likely to leak during delivery.