# **International Journal of Education, Business and Economics Research (IJEBER)**



ISSN: 2583-3006

Vol. 4, Issue.4, July-August 2024, pp 208-217

To cite this article: Pandji Anoraga and Rudi Suryo Kristanto (2024). Analysis of factors that influence investors in coffee business in Semarang. International Journal of Education, Business and Economics Research (IJEBER) 4 (4): 208-217

# ANALYSIS OF FACTORS THAT INFLUENCE INVESTORS IN COFFEE BUSINESS IN SEMARANG

# Pandji Anoraga<sup>1</sup> and Rudi Suryo Kristanto<sup>2</sup>

<sup>12</sup>Lecture STIE Bank BPD Jateng, Semarang, Indonesia

https://doi.org/10.59822/IJEBER.2024.4419

#### **ABSTRACT**

The number of SMEs in Indonesia continues to increase each year, contributing positively to the national economy. According to data from the Ministry of Cooperatives and SMEs, these enterprises employ approximately 117 million workers, accounting for 97% of the national workforce, and contribute up to 60.5% of the national GDP. SMEs, particularly in the culinary sector, play a significant role in enhancing societal welfare, driving economic growth, and have the potential to reduce poverty. Culinary businesses, such as coffee shops, are especially popular due to their low startup costs and the opportunities they offer for young people to express their creativity. In Semarang, the coffee sector is growing rapidly, with 127 coffee shops recorded to date, making it a strategic and profitable business. This growth is fueled by the large student population and the broad market potential in Semarang city, creating substantial opportunities for local economic development.

**KEYWORDS:** - SMEs Coffe, Culinary Sector, Semarang City, GDP

© The Authors 2024
Published Online: August 2024

Published by International Journal of Education, Business and Economics Research (IJEBER) (https://ijeber.com/) This article is published under the Creative Commons Attribution (CC BY 4.0) license. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this license may be seen at: http://creativecommons.org/licences/by/4.0/legalcode

#### 1. INTRODUCTION

Currently, the number of MSMEs continues to increase every year, with a positive trend that will have a good impact on every economy in Indonesia. Based on data from the Ministry of Cooperatives and SMEs, the Indonesian economy includes the ability to absorb around 117 million workers or 97% of the total national workforce, and can collect up to 60.5% of national GDP. Therefore, MSMEs have a very large role in supporting programs to improve people's welfare and economic growth and can reduce the level of poverty in Indonesia. Culinary is one of the MSME businesses that is most in demand by the community and this business is quite promising. Based on talent in the food sector and the capital outlay is not too large, young people have the opportunity with their imagination and creativity to start a business that does not require large capital but young

people can develop their creativity. Based on the proportion of MSMEs, there are around 4.21 million MSME business units in Indonesia and around 36% of the sector engaged in the food sector.

Culinary in Indonesia number 1 which can be promising is the coffee business. Coffee shop business in the regions is strong evidence that selling coffee can be promising. Because coffee tends to have a wide segment of connoisseurs, coffee raw materials are easy to reach and quite durable. Basically, the most important human need is food and drink intake to continue their daily activities. With the development of human life, many options have emerged for choosing food and drinks that will be chosen for daily needs.

Before the development of culinary as it is today, humans were only limited to a few food choices for their needs, but in conditions like today, humans have become easier because with the opening of all existing access, various options have emerged that can be chosen for daily supplies. One example of the emergence of the development of current instant drinks that have various flavors so that many entrepreneurs take advantage of this opportunity to develop their businesses. Various variants of drinks and brands of these beverage products can be seen from the many outlets that we can find spread throughout the archipelago.

Semarang is one of the largest cities in Indonesia and is the capital of Central Java Province; of course it will be affected by the development of various beverage products. Based on the Semarang City Population and Civil Registry Office and the Semarang Statistics Agency, in 2022 there were 1,659,975 people in Semarang. As the capital city of Semarang, it is used as one of the centers of Central Java, both in terms of economy, education and various other things. The implications of the city of Semarang being very central have made the city of Semarang develop and expand into various sectors, one of which is the culinary sector. Semarang as the city center is used as a destination that will be a favorite place for entrepreneurs to open and run their businesses, through various types of businesses, for example beverage businesses.

Currently, the emergence of beverage trends in society is coffee, which is estimated to be the most popular drink in the world, both enjoyed by young and old people. With the many coffee lovers, it can prove how the coffee industry is growing rapidly today. The emergence of coffee shops whose main dish is coffee is one proof that coffee is indeed a popular drink. In the city of Semarang, it offers strategic opportunities for coffee business ventures because the increasing number of coffee shops and the number of universities in the Semarang area are a special attraction for the coffee industry to continue to advance. Until the last data there are 127 (one hundred and twenty seven) coffee shops in Semarang. This makes the coffee business a very profitable and strategic business for entrepreneurs in Semarang City. Various factors exist in Semarang City and make Semarang a favorite destination city for doing coffee business. This study is expected to produce research outputs related to:

- ✓ Identifying and analyzing coffee business opportunities and coffee market potential in Semarang City.
- ✓ Identifying and analyzing coffee business development trends in Semarang City.

# International Journal of Education, Business and Economics Research (IJEBER) Vol. 4 (4), pp. 208-217, © 2024 IJEBER (www.ijeber.com)

- ✓ Identifying and analyzing the characteristics of Semarang city residents towards the emergence of coffee businesses.
- ✓ Identifying coffee communities in Semarang City.
- ✓ Developing a concept for developing coffee business potential and opportunities as part of local economic development in Semarang City.

By conducting this study, we can obtain clearer information about coffee business opportunities and how the government can support growing coffee businesses in Semarang City.

#### 2. GEOGRAPHICAL CONDITIONS OF THE CITY SEMARANG

The city of Semarang is Mother City Central Java Province and is located at the intersection of the North Java Island Road which connects the cities of Surabaya and Jakarta. Geographical location between 10935' - 11050' East Longitude and 650' - 710' South Latitude. According to BPS, Semarang City in 2023 has an area of 373.78 km² and is at an altitude of 348,000 meters above surface sea ( masl ). The area of Semarang City consists of: of 37.90 km² or amounting to 10.14% in the form of rice fields and 335.81 km² or amounting to 89.86% in the form of land not rice fields. The size of the area divided over 16 sub-districts and 177 sub-districts. Sub district Mountain starch is The largest sub -district in Semarang City with The area is 58.27 km² and the sub-districts have smallest area that is Central Semarang District has The area is 5.17 km². Data from the Semarang City Agriculture Service in 2019 and 2020. From this data , you can seen that in 2019 coffee plants in Mijen were 2.90 ha and Gunung starch 35.41 ha. Meanwhile, in 2020 it experienced decline Mijen so 2.6 ha and Mt starch so 20 ha. This matter showing happen decline use land For coffee plantations so potency less coffee plants Good For second location .

#### 2.1 City Population Semarang

The population of Semarang City in 2022 will be 1,659,957 people, which is enhancement from amount the population in 2021 will be 1,656,564 people. Density resident tends to rise along with increase amount resident amounting to 4,441 people / km². However spread residents in each speed not yet equally. In the city of Semarang it was recorded East Semarang sub district is the most populous area with amount population 12,067 per km², Meanwhile sub district monument is a dense area the lowest population with the amount is 1,176 per km². The business accounts for 80% of café consumers from circles students and from table 2.2 above, total Semarang City residents aged 20-24 years is student as many as 123,356 people. This is a potential café market.

#### 2.2 City Economic Conditions Semarang

Based on Official Statistics News No. 88/03/ 3374.Th.IV, March 2 2023 Semarang City Central Statistics Agency, reports that the economy of Semarang City in 2022 will experience positive growth. Product Gross Regional Domestic (GRDP) above base price applicable (ADHB) reached IDR 227,619,168.05, in 2010 on base price constant (ADHK) reached IDR 152,999,373.96. The economy of Semarang City in 2022 will experience increase amounting to 5.73% compared to 2021 of 5.16%. From growth highest sector Transportation and Warehousing amounting to 79.01%. Medium from side expenses and increases highest disabled by Component Expenditure Household Consumption (PK-RT), namely of 5.00%. Sector Industry Processing, Construction and trading

become contribution the main GDP of Semarang City in 2022. This made as one of the drivers and potential purchasing coffee at a café.

# 2.3 Socio-Cultural and Educational Conditions of the City Semarang

Semarang City known with heterogeneous population composed from diverse culture for example Javanese, Chinese, Arabic and descendants other. In 2022 the majority the population of Semarang City is 87.46% Muslim, 6.85 % Protestant, 4.99 % Catholic, 0.07% Hindu, 0.60% Buddhist and 0.03% other religions other. Along with development the variety of religions in the city of Semarang, of course need supported with place accommodating worship all religions. Semarang City in 2022 available place worship such as 1,522 mosques, 1,387 prayer rooms, 308 churches protestant, 35 churches Catholic, 5 temples and 37 monasteries. In the year of 2022 Semarang City to be seen from side education participation resident age school at level education certain through number participation pure (APM). APM at level SD/MI education is 99.97, at level SMP/MA education is 91.26 and NER at level SMA/SMK/MA education is 70.24. By general APM will always more low of APK (Rough Participation Rate) because APK takes into account amount residents outside age school at the relevant level . Semarang City's APK in 2022 at the SD/MI education level is 103.03, while at the SMP/MTs education level it is 91.26 and the APK at the SMA/SMK/MA education level is 104.23. From the side health, government from year to year Keep going increase degree and health status public with method increase availability and affordability facility health. At the end in 2022, there will be 21 houses Sick general, 11 houses Sick specifically, 10 health centers take care inpatient, 27 non-patient health centers inpatient, 264 clinics pratama and 1,626 posyandu is in Semarang City. The most numerous health workers in Semarang City in 2022 are as many as 8,941 nurses, 4,476 doctors and 2,412 staff pharmacy From the side social culture, esp style life and behavior public specifically student use the café as place For meeting, doing task Good do in a way individual nor group and still many other events so that will increase cafe request.

#### 3. METHODOLOGY

The approach in studying Coffee Business Opportunities in Semarang City includes a combined theoretical-legality-empirical approach and a combined qualitative-quantitative approach. Both approaches are explained as follows:

# a. First Approach Combine Theoretical-Legality-Empirical

Study This use approach Which combine between theoretical approach, legality approach, and empirical approach to obtain the best/most optimal solution. If the theoretical approach looks more at the problem to be solved from a theoretical point of view, on the other hand, in the empirical approach it looks more from corner empirical perspective that occurs in reality that must be resolved. The legality approach looks more at the legal/normative aspect of resolving each problem that is intended to be resolved. Solved.

# b. Second Approach Join me Qualitative-Quantitative

A qualitative approach is an approach that is more concerned with the detailed aspect of information on a phenomenon than on the distribution of events in a population. This approach looks more at the importance of information that can describe the quality aspects that occur in the phenomenon being studied and solved. from on the frequency of occurrence. While the approach

quantitatively describes and solves phenomena looks more at the frequency/distribution of events in a population to be able to represent events within population.

The work "STUDY OF COFFEE BUSINESS OPPORTUNITIES IN SEMARANG CITY" is activities to identify business potential and opportunities coffee as one of the efforts to develop the local economy in the city of Semarang .Object 'STUDY OPPORTUNITY BUSINESS COFFEE IN CITY SEMARANG" is opportunity business realization of the Coffee Business in the City of Semarang between other:

- a. I know and analyzing coffee business opportunities regarding investment potential in City Semarang
- b. Knowing the factors that influence business growth and development coffee in the City Semarang
- c. Provide recommendations or suggestions related to ease of investment and potential coffee as opportunity that effort promising.

Stages Activities in Preparation " ANALYSIS OF FACTORS INFLUENCING INVESTORS TO OPEN A COFFEE BUSINESS IN SEMARANG " compiled so that all work carried out can walk with fluent in accordance with planned targets . Therefore, the activity stages are as follows:

# 1. Preparation

- a. Stages preparation starting on Sunday First with activity prepare power experts and energy supporting, secondary data collection and related materials / references with history and coffee business in Semarang City.
- b. Compile reports introduction and data collection were carried out from Sunday First until with Sunday third. Expose Report Introduction done in the week to three.
- c. Revision report held on Sunday fourth.
- d. Collect secondary data held on Sunday fourth.
- e. Compilation and processing of data is done on week third and sunday fourth.

# 2. Drafting Final report

- a. Drafting Final Report is due in the week to five to Sunday to seven.
- b. Expose report end held on Sunday to six.
- c. Revision report end done on week seventh.
- d. Submission report can given on Sunday eighth.

# 3. Method of collecting data

In the carry out work This data collection can done with a number of method as following:

#### A. Documentation

Documentation method is something method collect the data obtained from documents or existing notes stored form notes transcripts, books, letters news, reports and so on.

#### **B.** Observation/Survey Field

Observations is one of method For collect data with stage observation sevara direct to something the object under study in something period certain and provide recording in a way structured about things particular observed. Number period research observed and its length duration every period study depending on the type of data you have collected. If research carried out on a number of people, then results from study the will used for stage comparison between each person and the research conducted in relative situation simultaneously.

From the survey that has been done to respondents perpetrator coffee business involving interviews and questionnaires in the field in Semarang City. From the total existing data there were 169 perpetrators coffee/ cafeteria business according to the Semarang City Culture and Tourism Office with amount The minimum sample used is 10 % (Masri Sinagrimbun, 1995). The sampling method is stratified sampling in 16 sub-districts from every sub-districts in Semarang, accordingly proportion of existing data.

# C. Indepth Interviews

Interview in-depth (in-depth interview) is a meeting held by two people for each other exchange information and ideas through ask answer so that can build meaning in something topic certain. Interview deep is tools used for checking repeat or proof to information or information obtained before and also is technique communication direct between researchers and samples, and have a number of weaknesses and advantages. Weakness from interview deep is interview involve aspect emotional, whereas the advantages is possible researcher get large amount of data, then required Work the same as the good ones between interviewer and interviewee.

# **D. Focus Group Discussion (FGD)**

FGD (Focus Group Discussion) is something group that has objective discuss for discuss something problem certain, deep informal and relaxed atmosphere. Different with nature research quantitative use nature methodology certain. FGD is method qualitative that has characteristic No Certain form exploratory or deep to something problem and no can generated. FGD defined as data collection used in study qualitative with objective For find meaning from A theme based on understanding something group . This technique help reveal meaning from something group based from results a discussion centered on one thing problem certain. FGDs are also used For avoid wrong meaning of something researcher to focus moderate problem researched, in the FGD requires a moderator plays a role as facilitator in discussion.

The moderator in the FGD is equipped with moderator guidelines which are document containing guide for moderators about FGD topic. FGD has benefit to research and develop hypothesis relevant research with explore problem in a way more deep For investigated and possible the cause, yes help formulate more questions structured, doing survey more scale big and so on .

# 4. DATA MANAGEMENT AND ANALYSIS

# **Analysis Comparative**

Analysis Comparative is nature of analysis compare. Types of research this compare similarities and differences two or more fact or traits something the object under study based on framework thinking certain. From research This the variable Still independent However For the sample must more from One in different times. Based on research by Nazir (2005) states analysis comparative is type study purposeful descriptive For look for answer root from cause and effect from factors that occur or appearance something phenomenon certain .

# **Analysis Quantitative**

Analysis quantitative in study This can done from two approach, ie analysis quantitative carried out in a way descriptive and inferential. Approach descriptive used For describe circumstances something symptoms that have recorded through tool measure and process in accordance with its function. Result of processing study This will processed become numbers so that easy to catch meaning by the person who needs it information about existence symptoms, and results processed data only limited descriptive without do stage generalization.

Whereas approach inference own wide functionality Because results obtained from analysis This No describe circumstances or phenomena that can made as object research, but rather can generalized more wide state of population area. Therefore that use approach inference use strict requirements in sampling problem, cause from that's it obtained sample representative who has traits as owned population and can generalized to in the population area. For do analysis quantitative, secondary data can processed then done analysis trend with using data from 5 years.

#### **Analysis Gaps**

Analysis gap is A method or helpful tool A institution For compare performance actual with performance potency. Operational can expressed with two question following: "where We now" and "where We desired". Analysis objectives This is For identify gap between allocation optimism and input integration, as well achievement moment This. Analysis gap help organization or institution in reveal which one should be repaired. Analysis process gaps include determination, documentation and side positive variation desires and capabilities (Now).

Analysis gap can done with review difference perspective about institution or organization, direction organization, organizational processes and technology information. Analysis gap can become base For measure investment time, money and energy wearable and variable work This can be measured through Interval scales are both average and less. Most analysis gap from gap products and gaps competitive.

#### **Factor Analysis**

Analysis factor This aim For know factors that can influence decision entrepreneur and investment in the field café culinary.

#### Planning Flow Chart & Analysis Methodology

By systematic, part flow that will used in preparation document is as following:

- based on data previously obtained through published official media .
- Analyze the results of the Inventory and compare with theory .
- Hold discussions with various related parties through Group Discussion Forums involving practitioners, stakeholders and academics.
- Conclude from various findings in the field and discussions with various stakeholders (stake holders).

# **History Off Coffee Semarang**

Based on published data and interviews about There is a history of coffee in the city of Semarang war important as one of the the largest coffee supplier in the archipelago in the 1929s . Based on article published by De Locomotief on October 2 1947, Semarang City is capable supplying 326 tons or 69% of total Dutch East Indies coffee in 1929. Approx 200 tons or 60% of coffee exported the originate from Margo Redjo who is A Historic coffee factory located in the area Chinatown , st West Wotgandul No.14 Kranggan Village , Central Semarang District , Semarang City. Old building more from One century and not own signpost name on the side go , now known with the name Dharma Botique Roastery, a House serving roaster various coffee beans from Sabang until Merauke. Manager generation the third is the current Margo Redjo known with the name Dharma Botique Roastery, namely Widayat Basuki Dharmowiyono explained , the coffee factory initially founded in Cimahi , West Java by his grandfather , Tan Tiong le. After nine year operate . Tan Tiong ke decide For move the factory to Semarang, his hometown.

In interviews with kompas.com on Tuesday (10/5/2022) Widayat Basuki Dharmowiyono owner old coffee factory, share experience his business before plunge into the world of coffee. Previously He has try various type business, incl bakery and wood business. While tell journey Basuki runs his business to old coffee factory located at the back House roaster coffee beans. Although building factory No majestic, however so when basuki enter space inside, visitors will faced with two machine roaster sized coffee beans big. Machine main own capacity 100 kilograms in One operation, meanwhile machine other capacity of 60 kilograms. Opposite it, there is three machine current coffee grinder No Again operate. Basuki explained that two machine roaster the No operate since 1970s Because not enough supply material burn coal gas. Interesting, though machines the Already No Again operational, Basuki explained that machines the Still is at at location origin since First time installed and done succeed produces coffee that is exported to Malaysia and Singapore.

Based on information from KOMPAS TV, Tekodeko Koffiehuis located in the area Old City and now place This become destination interesting for coffee lovers in Semarang City. Attractiveness café This No only lies in the taste of coffee alone but own the type of coffee that reflects acculturation rich history and culture in the city of Semarang. Acculturated coffee basically own a combination of coffee and milk. Tekodeko Koffiehuis in the Old City of Semarang presents five types of acculturated coffee that is Gendhis, Cheng Li Coffee, Arabic Coffee, Kota Lama Coffee and Londo Coffee.

Attractiveness café This No only lies in the taste of the coffee , but also in the existence of a unique coffee menu with history , namely acculturated coffee . Acculturation coffee own a unique and interesting combination of coffee and milk . There are five types of acculturated coffee offered at Tekodeko Koffiehuis , including Gendhis Coffee , Cheng Li Coffee, Arabic Coffee, Kota Lama Coffee, and Londo Coffee. Fifth this coffee variant reflect acculturation rich culture in the city of Semarang, involving element Javanese, Chinese , Arabic, Malay and Dutch culture .The main purpose from creating an acculturation coffee menu This is For introduce culture and history in the city of Semarang through a cup of coffee. Ronny, Creative Marketing Manager explains that fifth this type of coffee created special For introduce tradition drink coffee in Semarang with

acculturation coffee concept. The end , as stated by Faris is a coffee lovers in general . This matter possible caused by existence information especially for the type of coffee that provides different sensations and experiences. Interestingly, acculturated coffee served at Tekodeko Koffiehuis No just take the same coffee blend exactly with origin. Coffee on site This has through a long process as well as observation For adapt with culture drinking community coffee local. For example, Gendhis Coffee which reflects identity Javanese tribe in Semarang City with characteristic typical has a sweet taste Javanese uniqueness . Sweetness This combined with enough coffee aroma strong so that give characteristic typical to Kopi Gendhis as one of the most common type of acculturated coffee liked .Result of interview deep with Mrs. Vera as chairman Set Indonesian Tourist Guide (HPI) Semarang. Mrs. Vera said a number of aspect important related sustainability industry tourism and coffee business in the Old City of Semarang. First , the path idea tour named "Coffee Lane" has been appeared in the Old City. Whereas track existing tours walk and have response positive are the "Sugar Route" and the "Malay Route". In Chinatown There is a coffee legend named Pak Basuki. Although on -site coffee processing This Still use method conventional , will but the coffee produced very enjoyed for everyone who loves coffee.

In the world of business there is two class main, i.e café and restaurant classes, as well class for MSMEs. Classification this also applies for divided tender baristas become two group that is:

- 1. First class: cafes and restaurants with modern equipment.
- 2. Second class: MSMEs with equipment still nature conventional.

In the realm There are coffee businesses in Semarang City two category main , namely the café that uses it modern equipment or machine , while not yet use machine including in MSME category , for example Hans Kopi and Noms Kopi. HERO Coffee becomes choice main for coffee lovers located in the Old City of Semarang since in 2016, with range price between IDR 17,000 to IDR 25,000. The city of Semarang has this three area coffee supplier namely Tamanggung , Sukorejo /Kendal and Pati, so coffee supply in town This can said overflow . The coffee plant is known give results best If planted at an altitude of 1000 meters above sea level , and the most suitable area with coffee growth is Temanggung , Sukorejo /Kendal and Pati. Although coffee business especially Windo's stall is growing fast or not impact negative for sale. On the contrary, sum Lots of warwindos can filter consumer with level Power buy a variety. Based on information obtained, emergence proposal For form Coffee Center use increase Semarang's image as coffee city and be center drinking coffee especially in the connected Old Town area with Chinatown.

# Financial analysis off coffe business

Apart from data analysis secondary and primary below is analytical data finance coffee business as following, opportunity in operate you could say the coffee business very good and profitable. Through coffee business can get big profits. Moving business in field coffee drinks are estimated will Keep going increase in the future. The coffee business has a bright future and business This Keep going develop in a way stable and consistent Because request towards coffee too high and predictable will Keep going increase.

#### 5. CONCLUSION

From the results in-depth interview, perpetrator business state opportunity still in the coffee business open wide because coffee is considered as an "opium" which is illegal and always has been encourage people to drink and drink Again so that become a coffee addict .From the eyes chain coffee business, for upstream or agriculture No Can developed Because land is narrow and has little result. The one that can developed is coffee industry with Semarang specialties include tamarind flavored coffee, spring roll flavored coffee and wingko flavored coffee tripe. Also for cafes with serves tamarind flavored coffee, spring roll flavor and wingko flavor bababt. Industry others who can developed is coffee candy with asen flavor, spring roll flavor and tripe flavor From the results survey show that form the largest coffee business is individual Where No There is tax incoming individuals to Semarang City Government .There is a tendency from public For consuming coffee is supported with style " drinking coffee / hanging out " life .Ability economy increasing society so that push public For consuming coffee. Perpetrator business opinion that coffee business has risk low and business This worthy done based on results from studies appropriateness. From the results interview deep, doer coffee business argues make coffee /coffee as an icon in the city of Semarang such as spring roll icon is required relatively long time and creativity. From the results factor sequence, influencing factors availability power work, security environment, electricity own low risk, support The government, has sufficient funds, internet, abundance material basic coffee, the better income public Then in borrowing coffee trend tendencies, equality roads and policies Semarang City Government

#### **REFERENCES**

- [1] Masri Singarimbun, Sofian Efendi, Survey Research MethodsPublisher: PT Pustaka LP3ES Indonesia, Jakarta, 1995
- [2] Uma Sekaran, Roger Bougie, Research Methods for Business, . Publisher: Salemba Empat., Jakarta, 2017
- [3] Mudrajad Kuncoro, Ph D, Research Methods for Business & Economics. Publisher: Erlangga, Jakarta, 2003.
- [4] Agriculture in Figures 2022. Semarang City Agriculture Service. Drs. Hernowo Budi Luhur, SH, M.Sc