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Zeger! Indonesia's Franchise Business Strategy in Facing Dominant Competitors

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Abstract

This study aims to analyze the competitive strategy of Zeger! Indonesia in facing competition in the food and beverage (F&B) industry in Sidoarjo Regency. This research uses a quantitative descriptive approach with SWOT analysis and Importance Performance Analysis (IPA) methods. Data were collected through observation, interviews, documentation, and questionnaires distributed to the owner, supervisors, employees, business partners, and consumers of Zeger! Indonesia Sidoarjo Branch. The results show that Zeger! Indonesia has strengths in affordable prices, menu variety, product quality, and business innovations such as the "Zeger! On The Wheels" program and the use of Artificial Intelligence (AI) in digital promotion. Meanwhile, the company's weaknesses include limited business development funds and inconsistent service standards among branches. Based on the IPA analysis, the attributes that need improvement priority are service speed, promotional activities, and supporting facilities. Therefore, the company should improve AI-based digital promotion, maintain product quality, increase consumer loyalty, and develop business innovation and partnership systems.

Keywords: Competitive Strategy, Importance Performance Analysis, Franchise, F&B, SWOT

INTRODUCTION

The food and beverage (F&B) industry in Indonesia has experienced significant growth in recent decades. This growth is driven by lifestyle changes, urbanization, and rising incomes. According to data from the Central Statistics Agency (BPS), the F&B sector grew by 7.35% in 2023, representing a significant increase compared to previous years (BPS, 2023). Furthermore, the Indonesian Franchise Association (AFI) noted that franchises in the F&B sector are among the most sought after by business owners, with trends continuing to evolve in response to market demand. Companies must also address technological developments by utilizing existing technology to run their businesses. Companies

can leverage existing technology for promotional purposes and communication with consumers. This is one strategy they can use to compete with other business competitors (Pitoy, et al. 2018).

Businesses will inevitably grow, and this growth is inseparable from increasing customer needs, desires, and interest in the products offered, as well as the ability to meet customer expectations. After two years of the pandemic, Indonesia's economic growth in 2023 reached 15.28 percent (BPS, 2023). Therefore, companies are expected to have an approach that can attract customers throughout the purchasing process. One step that

can be taken to maintain a market position is to develop a marketing strategy. Because social media is so widespread and used daily as a communication tool, marketing strategies can utilize digital technology to promote products to the public.

The food and beverage (F&B) industry is one of the fastest-growing sectors in Indonesia. This growth is driven by changing lifestyles, urbanization, and rising incomes, which encourage consumers to seek a wider variety of quality food and beverage products. In recent years, franchising in the F&B industry has become a popular choice for entrepreneurs to expand their market reach by leveraging established brands. According to data from the Indonesian Franchise Association (AFI), the F&B sector ranks among the fastest-growing franchise businesses in Indonesia.

A franchise business can be understood as a business contract between a franchisor (business license owner or franchisor) and a franchisee (license buyer or franchisee), which is realized in the form of opening a new branch, with the franchisee's ownership status in accordance with the mutually agreed upon agreement. Therefore, business owners with the same brand in different places and regions are different (Indonesian Information Center, 2024). In addition to providing benefits to both franchisors and franchisees, the advancement of the franchise business is also used as a growth strategy for Micro, Small, and Medium Enterprises (MSMEs). In Indonesia, currently growing franchise businesses almost all use social media as a marketing strategy. Many contemporary brands have emerged in today's society. The Zeger! Indonesia franchise business is one of them.

Business strategy is a company's effort to achieve competitive advantage amidst intense competition. In the modern era, product innovation is also a crucial factor in winning the competition (Slater et al., 2019). Companies that are able to create innovations relevant to consumer needs tend to be more likely to maintain their presence in the market. In this context, innovative competitive strategies and product development are required to confront dominant competitors and increase business success. This phenomenon raises questions about how relatively new franchises can compete in a market already dominated by large players, and what strategies and product innovations can be implemented to overcome this challenge.

The increasingly fierce competition in the business world requires various companies to be able to compete in the business world with the aim of achieving predetermined targets so that the company appears superior compared to competitors. Therefore, companies require accurate business planning to focus on their position in the business, understand where the company is going, how to get there, and what actions need to be taken to maximize strengths and seize existing opportunities. Therefore, good business planning is a crucial tool for running an effective and efficient business. In addition to planning, an analysis of the business is also needed to support the success of the plan. The analysis commonly used by companies or business entities is the SWOT analysis (Kuswandi, et al. 2021).

A SWOT analysis is a method used to describe the objective conditions of an institution or organization. This analysis is divided into several objective categories: Strengths, Weaknesses, Opportunities, and Threats. This analysis is crucial in determining the implementation method for a program or work plan because it prevents overload, ensuring that each work plan is effective and efficient. Furthermore, by analyzing weaknesses and threats, we

can incorporate them into our work program to address the weaknesses and threats faced by an institution (Dosinaen et al., 2019).

Businesses are required to continuously adapt to trends and consumer preferences, as well as implement effective strategies to attract and retain customers. Therefore, it is crucial for companies to understand consumer preferences and needs in order to provide optimal and satisfying service. One effective way to measure customer satisfaction is through an Importance Performance Analysis (IPA). This analysis helps companies identify the service attributes that are most important to consumers and improve performance on those attributes (Ananda et al., 2021).

Sidoarjo city, one of the rapidly growing metropolitan areas in East Java, offers significant potential for the food and beverage industry. With a growing population and stable economic growth, the lifestyle of Sidoarjo residents is shifting toward modern culinary and contemporary beverage consumption. This is evident in the growing number of food and beverage businesses popping up in various areas of the city. Furthermore, the high level of community activity and the dominance of young consumers make Sidoarjo a potential market for the contemporary beverage business.

Competition in the trendy beverage business in Sidoarjo is currently intensifying. Many local and national brands are competing to offer unique business concepts, competitive prices, attractive promotions, and digital-based marketing through social media. This situation forces companies to compete not only on product quality but also on business innovation, service, and digital marketing strategies. In fact, many trendy beverage businesses are experiencing declining sales or branch closures due to their inability to keep up with evolving consumer trends and competitive markets.

Amidst increasingly fierce competition, Zeger! Indonesia has emerged as a local player offering a franchise business concept with trendy beverage products and a digital-based marketing strategy. However, Zeger! Indonesia's presence in the market is not without challenges, particularly from dominant competitors like Janji Jiwa. This brand dominates the market with its economies of scale, extensive network, and competitive pricing strategy. This situation poses challenges for Zeger! Indonesia in maintaining its existence and expanding its market share. Najla et al. (2022) noted that strategies such as trendy products, competitive pricing, and Fear of Missing Out (FOMO)-based marketing are effective in attracting consumers.

Table 1. Competitor Comparison

Brand Name	Year of Establishment	Number of Branches (as of 2024)
Promise of the Soul Coffee	2018	1,100
Zeger! Indonesia	2018	8

Source: Primary Data (2025)

Kopi Janji Jiwa began operations in 2018 and will reach 1,100 branches in 100 cities across Indonesia by 2023. Meanwhile, Zeger! Indonesia, also founded in 2018, still has significantly fewer branches. This situation highlights the growth gap between major national brands and emerging local brands.

Table 2. Distribution of Competitors in Sidoarjo

Brand Name	Year of Establishment	Number of Branches in Sidoarjo
Promise of the Soul Coffee	2018	5
Zeger! Indonesia	2018	3

Source: Primary Data (2025)

Zeger! Indonesia is under the auspices of the Zeger! Indonesia Group, which was founded in 2018 and has a multi-brand concept, namely Zeger! Indonesia, Qopi Indonesia, and Wingcious Chicken.

Table 3. Zeger! Indonesia Branch in Sidoarjo

No	Location	Number of Branches
1.	Sidoarjo	3
2.	Poor	2
3.	Pasuruan	1
4.	Surabaya	2

Source: zegerindonesia.com

This research focuses on the Zeger! Sidoarjo Branch because it serves as the central management center for Zeger! Indonesia. Furthermore, several Zeger! branches are currently managed independently by their respective business partners, so not all branches are under the direct management of the central office. Therefore, the Sidoarjo Branch was chosen because it is considered capable of providing more comprehensive information regarding the company's internal conditions, business strategies, business innovations, and the competitive faced by the company.

Zeger! Indonesia is also a multi-brand food and beverage (F&B) franchise company, with its multi-brand offerings including Zeger! Indonesia, Qopi Indonesia, and Wingcious Chicken. The changing times have inspired local brand Zeger! Indonesia to launch a trendy beverage business. (source: zegerindonesia.odoo.com)



Figure 1. Zeger! Indonesia

Zeger! Indonesia also has many fans because in addition to its affordable price, the company also often offers attractive promotions at certain times. For example, the "payday promo" promotion where consumers can get three drinks for only a certain price, resulting in a greater savings compared to the normal price. In addition, there is a "weekday good day" promotion that is valid on certain days to attract consumer interest. It is known that currently Zeger! Indonesia has various flavors with relatively affordable prices ranging from IDR 5,000 to IDR 20,000. This pricing strategy is one of the company's attractions in reaching various consumer groups, from children, teenagers, to adults. Owner and CEO Wibisono Mulyo revealed that the TikTok video made it viral. Zeger! Indonesia also has many fans, such as children, teenagers, and various ages because this drink is very suitable to be enjoyed at any activity (source: <https://zegerindonesia.odoo.com/>).

Based on initial observations and interviews with the owner, Zeger! Indonesia is currently facing several internal challenges, such as limited funding for business development and promotion. This situation requires the company to think more creatively and innovatively to survive in the increasingly competitive food and beverage industry.

Despite this, Zeger! Indonesia remains actively pursuing various business innovations. One such innovation is the "Zeger! On The Wheels" program, a mobile sales concept using electric bicycles that operate at specific points based on consumer locations. The company currently owns three electric bicycles to support the program's operations. The use of electric bicycles is considered more efficient because it can reduce operational costs and company expenses. Furthermore, Zeger! Indonesia also actively participates in various events and activities in the Sidoarjo area by opening sales booths as a form of direct promotion to the public. This strategy is implemented to increase brand awareness and expand market reach amidst the increasingly competitive contemporary beverage business.

In digital promotional activities, companies are also starting to utilize Artificial Intelligence (AI) technology to produce more engaging promotional content in the form of photos and videos. The use of AI technology helps companies reduce promotional costs previously spent on hiring photographers and influencers. This allows companies to maximize their digital promotions even with limited business development funds.

Another phenomenon is that several Zeger! Indonesia branches are currently not fully managed directly by the central office, but rather run independently by each business partner. This system provides partners with flexibility in managing business operations according to market conditions in their respective regions. However, this situation also presents challenges for the company in maintaining service standards and product quality.

To overcome these challenges, Zeger! Indonesia needs to develop creative and innovative business strategies. One strategy that can be implemented is utilizing SWOT (Strengths, Weaknesses, Opportunities, Threats) and IPA (Importance Performance Analysis) analyses. The SWOT analysis will help Zeger! Indonesia to identify internal strengths such as strategic location and comfortable atmosphere, as well as weaknesses. Meanwhile, the IPA analysis will help Zeger! Indonesia understand customer preferences and increase their satisfaction by improving key attributes such as product quality, service, and facilities.

Based on this phenomenon, Zeger! Indonesia needs to develop an appropriate competitive strategy to maintain business continuity and increase its competitiveness amidst the increasingly competitive contemporary beverage business. Therefore, this study uses a SWOT analysis and Importance Performance Analysis (IPA) to understand the company's internal and external conditions and consumer preferences for Zeger! Indonesia products.

Through the combination of these two methods, it is hoped that an appropriate, applicable, and appropriate competitive strategy can be obtained for the company's conditions, thereby helping Zeger! Indonesia maintain consumer loyalty, increase business attractiveness, and strengthen the company's position in the food and beverage industry.

LITERATURE REVIEW

Business Strategy

In general, strategy is an effort undertaken by an individual or group to plan methods to achieve predetermined goals. Business strategy is a plan or action designed by a company to achieve competitive advantage in a particular industry. The term "strategy" is defined as a goal to be achieved, an effort to communicate what will be done, by who will do it, how it will be done, and to whom these things will be communicated. Strategy directs how the business can achieve its desired goals and objectives. The purpose of determining strategy is directed at efforts to win the competition (Jemsly & Martani, 2018:265).

Franchise Business

In Indonesian, the word franchise originates from two words: wara, meaning more, and laba, referring to profit. Therefore, the meaning of franchise can be interpreted as achieving greater profit. Meanwhile, the word franchisee in French means "free," and in English refers to a privilege or special right (Arif, 2021). Therefore, a franchise can be defined as an agreement between a franchisor and a franchisee, in which the franchisor grants the franchisee the right to run a business using the franchisee's business characteristics. This is in compensation for agreed-upon benefits according to the terms agreed upon by the franchisor, including the obligation to provide the franchisee with ongoing operational guidance or training offered by the franchisor.

SWOT Analysis

SWOT analysis is a technique for analyzing the external and internal environment for strategy development. It is also the first step in strategic planning. A SWOT analysis examines internal factors (strengths and weaknesses) more micro-scale than external factors, as internal factors influence decisions, particularly those related to human resources and all aspects of the company's profitability. External factors (opportunities and threats) are more comprehensive than internal factors. External factors can be considered when making decisions, and they relate to the macro business situation, legal issues, and socio-cultural issues. A SWOT analysis is also the first step in strategic planning. According to Sondang (2004:172), the elements of a SWOT analysis include:

1. Strength (S), namely the strength factors possessed by the company including the business units within it.
2. Weakness (W), namely limitations or deficiencies in terms of resources, skills that become barriers to satisfactory organizational skills.
3. Opportunities (O), namely opportunities or various environmental situations that are beneficial for business units.
4. Threats (T), namely threats or environmental factors that are not beneficial to a business unit.

SWOT Matrix

1. IFAS Matrix

Internal Factor Analysis Summary (IFAS) is a strategic analysis method used to evaluate an organization's internal factors. The purpose of IFAS analysis is to identify the organization's internal strengths and weaknesses. This analysis helps management understand the organization's internal position within the context of its business environment.

According to Rangkuti (2017:19), after the company's internal

strategic factors are identified, the IFAS (Internal Strategic Factor Analysis Summary) table is used to formulate the internal factors, namely the company's strengths and weaknesses. The stages are as follows:

- a. Determine the factors that are strengths and weaknesses in column 1.
- b. Assign weight to each of these factors with a value ranging from 1.0 (most important) to 0.0 (least important), based on the influence of these factors on the company's strategic position (all weights must not add up to more than 1.00).
- c. In column 3, rate each factor on a scale from 4 (very high) to 1 (very low), based on its impact on the company's performance. All factors in the strengths category are rated +4 if the strength is significant, but +1 if the strength is minor. The opposite is true for weaknesses: if the company's weakness is significant, rate 1, and if the company's weakness is minor, rate 4.
- d. Multiply the weight in column 2 by the rating in column 3, to obtain a weighting factor for each factor, the value of which varies from 4.00 (very high) to 1 (very low).
- e. Add the weighted scores in column 4 to obtain a total weighted score. This total score indicates how the company responds to its internal strategic factors.

2. EFAS Matrix

External Factor Analysis Summary (EFAS) analysis is an environmental analysis technique used in strategic planning. Its purpose is to evaluate external factors that influence the performance of an organization or company. EFAS analysis identifies key factors in the external environment that may significantly impact the success or failure of an organization's strategy. Rangkuti (2017:22) states that before creating an external strategy factor matrix, it is necessary to first understand the External Factor Analysis Summary (EFAS) strategy factors.

After formulating internal factors, the next step is to formulate external factors, namely opportunities and threats to the company. The stages are as follows:

- a. In column 1 enter external factors (arrange 5 factors from opportunities and 5 factors from threats).
- b. Assign a weight to each factor in column 2, ranging from 1.0 (very important) to 0.0 (not important). Factors are weighted based on their impact on strategic factors.
- c. Calculate the rating (in column 3) for each factor on a scale of 4 (very strong) to 1 (weak). Ratings for positive opportunity factors (large opportunities) are given a rating of +4, but if the opportunity is small, it is given a rating of +1. Meanwhile, the rating for threat factors is the opposite. If the threat value is small, the value is 4, if the threat value is large, the value is 1.
- d. Multiply the weight in column 2 by the rating in column 3, to obtain the weighting factor in column 4. The result is a weighting score for each factor, the value of which varies from 4 (very strong) to 1 (weak).
- e. Add up the scores on the weighting (in column 4) to obtain the score that reacts to its external strategic factors. weighting on the company.

IPA Analysis (Importance Performance Analysis)

Importance Performance Analysis (IPA) is a descriptive analysis

technique introduced by John A. Martilla and John C. James in 1977. Importance Performance Analysis is an analytical technique used to identify the critical performance factors an organization must demonstrate to satisfy its service users (consumers). Initially, Martilla and James intended this method for use in marketing research and consumer behavior (Sri, 2020).

Importance Performance Analysis (IPA) is used to measure customer satisfaction with a company's service performance. Satisfaction can be measured by comparing customer expectations with their perceived level of satisfaction with the company's service. Companies often use the IPA method to determine customer satisfaction. Companies compare customer expectations with their satisfaction with the company's performance. If customer expectations are higher than perceived satisfaction, the customer is not satisfied with the company's performance, and vice versa (Wilujeng et al. 2019).

Science Matrix Quadrants

The IPA quadrant matrix is a diagram divided into four segments by vertical and horizontal lines, serving as a basis for assessing customer satisfaction with a product or service. The horizontal lines reflect the actual level of satisfaction or performance, while the vertical lines reflect customer expectations or levels of importance regarding certain aspects. According to Martilla and James, experts in the field of marketing, the IPA quadrant matrix provides a clear visual view of the extent to which customer expectations are met by actual performance, helping organizations identify critical areas that require further attention (Ikhsan, et al. 2024).

The IPA analysis technique combines performance measures and user-perceived importance into a two-dimensional plot. This plot groups attributes into four quadrants. The four quadrants are typically identified as high priority (quadrant I), maintain performance (quadrant II), low priority (quadrant III), and excessive (quadrant IV). The four quadrants of IPA are presented in the following figure.

Importance (Y)	Quadrant I (Top Priority)	Quadrant II (Maintaining Performance)
	Quadrant III (Low Priority)	Quadrant IV (Excessive)
Performance (X)		

Figure 2. Division of Science Quadrants

Shows the science quadrant which is divided into four quadrants in the science diagram as follows:

- 1. Quadrant I**, high level of importance but not yet in accordance with user expectations so performance improvements must be made immediately.
- 2. Quadrant II**, a high level of importance is accompanied by a high level of performance and is in accordance with user expectations so it must be maintained.
- 3. Quadrant III**, low level of importance accompanied by a level of performance that is not too special with a

relatively low level of expectation so that it provides too little benefit to be felt by the user.

- 4. Quadrant IV**, a performance level that is not too special with a relatively low level of expectations so that it provides too little benefit to the user.

Conceptual Framework

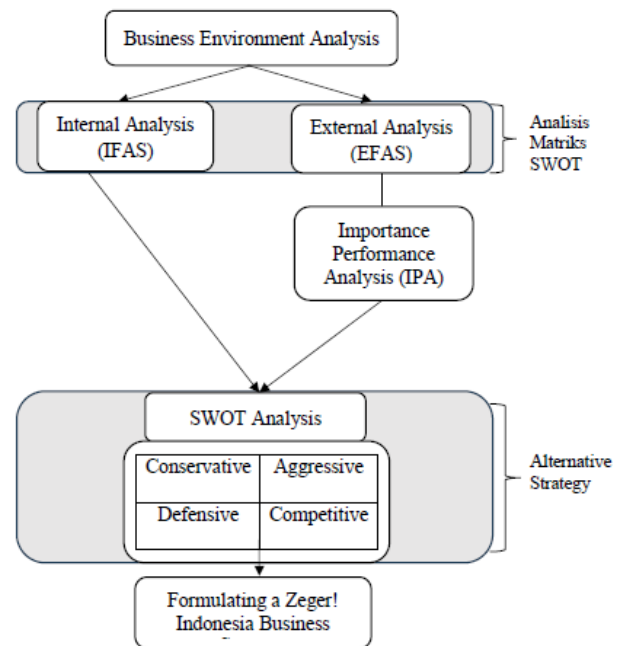


Figure 3. Conceptual Framework

The conceptual framework of this research begins with an analysis of the business environment through IFAS and EFAS, which is then further deepened with an IPA analysis from the consumer perspective. The results of this analysis are integrated into a SWOT analysis to generate alternative strategies (SO, WO, ST, WT) as the basis for formulating the company's business strategy.

METHODOLOGY

Research Design

This research is a descriptive study with a quantitative approach. Quantitative descriptive research aims to describe the phenomenon studied systematically, factually, and accurately based on numerical data obtained from respondents. In this study, quantitative data was obtained through distributing questionnaires to consumers to measure the level of importance and performance of attributes using the Importance Performance Analysis (IPA) method. In addition, this study also uses a SWOT analysis supported by the IFAS and EFAS matrices to identify the company's internal and external factors. The results of the IPA analysis are used to deepen understanding of external factors, especially from the consumer perspective, which are then integrated into strategy formulation through the SWOT matrix.

Research Population and Sample

The population in this study consisted of Zeger! Sidoarjo branch consumers and internal company stakeholders, including owners, supervisors (SPVs), employees, and business partners. The study focused on Zeger! Sidoarjo branch because it is the center of business management and is considered capable of providing more comprehensive information regarding the company's internal and external conditions.

This study employed non-probability sampling with accidental and convenience sampling techniques, which involved selecting consumers who were available to the researcher and willing to complete the questionnaire. This technique was used because respondents were selected based on ease of access and availability at the time of the study.

The selection of Zeger! Sidoarjo Branch as the research object was based on the following considerations:

- a. Zeger! The Sidoarjo branch is the business management center, providing more comprehensive information regarding the company's condition.
- b. Zeger! has been running a modern beverage business and has experience in facing competition in the food and beverage industry.
- c. The company continues to innovate its business, such as developing a partnership system, Zeger on the Wheels, and utilizing Artificial Intelligence (AI) technology in digital promotions.
- d. Zeger! is experiencing dynamic business development, making it interesting to analyze using the IPA and SWOT methods in the company's competitive strategy.

Thus, the total internal population in this study was 22 people, consisting of owners, supervisors, team leaders, and employees in all branches. The sampling technique used was proportionate stratified random sampling, which is a random sampling technique carried out proportionally based on strata or job groups in the organization, so that each group has the opportunity to be represented.

Meanwhile, the sample for consumer respondents was determined using convenience sampling, a sampling technique based on chance, where consumers who are found and willing to be respondents will be used as research samples. The number of Zeger! consumers fluctuates because the number of customers changes every day. Therefore, the determination of the number of respondents was based on the average number of the highest and lowest customers. Based on data obtained from the company, the highest number of customers was 117 consumers and the lowest number of customers was 24 consumers, resulting in a total of 71 respondents.

Data Types and Sources

The type of data used in this study is primary data, the results of dialogues with several parties deemed knowledgeable about the desired data. Primary data in this study was obtained through questionnaires and interviews with parties deemed knowledgeable about the required information, both internally within the company and with consumers. The required dialogue materials include:

1. Stakeholder perceptions of the strength and weakness indicators of Zeger! Indonesia.
2. Stakeholder perceptions of Zeger! Indonesia's opportunity and threat indicators.
3. Consumer perception of company service attributes is measured through two dimensions, namely the level of importance and the level of performance, which are then analyzed using Importance Performance Analysis (IPA).

4. An explanation of the business strategy currently being implemented, including strategic objectives, marketing policies, and obstacles encountered in its implementation.
5. Views and recommendations from related parties, which can support the process of preparing IFAS, EFAS, and selecting the most appropriate competitive strategy.

Based on the acquisition, the data collection method was carried out using documentation, interview and questionnaire (survey) techniques.

Operational Definition and Measurement Scale of Variables

An operational definition is an explanation of how research variables are measured concretely so they can be observed and measured using specific indicators. The variables consist of:

Table 4. Operational Definition

Variables	Operational Definition	Indicator	Scale
Internal Factors (IFAS)	The company's internal conditions that are its strengths and weaknesses	Human resources, product quality, price, service, promotion	Likert / Weight & Rating
External Factors (EFAS)	External conditions that become opportunities and threats	Market trends, competitors, consumer behavior, technology	Likert / Weight & Rating
Importance	Consumer expectation level regarding product/service attributes	Price, taste, product quality, service, location, etc.	Likert 1–5
Performance	Consumer assessment level of actual performance	Price, taste, product quality, service, location, etc.	Likert 1–5

Analysis Method

The analysis method used in this research is a combination of SWOT analysis and Importance Performance Analysis.

1. IFAS Matrix (Internal Factor Analysis Summary)

The first analysis is conducted by constructing an IFAS matrix, identifying the company's internal factors, such as strengths and weaknesses, based on interviews, observations, and documentation studies. Each factor is assigned a weight, rating, and weighted score to obtain a more objective picture of the company's internal condition.

2. EFAS Matrix (External Factor Analysis Summary)

The second analysis was conducted by constructing an EFAS matrix, which aims to identify external factors, including opportunities and threats, that influence Zeger! Indonesia's business performance. Similar to the IFAS, each external factor is assessed using a weight, rating, and weighted score to determine the extent of the external environment's influence on the company.

3. SWOT Matrix

The results of the two matrices were then combined into a comprehensive SWOT matrix to answer the third research objective, namely formulating a business strategy that Zeger! Indonesia can implement in facing dominant competitors. The SWOT matrix is an important matching tool to help develop four types of strategies: SO (Strength-Opportunity) strategy, WO (Weakness-Opportunity) strategy, ST (Strength-Threat) strategy, and WT (Weakness-Threat) strategy.

4. Importance Performance Analysis (IPA)

IPA analysis is used to determine the level of consumer satisfaction with a company's service performance by comparing the level of importance and the level of performance. The results of the IPA analysis are used as a basis for identifying service attributes that need improvement and as input for the external factor analysis in the SWOT analysis.

RESULTS AND DISCUSSION

Overview of Research Object

The object of this research is Zeger! Indonesia, a food and beverage (F&B) franchise business. Zeger! Indonesia is known as a brand that offers food and beverage products with distinctive flavors and affordable prices, thus reaching a wide range of consumers.

As its business grows, Zeger! Indonesia has developed a franchise system by opening several branches in various regions. This demonstrates Zeger! Indonesia's potential to expand its market and increase competitiveness in the culinary industry, particularly in the MSME segment.

The rapidly growing food and beverage industry has driven Zeger! to continuously innovate its products and marketing strategies to compete with similar competitors. In running its business, Zeger! focuses not only on product quality but also on service, customer convenience, and the use of social media as a promotional tool.

This research was conducted at Zeger! Sidoarjo Branch, which was chosen as the research object because the branch is part of Zeger!'s business management center and is therefore considered capable of providing relevant information regarding internal and external conditions.

Table 5. Location, Year of Establishment, and Number of Employees of Zeger! Indonesia Sidoarjo

Location	Year of Establishment	Number of employees
Kemiri Indah Housing Complex No. 8 RT 20 / RW 05 Block C7, Bluru Cilik, Kemiri, Sidoarjo.	2018	3
Sidoarjo Sports Hall Complex, Tennis Street VI, East Elephant, Magersari, Sidoarjo	2020	4
Jl. Raya Bukit Kwenti No.25, Pekorungan, Anggaswangi, Kec. Sukodono, Sidoarjo	2022	3

Source: Primary Data (2026)

Description of Respondent Characteristics

Respondents in this study consisted of internal company representatives and customers of Zeger!'s Sidoarjo branch. Internal company stakeholders, including owners, supervisors (SPVs), employees, and business partners, completed the IFAS and EFAS questionnaires. Meanwhile, consumer respondents, Zeger!'s customers, completed the Importance Performance Analysis (IPA) questionnaire via Google Forms.

The determination of consumer respondents was carried out using accidental sampling and convenience sampling techniques, namely respondents were selected based on consumers who were willing to be met by the researcher and were willing to complete the research questionnaire. The number of respondents in the IPA analysis was determined based on the average number of the highest and lowest customers. Based on data obtained from Zeger! Sidoarjo Branch, the highest number of customers was 117 consumers and the lowest number of customers was 24 consumers, resulting in a total of 71 respondents.

$$n = \frac{117 + 24}{2} = 70.5 \approx 71$$

The characteristics of respondents in this study include gender, age, occupation, and frequency of product purchases.

a. Respondent Characteristics Based on Gender

Based on the research results, the majority of respondents were female. This indicates that Zeger! products are more popular among female consumers, particularly teenagers and young adults who follow current beverage trends.

b. Respondent Characteristics Based on Age

The majority of respondents were aged 17–22. This indicates that Zeger!'s primary target market is high school and college students with a strong interest in contemporary beverage products.

c. Respondent Characteristics Based on Purchase Frequency

Most respondents had made more than one purchase, indicating that consumers are interested and willing to repurchase Zeger! products.

Data Analysis Results

1. IFAS Analysis (Internal Factor Analysis Summary)

IFAS analysis is carried out to determine the company's internal factors which consist of strengths and weaknesses.

a. Strength Factors

Based on the results of interviews and filling out the company's internal questionnaire, several Zeger! strength factors were obtained, namely:

1. Affordable product prices
2. Wide variety of products
3. Has a distinctive product taste
4. Actively doing digital promotion
5. Having business innovations like Zeger on the Wheels
6. Start utilizing Artificial Intelligence (AI) in digital promotions
7. Have good consumer loyalty

Based on the analysis results, the company's greatest strength lies in the quality of product taste and business innovation carried out by the company in facing business competition.

b. Weakness Factors

Apart from its strengths, the company also has several weaknesses, namely:

1. Limited business development funds
2. Don't have strong investors yet
3. Service standardization between branches is not yet uniform
4. Promotion is not yet optimal
5. The number of branches has decreased

The company's main weakness lies in limited business capital, so the company must be more selective in developing its business.

c. IFAS Calculation Results

Based on the results of the IFAS matrix calculations, the following is obtained:

1. Total strength score = 32
2. Total weakness score = 22

So the difference value is obtained as follows:

$$32 - 22 = 10$$

This value shows that the company has quite strong internal conditions in running its business.

2. EFAS Analysis (External Factor Analysis Summary)

EFAS analysis is carried out to determine the company's external factors which consist of opportunities and threats.

a. Opportunity Factors (Opportunities)

The opportunities the company has include:

1. The current drink trend is still popular with the public
2. The development of digital technology
3. Use of social media as a means of promotion
4. Opportunities for developing a partnership system
5. Application-based service innovation
6. Utilization of AI in digital promotion

Technological developments are a major opportunity for companies to increase promotional effective markets.

b. Threat Factors

Threats facing the company include:

1. High business competition
2. Many similar competitors
3. Rapid changes in consumer tastes
4. Consumers easily switch to other products
5. Increase in raw material prices

The company's biggest threat comes from the increasingly

competitive contemporary beverage business.

c. EFAS Calculation Results

Based on the results of the EFAS matrix calculations, the following is obtained:

1. Total chance score = 26
2. Total threat score = 27

So, the difference value is obtained as follows:

$$26 - 27 = -1$$

This value indicates that the company faces quite high external threats.

3. Importance Performance Analysis (IPA) analysis

An Importance Performance Analysis (IPA) was conducted to determine the importance and performance of product and service attributes based on consumer perceptions at Zeger!'s Sidoarjo branch. This analysis was used to identify attributes that the company needed to maintain or improve.

Based on the results of distributing questionnaires to 71 respondents, the results showed that the attributes of product taste, product price, and employee service have a high level of importance for consumers. Meanwhile, the attributes of business promotion, supporting facilities, and speed of service still have a suboptimal level of performance so that the company needs to pay attention to increase consumer satisfaction. Based on the results of the IPA Cartesian diagram analysis, the attributes are divided into four quadrants as follows:

a. Quadrant I (Top Priority)

Quadrant I shows attributes that have a high level of importance but their performance level is still low so they need to be a priority for company improvement.

Attributes included in Quadrant I are:

1. Speed of service
2. Business promotion
3. Supporting facilities

These attributes need to be improved immediately because they greatly affect the level of consumer satisfaction.

b. Quadrant II (Maintain Achievement)

Quadrant II shows attributes that have a high level of importance and performance and should be maintained by the company. The attributes included in Quadrant II are:

1. Product taste
2. Product price
3. Employee service

This shows that the company has been able to meet consumer expectations for these attributes.

c. Quadrant III (Low Priority)

Quadrant III shows attributes that have a relatively low level of importance and performance level.

Attributes included in Quadrant III are:

1. Ease of ordering
- d. Quadrant IV (Excessive)

Quadrant IV shows attributes that have a high level of performance but a relatively low level of importance.

The attributes included in Quadrant IV are:

1. Menu variations

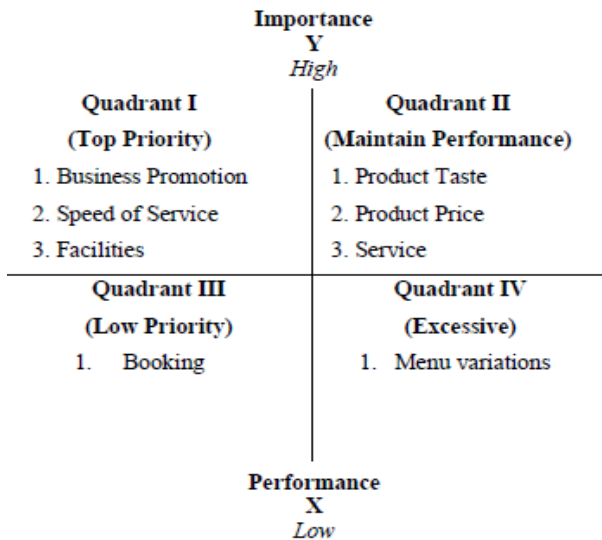


Figure 4. Science Cartesian Diagram

SWOT Matrix

Based on the results of the SWOT analysis, several alternative strategies were obtained as follows:

- a. SO Strategy (Strength–Opportunity)
 1. Developing AI-based digital promotions
 2. Leveraging social media to expand the market
 3. Developing a business partnership system
- b. WO Strategy (Weakness–Opportunity)
 1. Improving product and service innovation
 2. Maximize digital promotion with efficient costs
 3. Improving the quality of business facilities
- c. ST Strategy (Strength–Threat)
 1. Maintaining the quality of product taste
 2. Increase consumer loyalty
 3. Leveraging business innovation to face competition
- d. WT Strategy (Weakness–Threat)
 1. Conducting periodic operational evaluations
 2. Controlling branch service standardization
 3. Improve operational cost efficiency

Discussion of Research Results

This research was conducted to analyze the competitive strategy of Zeger!'s Sidoarjo branch using SWOT analysis and Importance Performance Analysis (IPA). Through these two methods, this

study sought to understand the company's internal and external conditions and determine appropriate strategies to face the increasingly competitive food and beverage industry.

Based on the research results, it was discovered that Zeger! possesses various strengths and opportunities that can be utilized to maintain business continuity. However, the company also faces several weaknesses and threats that must be addressed to remain competitive in the contemporary beverage market.

1. Discussion of IFAS Analysis Results

Based on the IFAS analysis, the company is known to possess several key strengths that can support its business sustainability. One of the company's key strengths is the quality of its product flavor, which is able to attract consumers. Furthermore, the company offers relatively affordable product prices and a diverse menu. Beyond product quality, the company also possesses a strong business innovation capability. Based on interviews, the company continues to strive to develop business strategies to survive amidst the intense competition in the food and beverage industry. One of the innovations the company is developing is the "Zeger On The Wheels" program, a mobile selling concept conducted at specific points. Through this concept, the company seeks to reach a wider consumer base without relying on sales at brick-and-mortar outlets.

This program demonstrates the company's ability to adapt to changing consumer behavior, which increasingly prioritizes ease of service. Consumers today tend to choose services that are fast, convenient, and accessible. Therefore, the concept of mobile selling can be an effective strategy for increasing a company's competitiveness.

Additionally, the company is developing an app that allows consumers to find the nearest Zeger! location based on their location. Customers can then place orders and receive delivery directly from staff operating in the field.

Based on interviews, it was discovered that several of Zeger!'s business partners were previously customers who were interested in the company's products and business concept. This indicates that the company has a good level of customer loyalty.

Customer loyalty is a crucial strength for a company, as satisfied customers not only make repeat purchases but also potentially promote the company through word-of-mouth. In some cases, customer loyalty can even encourage customers to join the company as business partners or franchisees.

However, the company also has several weaknesses that need to be addressed. The company's primary weakness lies in limited funding for business development. Based on interviews with the owner, the company currently faces capital constraints, preventing optimal business development.

"If we had a large amount of capital, the company might be more secure. But now we're still learning how to survive."

This statement indicates that the company must implement various efficiency strategies to maintain its operations amidst limited funding. In addition to limited funding, the company has yet to find investors capable of supporting optimal business development. Another weakness is the lack of uniformity in service standards across branches. Interviews revealed that several Zeger! branches are currently managed independently by individual business

partners. This system provides partners with flexibility in operating their businesses, but can also lead to differences in service quality between branches. Therefore, the company needs to improve operational oversight and standardization to ensure product and service quality is maintained across all branches.

2. EFAS Analysis Results

Based on the EFAS analysis, it was discovered that the company has significant growth opportunities. One of the company's greatest opportunities stems from the development of digital technology and the use of social media in marketing activities. Currently, social media is a highly effective promotional tool in the food and beverage industry. Consumers, particularly teenagers and young adults, tend to be attracted to products actively promoted through social media platforms like Instagram and TikTok. Furthermore, technological advancements also provide opportunities for the company to improve service quality through digital ordering systems and app-based services. The company's ongoing app development demonstrates Zeger!'s efforts to keep pace with evolving consumer behavior, which increasingly prioritizes digital services.

Another opportunity lies in the ongoing popularity of trendy beverages. This presents an opportunity for companies to continuously innovate their products in line with market trends. In addition to these opportunities, companies also face several threats. The biggest threat stems from intense competition in the trendy beverage industry. Currently, many similar businesses offer products with similar concepts, leading to heightened competition.

Besides business competition, changing consumer preferences also pose a threat to companies. Consumers tend to be easily attracted to new products, so companies must continuously innovate to avoid losing customer interest. Rising raw material prices are also a threat that can impact a company's operating costs. If raw material prices increase, companies must maintain a balance between product price and quality to remain competitive in the market.

3. Results of Science Analysis

Based on the results of the Importance Performance Analysis (IPA), it was found that product taste, price, and employee service were the factors considered most important by consumers. In addition to their high importance, these attributes also performed well enough to place them in Quadrant II.

These results demonstrate that the company has been able to meet consumer expectations in key aspects influencing purchasing decisions. In the food and beverage industry, product taste is a key factor in determining customer satisfaction and loyalty. Consumers are more likely to make repeat purchases if a product's flavor matches their preferences. Besides product taste, price is also a crucial factor in consumer purchasing decisions. Research shows that consumers perceive Zeger!'s product prices as commensurate with the quality they offer. The relatively affordable price is one of the company's strengths in attracting consumers, particularly students, Zeger!'s primary target market.

Employee service is also a factor considered important by consumers. Good service can provide convenience and increase customer satisfaction when purchasing products. Therefore, companies need to maintain service quality to maintain customer loyalty. However, the IPA analysis also shows that there are several attributes that the company still needs to improve, such as

business promotion, supporting facilities, and service speed. These attributes are in Quadrant I, which is an attribute with a high level of importance but still has a low level of performance, making it a top priority for the company to improve.

In terms of promotion, the company has actually utilized social media as a marketing tool. However, amidst the increasingly competitive market for contemporary beverages, consumers still consider this promotion to be less than optimal. Therefore, the company needs to increase its digital promotional activities to reach a wider market.

Based on interviews with the owner, the company is currently utilizing Artificial Intelligence (AI) technology in its digital promotional activities. This technology is being used to produce more engaging promotional content, including photos and videos, thereby reducing costs associated with conventional promotions, including the use of influencers in marketing activities.

The use of AI technology demonstrates that companies are continually adapting their marketing strategies to digital advancements. In addition to increasing promotional effectiveness, AI also helps companies achieve cost-effective marketing strategies amidst limited financial resources. Besides promotions, companies also need to improve service speed. In the food and beverage industry, consumers tend to demand fast and convenient service. Therefore, companies need to improve service effectiveness to ensure consumers feel more comfortable purchasing products.

4. Business Development Strategy

Based on the results of the SWOT and IPA analyses, companies need to implement business development strategies tailored to their internal and external conditions. These strategies are divided into short-term, medium-term, and long-term strategies to ensure gradual and sustainable business development.

a. Short Term Strategy

Short-term strategies are strategies a company can implement in the near future to increase customer satisfaction and maintain business continuity. Short-term strategies that Zeger! can implement include:

1. Improve the quality of service and speed of service to consumers.
2. Maintaining the quality of product taste and affordable prices.
3. Maximizing digital promotion through social media such as Instagram, TikTok, and WhatsApp.
4. Utilizing Artificial Intelligence (AI) technology in creating promotional content to reduce marketing costs.
5. Conduct routine evaluations of business operations and branch services.

b. Medium Term Strategy

Medium-term strategies are implemented to strengthen a company's position in the face of competition and increase consumer loyalty. Medium-term strategies that companies can implement include:

1. Developing the “Zeger on the Wheels” program to reach consumers more widely.
 2. Developing customer location-based ordering and delivery service applications.
 3. Improve service standards across all branches and business partners.
 4. Expanding partnership or franchise cooperation with potential partners.
 5. Increase product innovation in line with consumer trends.
- c. Long Term Strategy

Long-term strategies are implemented to support the future development and sustainability of a company's business. Long-term strategies that a company can implement include:

1. Building a more structured business system and business management.
2. Looking for investors or funding sources to support business development.
3. Expanding business networks and strengthening company brand awareness.
4. Developing digital technology and AI-based promotion systems more optimally.
5. Making Zeger! a contemporary beverage business that can compete sustainably in the food and beverage industry.

CONCLUSION

Based on the results of data analysis and discussion in this study, several important points can be concluded as follows:

- a. Based on the SWOT analysis, Zeger! Indonesia has several key strengths: affordable product prices, diverse menu options, quality product flavors, and the company's ability to innovate through the "Zeger! On The Wheels" program and the use of Artificial Intelligence (AI) in digital promotions. Meanwhile, the company's main weaknesses lie in limited business development funds, suboptimal service standardization, and limited business support facilities.
- b. Based on the results of the external factor analysis, the opportunities that Zeger! Indonesia has include increasing public interest in contemporary beverage businesses, the development of digital technology, and the high use of social media as a promotional tool. In addition, Zeger! Indonesia's participation in various MSME events and activities in Sidoarjo Regency also provides an opportunity to increase the company's brand awareness. The threats faced by the company include high competition in the F&B business, the emergence of new competitors, changes in consumer preferences, and limited business capital.
- c. Based on the results of the Importance Performance Analysis (IPA), attributes deemed important by consumers but still requiring improvement include business promotion, service speed, and supporting facilities. Meanwhile, attributes such as product taste,

price, and service were deemed good and should be maintained by the company.

- d. Zeger! Indonesia's business development strategies include short-term, medium-term, and long-term strategies. The short-term strategy focuses on improving service quality and AI-based digital promotions. The medium-term strategy focuses on strengthening partnership systems, standardizing services between branches, and developing product innovation. Meanwhile, the long-term strategy focuses on expanding the business network, developing digital-based business systems, and enhancing collaboration with investors to support sustainable business development.
- e. Zeger! Indonesia demonstrates its ability to survive and adapt amidst increasingly fierce business competition through business innovation, operational efficiency, and creative digital marketing strategies. Therefore, companies have the potential to continue growing if they can maintain product quality, increase customer satisfaction, and optimally utilize technological developments.

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