

From Kitchen to Digital World: E-Business Implementation Strategies in the Culinary Sector Household Industry

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ABSTRACT

The purpose of this research is to find out the application of the culinary sector household industry and the positive impact in the application of e-business in Makassar City. The subject of this research is the community of Makassar City, which has a home industry that is still classified as a middle to lower class business. This type of research is descriptive qualitative using observation, interview, and documentation data collection. The results showed that the home industry is able to expand employment and provide broad economic opportunities to the community. Maintaining the existence of the home industry is that it must be able to compete, create new creativity and innovation, and increase capital to further develop its business in the present and in the future. home industry players pay more attention to marketed products and try to learn and add knowledge about doing business online and the Makassar City government must pay more attention to the home industry by providing training, both for production and marketing of the products produced.

Keywords: e-business implementation, home industry, culinary sector

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1. INTRODUCTION

The culinary sector of the household industry plays a crucial role in the global economy. Culinary businesses run by households often involve the processing of food and beverages, as well as the production of specialty foods that are recognized by the community. Over time, changes in technology and consumer behavior have altered the business landscape of the culinary sector (Sima et al., 2020). The application of E-Business is becoming increasingly important, providing a great opportunity to develop household businesses in this sector.

E-Business, or Electronic Business, is a term that covers all aspects of business that use digital technology to support business operations. This includes online sales, digital marketing, supply chain management, and various online-based customer services. With the rapid development of information technology, household businesses in the culinary sector have a great opportunity to improve their competitiveness through the right E-Business strategy (Shehata & Montash, 2020).

In simple terms, e-business is defined as the use of internet technology to improve the performance of business processes that include selling and buying products and services through websites and involving stakeholders such as consumers, business owners, vendors and suppliers (Cherif & Grant, 2014). Small and Medium Enterprises (SMEs) are currently associated with a very complex global competitive situation, the rapid development of technology and extensive business networks because of the importance of SMEs to the economy, it is important for SMEs to embrace new technologies and adapt to social changes such as e-commerce whose

use is increasing. E-commerce is part of e-business, which is a technology-based or online marketing system and management (Setyowati et al., 2021).

Changes in consumer behavior are an important factor supporting the application of E-Business in the home culinary sector. Modern people tend to seek convenience and comfort in shopping and ordering food (Lee & Lee, 2020). They prefer to order food online rather than having to visit physical stores or restaurants (Kapoor & Vij, 2018). Therefore, home culinary businesses need to adapt to this change and utilize online platforms to meet consumer demand.

One of the main benefits of E-Business is wider market expansion. According to Reuschke & Mason (2022) by selling online, a home-based culinary business can reach customers far beyond the geographical area. This can help increase market share and business revenue. In addition, online platforms also allow businesses to reach customers from different regions, even internationally.

E-Business also allows businesses to innovate in services and products. According to Elena (2016), businesses can more easily listen to customer feedback and adapt to their preferences. By collecting customer data and analyzing it, businesses can develop menus that better suit consumer tastes and provide better services. The application of E-Business in the household culinary sector can also improve operational efficiency. The use of technology can help in inventory management, stock monitoring, and order processing. This helps avoid waste and optimize the supply chain (Mashayekhy et al., 2022).

In addition to the benefits for businesses, the application of E-Business also provides benefits for consumers. According to Li et al. (2020) consumers can easily browse through various food options, order online, and even track their delivery. This provides a more convenient and efficient shopping experience for consumers. While the potential benefits of implementing E-Business in the home culinary sector are enormous, there are also challenges that need to be overcome. One of the main challenges is the issue of data security and customer privacy. Businesses must ensure that their customer data is well protected to maintain customer trust (Morey et al., 2015). In addition, competition in the culinary sector is also getting tougher. Many businesses have adopted E-Business, and therefore, new businesses need to compete in this busy market. Effective digital marketing strategies and strong branding will be important factors for success in this competitive environment (Ismail et al., 2017).

The household industry is expected to play a role in solving industrial development problems in Indonesia because the household industry has a much better business unit than the medium and large industry business groups. This is because the household industry has a strong resilience in the economy, and is the largest part by growing around 99.19% of all businesses in the industrial sector. The reason for the importance of developing the culinary sector household industry is that the current and future culinary sector household industry has excellent market prospects for improving the economic welfare of the community (Green & Dougherty, 2014).

The culinary or food business in Makassar City is experiencing a relatively rapid development. This rapid development has caused more and more people to be interested in running a business like this. Culinary can be the identity of a tribe, city, and even a nation. In its journey, culinary is sometimes used as a tool to assess a person's social status. Culinary can also tell a story about the history of civilization and become one of the attractions of tourism. Makassar City is one of the provinces in Indonesia that has a variety of regional specialties, which in its development is increasingly drowned by the presence of modern culinary. Many factors allow this to happen, one of which is technology that is not utilized properly.

When examined, the basis of e-business and the Internet is more organized information processing. The acculturation process is carried out through a gradual but firmly rooted change in productive attitudes. By looking at the various signals of change that have occurred both in terms of society and the business itself, and considering the importance of technological and communication infrastructure support, this is where the business idea comes to meet the needs and desires of customers by merging various important elements of business, human resources, business partners and customer value into one and combining it with information and

communication technology infrastructure to become an integral part of the business idea. However, the average household industry in Makassar City does not really understand and understand the use of e-business-based marketing systems.

In the context of ongoing changes in the business world, implementing E-Business is a strategic move for home-based culinary businesses. They need to understand changes in consumer behavior, leverage technology, and adopt the right strategies to optimize the potential offered by E-Business. This article aims to explore the various strategies that home-based culinary businesses can use in implementing E-Business to enhance their competitiveness in this changing market.

2. METHOD

This research uses a qualitative approach which means that the data collected is not in the form of numbers, but the data comes from interview scripts, field notes, personal documents, memo notes, and other official documents, so that the purpose of this qualitative research is to describe the empirical reality behind the phenomenon in depth, detail and thoroughly. Therefore, the use of a qualitative approach in this study is to match the empirical reality with the applicable theory using a descriptive approach. This research was conducted in Makassar City, because Makassar City is one of the areas in South Sulawesi where the population works as a culinary sector household industry.

The subject of this research is the people of Makassar City who have a home industry. Most of the home industries in Makassar City are still classified as middle to lower class businesses, where the marketing process of production products has used social media. The data collection techniques used in this study used interviews, observation, and documentation.

3. RESULTS AND DISCUSSION

3.1 E-Business Implementation and Impact of E-Business

Based on the results of interviews that have been conducted on 4 types of culinary sector businesses, namely ayam geprek, catering, coto, and grilled chicken businesses, the average home industry player has implemented e-business. The application of e-business that has been implemented by household industry players in the culinary sector in Makassar City is by cooperating with sales between grab food and go food, as well as using social media applications such as Instagram, Facebook and WhatsApp to conduct promotions in implementing e-business, but not all household industry players use all e-business applications as above. One example of a household industry player who only sells through the application of e-business with Facebook and WhatsApp, namely Coto stalls. From the results of interviews with Household Industry players, the average household industry player has implemented e-business. The following are statements from several household industry players in Makassar City:

"Our coto business has made sales through the implementation of e-business. The application of e-business is done through social media such as Facebook and WhatsApp. However, our coto stall has not collaborated with grabfood or gofood."

(Interview with Mr. DN, one of the Coto Stall Owners)

"Our ayam geprek business has implemented e-business such as sales through social media, and collaborating with grabfood and gofood, but in the implementation of the business, we are not too dependent on these applications. We focus more on marketing our products through relationships and communities."

(Interview with Mrs. RH, one of the Geprek Chicken Business Owners).

"Our catering business has implemented e-business in its business such as marketing

products through social media Instagram, Facebook, Whatsapp and has collaborated with grabfood and gofood. Catering also sells various types of wet cakes and pastries."

(Interview with Mrs. IK, one of the Catering Business Owners)

"Our grilled chicken business has implemented e-business in its business but only applies one e-business application, namely WhatsApp. We also have not collaborated with grabfood and gofood and have not used Facebook and Instagram to market products. We also only serve orders via whatsapp."

(Interview with Mrs. AN, one of the Grilled Chicken Business Owners)

Based on the results of the interviews above, on average, the culinary sector household industry players in Makassar City have carried out an online buying and selling system through the application. The most widely used applications are Facebook and WhatsApp applications. However, there is a problem where the culinary sector household industry players still experience problems in managing online applications. The online business application process has penetrated the world of MSMEs, especially in the home industry, one of which is the culinary sector home industry in Makassar City and has used social media and applications that provide culinary ordering and delivery. As revealed by several home industry players in Makassar City who have used online businesses in their businesses, namely:

"I don't rely too much on apps like facebook, instagram, and whatsapp. The only apps I use are grabfood and gofood, the rest of our sales are more about relationships and community."

(Interview with Mrs. RH, one of the Geprek Chicken Business Owners).

"I have, but the application used is held by the business owner's child."

(Interview with Mrs. IK, one of the Catering Business Owners)

"This business has not yet been registered on trendy applications such as grabfood, gofood and intagram, but I have served orders via facebook and whatsapp."

(Interview with Mr. DN, one of the Coto Stall Owners)

"I have not registered with the grabfood and gofood applications but I have used the whatshaap application so if there are customers who want to order directly send a message to me."

(Interview with Mrs. AN, one of the Grilled Chicken Business Owners)

In addition to the application, there are also impacts resulting from the application of e-business and are divided into two, namely positive impacts and negative impacts. The first impact is a positive impact, from the results of interviews in the field there are several positive impacts from the application of e-business, namely increasing profits, increasing relationships, can increase knowledge because you can learn to promote products from social media, and make businesses more recognizable to the public. While the second is a negative impact, there are several negative impacts from the results of the application of e-business, namely the difficulty of ensuring security and privacy in conducting online transactions, sometimes there are unilateral cancellations that make losses.

The income of the home industry in Makassar City before using social media and applications the amount of profit earned has not reached the average of the sales results, and after using social media and applications the profit generated has begun to increase along with the current development of information technology. The following is a statement from Mr. DN as the owner of one of the coto businesses, namely:

"The income I get in a day can be around Rp. 500,000 - Rp. 1,000,000 but it is uncertain, it depends on the number of customers who come every day. The total income I earn in a month is around Rp. 24,000,000,000".

(Interview with Mr. DN, one of the Coto Stall Owners)

The same thing was also expressed by Mrs. RH who is one of the Geprek Chicken Business Owners in Makassar City, namely:

"The income I get is around IDR 1,500,000 per day so if in a month my income is around IDR 30,000,000 depending on the number of customers".

(Interview with Mrs. RH, one of the Geprek Chicken Business Owners).

Based on the results of interviews with Pak Deni and Mbak Rahma, using applications and social media has a positive impact and increases the profit obtained for the culinary marketed and the public is easier to order products using an online system.

The advantages of using e-business are the first to expand the market, by using e-business the company or businessman will be able to expand its market so that it can enter the national or even international market, so that businessmen can reach many customers wherever they are. Second, reducing telecommunication costs as well as transaction time and product acceptance. Third, this consumer can see goods, specifications and other information via the internet so there is no need to bother to go to the seller. Fourth, improve a good image in the eyes of consumers, of course this is if with good service too, because with internet media the information can be quickly spread. The following are the results of interviews with home industry players about the benefits obtained after using applications and social media, namely:

"It has greatly increased, because our business is still very new but with the application used our business is increasingly recognized in the community so that it increases profits."

(Interview with Mrs. IK, one of the Catering Business Owners)

"Thank God, my products are selling well and I have many customers."

(Interview with Mrs. AN, one of the Grilled Chicken Business Owners)

"Yes, because with the application I know more about how to trade on social media, whether it's in terms of photos for the menu so that it looks more appetizing to customers."

(Interview with Mrs. RH, one of the Geprek Chicken Business Owners).

"I can increase my knowledge because I can learn from how my friends market their merchandise on Facebook and WhatsApp."

(Interview with Mr. DN, one of the Coto Stall Owners)

The results of the interviews above can be concluded that the shortcomings experienced vary from the lack of communication due to network constraints, too time-consuming when registering cooperation, and not all menus listed in the menu listed in the application. The process of applying e-business to home industry players is satisfactory, the implementation carried out by Makassar City's home industry has a huge impact along with the increase in consumers every day and the resulting profits.

The marketing system that has used information technology to interact and communicate provides benefits for business actors because even though they do not meet directly the business is still running and very effective. The form of business relations that has been carried out by the home industry in Makassar City by implementing e-business is trade

between business actors and consumers (Business to consumer).

3.2 Overview of Home Industry Development

Procurement of raw materials, namely those that procure or prepare raw materials for further production in the home industry and after production, distribution is carried out through the application of e-business or sales through social media such as Instagram, Facebook, WhatsApp, go food and grab food so that it reaches the consumption stage.

The process of developing the household industry in the culinary sector in Makassar City begins with the procurement of raw materials, production, distribution to consumers. The main raw materials of each culinary business come from traditional markets in Makassar City, the location is very strategic for entrepreneurs in Makassar City.

The era of globalization has greatly impacted the marketing system in Indonesia, one of which is Makassar City, the ordering and sales process has penetrated into the online realm including teacher services, transportation services, and food delivery. Ready-to-eat food is very popular in the city community at this time, with low prices and discounts making consumers addicted in addition to food delivery services to the destination of the order.

Some of the application features used by home industry players in Makassar City are Grabfood, Gofood, Instagram, Facebook and Whatsapp. The application has been included in e-business and e-commerce, this makes household industry players do not want to be left behind by the age of information technology that has taken human jobs in the world. The following are the results of the comparison before and after implementing e-business in the Home Industry in Makassar City.

Table 1. Comparison Before and After Implementing E-Business

No	Category	E-Business Implementation	
		Before	After
1	Income	Before implementing e-business applications in their business, profits were low.	After implementing e-business in his business, his profits have greatly increased from his previous income.
2	Existence	Before implementing e-business, the business that was run was only known or recognized in the community around the business.	After implementing e-business, the business is increasingly recognized by the wider community due to promotion through social media.
3	Technology	Before implementing e-business in their business, the culinary sector household industry players did not understand the technology that was developing in society.	After implementing e-business in their business, home industry players get a lot of technological information from fellow business people in running their business.

Based on the table above, it can be seen that in terms of income before implementing e-business applications in their business, the Culinary Sector Industry players in Makassar City only get low profits. In contrast to after applying e-business to their business, the profits earned greatly increased from previous income. Applying e-business in business, it can increase or increase business income because by selling online, businesses can reach customers who are in different geographic locations (Turner & Knoepfler, 2016). This allows businesses to reach a wider market and attract customers who may not be reached by physical businesses alone. E-Business can also help in improving operational efficiency (Shi & Liao, 2015). For example, inventory management and stock monitoring can be done more efficiently, avoiding wastage and minimizing operational costs. All of these can lead to increased profit margins. In addition, by operating online, businesses can reduce operational costs such as physical store rent, electricity, and other physical operational costs. This means more money can be allocated for investment or

increasing revenue. With these benefits, implementing E-Business can be an effective strategy to increase business revenue. However, it is important to carefully plan and execute an E-Business strategy in order to utilize the full potential offered by the digital platform.

In terms of business existence, before implementing e-business, the business that was run was only known or recognized in the community around the business. Different After implementing e-business, the business that is run is increasingly recognized by the wider community due to promotion through social media and through online food ordering applications (Alalwan, 2020). Implementing e-business in a business, it will increase the existence of the business owned because E-Business allows businesses to manage their operations in a more systematic and organized manner (Febrianti et al., 2020). Automated and computerized business processes allow businesses to tackle routine tasks more efficiently. This helps create a professional image and a strong presence. With an online presence, businesses have a presence that can be accessed 24/7. Based on research conducted by Nisar & Whitehead (2016), websites and social media allow businesses to continuously interact with customers and potential customers, thus maintaining the existence of the business in their minds. In addition, E-Business allows businesses to build their brand online through websites, social media, and digital marketing campaigns. According to Tsimonis & Dimitriadis (2014), strong branding helps improve the existence of businesses and differentiates them from competitors. Thus, implementing E-Business in enterprises provides an opportunity to enhance business presence through various means that include access to a wider market, improved branding, customer engagement, and a strong online presence. With the right strategy, enterprises can create a positive and strong presence in both the digital and physical worlds.

Finally, in terms of technology, before implementing E-Business in their business, the culinary sector home industry players did not understand the technology that was developing in society. Different after applying E-Business in their business, household industry players get a lot of technological information from fellow business people in running their business. Applying E-Business in business, it increases the ability of household industry players in the culinary sector to use and apply technology in running a business because according to Shehata & Montash (2020) E-Business encourages home industry players to utilize digital technology in their business operations. This includes the use of computers, mobile devices, and business software. Training and experience also help improve technological capabilities. The implementation of E-Business triggers awareness about the importance of technology in business. Home industry players become more open to technological developments and innovations that can help businesses. According to Setyowati et al. (2021) business people are becoming more familiar with the latest technological trends because of E-Business. In addition, E-Business presents changes in the way business is conducted. Home industry players must learn to adapt quickly to changes in technology and market trends (Fattouh et al., 2019). This allows them to remain relevant and competitive in the digital age. Thus, implementing E-Business can improve the ability of home industry players to use and apply technology in their business. This not only benefits their business, but also helps them to become more skilled and ready to face the evolving technological challenges in the future.

4. CONCLUSIONS AND SUGGESTION

As a conclusion based on the results of the research that has been done, to maintain its existence, the culinary sector household industry must be able to compete, create new creativity and innovation, increase capital to further develop its business in the present and in the future. This household industry is a business that is able to expand employment and provide broad economic opportunities to the people of Makassar City which plays a role in improving the community's economy, reducing unemployment and improving the welfare of people's lives.

As a suggestion, home industry players pay more attention to the products they market and try to learn and add knowledge about doing business online and the Makassar City

government must pay more attention to the home industry by providing training, both for the production and marketing of the products produced.

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