

Frozen Food Business Strategy Analysis “ UD. Fresh Frozen Food ” With 10 Types Of Innovation And Business Model Canvas

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ABSTRACT

Between 2022 and 2024, frozen businesses will experience a year-on-year increase in transactions. However, this is different from UD. fresh frozen foods, which will experience a decline between 2022 and 2024. Due to this trend, it is important for companies to develop new ideas. Finding the business model canvas that will be used after implementing ten types of innovation strategies, ten types of innovation strategies that have been implemented, and ten types of new innovation strategies is the aim of this research. This research uses descriptive methodology and qualitative research techniques. After carrying out 10 different forms of innovation, research findings identified nine components of the UD. fresh frozen food canvas business model. Additionally, ten types of UD. fresh frozen food innovation strategies—cost leadership, flexible manufacturing, product excellence, community, and ownership—were identified. The results of this strategy are new and appropriate for UD fresh frozen foods, including cost leadership, predictive analytics, superior products, loyalty programs and process automation. Apart from helping UD. Fresh Frozen Food is expanding its frozen business with the Fresh Frozen Food brand, this research can be a source for entrepreneurs who want to innovate in their business tactics. from the results of this research, UD fresh frozen food uses the canvas business model as an effective tool for designing and managing a business by describing key elements that are interrelated, with a systematic approach such as input-output analysis, this research is very useful for helping companies in creating models a business that is efficient, sustainable and responsive to market needs

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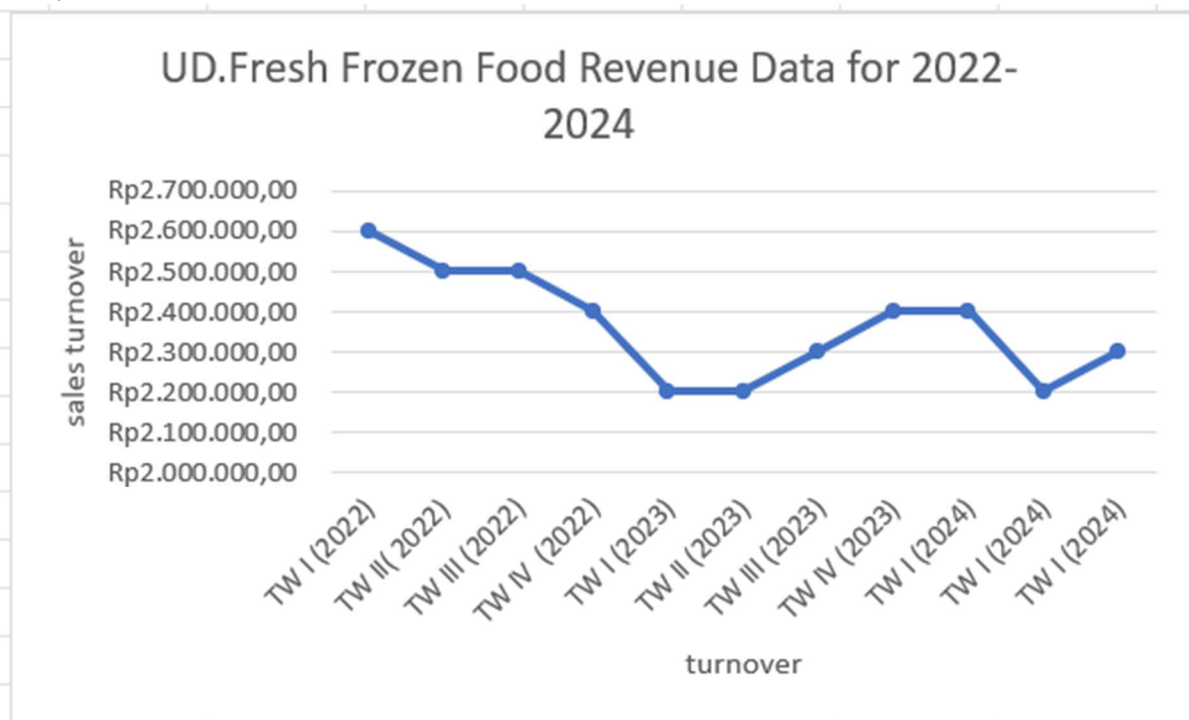
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INTRODUCTION

One way to extend the shelf life of food is to use frozen or ice-based food. When frozen food products were initially developed, these products targeted housewives or women who were too busy to cook themselves (Subroto, 2019). The frozen food industry is experiencing growth in 2022–2024, and Indonesian housewives need it to speed things up, especially when it comes to food preparation and serving. The Indonesian Cold Chain Association (ARPI) reports that sales of frozen food have increased every year. In 2022, sales will reach 90 trillion, in 2022 it will reach 93 trillion, and in 2023 it will reach 117 trillion (Kontan, 2023). Meanwhile, this is different from frozen food products with the Fresh Frozen Food trademark, which experienced a decrease in transaction value from 2022 to 2024. UD. One of the frozen food

MSMEs, Fresh Frozen Food was formed in 2017 by Ismatul Hasanah and Fathahuddin Achmad Thoriq. This company operates in the food and beverage sector and sells frozen foods such as chicken, beef and sea fish. Cangkring Baru Hamlet RT 003, RW 017, Jenggawah District, Jember Regency, East Java is the location of the UD fresh frozen food company. Average income in 2022 will be 2,520,000 rupiah, while in 2023 it will decrease to 2,360,000 rupiah. This decline will continue until 2024, namely reaching 2,300.000 rupiah. Based on the results of this research, the UD fresh frozen food company has developed nine components of a new business model canvas and business development using ten types of innovation methods. Before implementing ten types of innovation analysis tactics, UD fresh frozen food uses the tactics of cost leadership, flexible manufacturing, superior products, community and ownership, ten types of innovation analysis on UD fresh frozen food's business results, process automation, loyalty programs, superior products, and predictive analysis.



Gambar 1. Data grafik pendapatan UD.Fresh Frozen Food Tahun 2022-2024

METHOD

This research uses descriptive methodology and qualitative research design. Fadli (2021) defines qualitative research as an approach that examines individuals or social events in a natural environment, produces a comprehensive picture that can be communicated orally, and presents informants' findings in depth. According to Jalinus et al. (2021), a qualitative descriptive approach is a research methodology that collects data through subjective involvement to verify and complete information regarding the problem being studied. Cangkring Baru Hamlet RT 003, RW 017, Jenggawah District, Jember Regency, East Java was the research location. The research informants numbered ten clients, two competitors,

one supplier, and one business owner. Primary data and secondary data are two categories that form the basis for separating research data sources. Sugiyono (in Saptutyingsih and Setyaningrum, 2019) defines primary data as a technique for collecting information directly from the source, such as information obtained from researcher interviews or questionnaires. Primary data in this research was obtained from data collection methods such as interviews and observation. Meanwhile, secondary data is obtained from sources other than primary data collectors, such as documents or other people (Sugiyono, 2019). The documentation research data collection process produces secondary data. After all the data was collected, data analysis was carried out through several steps, namely data reduction, data presentation, and drawing conclusions. A triangulation approach was used to assess the validity of the data studied.

RESULTS AND DISCUSSION




Business Model Canvas UD. Fresh Frozen Food

Nine components of the canvas business model. The following UD. Fresh Frozen Foods were determined based on data collection and analysis findings:

1. Value Proposition: This is the value a business offers, which includes reasonable costs and high-quality products. UD's fresh frozen food products are made with carefully selected ingredients and have been certified MUI Halal and NKV compliant.
2. Key Activities: This includes promotions through online and offline platforms, pre-order sales, and offline sales at certain events, such as important meetings at the Aston Jember hotel or hotels in the Jember and Bondowoso areas.
3. Key Resources: For the company's long-term survival, UD. Fresh Frozen Food has a number of assets, such as freezers, cold storage, styrofoam, pick-up vehicles, APV marketing cars, tables, chairs, banners, staff and various other inventory assets.
4. Cost Structure: This is the price for operating a company UD. fresh frozen foods, including costs for refilling Electricity-intensive items cost around \$3,000,000 per month, as well as fuel for two cars and one motorbike, personnel salaries for five people, and product development costs such as repackaging products from 5 kilogram packages to 1 kg or 200 grams.
5. Main Partnership: In this case, UD. Fresh Frozen Food has signed MOUs and MUAs with RPU producers or chicken slaughterhouses, printing houses, plastic and stationery shops, and snack factories. The company plans to continue growing
6. Customer segments include workers in the Jember area who need fast and practical food, such as frozen food, and clients aged 17 to 40 years.
7. Customer Relations: UD. Fresh Frozen Food builds and maintains positive relationships with customers by interacting with new and existing customers. UD. Fresh Frozen Food uses social media platforms such as Facebook, Instagram, LIVE TikTok, and WhatsApp to communicate, educate, and promote its products.
8. Channels: Transactions take place in a number of locations, including offline businesses in Cangkring Jenggawah Jember Village and online shops on WhatsApp social media.

9. Income stream: money received from consumers who buy goods at UD. Fresh frozen foods such as beef, chicken and seafood.

Tabel 1. Business Model Canvas UD. Fresh frozen food

Key Partners	Key Activities	Value Proposition	Customer Relationships	Customer Segments
1. producer (ayam beku frozen food) 2. Collaborate with RPU or chicken slaughterhouses, printing houses, plastic and stationery shops, snack factories.	1. online and offline marketing systems 2. sales pre order system 3. Conduct offline sales at certain events	1. Affordable price 2. Quality products	1. There is a QnA feature 2. Consistent educational social media 3. Free shipping and promotions at certain times 4. greetings card	1. actively young worker 2. Region: Jember 3. Age 17-40 years
	Key Resources 1. employees 2. social media accounts 3. table 4. banner		Channels 1. Whats App online shop 2. offline shop	
Cost Structure 1. restocking and marketing costs 2. employee costs 3. fuel costs 4. business development costs			Revenue Streams 1. product sales 2. Shipping costs according to address	

From the nine components of the Canvas business model above, it can be concluded that all components are very important to pay attention to so that the business runs smoothly.

Ten Type of Innovation fresh frozen food Industry Analysis

To find out whether an idea or strategy can be widely adopted by entrepreneurs in the related industry, an industry analysis is carried out. A sample from the population of competitors of companies similar to UD.fresh frozen food, namely 10 frozen food competitors in the Jember Regency area, will be used for industry studies. Based on the results of the analysis, entrepreneurs in the Jember Regency area who sell frozen food usually use a number of strategies. The frozen food sector in the Jember Regency area often uses the following strategies:

- One type of profit model category approach is cost leadership. This strategy involves pricing the product much lower than the prevailing market price.
- Community and belonging: Category techniques for engaging customers. Product sales within the analyzed market parameters can be carried out with this strategy.

Tabel 2. Tabel *Ten Types Of Innovation* Industri

Profit Model	Network	Structure	Process	Product Performance	Product System	Service	Channel	Brand	Customer Engagement
Configuration				Offering		Experience			
Cost leadership									Community and belonging

Regional Analyst

Jember Regency has witnessed the emergence of business actors operating in the frozen products sector. Due to the large number of competitors, entrepreneurs have to compete with each other to differentiate their companies and offer the best solutions for housewives who use frozen food to speed up the processing or cooking process. Therefore,

so that business actors can compete and be successful, competitor analysis activities must be carried out to identify innovations or strategies that have been used. Researchers chose two sources—the companies Bojo Joyo Frozen Food and HTP Frozen Food—for their competitor study. Bojo Joyo Frozen Food has used the following strategies as a result of its competitor analysis activities

a. boyo joyo frozen food

As the owner of Bojo Joyo Frozen Food which is located in Ajung District, Jember Regency, Mr Oki, 45 years old, was interviewed. The interview results show that "Boyo Joyo Frozen Food sells frozen products, including frozen chicken." Frozen food business strategy research "UD.fresh frozen food" uses ten forms of innovation and a business model canvas for chicken meat. In addition, data found by analysts shows that the Bojo Joyo Frozen Food company has implemented three strategies, namely:

Joyo Boyo Frozen Food uses a cost leadership strategy, namely offering products at prices much lower than market prices. The price of their goods is IDR 45,000.

1. Offer a guarantee that the client's defective product will be returned as part of the technique. Customers who shop at Joyo Boyo Frozen Food are given a product guarantee.
2. Bojo Joyo Frozen Food uses Facebook groups to advertise its goods. Community and belonging are strategies that create deep relationships to give consumers a sense of belonging to a group or movement.

b. HTP frozen food

"HTP frozen food sells frozen food such as chicken and sausages," according to the results of an interview with Hamim Teja Permana (33 years), owner of Dapur Kaila which is located in Perum Rembangan Hill Housing Complex, Jember Regency. Data shows that there are two strategies used in running the HTP company business frozen food, namely:

1. HTP frozen food uses cost leadership, which is a strategy that offers goods at prices lower than market prices. The price of the product offered is IDR 47,000.
2. To market its products, HTP frozen food also joined Facebook and WhatsApp groups. Community and belonging is a strategy that creates deep connections so that each individual feels like they belong to a group or movement.

Tabel 3. Tabel *Ten Types Of Innovation* industry Competitors

company name	profit model	network	structure	process	product performance	product system	service	channel	brand	customer engagement
	configuration				offering		experience			
HTP	Cost leadership						guarante			community and belonging
JOYO BOYO	Cost leadership									community and belonging

Own Business Analysis

Finding use of previously used methods can be facilitated by conducting your own business analysis operations. UD. The results of the identification process conducted by the researchers revealed a number of different methods used in business operations, including:

- a. One strategy is cost leadership, which involves offering products at discounted prices to the market.
- b. Flexible manufacturing: this strategy involves purchasing goods from businesses that do not have labels or brands to increase the efficiency of the production system.
- c. Superior products: this strategy involves producing goods made from premium materials.
- d. Community and Membership: helps people feel part of a group or movement by cultivating deep relationships.

Tabel 4. Tabel *Ten Types Of Innovation* UD .Fresh Frozen Food

Profit Model	Network	Structure	Process	Product Performance	Product System	Service	Channel	Brand	Customer Engagement
Configuration				Offering		Experience			
Cost leadership			Flexible manufacturing	Superior product					Community and belonging

Business Shift dan Level Innovation

The business innovation model is called “business shift.” Business model shifts, platform shifts, and customer experience shifts are three categories of business shifts. The platform shift model is a business shift model used by fresh frozen foods. In the area of provision, which includes two categories of innovation—product performance and product systems—platform shifting is a business model that offers benefits. The platform shift model emerges on the opposite side of the offering, namely configuration and experience, as innovation advances. It is hoped that the development will result in new and improved company procedures and the ability to provide excellent service to leave an impression that will last a lifetime on potential clients. Changing the known, changing the constraints, and changing the game are the three stages of innovation. Each of the three levels mentioned above has a different meaning or importance. One level of innovation that changes what is known is called “Changing the known.” One or two innovations are among the strategies used at this level. A company's innovation boundaries must be changed to reach the "moving boundaries" level of innovation. This strategy uses three to four forms of innovation. The final level, “Change the Game,” involves changing the game. At least five inventions were changed in the company as a result of this level of innovation. UD. Fresh Frozen Food chose to use game-changing innovation levels when determining innovation levels. According to the owner, taking advantage of the largest level should have a significant effect on the business.



Gambar 2. business shift and level innovation

New Innovations and Tactics

Apart from considering various analyzes that have been carried out in ten types of innovation analysis methods, UD. Fresh Frozen Food also reviews various strategies to determine which ones are the right ones to use when choosing new innovations and tactics. The use of old techniques, their replacement with new ones, or the addition of previously unheard of strategies are examples of changes in the use of tactics. The strategy that UD will use is as follows: Fresh Frozen Food

1. Cost Leadership

The practice of offering products at prices lower than market prices is known as cost leadership. This strategy is an old strategy that is being used again by fresh frozen food businesses because it is very important to continue using it to attract loyal consumers to buy goods. One of the most crucial factors is the selling price, which is often a consideration for consumers before making a purchase. This strategy is used by business actors to provide discounts from market prices. Fresh frozen food is sold for IDR 16,000 if the market price for the same quality is IDR 20,000. Through a pricing strategy that is more cost-effective than market prices, this method aims to increase the number of fresh frozen food consumers. Maintain product quality by ensuring the goods sold are genuine.

2. Predictive Analysis

To get the best price, owners use predictive analytics to determine the selling price of their products based on previous price analysis findings and future projections. The goal of implementing this strategy is to use the findings of the studies conducted to determine the appropriate price. Customers will prefer and choose fresh frozen food as their product of choice if the selling price is set appropriately. In the past, the price of fresh frozen food was IDR 13,000; raw materials cost IDR 13,000 per manufacture; and the final price is IDR 20,000. Based on the analysis findings, Fresh Frozen Food set a new price of IDR 16,000, which is lower than the market price but higher than the manufacturing value per product.

3. Superior Product

The strategy of producing goods made from premium materials is known as “superior products.” The owner anticipates that by using this strategy, shoppers will be more likely to choose UD items, fresh frozen foods, as clients highly value the use of high quality items when making a purchase, in addition to focusing on appropriate price. Selling high-quality products is an application of this discovery. This strategy aims to source high-quality meat, fish and poultry while targeting middle-class and upper-class consumers.

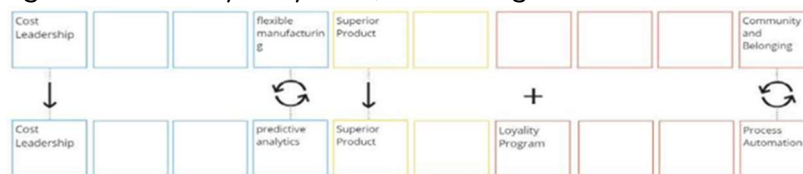
4. Loyalty Program

Developing promotional programs to increase client loyalty is known as a loyalty program. "Very happy and satisfied with the loyalty program because the new thing becomes an attractive target reference for customers to immediately fulfill the card," said customer satisfaction. Oliver (Incolonialo and Soepono, 2019) emphasized that customer loyalty is the dedication of consumers to continuously buy or recommend a

product, whether in the form of a product or service. Even when competitors leverage other marketing situational factors to persuade clients to choose an alternative provider, this results in repeat business from the same brand.

5. Process Automation

To increase customer satisfaction with companies offering UD goods, process automation is a strategy that involves changing operational systems more quickly and efficiently. Customers who want to buy but the product is not in stock will be more reluctant if fresh frozen food is available using a ready stock system. Initially, chicken was only produced based on customer orders, or what was known as a pre-order system. This means that customers may have to wait for their order to arrive. By always providing products, this strategy aims to increase customer happiness. The implementation of this innovation has had a very positive effect on UD's fresh frozen foods, making customers feel comfortable and happy. Kak Feby, a 21 year old customer, responded to process automation. "I am very happy because with this discovery I don't have to worry about buying things whenever I want them because everything is ready without having to wait for days anymore," according to the consumer.



Gambar 3. Pengembangan Ten types of innovation UD. Fresh Frozen Food

CONCLUSION

Based on the research results, the UD company has developed nine components of a new business model canvas and business development using ten types of innovation methods. Before implementing the ten types of innovation analysis tactics, UD used the following tactics: cost leadership, flexible manufacturing, superior products, community and belonging, ten types of innovation analysis on UD's business results, process automation, loyalty programs, superior products, and predictive analysis. Apart from that, the owner of UD. Fresh Frozen Food continues to follow online marketing trends or social media to remain competitive and continue to innovate in its products. Researchers hope that owners will immediately implement new tactics based on the results of the data analysis that has been carried out, especially the analysis of 10 types of innovation, so that they will become enthusiastic again in increasing the company's turnover or income.

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