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Implementation of Planning and Budgeting as a Business Development Strategy: A Case Study of Pataya 'Thai Tea' Shop

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Abstract

This study aims to provide an understanding of the implementation of planning and budgeting in the context of developing the Pataya "Thai Tea" shop as a business development strategy. The research was descriptive qualitative. The results showed that the Thai Tea beverage business has very good opportunities, this is indicated by the large number of enthusiasts who like this drink, ranging from children to adults. Supporting driving factors are strategic sales locations, attractive packaging, and achieving the desired target market. The process of preparing and implementing the Pataya Shop business development budget is considered to be in accordance with the four stages of budgeting (determining guidelines, preparation, determination, and implementation of the budget). The business development strategy of Mas Joe, the owner of Pataya Shop, focuses on expanding the business scale (additional branches). Capital for business development comes from own capital collected from setting aside daily income. The components of the cost budget prepared in the context of business development include premises, equipment, and supplies. This strategy is also supported by marketing, such as adding flavor variants and providing hangout spots, which have been proven to stabilize income amidst competition. With a controlled budget planning and implementation process that directly involves the owner, budget realization is considered not to deviate far from what was planned.

Keywords: Business Opportunities; Budget Preparation; Budget Execution; Business Development Strategy; MSMEs.

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INTRODUCTION

Rising consumer awareness of unique culinary experiences and global beverage trends have driven exponential growth in the Food and Beverage (F&B) sector over the past decade. This phenomenon is not limited to high-end restaurants but has also penetrated the specialty beverage business sector, such as Thai Tea. Initially popular in Southeast Asia, the beverage has now become a globally popular street food commodity, marked by the proliferation of outlets offering product variety and innovation (Beniah Ndraha et al., 2024). This rapid growth, while promising, is often not matched by a mature management structure, particularly in small and medium enterprises (SMEs).

Volatility in raw material prices, rapid changes in consumer tastes, and intense competition are the main challenges faced by SME-scale F&B businesses (Abdi et al., 2024)(Novia et al., 2025). Many new businesses, including coffee shops, fail in their early years of operation due to weak financial management and strategic planning (Rita Puspasari et al., 2023). Without a strong planning framework, business decisions are often reactive to market conditions, rather than proactive (Angkasa & Irwan Padli Nasution, 2025). This results in wasted resources, an inability to control operational costs, and ultimately hinders the potential for long-term business development (Fatwitawati, 2018)(Rochmah et al., 2023)(Yandi Asmana, 2025).

In a highly competitive market context, planning and budgeting (P&B) is no longer viewed as merely an accounting function, but rather as a crucial strategic tool for efficiently directing resource allocation and achieving business objectives (Ananta et al., 2024)(Nur Abdi et al., 2024)(Elfando et al., 2025). P&B serves as a bridge between a company's strategic vision and daily operational implementation (Rafly Dwi Desta et al., 2025). This process enables management to predict cash needs, identify investment opportunities, and establish measurable performance benchmarks (key performance indicators) (Putri & Sungkono, 2023). Effective P&B implementation can significantly improve a company's ability to adapt, optimize profits, and ensure business sustainability (Nimas ayu WGM & Sasanti, 2025).

Pataya's 'Thai Tea' shop is a typical example of a SME in the specialty beverage sector experiencing rapid growth but facing challenges in scalability and cost efficiency. Despite having a popular product and a loyal customer base, Pataya is at a critical juncture where business development (such as branch expansion or product innovation) requires a more structured financial management foundation. Analysis of the practices implemented in Pataya will provide empirical insights into how P&B implementation can be

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translated from theory to practice in a dynamic small-scale business context (Setyowati et al., 2023)(Arfian et al., 2024).

Although many studies have discussed P&B in large or multinational companies, literature specifically focusing on the implementation of P&B as a business development strategy in food and beverage SMEs facing rapid growth is still limited. This gap creates a need to test the effectiveness of a P&B framework tailored to the resource constraints and operational flexibility of SMEs. Based on the context and problems above, this study aims to analyze and describe the implementation of planning and budgeting at Pataya 'Thai Tea' Shop and evaluate its role as a sustainable business development strategy.

LITERATURE REVIEW

The implementation of planning and budgeting is a fundamental pillar in formulating and implementing an effective business development strategy. Theoretically, planning involves setting specific, measurable, achievable, relevant, and time-bound (SMART) goals and formulating a course of action to achieve them. This includes identifying market opportunities, analyzing competitors, determining product positioning, and developing new business models. Thorough planning provides a roadmap for management to optimally allocate resources, mitigate risks, and ensure that every activity aligns with the company's long-term vision. In the context of business development, planning acts as a proactive function, enabling companies to adapt and shape their desired future, rather than simply reacting to environmental changes (Mihani & Robert Hutauruk, 2020).

Budgeting, on the other hand, serves as a quantitative instrument that translates strategic plans into concrete financial figures. Budgeting theory emphasizes its role as a control, coordination, and motivation tool. As a control tool, budgeting establishes performance standards (cost and revenue standards) that enable management to compare actual results with established targets, thereby identifying variances and taking timely corrective action (Fadillah et al., 2025). As a coordination tool, budgeting ensures that all functional units within the organization (production, marketing, finance) work in harmony toward common goals, avoiding duplication or conflict of resources (Septiani Putri et al., 2024). Furthermore, budgeting also serves as a mechanism for efficiently allocating capital to the most promising business development initiatives, such as investment in new technology, market expansion, or product research and development (Christine et al., 2023).

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METHODOLOGY

This research methodology will utilize a qualitative approach with a single or multiple case study strategy (depending on the focus of the business development) to gain an in-depth understanding of the implementation of planning and budgeting as a business development strategy. The primary data collection technique will be semi-structured interviews with business owners or key managers directly involved in the strategic and financial decision-making process. Semi-structured interviews were chosen because they allow researchers to have a core question guideline (interview protocol) to maintain the research focus, while also providing respondents with the flexibility to explore their experiences and perspectives in depth (probe), thus uncovering context, motivations, and challenges that might be missed by quantitative data.

The selection of key informants will be conducted purposively (purposive sampling), namely selecting business owners who have relevant experience in implementing planning and budgeting systems, and whose businesses show significant development trends (both success and challenges). The interview process will begin with building harmonious relationships (rapport building) to encourage openness. Questions will be designed to explore three main aspects: (1) Strategic Planning (Vision, Mission, and Determination of Business Development Goals), (2) Budgeting Process (Techniques used, Resource Allocation for Development, and Use of Budget as Control), and (3) Integration and Impact (How planning influences budgeting, implementation challenges, and its role in business development decision-making).

Data collected from interview recordings will be transcribed verbatim and analyzed using thematic analysis techniques. This process involves several stages: familiarization, initial coding, searching for themes, reviewing themes, defining and naming themes, and writing a final report. The validity of the findings will be enhanced through triangulation of data sources (where possible, by reviewing internal documents such as business plans or budget reports) and member checking, where a summary of the interpretation of the findings is returned to the business owners to ensure accuracy and alignment with their experiences. This methodology is expected to produce a rich, thick description and contextual understanding of the role of planning and budgeting in driving business development strategies.

DISCUSSION

The success of a business depends on both internal and external factors within the entrepreneur. Internal factors include management, workforce, capital, technological level,

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and so on, while external factors include the availability of transportation and communication facilities. These skills are generally acquired through previous experiences, both personal and those of others. Creativity and innovation are necessary to create markets by exploiting existing opportunities. Creativity is the ability to develop new ideas and find new ways of viewing problems and opportunities. Innovation, on the other hand, is the ability to apply creative solutions to problems and opportunities to improve or enrich one's life.

There are two types of obstacles to be aware of. The first, which can be avoided, is the large number of competitors out there who also sell Thai Tea on the streets, especially if starting with your own brand. To compete with established brands, strategies are needed, such as creating new flavors that are slightly different from the others and tricks that can divert customers' attention so they don't just focus on the Thai Tea. The second, unavoidable obstacle that often occurs is a decrease in sales during the rainy season. Just like cold beverage businesses in general, Thai Tea is likely to experience a decrease in sales during the winter. During the rainy season, people tend to seek warm food or drinks. If you are interested in starting a Thai Tea business, this should be a consideration.

Pataya Shop is a beverage business. It produces Thai tea and sells it locally. The business has been operating since 2019. It began in 2019, when he started selling on the roadside using a small stall and eventually opened a branch. Mr. Joe settled in 2023, renting a large shophouse, using his own savings from his street-side business. The first branch of this business was in Racing but has now closed. The first branch was established in 2019. At the end of the year, the first branch worldwide suffered losses caused by the Covid-19 virus, so the owner was forced to close the shop and restart in 2021. The second branch is on Jln. Tamalate which was established in 2021. The third branch is on Jln. Toddopuli and in the Fajar campus area. The fourth branch is on Jln. Jipang which until now resides in a shophouse complete with a hangout place that can accommodate many people. Kedai Pataya is located in Makassar, Rappocini District. The initial motivation for opening the Thai Tea beverage business, because the entrepreneur did not collaborate with any beverage partners, the entrepreneur learned to make the drink recipe from a businessman and friend who had been running a contemporary beverage business for a long time.

Business Development Goals

Mas Joe's business idea originated from his desire to become a beverage vendor with the ambition of opening several branches. This idea was supported by his persistence

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in saving to prepare capital for business expansion. Once he felt he had sufficient capital, he realized his dream by opening several branches while simultaneously improving the quality of his products and services.

His initial goal when starting his street-side business was not to maximize financial profit, but rather to introduce his brand to the wider community. However, as time passed and his product became well-known, his goal shifted to maximizing profit. This is evident in his principle that by having a small profit multiplied by a large one, the profit will be greater.

The Budget Preparation Process In The Context Of Business Development

The analysis of budget preparation for Mas Joe's beverage business is linked to the preparation stages according to Nafarin (2013), which include determining budget guidelines, preparing the budget, determining the budget, and implementing the budget. The analysis of each stage is described as follows.

The first stage is determining budget guidelines. At this stage, the cafe owner prepares a budget with the aim of implementing business development, namely expanding the business scale (additional branches). The underlying assumption behind this business development budget is that he first accumulates capital by gradually setting aside daily income. He has a specific funding policy: he uses his own capital for business development and does not borrow from investors or banks. He explicitly stated this during the interview. This policy made his business development relatively slower than other businesses, so he didn't have a specific timeline for when development efforts would begin. The budgeting committee consisted of him and his immediate family, including his father and mother. However, he played a key role in the decision-making process.

The second stage in the budgeting process was the budget preparation stage. During this stage, he compiled the budget components needed for business development. These components would later become the development budget. These budget components included the cost of the premises, the food cart, equipment and supplies, and other miscellaneous expenses.

The next stage was the budget determination stage. Based on the prepared budget, he discussed it with his immediate family. He believed that his father and mother should be aware of everything related to this business. This involvement in the decision-making process also applied to everything needed for business development. After discussing this with his immediate family, and in accordance with the available capital and having secured a location, he began developing the business.

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The final stage in the budgeting process is budget implementation. Based on in-depth interviews, he was directly involved in every aspect of the business development process. This involvement included transactions for purchasing premises and other items. However, when he couldn't, he asked employees to help purchase the necessary equipment and supplies. Because he was directly involved in the business development process, his oversight was more controlled, and his implementation reports remained relatively consistent with the previously planned budget structure.

Budget Components In The Context Of Business Development

The first component emphasized by business owners is location. A good business location is strategic and easily accessible, both for the company and consumers. The process of determining a business location must also consider aspects of effectiveness and efficiency, as well as aligning with the allocated budget structure.

The second component analyzed is interior equipment. Based on an interview with Joe, the interior equipment in question includes items such as a food cart, tables, chairs, and other items. His allocated budget was determined based on the selling price of his regular location.

The third component is equipment. Based on an interview with Joe, it was learned that the equipment needed for business development includes production equipment, as well as cleaning and cleaning equipment. Production equipment includes a blender, a complete set of glasses (plastic with the business logo) and pipettes, plastic presses (plastic drinking cups), and other items. Meanwhile, cleaning and cleaning equipment consists of a washing basin, soap, brooms, trash cans, and other items. The allocated budget is based on the current selling price at the time of business development.

CONCLUSION

The results of this study indicate that the success of an entrepreneur is not easy. However, if we look at the ups and downs before their success, there's a long story behind it. There are many sad stories behind these entrepreneurs' successes. Many entrepreneurs struggle with ups and downs when starting from scratch, often experiencing losses and nearly going bankrupt. However, through courage, patience, perseverance, strong determination, and the ability to think critically, they ultimately succeed in managing their business over the years. The pricing strategy for the Thai Tea menu is not excessive, nor is it overpriced. The prices of Thai Tea at Pataya are still relatively affordable and affordable for the community. The success of a business depends on both internal and

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external factors of the entrepreneur. Internal factors include management, workforce, capital, technological advancement, and so on, while external factors include the availability of transportation and communication facilities. These skills are generally acquired through previous experiences, both personal and those of others.

The budget preparation and implementation process for developing Mas Joe's "PATAYA" beverage business was deemed to have complied with the four budgeting stages. The budget preparation and implementation process for developing the business began after securing capital and securing a location that met his requirements. His business development did not have a specific timeline. He was the budgeting committee. This process ensured that budget realization would not deviate significantly from the planned budget.

The budget prepared by the business owner for developing the business only included cost components. These components included location, equipment, and supplies. The budget for developing Mas Joe's beverage business was not fully budgeted. For example, employee salaries and production costs were not included in the business development budget.

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