

## FEASIBILITY ANALYSIS OF THE COMPANY USING SWOT AND PESTEL METHODS

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### Abstract

*The healthy food trend is increasingly popular, driven by increasing public awareness of the importance of a healthy lifestyle. Lite n' Easy, a company that provides healthy food delivery services, offers a solution for people who want to live healthy but are busy. This research aims to analyze the feasibility of the Lite n' Easy business using the SWOT and PESTEL methods. This research uses a case study method at Lite n' Easy in Brisbane, Australia, for the period March to July 2024. Data was collected through observation and literature study. SWOT analysis is used to assess the company's internal strengths, weaknesses, opportunities and threats, while PESTEL analysis is used to assess external factors such as political, economic, social, technological, environmental and legal factors that influence the company's operations and strategy. Based on SWOT and PESTEL analysis, Lite n' Easy has the opportunity to develop in the healthy food market. However, companies need to overcome several weaknesses and threats to achieve long-term success. Strategies that Lite n' Easy can implement include emphasizing its commitment to providing nutritious and convenient food options, increasing its geographic reach, increasing brand awareness, and adapting to changing external factors.*

**Keywords:** SWOT Analysis, PESTEL Analysis, Business Feasibility, Healthy Food, Lite n' Easy

## INTRODUCTION

In this era of globalization, the trend of healthy food is gaining popularity among people. This phenomenon is not only happening in Australia, but has also spread to various countries around the world, including Indonesia. Not only that, the healthy food trend is also influenced by the growing awareness of the importance of protecting the environment and sustainability, which encourages many people to switch to a more environmentally friendly diet. Fast food is often found to be the choice of most people because it is easily accessible and saves time. However, fast food generally does not meet the body's nutritional needs such as vitamins, fibre, carbohydrates, and protein needed for optimal health. Nowadays, education regarding health is improving growing, so that people are becoming more aware of the importance of healthy living. This awareness encourages many people to be more selective about the food they consume, switching from fast food to healthy and more nutritious food.

The popularity of healthy food trends can be attributed to several factors. In addition, the COVID-19 pandemic has increased health awareness, with many people seeking to boost their immune systems through better nutrition. In addition, the emergence of direct-to-consumer and food delivery service models has further strengthened competition, as these companies provide convenient and customizable healthy meal solutions. Lite n' Easy is a company that provides healthy and high-quality ready-to-eat meal services, which has attracted the attention of many people who want to lead a healthy and active lifestyle. The various menus offered, carefully designed by nutrition experts, aim to help customers achieve their health and fitness goals. However, amidst the growing trend of healthy lifestyles, the question of Lite n' Easy's long-term viability remains important to assess.

In this study, conducting a feasibility analysis is essential for businesses like Lite n' Easy which operates in the healthy food sector. A feasibility analysis involves assessing various factors to determine whether a business idea or project is feasible and viable. This type of analysis typically examines the economic, technical, operational and legal aspects of a business venture. Feasibility analysis are important for business development.

The methods that can be used to find and assess the risks that a company may face are SWOT and PESTEL analysis. To be able to compete in the market, Lite n' Easy needs to carry out a thorough analysis . SWOT analysis is very important so that companies can identify advantages, overcome weaknesses, take advantage of opportunities and face threats. Company strengths may include competitive advantages such as high food quality, good brand reputation, and an experienced team of nutritionists. PESTEL analysis will examine Political, Economic, Social, Technological, Environmental and Legal factors that can affect Lite n' Easy's business. Political factors may include government policies regarding health and nutrition, political stability, and trade regulations. Economic factors can include economic growth, inflation rates, and interest rate trends.

Social factors can include changes in demographics, lifestyles, and societal values. Technological factors may include advances in food processing technology, online food delivery platforms, and social media trends. Environmental factors may include sustainability issues, climate change, and environmental regulations. Legal factors may include laws related to health and food safety, employment laws, and consumer protection laws. By understanding these factors, companies can be more proactive in adapting their business strategies to face changes in the market and take advantage of existing opportunities.

The combination of SWOT and PESTEL analysis provides a comprehensive understanding of the viability of Lite n' Easy's business model. By capitalizing on the strengths and addressing the weaknesses identified through SWOT, and by adapting to the external opportunities and threats highlighted by PESTEL, Lite n' Easy can develop strategies that enhance competitiveness and ensure long-term sustainability. In conclusion, Lite n' Easy's feasibility analysis using the SWOT and PESTEL methods provides valuable insight into the company's potential for success in the competitive healthy food market. By thoroughly evaluating internal capabilities and external influences, Lite n' Easy can make strategic decisions that are in line with market trends and consumer expectations. SWOT analysis will evaluate the company's internal factors which consist of strengths, and weaknesses and external factors which consist of opportunities, and threats.

In the digital era, the business world needs to increase awareness of the market environment which can change more rapidly than in previous decades. Along with the technological innovation, human are now facing dynamic changing in the environment in almost every aspects of life, including business. Business now is not only facing the hyper competition , but also the changing of customer preferences. Therefore, companies need to have a business strategy that always follows market trends and utilizes technology so that they can continue to compete in a competitive market.

Project managers use feasibility studies to find out the pros and cons of undertaking a project before they invest a lot of time and money into it . Other definition states that business feasibility study is an activity that studies in depth about a business or venture that will be run, to find out whether the business is worth running or not. Studying in depth means investigating information and data then measuring, calculating and analysing the research results using certain techniques. Research will be carried out on a business and will be carried out with certain descriptions, so that you will get good and maximum results from the research .

Meanwhile other researcher says business feasibility study is an activity that studies in depth about a business that will be run, in order to determine whether or not the business is worth running. Feasibility studies help find alternative approaches and solutions to put an idea into practice .

Based on the above definitions, it can be synthesized that feasibility study is an analysis that takes into account relevant factors in a business, helps find alternative approaches and solutions to put an idea into practice so that it will be seen whether the business is feasible or not and find out the pros and cons of the business before investing a lot of time and money.

SWOT analysis has become a popular methodology in various fields such as business, marketing, strategic management, and public policy analysis, first introduced by Albert Humphrey in the 1960s. This analysis process is important for businesses or organizations so they can choose the right business strategy. , say that a SWOT analysis is tool that employed to assess aspects of business in terms of the strengths, weaknesses, opportunities, and threats. SWOT recognizes the important internal and external aspects of attaining a business's goals

Analysis of the external environment of an organization or industry can be carried out using the PESTEL approach. This analysis includes political, economic, social, technological, environmental and legal factors that influence the operational and strategic conditions of a business. These risks relate to business growth or decline, position, as well as potential and strategic direction for the business.

The results of research conducted by Morita et al., PESTLE analysis is a strategic planning tool used to assess and analyse external factors that can impact an organization, project, or industry. External impacts are classified into factors under broad headings of Political, Economic, Social, Technological, Environmental and Legal considerations and are applied to business strategic planning as well as policy planning settings.

From the description of the background of the problem, the researcher is interested in conducting research entitled “Feasibility Analysis of the Company Using SWOT and PESTEL Methods (A Case Study at Lite n' Easy in Brisbane)”.

## **PROBLEM DELIMITATION**

The problem to be discuss in this study is limited to the use of SWOT and PESTEL methods to analyse the strategic business of Lite n' Easy Healthy Food in Brisbane, Australia, from March to July 2024. SWOT analysis will evaluate the company's internal factors which consist of strengths, and weaknesses and external factors which consist of opportunities, and threats. Meanwhile, the PESTEL analysis will assess external factors such as political, economic, social, technological, environmental, and legal that affect the company's operations and strategies.

## **LITERATURE REVIEW**

### **Feasibility Analysis**

A feasibility study is an analysis that takes into account all relevant factors in a project—including economic, technical, legal, and scheduling considerations—to ensure the likelihood of successful project completion. Project managers use feasibility studies to find out the pros and cons of undertaking a project before they invest a lot of time and money into it (Manan et al., 2024).

Other definition states that business feasibility study is an activity that studies in depth about a business or venture that will be run, to find out whether the business is worth running or not. Studying in depth means investigating information and data then measuring, calculating and analysing the research results using certain techniques. Research will be carried out on a business and will be carried out with certain descriptions, so that you will get good and maximum results from the research (Mathory et al., 2023).

Based on the above definitions, it can be synthesized that feasibility study is an analysis that takes into account relevant factors in a business, helps find alternative approaches and

solutions to put an idea into practice so that it will be seen whether the business is feasible or not and find out the pros and cons of the business before investing a lot of time and money.

## ANALYSIS AND DISCUSSION

The SWOT and PESTEL analysis that the researchers have carried out provides a comprehensive picture of Lite n' Easy's strategic position in the healthy food industry. With various strengths, such as a strong reputation and superior product quality, the company has great potential to grow and develop. However, challenges such as intense competition, fluctuations in raw material prices, and regulatory changes also need to be considered. By understanding complex market dynamics, Lite n' Easy can formulate the right strategy to achieve long-term success. The following is a SWOT analysis of the Lite n' Easy company which will provide an understanding of the strategic position and feasibility of its business in the healthy food market.

### A. Strength

Lite n' Easy has a number of strengths that give it a competitive advantage in the health food industry. The following is the list of strengths that Lite n' Easy has:

1. Company's Reputation

This company has become the No. 1. Lite n' Easy uses fresh and natural ingredients, and ensures that each dish is designed by a nutritionist to meet balanced nutritional needs.

2. Human Resources

Lite n' Easy is supported by knowledgeable and skilled human resources in the healthy food industry. The work culture at Lite n' Easy strongly supports collaboration and innovation, allowing teams to work well together to create and implement new ideas.

3. Business Support Systems

Another strength is an efficient delivery system and extensive distribution network, which allows Lite n' Easy to reach customers in various locations quickly, on time, and in the best condition.

### B. Weakness

Despite it has several strengths, Lite n' Easy also faces several weaknesses that need to be overcome to maintain its lead.

1. Dependence on Local Suppliers

This is a weakness for Lite n' Easy because if there is a disruption in the local supply chain, such as bad weather or logistical issues, this can affect the availability and consistency of the necessary ingredients.

2. Production Cost

The production process involving advanced technology and strict quality control also adds to operational costs.

### C. Opportunity

1. Popularity of Healthy Life Style

The global trend of increasing importance on health and wellness provides an opportunity for Lite n' Easy to expand its customer base and increase sales

2. Urban Life Style

Life in big cities in Australia requires people to be busy working so they have limited time to prepare meals for their families or bring for work.

3. Fruit and Vegetable Farm

Australia is one of the countries with advanced agriculture so that the best quality raw materials can be easily obtained. This is an opportunity for Lite n' Easy to develop both now and in the future.

#### D. Threat

Even though it has many opportunities, Lite n' Easy also has to face several threats that could affect the sustainability of its

1. Intense Competition

Intense competition in the health food industry is one of the main threats. Lite n' Easy faces stiff competition from several mainstream companies that also offer healthy meal services delivered directly to customers' homes such as HelloFresh, Marley Spoon, Youfoods, and Dineamic.

2. Inflation

In addition, changes in government regulations related to the food and beverage industry can affect company operations.

### PASTEL ANALYSIS

PESTEL Analysis is a tool used to analyze external factors that influence a company. By analyzing Political, Economic, Social, Technological, Environmental and Legal aspects, Lite n' Easy can gain insight into external dynamics that can influence their business performance and strategy. Here is a comprehensive PESTEL analysis for Lite n' Easy:

1. Political

Governments often launch national health campaigns encouraging healthy food consumption and obesity reduction, which can increase demand for Lite n' Easy products. Lite n' Easy must ensure compliance with all these regulations to avoid sanctions and maintain reputation.

2. Economic

In a healthy economy, consumers tend to have more disposable income to spend on premium products like healthy meals from Lite n' Easy. High per capita income in a company's operating area can increase demand for their products.

Additionally, low interest rates and easy access to credit can drive Lite n' Easy's business expansion, allowing them to invest in product innovation, marketing, and market expansion.

3. Sosial

Changes in increasingly health-conscious lifestyles among consumers create huge opportunities for Lite n' Easy. Changing demographics and psychographics, such as an increasing number of seniors who are more health conscious, may also increase demand for Lite n' Easy products. Increased health and nutrition awareness among the public is also driving demand for healthy food.

4. Technological

Technological innovation in food production and packaging can improve operational efficiency and Lite n' Easy product quality. The growth of e-commerce and the use of digital marketing allows Lite n' Easy to reach more customers at lower costs. The use of data analytics and big data also helps Lite n' Easy understand consumer trends, optimize operations and make better decisions.

5. Environmental

Sustainability issues are increasingly important to consumers. Climate change can also affect the availability and prices of raw materials. Compliance with

environmental regulations, such as waste management and carbon emissions, is critical to a company's operations. Lite n' Easy needs to ensure that they comply with all of these regulations to avoid fines and maintain their reputation.

#### 6. Legal

Compliance with applicable laws and regulations, including food safety laws, labor laws, and trade laws, is critical to Lite n' Easy's operations. Lite n' Easy must ensure that they provide accurate and complete information about their products to maintain consumer trust. Protection of intellectual property rights, such as trademarks and patents, is important to maintain Lite n' Easy's innovation and competitive advantage.

### COMPETITOR ANALYSIS

Lite n' Easy faces stiff competition from several mainstream companies that also offer healthy meal services delivered directly to customers' homes. The company is known for its flexibility in offering a variety of weekly menu options that can be tailored to customers' dietary preferences. HelloFresh has the advantage of large operational scale, aggressive digital marketing, and the ability to attract customers through discount promotions and free trials. However, their weaknesses may lie in their relatively higher prices and the need for customers to process their own ingredients, which can be less practical than Lite n' Easy's ready-to-eat meals.

One of their weaknesses may be a reliance on ongoing discount promotions to attract new customers, which can affect long-term profitability. Firstly, they offer a completely ready-to-eat meal solution, which is very convenient for busy customers who don't have time to cook. Secondly, Lite n' Easy has a strong reputation for quality and reliability, with many customers who are loyal and satisfied with their service. Additionally, even though they have an online presence, competition in digital marketing is fierce, and they need to continually innovate their marketing strategies to remain attractive to new customers.

Lite n' Easy's competitors use a variety of strategies to attract and retain customers. Many of them take advantage of discount promotions, free trials, and flexibility in subscriptions to attract new customers. They need to maintain a focus on quality and convenience, while developing more effective marketing strategies to attract and retain customers.

### BUSINESS STRATEGY ANALYSIS

Lite n' Easy must develop a strong business strategy to strengthen its position as a leader in the healthy fast food industry. The main strategy that the company needs to implement is product differentiation, with a focus on quality, health, and convenience. In addition to product differentiation, Lite n' Easy also needs to leverage technology to improve operational efficiency and customer satisfaction. With an easy-to-use online ordering platform, customers can easily select, order, and schedule food delivery. In terms of market expansion, Lite n' Easy needs to have an aggressive yet measurable strategy. Overall, Lite n' Easy's business strategy needs to be based on a combination of product differentiation, technology, strong marketing, sustainability, and careful expansion.

### CONCLUSION

Lite n' Easy has strong potential to develop in the healthy ready-to-eat food industry. SWOT analysis identifies the company's main strengths, such as strong brand recognition, high product quality, and an efficient distribution system. PESTEL

analysis revealed that government support for the healthy food industry and advances in technology provide a conducive environment for Lite n' Easy to thrive. Based on these findings, the recommended business strategy for Lite n' Easy includes adjusting prices to reach wider market segments, diversifying raw material sources to reduce the risk of price fluctuations, and increasing investment in technology for production and distribution efficiency. Overall, the analysis results show that by exploiting existing strengths and opportunities, as well as overcoming weaknesses and threats through appropriate business strategies, Lite n' Easy can maintain and improve its position in the ready-to-eat healthy food market. Companies must continuously monitor market dynamics and adapt to changes in the external environment to achieve sustainable growth.

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