

RESEARCH ARTICLE

Developing Business Performance Improvement Strategies in Religious Family Food Service: An Integrated SWOT-TOWS Approach

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ABSTRACT

Improving business performance has become increasingly challenging for established service firms operating in highly competitive and digitally mediated markets. This study explores how business performance improvement strategies can be formulated in the context of religious family food services, where operational excellence, trust, and customer experience jointly influence competitive advantage. A qualitative single-case study design was employed involving six purposively selected informants representing key organizational functions and the industry. Data were collected through semi-structured interviews, company documents, secondary data, and a management focus group discussion. Internal organizational conditions were analyzed using the Resource-Based View, while external pressures were examined through PESTEL and Porter's Five Forces. The findings were integrated into a SWOT analysis, translated into strategic alternatives using the TOWS matrix, and prioritized through management scoring. The study identifies valuable organizational resources, including brand reputation, operational experience, halal and legal compliance, service quality, and customer trust. However, these strengths are constrained by coordination gaps, uneven operational support, underutilized assets, limited capability development, and ineffective value communication. Twelve strategic alternatives were generated, with three implementation priorities emerging: strengthening response speed and lead management, integrating the digital customer journey, and enhancing marketing communication targeting young Muslim families. The findings demonstrate that sustainable business performance in religious family food services depends not only on organizational resources but also on the firm's ability to integrate digital capabilities, stakeholder trust, and customer experience into a coherent strategic framework. The study contributes to strategic management literature by illustrating how integrated SWOT-TOWS analysis can support evidence-based strategy formulation in trust-intensive service industries.

Keywords: *Business Performance; Religious Family Food Service; Resource-Based View; SWOT-TOWS; Strategic Management.*

INTRODUCTION

Business performance has long been recognized as a central determinant of organizational sustainability and competitive advantage. From the Resource-Based View (RBV), differences in organizational performance arise because firms possess heterogeneous resources and capabilities that vary in their ability to create and sustain value (Barney, 1991; Wernerfelt, 1984). However, contemporary research argues that valuable resources alone are insufficient to maintain superior performance. Organizations must continuously adapt their capabilities to changing market conditions, technological developments, and evolving customer expectations, particularly in service industries experiencing rapid digital transformation (Abrokwah-Larbi, 2024; Behl et al., 2022; Barney & Hesterly, 2015; Kusa et al., 2024; Teece, 2007). Consequently, improving business performance has become a strategic challenge that extends beyond resource ownership to the organization's ability to coordinate, communicate, and deliver value effectively.

Recent strategic management research has increasingly emphasized that business performance is shaped through the interaction between internal organizational capabilities and external competitive environments. Studies have shown that customer-value analytics, information management, and digital capabilities enhance organizational resilience and competitive advantage by enabling firms to respond more effectively to market dynamics (Abrokwah-Larbi, 2024; Behl et al., 2022; Kusa et al., 2024). Likewise, customer experience research demonstrates that purchasing decisions emerge from a series of interconnected touchpoints in which response speed, information quality, service consistency, and organizational credibility jointly influence customer evaluation (Homburg et al., 2017; Lemon & Verhoef, 2016; Verhoef et al., 2021). These developments indicate that sustainable performance increasingly depends on an organization's capability to integrate operational resources with customer-facing processes throughout the service journey.

These strategic challenges become even more complex in trust-intensive service industries, where customers evaluate not only functional performance but also organizational legitimacy and perceived credibility. Religious family food services represent a distinctive example because the service simultaneously involves food quality, religious compliance, emotional family experiences, and ceremonial significance. Customers therefore assess multiple dimensions before making purchasing decisions, including halal assurance, Islamic compliance, product quality, service responsiveness, convenience, delivery reliability, and organizational trust. Unlike conventional catering businesses, competitive advantage in this context depends on the firm's ability to combine operational excellence with credible religious assurance and meaningful customer experiences throughout the purchasing process (Wilson & Liu, 2011).

Previous studies have employed strategic management tools such as SWOT, TOWS, PESTEL, the Business Model Canvas, the Analytic Hierarchy Process (AHP), and the Quantitative Strategic Planning Matrix (QSPM) to formulate business development strategies across various organizational settings, including catering businesses, coffee shops, manufacturing firms, and small and medium-sized enterprises (Duratulhikmah & Wijaya, 2024; Pradana & Hermawan, 2025; Pratama & Wandebori, 2024; Sumara, 2024; Wahmil et al., 2025). These studies consistently demonstrate that systematic strategic analysis can support organizational decision-making by identifying internal strengths and weaknesses together with external opportunities and threats. Nevertheless, the majority of these studies focus on conventional commercial contexts where functional, operational, or economic considerations primarily determine customer value.

Furthermore, recent studies highlight the growing importance of digital capabilities, organizational learning, customer-value management, and information systems in

strengthening business performance (Abrokwah-Larbi, 2024; Behl et al., 2022; Kusa et al., 2024). Despite these advances, relatively limited attention has been devoted to explaining how business performance improvement strategies should be formulated in religious family food services, where organizational legitimacy, halal compliance, emotional value, and customer experience simultaneously influence strategic competitiveness. More importantly, previous SWOT-based studies generally present strategic recommendations as the final analytical outcome without clearly demonstrating how internal resources, macro-environmental conditions, industry competition, and managerial judgment are systematically integrated into an evidence-based strategy formulation process. Consequently, the analytical traceability between organizational diagnosis, strategic alternatives, and implementation priorities remains insufficiently developed.

To address these limitations, this study adopts an integrated strategic formulation framework combining the Resource-Based View, PESTEL analysis, Porter's Five Forces, SWOT analysis, TOWS strategy formulation, and management prioritization through a structured focus group discussion. Rather than treating these analytical tools as independent approaches, this study demonstrates how they collectively support transparent and evidence-based strategic decision-making by linking organizational resources, external environmental conditions, competitive pressures, strategic alternatives, and managerial evaluation within a single analytical framework.

This study makes two contributions to the strategic management literature. First, it extends existing knowledge on business performance improvement by examining a trust-intensive service context in which organizational resources, religious legitimacy, customer experience, and competitive dynamics jointly shape strategic outcomes. Second, it demonstrates how integrating multiple strategic analysis frameworks into a coherent input-matching-decision process strengthens the analytical transparency of strategy formulation by providing explicit connections between empirical evidence, strategic diagnosis, managerial prioritization, and implementation recommendations. Accordingly, this study aims to identify the internal and external factors influencing business performance, formulate strategic alternatives through an integrated SWOT-TOWS framework, and determine strategic implementation priorities within an Indonesian religious family food service organization.

LITERATURE REVIEW

Business Performance as a Strategic Outcome

Business performance represents the extent to which an organization achieves its strategic and operational objectives through sustainable value creation. Performance is reflected not only in financial indicators such as revenue growth, profitability, and operating margins but also in customer acquisition, service quality, operational efficiency, and organizational competitiveness. From a strategic management perspective, business performance should therefore be understood as the outcome of interactions between organizational resources, managerial capabilities, and environmental conditions rather than as a purely financial consequence (Barney, 1991; Wernerfelt, 1984).

The Resource-Based View (RBV) explains that firms achieve superior performance because they possess heterogeneous resources and capabilities that competitors cannot easily imitate (Barney, 1991; Wernerfelt, 1984). However, sustainable competitive advantage depends not merely on resource ownership but also on the organization's capability to organize, coordinate, and continuously reconfigure those resources in response to environmental changes (Barney & Hesterly, 2015; Teece, 2007). Recent studies likewise emphasize that digital capabilities, customer-value analytics, and

organizational knowledge management increasingly determine how effectively firms transform resources into competitive performance (Abrokwah-Larbi, 2024; Behl et al., 2022; Kusa et al., 2024). Consequently, strategic analysis should simultaneously examine organizational resources and the capabilities through which those resources create value.

External Environment and Strategic Diagnosis

Organizational resources operate within external environments that continuously shape strategic opportunities and constraints. PESTEL analysis provides a systematic framework for examining macro-environmental influences, including political, economic, social, technological, environmental, and legal conditions affecting organizational performance (Sammut-Bonnici & Galea, 2015). Complementing this macro perspective, Porter's Five Forces explains how competitive rivalry, new market entrants, substitute products, supplier bargaining power, and buyer bargaining power influence industry attractiveness and competitive behavior (Porter, 2008).

Although both frameworks are widely applied independently, their combined use enables a more comprehensive understanding of external strategic conditions by distinguishing broader environmental changes from industry-specific competitive pressures. Such integration reduces the risk of limiting external analysis solely to competitor observation while recognizing the influence of regulations, technological developments, customer purchasing behavior, and supply conditions on organizational competitiveness.

Strategy Formulation through SWOT-TOWS

Strategic formulation requires translating organizational diagnosis into actionable managerial decisions. SWOT analysis synthesizes internal strengths and weaknesses with external opportunities and threats to provide an integrated strategic overview (Gurel & Tat, 2017). However, SWOT primarily functions as a diagnostic framework rather than a decision-making tool. Accordingly, Weihrich (1982) proposed the TOWS matrix to systematically transform SWOT findings into strategic alternatives by matching internal organizational conditions with external environmental factors.

Within the strategic management framework proposed by David and David (2017), organizational resources and external environmental analyses constitute the input stage of strategic planning, while SWOT-TOWS represents the matching stage where evidence is converted into feasible strategic alternatives. Decision making subsequently requires managerial evaluation to determine implementation priorities based on organizational relevance, feasibility, resource availability, and expected strategic impact. This sequential process enhances analytical transparency by establishing explicit relationships between empirical diagnosis and strategic recommendations.

Customer Experience and Trust in Religious Family Food Services

Business performance within service industries is increasingly influenced by customer experiences accumulated across multiple organizational touchpoints. Rather than being determined by isolated transactions, customer evaluations emerge throughout interconnected stages including information search, consultation, purchasing, service delivery, and post-purchase interaction (Homburg et al., 2017; Lemon & Verhoef, 2016). Digital transformation has intensified this process by expanding customer access to organizational information, online reviews, social media interactions, and digital communication platforms, thereby requiring organizations to integrate technological capabilities with operational processes and customer relationship management (Verhoef et al., 2021).

Within religious family food services, customer experience extends beyond functional service quality because purchasing decisions involve both credence attributes and emotional value. Islamic branding research suggests that halal-conscious customers evaluate organizational authenticity and credibility rather than relying solely on formal certification or product characteristics (Wilson & Liu, 2011). Consequently, organizational legitimacy, halal assurance, service reliability, family experience, and operational convenience collectively shape customer trust and influence business performance. These characteristics distinguish religious family food services from conventional food-service industries by positioning trust and experiential value as complementary sources of competitive advantage.

Analytical Perspective

This study adopts an integrated strategic management perspective in which business performance is viewed as the outcome of interactions among organizational resources, external environmental conditions, competitive pressures, and managerial decision-making. The Resource-Based View provides the analytical foundation for identifying internal strengths and capability limitations, while PESTEL and Porter's Five Forces explain macro-environmental influences and industry competition. SWOT analysis synthesizes these internal and external conditions into a coherent strategic diagnosis, whereas the TOWS matrix systematically translates that diagnosis into alternative strategic responses. Finally, management evaluation through a structured focus group discussion determines implementation priorities by considering organizational relevance, urgency, feasibility, resource readiness, and expected strategic impact.

Rather than functioning as independent analytical tools, these frameworks collectively constitute an integrated input-matching-decision process that enables transparent, evidence-based strategy formulation. Accordingly, the conceptual framework developed in this study illustrates how organizational diagnosis is transformed into strategic priorities capable of improving business performance within trust-intensive religious family food services.

RESEARCH METHOD

This study employed a qualitative interpretive case study design to examine how business performance improvement strategies can be formulated within a religious family food service organization. A qualitative case study was considered appropriate because the research sought to understand a contemporary strategic management problem within its real-life organizational context, where organizational resources, competitive pressures, and managerial decision-making interact dynamically (Creswell & Creswell, 2018; Yin, 2018). The unit of analysis was a single Indonesian religious family food service organization that had experienced declining business performance despite possessing an established market reputation and formal operational systems.

Purposive sampling was employed to obtain informants possessing direct knowledge of organizational strategy, operational performance, customer management, financial conditions, and industry dynamics. Six informants participated in the study, representing branch coordination, branch operations, telesales, human resources and legal affairs, finance, and an external industry association. Collectively, these participants provided comprehensive functional perspectives regarding organizational resources, competitive conditions, operational challenges, and strategic priorities. Details of the participants are presented in Table 1.

Table 1. Participant Characteristics

Code	Organizational Function	Participant Category	Primary Information Provided
P1	Branch Coordination	Internal	Branch performance, operational coordination, organizational resources, local competition
P2	Branch Operations	Internal	Service operations, customer management, standard operating procedures, partnership management
P3	Sales and Customer Relations	Internal	Lead management, customer behavior, sales conversion, competitor comparison
P4	Human Resources and Legal Affairs	Internal	Human resource management, organizational culture, legal compliance, halal certification, standard operating procedures
P5	Finance	Internal	Revenue performance, operating costs, profitability, pricing, financial sustainability
P6	Industry Representative	External	Industry conditions, livestock supply, market competition, regulatory environment, supplier perspectives

Source: Research data, 2026

Primary data were collected through semi-structured interviews lasting approximately 45-60 minutes. Interview questions were designed to explore organizational performance, internal resources and capabilities, external environmental conditions, competitive pressures, customer behavior, operational constraints, and strategic responses. To enhance contextual understanding, interview findings were complemented by company documents, operational reports, sales and financial records, standard operating procedures, legal documentation, and relevant secondary industry information. The use of multiple data sources enabled methodological triangulation and strengthened the credibility of the findings.

Data analysis followed an iterative qualitative procedure. Interview transcripts were repeatedly reviewed to develop an initial understanding of the data before meaningful statements were assigned preliminary codes. Similar codes were subsequently grouped into broader categories corresponding to the Resource-Based View, PESTEL analysis, and Porter's Five Forces. These analytical categories were then synthesized into organizational strengths, weaknesses, opportunities, and threats, providing the basis for SWOT analysis. Finally, the identified SWOT factors were systematically matched through the TOWS matrix to generate strategic alternatives. This analytical sequence follows the integrated strategy formulation logic proposed by David and David (2017), in which organizational diagnosis provides the foundation for strategic decision-making.

To maintain analytical rigor, only strategic factors satisfying four criteria were retained for the SWOT matrix: direct relevance to business performance, recurrence across interview participants or corroboration by documentary evidence, strategic importance for organizational competitiveness, and conceptual distinctiveness from other factors. Although several strategic alternatives addressed related organizational issues, all alternatives were retained to preserve analytical traceability between empirical evidence and strategic recommendations before being grouped into broader strategic themes.

At the prioritization stage, five members of the organization's management team participated in a structured focus group discussion to evaluate the proposed TOWS strategies. Each alternative was independently assessed according to five criteria: strategic relevance, urgency, implementation feasibility, resource readiness, and expected organizational impact. Each criterion was scored on a five-point scale ranging from one (very low) to five (very high). Individual scores were subsequently aggregated to establish implementation priorities, while discussion among participants was used to interpret close ranking results and reach consensus where necessary.

Trustworthiness was established through source triangulation, methodological triangulation, member confirmation, and the maintenance of a transparent chain of evidence linking interview quotations, coding decisions, analytical categories, and final strategic recommendations (Braun & Clarke, 2006). Documentary evidence was used to verify factual organizational information whenever available, whereas interview data were primarily employed to interpret organizational conditions and explain the strategic meaning underlying observed performance patterns. This approach enhanced the credibility, dependability, and transparency of the analytical process.

RESULTS

Business Performance Challenges and Internal Strategic Conditions

The findings indicate that the focal organization has experienced declining business performance despite possessing substantial organizational resources accumulated over more than two decades of operation. Documentary evidence and participant interviews consistently reveal fluctuations in sales, revenue, customer acquisition, and operating margins following a period of stronger performance. Rather than representing a temporary marketing issue, participants described the decline as reflecting broader challenges in aligning organizational capabilities with increasingly competitive and digitally mediated market conditions.

Participants consistently identified organizational trust as one of the company's most valuable strategic resources. Brand reputation, accumulated operational experience, customer referrals, positive service evaluations, halal compliance, legal certification, and standardized operating procedures were repeatedly described as factors reducing customer uncertainty when purchasing services associated with important family religious occasions. These findings indicate that intangible organizational resources remain the primary source of competitive differentiation within religious family food services.

However, the analysis also reveals that these valuable resources are not consistently transformed into superior organizational performance. Interview participants described uneven branch capabilities, inconsistent coordination among organizational units, underutilized operational assets, limited employee capability development, and weak communication of organizational value propositions as significant internal constraints. Consequently, although the organization possesses strong reputational resources, limitations in organizational capability reduce its ability to convert those assets into customer acquisition, sales growth, and sustainable profitability.

The internal strategic factors identified through the Resource-Based View analysis are summarized in Table 2.

Table 2. Internal Strategic Factors

Code	Dimension	Empirical Finding	Strategic Implication
S1	Strength	Long-established brand reputation and operational experience	Enhances organizational credibility and reduces customer uncertainty
S2	Strength	Strong customer reputation supported by reviews, referrals, and word-of-mouth recommendations	Reinforces trust and customer acquisition through social validation
S3	Strength	Positive perceptions of food quality, presentation, packaging, and customer service	Strengthens service differentiation and customer satisfaction
S4	Strength	Comprehensive halal, hygiene, legal, and quality management certifications	Supports organizational legitimacy and strengthens customer confidence

Code	Dimension	Empirical Finding	Strategic Implication
S5	Strength	Standardized operational processes covering order management, delivery, complaint handling, and after-sales service	Improves service consistency and operational reliability
S6	Strength	Utilization of digital operational systems, including CRM, WhatsApp, Odoo, dashboards, and HR systems	Supports organizational coordination and customer relationship management
W1	Weakness	Uneven operational facilities and support among branches	Creates inconsistencies in service delivery and organizational performance
W2	Weakness	Kitchen facilities and livestock assets are not fully utilized	Reduces operational efficiency and revenue-generating capacity
W3	Weakness	Human resource allocation differs across branches	Limits operational consistency and workload distribution
W4	Weakness	Inconsistent coordination among headquarters, branches, and sales functions	Slows organizational responsiveness and decision implementation
W5	Weakness	Limited value communication, digital visibility, promotional effectiveness, and landing-page quality	Weakens customer engagement and market competitiveness
W6	Weakness	Limited capability development for sales, marketing, operational, and branch personnel	Restrains organizational adaptability and long-term performance improvement

Source: Research data, 2026

External Environment and Competitive Pressures

The external analysis demonstrates that macro-environmental conditions and industry competition simultaneously influence business performance. Economic factors emerged as the most immediate source of strategic pressure, particularly declining purchasing power, increasing customer price sensitivity, rising operating costs, and fluctuations in livestock prices. Participants consistently reported that customers increasingly compare competing providers before making purchasing decisions, intensifying competition beyond traditional price considerations.

Social conditions, however, continue to create favorable market opportunities. Participants emphasized that aqiqah remains an important religious and family tradition, while younger Muslim families increasingly value practical, integrated, and emotionally meaningful service experiences. This trend suggests that organizations capable of combining religious legitimacy with convenience and service quality may strengthen their competitive position without relying primarily on price competition.

Technological developments present both opportunities and challenges. Digital communication platforms, customer relationship management systems, websites, and online payment technologies provide opportunities to improve customer experience throughout the purchasing journey. Nevertheless, participants acknowledged that digital integration remains incomplete, limiting organizational responsiveness and reducing the effectiveness of customer engagement.

Industry analysis further reveals intense competitive rivalry characterized by relatively low entry barriers, strong buyer bargaining power, and numerous competing providers offering comparable services. Although substitution at the product level remains relatively limited because aqiqah follows specific religious requirements, substitution at the service level remains possible through informal providers and self-managed alternatives. These conditions collectively increase pressure on organizations to compete through differentiated value rather than price alone.

The external strategic factors identified through PESTEL and Porter's Five Forces analyses are presented in Table 3.

Table 3. External Strategic Factors

Code	Analytical Perspective	Dimension	Empirical Finding	Strategic Implication
O1	Social	Opportunity	Aqiqah remains a strong religious obligation and family tradition among Muslim communities.	Sustains long-term market demand and customer relevance
O2	Social	Opportunity	Young Muslim families increasingly seek convenient, memorable, and integrated service experiences.	Creates opportunities for experience-based differentiation
O3	Technological	Opportunity	Digital platforms, including websites, WhatsApp, CRM systems, social media, and digital payments, facilitate customer interaction.	Supports digital customer engagement and sales process integration
O4	Legal	Opportunity	Halal certification, hygiene compliance, and Islamic service standards strengthen organizational legitimacy.	Enhances customer trust and differentiates formal providers from informal competitors
O5	Supplier Force	Opportunity	Livestock supply remains generally available through established suppliers and partner networks.	Supports operational continuity and supply reliability
O6	Competitive Rivalry / Substitution	Opportunity	Service quality, trust, customer experience, and organizational credibility reduce dependence on price competition.	Enables differentiation through value rather than pricing
T1	Economic	Threat	Declining purchasing power and increasing customer price sensitivity	Intensifies pricing pressure and reduces profit margins
T2	Competitive Rivalry	Threat	High market competition among providers offering similar services	Requires stronger strategic differentiation and customer retention
T3	New Entrants	Threat	Relatively low barriers allow new providers to enter the market easily	Increases competitive intensity and market fragmentation
T4	Competitive Rivalry	Threat	Small-scale and home-based providers compete through lower prices and promotional incentives.	Challenges established providers in price-sensitive market segments
T5	Buyer Power	Threat	Customers can rapidly compare prices, reviews, service quality, and promotional offers across providers.	Strengthens buyer bargaining power and increases switching behavior
T6	Environmental / Supplier	Threat	Weather conditions, livestock diseases, feed availability, and productivity influence livestock prices and supply stability.	Creates operational uncertainty and cost fluctuations
T7	Political	Threat	Limited government support for market development, innovation, and industry productivity	Places greater responsibility on organizational capability and strategic adaptation

Source: Research data, 2026

Strategic Formulation through SWOT-TOWS Analysis

The internal and external strategic factors were synthesized through SWOT analysis before being systematically translated into strategic alternatives using the TOWS matrix. Rather than functioning as an exhaustive list of organizational issues, the retained SWOT factors satisfied predefined analytical criteria, including relevance to business performance, recurrence across multiple participants, documentary support, and

strategic distinctiveness. The TOWS analysis generated twelve strategic alternatives organized into four broader strategic themes: trust-based market positioning, digital customer journey and sales management, operational capability development, and organizational resilience. Although several strategies addressed related organizational challenges, each retained a distinct strategic emphasis corresponding to different combinations of internal strengths, weaknesses, opportunities, and threats.

Overall, the strategic alternatives indicate that business performance improvement requires simultaneous enhancement of organizational capabilities and customer-facing processes rather than isolated promotional activities. The complete strategic alternatives are presented in Table 4.

Table 4. Strategic Alternatives Derived from the TOWS Matrix

Code	TOWS Logic	Strategic Theme	Strategic Alternative	Expected Strategic Contribution
SO-1	Strength-Opportunity	Trust-Based Market Positioning	Position the organization as a trusted, halal-compliant, convenient, and memorable service provider for young Muslim families.	Strengthens competitive differentiation through organizational legitimacy and customer trust.
SO-2	Strength-Opportunity	Digital Customer Journey	Integrate websites, WhatsApp, social media, CRM, and order management systems into a seamless customer journey.	Improves customer convenience, engagement, and conversion.
SO-3	Strength-Opportunity	Trust-Based Market Positioning	Strengthen communication of halal compliance, product quality, customer testimonials, and service experience.	Enhances perceived value and organizational credibility.
WO-1	Weakness-Opportunity	Marketing Capability Development	Improve marketing communication, digital visibility, and sales capability targeting young Muslim families.	Expands customer acquisition through more effective value communication.
WO-2	Weakness-Opportunity	Operational Capability	Standardize branch operations, strengthen coordination among organizational units, and optimize digital system utilization.	Improves service consistency and organizational effectiveness.
WO-3	Weakness-Opportunity	Resource Utilization	Optimize kitchen facilities and livestock assets through complementary business activities and service diversification.	Enhances asset productivity and operational efficiency.
ST-1	Strength-Threat	Competitive Positioning	Respond to price competition by emphasizing trust, halal assurance, service quality, customer reviews, and convenience.	Reduces dependence on price-based competition.
ST-2	Strength-Threat	Sales Execution	Strengthen response speed, lead management, follow-up, after-sales service, and customer relationship management.	Improves customer conversion and retention.
ST-3	Strength-Threat	Supply Chain Resilience	Strengthen partnerships with livestock suppliers to maintain quality, availability, and compliance.	Enhances supply reliability and operational continuity.

Code	TOWS Logic	Strategic Theme	Strategic Alternative	Expected Strategic Contribution
WT-1	Weakness-Threat	Operational Efficiency	Improve operational efficiency through resource restructuring and cost optimization.	Protects profitability under increasing competitive pressure.
WT-2	Weakness-Threat	Organizational Capability	Strengthen internal coordination, employee training, and communication systems across organizational functions.	Improves organizational adaptability and implementation capability.
WT-3	Weakness-Threat	Strategic Resilience	Develop adaptive strategies to address cost fluctuations, declining purchasing power, and limited external ecosystem support.	Strengthens long-term organizational resilience under environmental uncertainty.

Source: Research data, 2026

Prioritization of Strategic Alternatives

To determine implementation priorities, management participants evaluated each strategic alternative using five assessment criteria: strategic relevance, urgency, implementation feasibility, resource readiness, and expected organizational impact. Aggregate scores indicate relatively small differences among several alternatives, suggesting that participants considered multiple strategies important for improving organizational performance. Consequently, the evaluation process established an implementation sequence rather than identifying mutually exclusive strategic choices.

The highest-ranked strategy emphasizes strengthening response speed, lead management, follow-up discipline, and after-sales coordination throughout the customer journey. Participants considered this strategy the most immediate response to increasing customer comparison behavior and competitive pressure because delayed responses frequently resulted in lost business opportunities.

The second-ranked strategy focuses on integrating digital customer touchpoints, including websites, social media, customer relationship management systems, communication platforms, payment processes, and order management. Participants viewed digital integration as essential for improving customer convenience and strengthening organizational competitiveness.

The third-ranked strategy emphasizes improving marketing communication by strengthening the organization's capability to communicate religious legitimacy, service quality, convenience, and customer value more effectively to younger Muslim families. Management considered this strategy essential because existing organizational strengths remain insufficiently communicated throughout the customer decision-making process.

The complete prioritization results are presented in Table 5.

Table 5. Prioritization of Strategic Alternatives

Rank	Strategic Alternative	Strategic Focus	Implementation Priority	Expected Organizational Outcome
1	Strengthen response speed, lead management, customer follow-up, and after-sales coordination throughout the customer journey.	Customer Relationship Management	Very High	Improves customer conversion, responsiveness, and retention.
2	Integrate websites, social media, WhatsApp, CRM, digital payment, and order management into a unified customer journey.	Digital Transformation	Very High	Enhances customer convenience, operational integration,

				and competitive advantage.
3	Strengthen communication of halal compliance, service quality, customer testimonials, and organizational credibility.	Marketing Communication	High	Reinforces customer trust and brand differentiation.
4	Improve branch coordination, operational standardization, and utilization of digital management systems.	Operational Excellence	High	Increases service consistency and organizational effectiveness.
5	Develop employee competencies through structured training in sales, operations, customer service, and digital capability.	Human Resource Development	Moderate-High	Improves organizational capability and implementation quality.
6	Optimize kitchen facilities, livestock assets, and supporting operational resources through better capacity utilization.	Resource Optimization	Moderate	Improves productivity and operational efficiency.
7	Strengthen strategic partnerships with suppliers to maintain livestock quality, availability, and supply continuity.	Supply Chain Management	Moderate	Reduces operational disruption and procurement risk.
8	Improve cost efficiency and organizational adaptability in response to increasing competition and economic uncertainty.	Organizational Resilience	Moderate	Protects long-term business sustainability and financial performance.

Source: Research data, 2026

DISCUSSION

Business Performance as the Outcome of Organizational Resources and Capabilities

The findings demonstrate that business performance within the focal organization is influenced not only by the possession of valuable organizational resources but also by the organization's capability to deploy those resources effectively in increasingly competitive market conditions. Although participants consistently identified brand reputation, operational experience, halal certification, standardized operating procedures, and positive customer evaluations as major organizational strengths, these resources have not been fully translated into sustainable performance improvement because of limitations in coordination, digital integration, and organizational capability. These findings are consistent with the Resource-Based View proposed by Barney (1991), which argues that valuable organizational resources constitute the foundation of competitive advantage only when they are effectively organized and strategically utilized. Similarly, Wernerfelt (1984) emphasized that competitive superiority derives from the strategic deployment of resources rather than their mere possession. The present findings therefore extend this perspective by demonstrating that, within religious family food services, intangible resources such as institutional trust, religious legitimacy, and accumulated service reputation represent strategic assets whose value depends heavily on managerial capability and organizational integration.

The results also support the argument of Teece (2007) that dynamic capabilities determine an organization's capacity to adapt its resources to environmental change. Participants repeatedly described inconsistencies in branch coordination, underutilized operational assets, and uneven employee capabilities as barriers preventing valuable organizational resources from generating superior business performance. Consequently, performance improvement requires strengthening organizational capabilities alongside

preserving existing strategic assets. These findings reinforce recent studies suggesting that organizational performance increasingly depends on the interaction between valuable resources and managerial capability rather than resource ownership alone (Abrokwah-Larbi, 2024; Behl et al., 2022; Kusa et al., 2024). In the context of religious family food services, customer trust emerges as a strategic resource whose effectiveness depends on organizational responsiveness, operational consistency, and service quality throughout the customer journey.

Environmental Dynamics Require Value-Based Rather than Price-Based Competition

The external analysis indicates that business performance is increasingly shaped by economic uncertainty, technological transformation, changing customer expectations, and intensifying market competition. Participants consistently described increasing customer price sensitivity and stronger competitive rivalry while simultaneously recognizing growing opportunities created by digital technologies and the continued social importance of aqiqah services. These findings correspond with Porter's competitive strategy framework, which suggests that sustainable competitive advantage cannot be maintained through price competition alone when buyers possess strong bargaining power and market rivalry is intense. Instead, organizations must differentiate themselves through superior value propositions that competitors cannot easily imitate. Within the present study, participants emphasized trust, halal assurance, service quality, and customer convenience as the primary dimensions supporting organizational differentiation.

The findings similarly align with previous studies demonstrating that digital transformation has fundamentally altered customer expectations regarding responsiveness, convenience, and purchasing experience (Homburg et al., 2017; Lemon & Verhoef, 2016; Verhoef et al., 2021). Rather than replacing traditional service quality, digital interaction increasingly complements organizational trust by facilitating faster communication, transparent information exchange, and more efficient customer relationship management. Furthermore, the persistence of aqiqah as an important religious and family practice indicates that market demand remains relatively resilient despite increasing economic pressure. Consistent with Wilson and Liu (2011), religious legitimacy continues to influence consumer decision-making within Islamic service industries. Consequently, organizations capable of combining religious credibility with operational convenience are better positioned to sustain competitive advantage than organizations relying primarily on pricing strategies.

Integrating SWOT-TOWS into Strategic Decision-Making

One important contribution of this study lies in demonstrating how multiple strategic analysis tools can be integrated into a coherent decision-making process. Rather than employing SWOT solely as a descriptive classification technique, the present study combines Resource-Based View analysis, PESTEL, Porter's Five Forces, SWOT, and the TOWS matrix to establish a systematic sequence from empirical diagnosis to strategic formulation. This integrated analytical process addresses a limitation observed in previous strategic management studies, where SWOT frequently concludes with descriptive strategic recommendations without clearly explaining how empirical evidence informs strategic priorities. By incorporating internal organizational resources, external environmental conditions, and managerial evaluation into a unified framework, the present study provides greater transparency regarding the logical relationship between empirical findings and strategic recommendations.

The resulting strategic alternatives consistently emphasize strengthening customer relationships, improving digital integration, enhancing operational capability, and reinforcing organizational trust. Rather than proposing isolated marketing initiatives, the strategies collectively support long-term organizational capability development. This finding is consistent with David and David's strategic management perspective that effective strategy formulation should align internal organizational strengths with external environmental opportunities while simultaneously mitigating organizational weaknesses and competitive threats.

Practical Implications for Religious Family Food Service Organizations

The prioritization process provides practical evidence regarding managerial preferences under conditions of increasing environmental uncertainty. Management consistently assigned the highest priority to strategies associated with customer responsiveness, digital customer journey integration, and communication of organizational trust, while physical resource expansion received comparatively lower priority. These priorities suggest that business performance improvement is increasingly viewed as a function of organizational capability rather than physical capacity. Faster response times, integrated digital communication, structured customer relationship management, and consistent service delivery were considered more influential than expansion of operational assets alone.

For organizations operating within trust-intensive religious service industries, these findings indicate that sustainable competitive advantage depends on combining institutional credibility with organizational agility. Investments in digital capability, employee competence, customer experience management, and operational coordination therefore represent strategic priorities that reinforce existing organizational resources while improving long-term organizational resilience. Overall, the study demonstrates that organizational resources remain valuable only when supported by adaptive managerial capabilities capable of responding to changing customer expectations and competitive dynamics. This conclusion reinforces the strategic relevance of integrating internal capability development with customer-centered value creation to improve business performance.

THEORETICAL CONTRIBUTIONS

This study offers several theoretical contributions to the strategic management and service management literature by extending the application of established strategic frameworks within the context of religious family food services, a setting that has received relatively limited scholarly attention despite its growing economic and social significance. First, the findings reinforce the central proposition of the Resource-Based View (RBV) that valuable organizational resources alone are insufficient to generate superior business performance. Although the focal organization possesses strategic assets such as a well-established reputation, halal certification, standardized operating procedures, and accumulated operational experience, these resources do not automatically produce competitive advantage. Instead, the findings demonstrate that their strategic value depends on the organization's capability to coordinate internal functions, integrate digital technologies, and consistently deliver high-quality customer experiences. This observation provides additional empirical support for the complementary relationship between valuable resources and organizational capabilities proposed by Barney (1991) and Teece (2007).

Second, this study contributes to strategic management literature by illustrating how internal and external strategic analyses can be integrated into a coherent analytical process rather than being applied as isolated managerial tools. Previous studies frequently employ Resource-Based View analysis, PESTEL, Porter's Five Forces, SWOT, or TOWS independently, often resulting in fragmented strategic recommendations. In contrast, the present study demonstrates an integrated analytical sequence in which internal organizational resources, external environmental conditions, and managerial evaluations collectively inform the formulation and prioritization of strategic alternatives. This sequential approach enhances analytical transparency by explicitly linking empirical evidence to strategic decision-making.

Third, the findings broaden current understanding of competitive advantage within trust-intensive service industries. While traditional strategic management research often emphasizes tangible resources or cost efficiency as primary drivers of organizational performance, the present study demonstrates that intangible organizational resources—including institutional trust, religious legitimacy, service consistency, and customer experience—function as critical strategic assets. These findings suggest that organizational credibility should be understood not merely as a marketing outcome but as a strategic capability that supports long-term competitiveness in service organizations where purchasing decisions involve significant emotional, social, and religious considerations.

This study extends existing discussions on business performance improvement by highlighting the growing strategic importance of customer-centered organizational capabilities. Rather than prioritizing physical expansion or price-based competition, the findings indicate that digital integration, rapid customer responsiveness, structured customer relationship management, and effective communication of organizational value represent the primary mechanisms through which strategic resources are transformed into superior organizational performance. Consequently, this study contributes to strategic management literature by demonstrating that sustainable competitive advantage increasingly depends on an organization's ability to integrate valuable resources, adaptive capabilities, and customer-oriented value creation within a unified strategic framework.

PRACTICAL IMPLICATIONS

The findings of this study provide several practical implications for managers operating in religious family food service organizations. First, the results suggest that improving business performance should not rely solely on expanding physical resources or increasing promotional activities. Instead, managers should prioritize strengthening organizational capabilities that enable existing strategic resources to be utilized more effectively. Investments in employee competency development, cross-functional coordination, standardized operational practices, and digital integration are likely to produce greater long-term organizational benefits than resource expansion alone.

Second, the prioritization of strategic alternatives demonstrates that customer responsiveness has become a critical determinant of organizational competitiveness. Management should therefore establish structured customer relationship management practices that ensure rapid response to customer inquiries, systematic lead follow-up, effective after-sales communication, and continuous customer engagement. Such initiatives can improve conversion rates while reinforcing customer trust throughout the purchasing process.

Third, the study highlights the importance of digital transformation beyond the simple adoption of online marketing channels. Organizations should integrate websites, customer

relationship management systems, social media, messaging platforms, digital payment systems, and order management processes into a unified customer journey. This integrated approach enables customers to experience greater convenience while allowing organizations to improve operational efficiency and managerial decision-making through more consistent information flows.

Fourth, the findings indicate that trust represents one of the most valuable strategic assets within religious family food service organizations. Managers should therefore communicate organizational credibility through consistent service quality, halal compliance, transparent business practices, customer testimonials, and standardized service delivery. Strengthening these dimensions can enhance customer confidence and reduce reliance on price-based competition in increasingly crowded markets.

The findings also provide practical implications for industry practitioners beyond the focal organization. Service providers operating in trust-intensive sectors may benefit from adopting integrated strategic planning processes that simultaneously evaluate internal organizational capabilities and external environmental conditions before determining strategic priorities. Rather than implementing isolated improvement initiatives, organizations are encouraged to align resource development, digital capability, customer experience management, and operational excellence within a unified strategic framework.

This study offers useful insights for policymakers and business development institutions responsible for supporting small and medium-sized enterprises in religious service industries. Capacity-building programs should extend beyond financial assistance by emphasizing managerial capability development, digital transformation, quality assurance, halal governance, and customer relationship management. Such initiatives may strengthen organizational competitiveness while supporting the long-term sustainability of religious service enterprises operating in increasingly dynamic market environments.

CONCLUSION

This study examined how business performance improvement strategies can be formulated within a religious family food service organization by integrating the Resource-Based View, PESTEL analysis, Porter's Five Forces, SWOT analysis, the TOWS matrix, and management evaluation into a unified strategic decision-making process. Using a qualitative case study approach, the research identified the internal organizational resources, external environmental conditions, strategic alternatives, and implementation priorities that collectively influence organizational performance.

The findings indicate that the organization possesses valuable strategic resources, including institutional reputation, halal compliance, standardized operating procedures, accumulated operational experience, and customer trust. However, these resources alone are insufficient to sustain superior business performance without corresponding organizational capabilities. Limitations in coordination, digital integration, operational consistency, and capability development reduce the organization's ability to transform valuable resources into sustained competitive advantage. At the same time, changing customer expectations, increasing digitalization, and intensifying market competition require organizations to compete through customer value, organizational agility, and service quality rather than through price alone.

The study further demonstrates that integrating multiple strategic management frameworks provides a transparent and systematic basis for strategic decision-making. Rather than producing isolated recommendations, the sequential integration of internal analysis, external analysis, SWOT-TOWS formulation, and managerial prioritization

enables strategic alternatives to be developed directly from empirical evidence. The prioritization process further indicates that strengthening customer responsiveness, digital integration, organizational capability, and trust-based value communication represents the most effective pathway for improving business performance within trust-intensive service industries.

Overall, this study contributes to strategic management literature by demonstrating how valuable organizational resources, adaptive capabilities, and customer-centered value creation interact to support sustainable business performance. The findings also provide a practical strategic framework that may assist managers and decision-makers in designing evidence-based performance improvement strategies within religious service organizations and other trust-intensive service sectors operating in increasingly dynamic competitive environments.

Limitations And Future Research

This study should be interpreted in light of several limitations that also provide opportunities for future research. First, the study employed a qualitative single-case study design, enabling an in-depth understanding of strategic decision-making within one religious family food service organization. While this approach generated rich contextual insights, the findings are analytically rather than statistically generalizable. Future studies may adopt multiple-case designs involving organizations of different sizes, ownership structures, or geographical locations to examine the transferability of the proposed strategic framework across diverse organizational contexts.

Second, the present study focused primarily on managerial perspectives regarding organizational resources, environmental conditions, and strategic priorities. Although these perspectives are essential for strategic planning, future research could incorporate additional stakeholder groups, including customers, suppliers, strategic partners, and employees, to develop a more comprehensive understanding of how strategic resources and competitive advantage are perceived across the organizational ecosystem. Third, the strategic priorities identified in this study reflect organizational conditions at the time the research was conducted. Because competitive environments, customer expectations, and digital technologies continue to evolve, future studies may employ longitudinal research designs to investigate how strategic priorities change over time and how organizations continuously adapt their capabilities in response to environmental dynamics.

The integrated analytical framework developed in this study was examined within the context of a trust-intensive religious family food service organization. Future research may extend this framework to other service industries where customer trust, organizational credibility, and service experience play similarly important roles, such as healthcare services, educational institutions, Islamic financial services, hospitality, and other faith-based or experience-oriented service organizations. Comparative studies across different service sectors may further refine the theoretical understanding of how organizational resources, environmental conditions, and customer-centered capabilities interact to influence sustainable business performance.

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