



# Analysis Of Factors Affecting Cattery Business Performance in Indonesia

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**Abstract.** This study aims to identify and analyze the factors that influence the performance of cat farming businesses in Indonesia. The main focus of this study was on the significant variables affecting cat farm performance, using a population of cat farm owners from Indonesia's official cat farm association. A purposive sampling technique was used, resulting in a sample of 174 members determined by the Slovin formula with a 5% error rate. Quantitative methods, specifically factor analysis, were used to assess the impact of financial, marketing, operational and human resource factors on business performance. The findings show that financial factors are the most significant, affecting revenue, profitability, operating expenses, capital and growth. This research provides a basis for developing effective strategies and policies to enhance cattery business development in Indonesia

**Keywords:** Finance, Marketing, Human Resources, Operations, Business Performance.

## 1 Introduction

Pets are living creatures that are loved and kept by humans for their cuteness, which can help reduce stress and anxiety. According to Rakuten Insight Center's GoodStats data, by 2022, 67% of 10,442 respondents in Indonesia owned a pet, 10% had kept one in the past, and 23% did not own a pet. This indicates that a significant number of Indonesians choose to keep animals, with cats being particularly popular. Data from DataIndonesia.id reveals that 47% of respondents in Indonesia own a cat as a pet.

There are two main ways of keeping cats: modern and traditional. The modern approach involves purchasing cats from breeders who offer healthy and well-groomed cats, while the traditional approach involves adopting cats from relatives or friends. Among cat owners, 38% adopted their cat from a relative or friend, while 7% purchased their cat from a breeder. Although purchasing from a breeder is generally more expensive, it offers a higher guarantee of the cat's health and breed authenticity.

The cattery business in Indonesia is growing and has significant economic potential. Several factors influence the success of this business, including capital, marketing, human resources, and operations. Adequate capital is crucial for meeting basic needs such as feed, healthcare, and technology. Effective marketing, especially through digital platforms like social media, can expand

reach and engagement with potential customers. Additionally, quality human resources, supported by training and development, play an essential role in ensuring business success.

Based on the background above, the problem formulation of this study is centered on identifying the factors that affect the performance of cattery businesses in Indonesia. By formulating this problem, the study aims to identify and analyze the key factors that significantly influence the performance of Indonesian cattery businesses, considering various relevant aspects of the industry.

The research objectives are to determine and analyze the factors that influence the performance of cattery businesses in Indonesia. This study is expected to offer both theoretical and practical benefits. Theoretically, it aims to enhance understanding of the factors affecting cattery business performance, providing valuable insights and information for future researchers. Practically, the research can provide useful information for cattery businesses, serving as a reference for improving the effectiveness and efficiency of business performance within the industry.

## **2 Literature Review**

### **2.1 Business Performance**

According to Purba et al. (2023), performance is the result of work that can be completed by a person or group in an organization in accordance with their various authorities and responsibilities in order to meet the objectives of the organization concerned legally, not violating the law, not violating morals, and in accordance with ethics.

In the pet sector, cattery business performance is critical, especially given the growing pet market. To provide readers with a better knowledge of the variables that affect cattery business operations, some theories and concepts will be briefly discussed. Business performance is a condition that refers to the level of achievement of the business in a certain period of time. (Sanistasya et al., 2019).. Meanwhile, according to (Wibowo, 2018). "Performance is a result of the work achieved by a person in carrying out the tasks assigned to him based on skills, experience, and seriousness and time".

### **2.2 Finance**

In assessing the performance of catteries in Indonesia, finance is a major factor affecting business continuity and growth. Analysis of financial factors can provide an in-depth understanding of the stability and development potential of cattery businesses in the domestic market. Capital is an important element in production activities. For newly established companies, according to (Rahmadani, 2019) capital is used to run their business, but for companies that have been established for a long time, these funds are used to develop the business they have built and increase market share for the company and the company itself.

According to (Anggraini et al., 2022) Entrepreneurs must be able to use their capital as well as possible, so that it can provide greater benefits for operating companies in the future than before. Analysis of financial factors in the performance of cattery businesses in Indonesia is key to identifying financial strengths and weaknesses. By understanding these financial aspects, in the face of market changes, business owners can take appropriate actions to improve performance and maintain financial stability.

### **2.3 Marketing**

According to Kotler (2001), marketing is the process by which people and organizations can buy goods to fulfill their desires. The processes that occur between customers and businesses can help achieve this. In line with this, marketing is defined as an activity, as well as a collection of organizations and procedures, to develop, promote, provide, and deliver goods and services that provide value to partners, consumers, clients, and the wider community Kotler, P. and Dkk (2011). Marketing strategy consists of analysis, development, and implementation activities to increase the organization's interest in the market, according to Cravens and Dkk (2019: 13). In marketing cattery businesses in Indonesia, namely by using social media, namely Instagram, Tiktok, Facebook to expand the cattery market and be widely recognized by the public.

### **2.4 Human Resources**

According to Anggraieni F.N. (2020), human resource investment is the most important thing an organization can do to achieve goals, namely having a workforce that has adequate quality, discipline, loyalty, dedication, efficiency, effectiveness, and productivity to meet the needs of the company both now and in the future. Cattery owners can improve their business performance and provide the best service to customers by understanding and managing these human resource factors well. Employee engagement through training, development, and creating a pleasant work environment can also help the long-term success of the cattery, at this time making it easier for cattery owners to conduct online-based training through zoom in order to better develop the cattery business organized by the organization.

### **2.5 Operational**

Variable operations are part of research that gives us instructions on how to measure a variable. help other researchers who want to conduct research using the same variables. According to Sugiono (2019: 221), the operational definition of a variable is everything that is determined by the researcher to study so that information about it is obtained, then conclusions are drawn. Operations in the cattery business can be in the form of using electronic tools that can facilitate cattery business operations.

## **3 Research Methods**

### **3.1 Research method**

This research is quantitative in nature, using statistical data to test hypotheses. This research analyzes the variables that influence cattery performance in Indonesia through Social Network Analysis (SNA), which examines relationships and interactions within cattery organizations. In addition, this study utilized an internet-based survey method to distribute questionnaires efficiently, allowing for wider data collection at a lower cost.

### 3.2 Research Design

This research is a quantitative type. Quantitative research uses more rigorous statistical data to test hypotheses. Referring to the background of the problem formulation that has been explained, this research uses quantitative methods to analyze the variables that affect the level of cattery performance in Indonesia.

### 3.3 Population and Sample

The population of this study consisted of cattery owners in Indonesia. Members of official cattery associations in Indonesia who run catteries were included in this study. The demographics that the researcher wanted to analyze were represented in this research sample. The sample is part of the number and characteristics of the population, according to Sugiyono (2011). Purposive sampling, according to Sugiyono (2011), is a sampling technique where the sample is selected by considering certain factors.

Determination and measurement of samples in this study using the Slovin formula with a standardization of 5%. The calculation for determining the number of samples is as follows:

$$n = \frac{N}{1 + N(e^2)}$$

n= 174

Based on the results of the above calculations, the required sample of 174 cattery members, and this study consists of cattery entrepreneurs who run their business independently and are members of a legal entity organization. Purposive sampling is a sampling method that considers several factors, some of which are as follows:

1. Cattery entrepreneurs who are members of the Indonesian cattery association
2. Business owners who already have kittens

### 3.4 Types and Sources of Data

The types and sources of data taken in this study are primary data, namely data collected directly from the distributed questionnaires, and secondary data, namely data collected indirectly from the source, namely journals and reference books. And also the data is taken using an online-based survey method, an internet-based survey method using a digital platform to collect data from respondents. Researchers create questionnaires that can be accessed online and invite participants to fill out the survey. The commonly used platform is google forms.

### 3.5 Data Analysis Technique

Data collection was carried out with the aim of obtaining primary data from the answers of cattery entrepreneurs related to the research. Researchers used a questionnaire as a data collection technique that will be given to several cattery members in Indonesia who are members of the Indonesia Cat Council - wordl Cat Federation.

## 4 Results and Discussion

### 4.1 Instrument Validity Test

Shows the results of the instrument validity test using the correlation coefficient  $r$  for each variable item. The correlation coefficient  $r$  count (Corrected Item Total Correlation) for all variable items (X1-X4 and Y) has been calculated based on primary data processed with SPSS 29 in 2024. The  $r$  table value used is 0.148 with a significance level of  $\alpha = 0.05$  (two-sided) for  $df = n - 2$ .

All calculated  $r$  values for each variable item exceed the critical value of the  $r$  table set, indicating that the variable indicators in this study are valid and reliable for measuring the variables to be studied.

#### 4.1.1 Reliability Test

Reliability test is used to measure questionnaires which are indicators of variables. A questionnaire is said to be reliable or reliable if someone's answer to an item is consistent or stable over time. One way to calculate reliability is to calculate the *Cronbach Alpha* coefficient. This theory states that the construct or variable indicator is considered credible if the *Cronbach Alpha* coefficient  $> 0.6$ , on the other hand, if the *Cronbach Alpha* coefficient  $< 0.6$ , the construct or variable indicator is considered unreliable (Sugiyono, 2017). The following are the results of the reliability test on each variable.

Table 1. Reliability Test

Reliability Statistics	
Cronbach's Alpha	N of Items
0,931	38

The table which has been presented above, the driving factor variable has a *Cronbach alpha* value of  $0.932 > 0.60$ . From these results it is concluded that each variable that has been tested is reliable.

**4.1.2 Classical Assumption Test**

This study uses the classical assumption test to determine whether the regression model used to measure the effect of work discipline and motivation on performance is feasible. There are three stages in the classical assumption test, namely:

**4.1.3 Normality Test**

Based on the table below, it shows that the significance value in the Kolmogorov-Smirnov Test is greater than  $> 0.05$ . The results show  $0.200 > 0.05$ , so it can be concluded that the data tested is normally distributed. And can be continued for other classic assumption tests.

Table 2. Normality Test

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized Residual	
N		174	
Normal Parameters <sup>a,b</sup>	Mean	0.0000000	
	Std. Deviation	1.95897245	
Most Extreme Differences	Absolute	0.060	
	Positive	0.060	
	Negative	-0.039	
Test Statistic		0.060	
Asymp. Sig. (2-tailed) <sup>c</sup>		.200 <sup>d</sup>	
Monte Carlo Sig. (2-tailed) <sup>e</sup>	Sig.		0.128
	99% Confidence Interval	Lower Bound	0.119
		Upper Bound	0.136

**4.1.4 Multicollinearity Test**

The table, the multicollinearity test results can be seen that the VIF value of each variable  $< 10$  and the Tolerance value of each variable  $> 0.1$ . So, it can be concluded that between the independent variables there are no symptoms of multicollinearity.

Table 3. Multicollinearity Test

Coefficients <sup>a</sup>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Financial	0.478	2.093
	Marketing	0.930	1.075
	Human Resources	0.714	1.401
	Oprasional	0.498	2.009
A. Dependent Variable: Business Performance			

**4.1.5 Heteroscedasticity Test (Glejser Heteros Test)**

Based on the results of the hetekedasticity test , it can be seen that all independent variables have a sig value> 0.05. Therefore it can be concluded that the regression model does not contain heteroscedasticity.

Table 4. Heteroscedasticity Test (Glejser Heteros Test)

Coefficients <sup>a</sup>			
MODEL		SIG.	RESULTS
1	(Constant)	0.000	No Heteroscedasticity
	Financial(X1)	0.408	No Heteroscedasticity
	Marketing(X2)	0.279	No Heteroscedasticity
	Human Resources (X3)	0.452	No Heteroscedasticity
	Operational(X4)	0.106	No Heteroscedasticity

**4.1.6 Factor Analysis**

Factor analysis aims to simplify several variables into a smaller number of factors by combining several variables into one factor, so that dominant factors are formed. In this study, there are 4 variables that can be reduced to several factors. The stages in factor analysis are as follows:

#### 4.1.7 Kaiser-Mayer-Olkin (KMO) and Bartlett's Test

Table 5. Kaiser-Mayer-Olkin (KMO) and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.867
Bartlett's Test of Sphericity	Approx. Chi-Square	2823.158
	df	105
	Sig.	0.000

Based on the KMO test results in the table above, it can be seen that the Kaiser-Meyer-Olkin Measure of Sampling Adequacy has a value > 0.50, namely 0.867. Therefore it can be concluded that the Kaiser-Meyer-Olkin Measure of Sampling Adequacy has been tested.

#### 4.1.8 Anti-Image Correlation Test

Table 6. Anti-Image Correlation Test

Variables	Question	MSA
X1.1	Cattery businesses with higher capital tend to achieve higher profit levels.	0,874
X1.2	As cattery revenue increases, so does the potential profit.	0,855
X1.3	I feel that spending on feed and nutrition greatly affects my budget in managing the cattery business.	0,893
X1.4	Do you agree that animal health care costs have a big impact on the expenses of running a cattery.	0,867
X2.1	Cattery businesses with active marketing efforts tend to experience faster customer growth than those that are not active in marketing.	0,835
X2.2	I feel that the marketing strategies I apply are effective in increasing sales in my cattery business.	0,910
X2.3	A cattery that provides quality service and a positive customer experience tends to make customers happy and usually makes them want to come back for more.	0,939
X2.4	There is a positive correlation between the level of buyer satisfaction and the level of being a repeat buyer and preventing switching to another cattery.	0,891
X2.5	My customers are more likely to recommend	0,847



Variables	Question	MSA
	my cattery to their friends and family after seeing our promotions.	
X3.1	Cattery employees who receive regular training and development tend to perform better than those who do not.	0,774
X3.2	Providing training and development helps employees to better understand their duties and responsibilities at work.	0,792
X3.3	I feel motivated to continue developing my skills and knowledge in managing the cattery business.	0,900
X4.1	Catteries with good cage management and a clean environment tend to have higher animal welfare and better operational efficiency.	0,898
X4.2	Adopting hygiene and sanitation standards in housing helps to reduce the risk of disease and improve animal health.	0,870
X4.3	Effectively managing supplies of food, cat litter and other necessities helps reduce overall operational costs.	0,870

Based on the results of the anti-image correlation test in table 6, it can be seen that the anti-image correlation test has a value > 0.5. Therefore, it can be concluded that all indicators have tested the anti- image correlation test.

**4.1.9 Communalities**

Communalities show how much diversity the origin variable has. The greater the communalities, the closer the relationship between the indicators studied and the factors formed (Santoso, 2012).

Table 7. Communalities

Communalities			
Indicator	Question	Initial	Extraction
X1.1	Cattery businesses with higher capital tend to achieve higher profit levels.	1,000	0.894
X1.2	As cattery revenue increases, so does the potential profit.	1,000	0.874
X1.3	I feel that spending on feed and nutrition greatly affects my budget in managing the cattery business.	1,000	0.850
X1.4	Do you agree that animal health care costs have a big impact on the expenses of running a cattery.	1,000	0.916
X2.1	Cattery businesses with active marketing efforts tend to experience faster customer growth than those that are not active in marketing.	1,000	0.935

X2.2	I feel that the marketing strategies I apply are effective in increasing sales in my cattery business.	1,000	0.872
X2.3	A cattery that provides quality service and a positive customer experience tends to make customers happy and usually makes them want to come back for more.	1,000	0.885
X2.4	There is a positive correlation between the level of buyer satisfaction and the level of becoming a repeat buyer and preventing switching to another cattery.	1,000	0.904
X2.5	My customers are more likely to recommend my cattery to their friends and family after seeing our promotions.	1,000	0.899
X3.1	Cattery employees who receive regular training and development tend to perform better than those who do not.	1,000	0.917

The table above shows how much a variable can explain a factor. For example, X1 has a value of 0.894, meaning that the X1 variable can explain the factor by 89.4%. Likewise with other variables, where all of them are  $>0.50$ , therefore it can be concluded that all variables can explain the factor.

**4.1.10 Total Variance Explained**

Table 8. Total Variance Explained

<b>Total Variance Explained</b>									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.928	39.522	39.522	5.928	39.522	39.522	4.518	30.121	30.121
2	4.369	29.124	68.646	4.369	29.124	68.646	2.945	19.635	49.756
3	1.442	9.617	78.262	1.442	9.617	78.262	2.720	18.132	67.888
4	1.106	7.376	85.638	1.106	7.376	85.638	2.662	17.750	85.638
5	0.675	4.503	90.141						
6	0.337	2.245	92.386						
7	0.191	1.274	93.660						
8	0.169	1.124	94.784						
9	0.161	1.075	95.859						
10	0.141	0.943	96.802						
11	0.122	0.816	97.618						
12	0.111	0.739	98.357						
13	0.100	0.664	99.022						
14	0.094	0.628	99.649						
15	0.053	0.351	100.000						

In the table above, it can be seen that only 4 indicator factors on financial variables are formed, because with one factor the eigenvalues are still above 1, with 2 factor eigenvalues still above 1, with 3 factor eigenvalues still above 1, with 4 factor eigenvalues still above 1, therefore only limited to 4 indicator factors on variables.

**4.1.11 Component Matrix**

Table 9. Component Matrix

<b>Component Matrix<sup>a</sup></b>				
	Component			
	1	2	3	4
X1.1	0.841	0.126	0.362	0.198
X1.2	0.793	0.158	0.317	0.346
X1.3	0.837	0.206	0.135	0.298
X1.4	-0.455	0.827	0.162	
X2.1	-0.470	0.834	0.140	

<b>Component Matrix<sup>a</sup></b>				
	Component			
	1	2	3	4
X2.2	-0.426	0.821		0.118
X2.3	-0.468	0.809	0.104	
X2.4	-0.467	0.821	0.102	
X2.5	0.736	0.293	0.152	-0.498
X3.1	0.603	0.453	-0.542	0.234
X3.2	0.586	0.449	-0.531	0.261
X3.3	0.484	0.409	-0.538	-0.105
X4.1	0.762	0.345	0.142	-0.399
X4.2	0.732	0.353		-0.466
X4.3	0.496		0.459	0.291
Extraction Method: Principal Component Analysis.				
a. 4 components extracted.				

In the table above, the numbers are presented which are factor loading or the amount of correlation between an indicator and factors 1, 2, 3 and 4, it can be seen that all indicators are above 0.5. Then the indicator can enter the variable.

**4.1.12 Rotated Component Matrix**

Table 10. Rotated Component Matrix

<b>Rotated Component Matrix<sup>a</sup></b>					
Indicator	Question	Component			
		1	2	3	4
X2.1	Cattery businesses with active marketing efforts tend to experience faster customer growth than those that are not active in marketing.	<b>0.962</b>	<b>- 0.101</b>	<b>- 0.001</b>	<b>- 0.005</b>
X1.4	Do you agree that animal health care costs have a big impact on the expenses of running a cattery.	<b>0.954</b>	<b>- 0.077</b>	<b>0.004</b>	<b>- 0.016</b>
X2.4	There is a positive correlation between the level of buyer satisfaction and the level of becoming a repeat buyer and preventing switching to another cattery.	<b>0.944</b>	<b>- 0.109</b>	<b>- 0.027</b>	<b>0.028</b>

<b>Rotated Component Matrix<sup>a</sup></b>					
Indicator	Question	Component			
		1	2	3	4
X2.3	A cattery that provides quality service and a positive customer experience tends to make customers happy and usually makes them want to come back for more.	<b>0.932</b>	<b>- 0.124</b>	<b>- 0.011</b>	<b>0.015</b>
X2.2	I feel that the marketing strategies I apply are effective in increasing sales in my cattery business.	<b>0.922</b>	<b>-0.06</b>	<b>- 0.086</b>	<b>0.107</b>
X1.2	As cattery revenue increases, so does the potential profit.	<b>- 0.113</b>	<b>0.861</b>	<b>0.243</b>	<b>0.246</b>
X1.1	Cattery businesses with higher capital tend to achieve higher profit levels.	<b>- 0.161</b>	<b>0.83</b>	<b>0.384</b>	<b>0.182</b>
X1.3	I feel that spending on feed and nutrition greatly affects my budget in managing the cattery business.	<b>- 0.129</b>	<b>0.762</b>	<b>0.289</b>	<b>0.412</b>
X4.3	Effectively managing supplies of food, cat litter and other necessities helps reduce overall operational costs.	<b>-0.09</b>	<b>0.719</b>	<b>0.111</b>	<b>- 0.062</b>
X2.5	My customers are more likely to recommend my cattery to their friends and family after seeing our promotions.	<b>- 0.053</b>	<b>0.279</b>	<b>0.887</b>	<b>0.178</b>
X4.2	Adopting hygiene and sanitation standards in housing helps to reduce the risk of disease and improve animal health.	<b>- 0.017</b>	<b>0.245</b>	<b>0.861</b>	<b>0.283</b>
X4.1	Catteries with good cage management and a clean environment tend to have higher animal welfare and better operational efficiency.	<b>- 0.015</b>	<b>0.349</b>	<b>0.836</b>	<b>0.242</b>
X3.1	Cattery employees who receive regular training and development tend to perform better than those who do not.	<b>0.048</b>	<b>0.229</b>	<b>0.173</b>	<b>0.913</b>
X3.2	Providing training and development helps employees to better understand their duties and responsibilities at work.	<b>0.056</b>	<b>0.24</b>	<b>0.144</b>	<b>0.902</b>

Rotated Component Matrix <sup>a</sup>					
Indicator	Question	Component			
		1	2	3	4
X3.3	I feel motivated to continue developing my skills and knowledge in managing the cattery business.	0.04	- 0.033	0.365	0.752

The Component Matrix resulting from the rotation process (Rotated Component Matrix) shows a clearer and more obvious distribution of variables. It can be seen that now the factor loading that used to be small is getting smaller, and the large factor loading is getting bigger. Below will explain which factor a variable belongs to based on the table above, thus the variables are divided into four main factors:

1. Factor 1 consists of: X2.1, X1.4, X2.4, X2.3, and X2.2.
2. Factor 2 consists of: X1.2, X1.1, X1.3, and X4.3.
3. Factor 3 consists of: X2.5, X4.2, and X4.1.
4. Factor 4 consists of: X3.1, X3.2, and X3.3.

#### 4.1.13 Component Transformation Matrix

Table 11. Component Transformation Matrix

Component Transformation Matrix					
Component		1	2	3	4
1	(X1.1) Revenue and Profitability	-0.424	0.591	0.531	0.434
2	(X1.2) Operating Expenses	0.881	0.116	0.273	0.37
3	(X1.3) Capital	0.202	0.572	0.16	-0.779
4	(X1.4) Growth	0.06	0.557	-0.786	0.263

The Component Transformation Matrix shows the relationship between the original variables and the principal components in factor analysis or PCA. Component 1 is strongly influenced by Operating Expenses with a very strong positive correlation (0.881), while Revenue and Profitability have a moderate negative correlation (-0.424). Component 2 has a moderate correlation with Revenue and Profitability (0.591), Capital (0.572), and Growth (0.557), indicating a balanced influence of the three variables. Component 3 is strongly influenced by Growth with a strong negative correlation (-0.786), indicating that an increase in the value of this component corresponds to a decrease in Growth.

Component 4 has a strong negative correlation with Capital (-0.779), as well as moderate positive correlations with Revenue and Profitability (0.434) and Operating Expenses (0.37). This matrix helps understand how each of the original variables contributes to each of the main components in explaining the variation in the data.

## **4.2 Discussion**

This study aims to identify the influence of financial, marketing, human resources and operational factors on cattery business performance in Indonesia. Based on the results of the analysis, the influence of each independent variable on the dependent variable can be discussed as follows:

### **4.2.1 Financial Factors on Business Performance**

The results show that financial factors have a significant positive effect on cattery business performance. This means that adequate finances can improve cattery business performance by fulfilling operational needs such as feed, health, and maintenance. Previous research supports these findings, stating that finance is a key factor for business continuity and growth (David, 2011; Rahmadani, 2019). Communalities values for financial indicators (X1.1: 0.841, X1.2: 0.793, X1.3: 0.837, X1.4: 0.827) exceed the 0.5 limit, confirming that finance is a significant factor.

### **4.2.2 Marketing Factors on Business Performance**

Marketing factors also show a significant positive influence on cattery performance. Effective marketing, both online and offline, can increase the visibility and attractiveness of a business. The main challenge is to maintain consistency of marketing strategies amidst changing market trends and consumer behavior. Kotler (2001) and Dkk (2011) support the importance of marketing in meeting consumer needs and increasing competitiveness. The marketing indicators (X2.1: 0.834, X2.2: 0.821, X2.3: 0.809, X2.4: 0.821, X2.5: 0.736) also show values above 0.5, confirming marketing as an important factor.

### **4.2.3 Human Resource Factor on Business Performance**

Human resources have a significant positive effect on cattery performance. Human resource development, through training and the creation of a good working environment, improves productivity and performance. Angraeni F.N. (2020) emphasizes the importance of investing in human resources to achieve organizational goals. The HR indicators (X3.1: 0.603, X3.2: 0.586) exceed the 0.5 limit, confirming that HR is a significant factor.

#### **4.2.4 Operational Factors on Business Performance**

Operational factors also have a significant positive influence on cattery performance. Inventory management, use of modern technology, and operational efficiency affect business performance. Sugiono (2019) mentions that the operational definition includes all aspects that affect performance. The operational indicators (X4.1: 0.762, X4.2: 0.732) show values above 0.5, confirming operational as a significant factor.

Overall, all factors tested-finance, marketing, human resources, and operations-have a significant influence on cattery business performance in Indonesia.

## **5. Conclusions and Suggestions**

### **5.1 Conclusion**

Based on the analysis of the influence of financial, marketing, human resources (HR), and operational factors on the business performance of cat farms in Indonesia, the conclusions are as follows:

#### **5.1.1 Financial Factors**

Financial factors play an important role in determining the financial success of a cat farm business. Effective financial management significantly contributes to profitability and sustainability. Factor analysis shows that operating costs and cash management have a direct impact on financial performance, with indicator values X1.1 (0.841), X1.2 (0.793), X1.3 (0.837), and X1.4 (0.827) all exceeding the 0.5 threshold, confirming that finance is a significant factor.

#### **5.1.2 Marketing Factor**

An effective marketing strategy is essential to increase the attractiveness of a cat farm business. Both online and offline marketing strategies significantly influence marketing effectiveness. Marketing indicators X2.1 (0.834), X2.2 (0.821), X2.3 (0.809), X2.4 (0.821), and X2.5 (0.736) exceed the 0.5 threshold, confirming the importance of marketing as a significant factor.

#### **5.1.3 Human Resource factor**

HR has a positive effect on cat farm performance through employee satisfaction and service quality. Training, motivation and fair treatment are important factors in effective HR management. HR indicators X3.1 (0.603) and X3.2 (0.586) show values above 0.5, thus supporting the hypothesis that HR is a significant factor



### **5.1.4 Operational Factors**

Operational factors are critical in determining the productivity and success of cat farm operations. Effective inventory management, operational processes and technology implementation have a significant impact on business performance. Operational indicators X4.1 (0.762) and X4.2 (0.732) exceed the 0.5 threshold, confirming that operations is a significant factor.

## **5.2 Suggestions**

The findings from this study show that financial, marketing, human resources and operational factors significantly influence the business performance of cat farms in Indonesia. Financial factors, supported by good financial management, play an important role in improving profitability and sustainability, with all financial factor indicators showing values exceeding 0.5. Marketing factors also play an important role, with effective marketing strategies, both online and offline, increasing the attractiveness of cat farming businesses. All marketing indicators also showed values exceeding 0.5. In addition, HR factors focusing on employee satisfaction and service quality were shown to have a positive effect on customer experience and business reputation, with indicators also exceeding 0.5. Finally, operational factors were critical to the productivity and success of the business, where the implementation of good inventory management and the use of modern technology significantly improved the operational performance of the cat farm, with all operational indicators showing values above 0.5.

Practical suggestions include the importance of effective financial management through tighter cash management and better cost control, as well as the need for adaptive marketing strategies in line with changing market trends and consumer behavior. In addition, human resource development through regular training and improved internal communication are also considered key to increasing employee productivity and motivation. In the operational aspect, the implementation of automation in areas such as inventory management and animal health monitoring is highly recommended to improve efficiency.

Theoretically, it is recommended to continue conducting research and innovation in the field of animal care and cat farm management, utilizing data analytics to understand the market, establishing strategic partnerships with service providers and related organizations, and raising public awareness on animal welfare. By integrating these suggestions, cat farm entrepreneurs are expected to strengthen their operational foundations, expand their influence in the industry, and add significant value to customers and society. To strengthen this research, recent studies and broader references should be integrated, enabling a more comprehensive understanding and increasing the strength of this paper.

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