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## Introduction

In South-East Asia, the production of healthy foods has begun to grow in demand. Healthy foods include functional foods like bread, among others. It is advantageous to health and contains ingredients that benefit the body. The history of bread baking began in Ancient Greece around 600 BC, leading to the invention of enclosed ovens. Ovens have been discovered in archaeological digs from Turkey to Palestine from about 5600 BCE. Baking flourished in the Roman Empire. In about 300 BC, the pastry cook became an occupation for Romans (known as the *pastillarium*) as a bakers' guild was established in 168 BC in Rome. A few years ago, the Roman art of baking became known throughout Europe and eventually spread to the eastern parts of Asia. Bakers often baked goods at home to produce and then sold in the streets. Every family bakes their bread and bread products until baking develops into a trade. Baking became an industry that used heavy machinery and the latest chemical research to produce large bunches of fresh and long lasting bread products. Furthermore, the advances in transportation have meant that baked goods can be transported at large distances. Today, local bakeries still continuously produce bread in large industrial batches sold to supermarkets and other shops [1].

Entrepreneurship is a multi-dimensional concept that manages and owns a particular business and has characteristics of being innovative, leadership, and a business person. It includes doing this business independently, in a team, or inside a company. It involves entrepreneurs starting without any resources and exploring new business values [2]. The business has different organizations such as sole-proprietorship, partnership, and corporation. Entrepreneurship involves introducing a new product or service innovated in the quality of an existing product or service. It introduces new processes or methods of improving productivity. They provide a source of supplying new raw materials or alternative materials, mainly exported in a market [3]. Most entrepreneurs started in small or medium enterprises. Some examples of business enterprises impacting globalization are manufacturing, retailing, food service, financial and insurance activities, etc. need to improve relevant ideas to manage the problems and challenges every day [4]. Studies said that planning is one of the crucial management activities. It serves as the foundation to manage the business effectively and efficiently. Without proper planning, business enterprises significantly impact controlling costs, operations, and decisions.

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ern baked goods manufacturers. Data shows that the Philippines have the 2nd highest growth rate consuming bakery products (12.9%) among island and Malaysia [7].

However, it has difficulties such as financial crises primarily resulting in competition, and the bakery operators need to assess and improve themselves and their business operations. The importance of marketing strategies should remain in business. The market industry helps identify new markets, target customers, and determine the product's value, requiring product improvement and innovation [8]. Customer satisfaction is an essential aspect of running a successful business. Customers are a valuable asset for business enterprises that focus their reviews and satisfaction level on both products and services. Food quality is the most favored and selected by the customers [9]. However, even if the entrepreneur has excellent capability to run a business, a failure may occur.

A consumer's behavior has traditionally been defined as a basket of options consisting of activities through which people obtain, consume and order products and services. The model developed shows that the purchase decision process consists of the following stages: recognition of the need, information search process, evaluation of pre-purchase alternatives, purchase, consumption, evaluation of post-consumer, and disposal stages. They highlighted that the initiator is the person who suggests the buying of a product or service and gathers information that helps in the decision making process. The influencer is the person whose views influence the decision making process. The decision maker decides what, how, and where to buy a product or service. The buyer makes the purchase, and the user is the person who uses or consumes the product or service [10]. However, some business operators encountered unnecessary behaviors toward customers. Dealing with their attitude and behavior is one of the challenging factors to satisfy their wanted product and service.

Another factor of a challenge to the bakery operator was when COVID-19 happened. The COVID-19 challenge faced by the Food and Beverage Manufacturing sector includes operations, safety, supply chain, training, emergency responses, awareness, incident management, recreating business models, etc. [11]. He also added that the lockdown enforced in various countries globally and the operational effects of COVID-19 have negatively impacted economies and severely impacted the sustainability of businesses.

It changed due to global lockdown policies, including the closure of schools, workplaces, and some businesses such as non-essential restaurants and shops, mobility restrictions, and banned occasions and transportations. Most people purchased during this pandemic packaged food because they see it as more hygienic than buying cooked food in some restaurants. Some purchase groceries with a longer shelf life to lessen exposure outside, while others buy healthier food to boost their immune system [12].

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Cake and Bakery, a Yogyakarta based bakery, also experienced a drop in sales. Hani Cake and Bakery is one of the examples of bakeries in Indonesia, offering a variety of cakes, bread, and tarts in various forms and tastes. The drop in sales is caused by a government regulation restricting people's movement, particularly in public places like supermarkets, one of Hani Cake and Bakery's best-selling distribution locations [17].

Some food companies face various challenges due to a drop in income, whereas others work hard to meet retailers' growing demand. During the current COVID-19 outbreak, some difficult decisions had to be made, including temporarily shutting down the various businesses. The fact this pandemic demonstrated different companies from different industries are closely connected all over the world [18].

According to Sha et al., due to the COVID-19 outbreak and lockdowns, many micro, small, and medium sized enterprises (MSMEs) have been severely affected. Consequently, these businesses are facing a variety of issues such as financial (67.93%), supply chain disruption (47.83%), decrease in demand (44.02%), and reduction in sales and profit (38.04%, 41.85%, respectively) [19].

According to MetLife, 70% of small businesses are concerned about financial hardships due to prolonged closures, and 58% worry about permanently closing. Small companies that temporarily closed are more likely to reopen [20]. However, small businesses are still concerned about financial hardship due to prolonged closures. 70% have temporarily closed, and 58% have about permanently closed. 32% of the bakeries are preparing for a second wave to purchase additional supplies to prevent a shortage in the future.

Studies said restrictions due to COVID-19 showed no significant differences in consumer behavior and attitudes based on socio-demographic descriptors. However, the mindset of consumers was able to identify the most discriminating elements. The mentality of the consumers who consider bakery products, the purchase method, and even being at the store has a higher risk of a potential infection [21].

## Methodology

The paper conducts a literature review to identify the challenges of each Bakery in the Philippines. The literature review gathers information from various research articles and databases such as Google Scholar, open access journals, and other websites. In this methodology, the researchers will show the challenges of each Bakery before and during the pandemic globally. The researchers provided inclusion and exclusion criteria to the scope of the study. Inclusion criteria, including

South America	<ul style="list-style-type: none"> <li>- They prioritized social distancing to avoid COVID – 19 transmissions.</li> <li>- It affects food systems but expands food security to avoid serious consequences.</li> <li>- It impacts the food industry that has been affected by the closures of stores.</li> </ul>	[26, 27]
Asia	<ul style="list-style-type: none"> <li>- Food prices are increasing due to the pandemic lockdown. It results from those poor people being unable to buy due to their insufficient incomes, which affects the food market.</li> <li>- The foodservice industry may decrease, and it affects other the sales of the supplier.</li> <li>- The number of employees has decreased in wholesale and retail trade, food services, social work, etc.</li> <li>- Food security has a variety of protocols to prevent health risks like foodborne.</li> </ul>	[28,29,31]
Europe	<ul style="list-style-type: none"> <li>- Food buying has been affected.</li> <li>- Mental health is affected when buying food.</li> <li>- Some retailers are facing challenges during COVID – 19.</li> </ul>	[32,33]
Africa	<ul style="list-style-type: none"> <li>- Some small companies were more affected, and more difficult to recover during the pandemic.</li> <li>- They need to pay firms at higher prices to continue running a business. Such as manufacturers of bakeries that are affected.</li> </ul>	[34]
Australia	<ul style="list-style-type: none"> <li>- Consumers are feared of not being able to access food that can disrupt the food system. It resulted in consumers in panic buying to avoid loss of food supply.</li> </ul>	[35]

Table 1: The different locations of food industries have been affected by the COVID - 19 situation

Challenges		Impacts of COVID – 19	Studies
Bakery operations	Production	<p>The pandemic has a negative impact due to disruptions of production activities that can affect the global supply chain.</p> <p>It requires increasing the product prices to level the delivery service fee.</p> <p>They changed a product strategy where it depends on the consumers' demand.</p> <p>Products are not mostly sold physically due to restrictions and safety.</p> <p>Some small businesses have temporarily shut down due to a lack of knowledge of online delivery.</p>	[9,36-40]
	Services	<p>Bakeries lessen their service due to the contagious fear of consumers.</p> <p>Restrictions of transportation networks cause significant disruptions and delays in distributing foods among suppliers, retailers, and wholesalers.</p>	[41,42]
	Food supply chain	<p>It disrupts the food supply chain availability.</p> <p>It increases the number of expired products due to restrictions.</p> <p>It causes delays for the food distributors.</p>	[39,40]
	Sales	<p>The price of the product was increased during the lockdown.</p> <p>During the first pandemic outbreak, bakery products are in demand. After the pandemic, bakery products are minor food preferences or consumption.</p> <p>Sales of bakery products are highly decreased.</p>	[39,44,45]
Customer perspective	Customer satisfaction	<p>It becomes more challenging to meet the expectation concerning products or services.</p> <p>Bakery products have the highest impact on consumer satisfaction unless secured or packed.</p>	[36]
	Customer behavior	<p>Some customers are not purchasing baked goods to be health-conscious.</p> <p>It increased the risk of food exposure due to the pandemic.</p>	[39,46]

Table 2: Bakeries encountered different challenges in bakery product and service management during the pandemic.

Bakery Operation	Proposed Methods	Benefits	Studies
Production	Established stores	Bakery stores should establish another branch to make it easier by increasing sales and more convenient for the customers.	[47]
Services	Online food delivery	<p>Bakeries are engaging online to continue giving service to customers on every social media.</p> <p>It helps the consumers to continue buying products without needing physical contact with seller.</p> <p>There will be an increase in sales if the online food delivery is modified.</p>	[47,49]



