

CHAPTER III

MARKETING STRATEGY

3.1 Marketing Strategy

“The Veg’s” is a home based industry selling vegetarian floss, made from a banana flower. “The Veg’s” is different than the other vegetarian floss because of its texture that is very similar with a meat, hoping that the vegetarian can get a taste of a substitute meat.

Visions:

1. Be an instant product that can be purchase all over Indonesia anytime, anywhere, and anyone.

Missions:

1. Develop another product made from the same ingredients which is banana flower.
2. Create new flavor which fit the taste of floss.
3. Be able to distribute product into a big supermarket and minimarket.

Short term objective

We will sell the product in our home industry and using online media such as instagram, facebook, etc. Being new in the local market, we are aiming the goal for people to recognize our product and get a taste of it, in order for that to happen we will use promoting strategy such as endorse, distribute brochure, etc.

Long Term Objective

After people recognize our product, we will try to put our product in a famous supermarket and minimarket all around city in Indonesia. We are hoping that either vegetarians or common people can buy the product anywhere and anytime.

3.2 Market Environment Analysis

Industrial analysis

Porter's Five forces analysis:

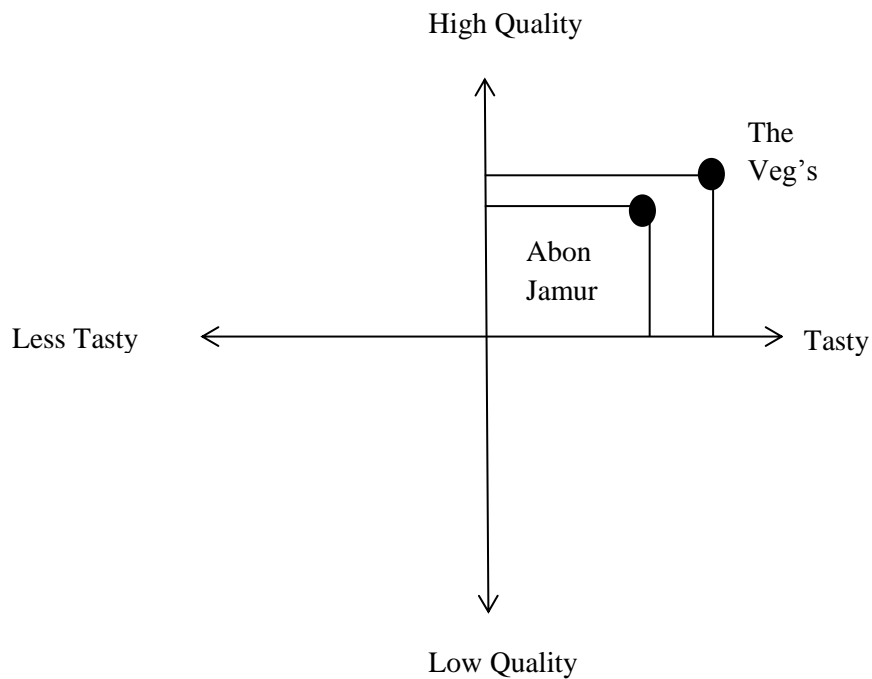
- Threat of new Entry: In the 21st century, healthy lifestyle became a trend for the young generation. This makes people prefer to eat more veggies than meat. This trend makes more competitors entering the market. In order to compete against them, we are planning on adding new flavor to the product.
- Power of Buyer: Knowing that economy in Indonesia is a bit down right now, we are setting a price that is very affordable, so everyone can buy our product.
- Threat of substitution: If somehow the trend change, we will keep developing new product, so that The Veg's has a variety of food and can keep following the trend.
- Supplier power: Knowing that banana flower only available in some months in a year, when the harvesting time comes, we will stock them by using freezer technology, so that people can enjoy the product every month in the year.
- Competitor Rivalry: There is a lot of other that sells vegetarian food, in order to compete against them, The Veg's have their own specialty, which is its texture very similar with meat. This bring advantages to our product and differentiate it than the others.

3.3Marketing Strategies

Being new in the local market makes The Veg's hard to recognize by people. In order to handle that we got a couple of strategies to make people want to buy our product.

Target Market, Segmentation, Positioning

We are aiming for common and vegetarian people of all ages. The Veg's can be consumed by either teenager nor elder and adult. Having banana flower as our main ingredients brings advantages to our product, as mention above banana flower contain lots of vitamin and mineral, this helps the vegetarian to fulfill their nutrition intake. Also for our product texture, we are still the closest one similar with the texture of meat.



Picture 42. Position Map

Marketing Mix

Product

The Veg's is a vegetarian floss, made from a banana flower. What's differentiate The Veg's than the other vegetarian floss is that The Veg's has a different texture, very similar with meat and a very

delicious taste. The Veg's is a ready to eat product, and can be eaten with your meal or as a snacks.

Price

The Price range is 30.000 per pack with a net weight of 100 gr.

Selling Place

At first we will sell the product in our home industry and online media such as instagram, etc. After the product is known for some people, we will try to enter local supermarket and minimarket. Furthermore we will distribute to other city in Indonesia.

Promotion

For the promotion we will distribute brochure around Surabaya and use online media such as instagram, etc. For the first 3 month of selling we will give a card behind the product packaging, and if they are willing to fill it up we will give 10% discount for their next purchase. The purpose of giving this card is for people to let us know what are their respond to our product. We will also provide sample in our home industry and local supermarket.

Taste : Worse/Average/Tasty
Texture : Dislike / Like
Price : Cheap/Average/Expensive
Sugestion:

Picture 43. Promotion Card

People

For the workers, we will only use 3 people because we are still a home based industry. 2 people will do the production and the other one will do the packaging. Every worker must follow the grooming and hygiene regulation to maintain hygiene in the production area. For the cashier and distribution will be done by the owner meantime.

Process

For the process, every worker must follow the SOP and their task. The owner will also supervise while they did their job to ensure the production.

Physical Evidence

We will try to make our packaging attractive so that people will like to buy our product.

Productivity

To make our workers productive, At the end of the month if they did a good attitude during they work time, a bonus will be given to them.

SWOT Matrix

	Weakness: <ul style="list-style-type: none">- New brand entering big market- Less variety flavour	Strength: <ul style="list-style-type: none">- Different texture than other products- Price is quite cheap- Good quality product
Opportunity: <ul style="list-style-type: none">- Healthy Lifestyle- Trend	Weakness-Opportunity: <ul style="list-style-type: none">- Do more promotion so that people know about this product- Adding more variety flavour	Strength-Opportunity: <ul style="list-style-type: none">- Add more product variety- Increase production rate for more profit
Threat: <ul style="list-style-type: none">- Lotsof competitor- Economy down	Weakness- Threat: <ul style="list-style-type: none">- Do discount for the first 3 month to attract customer- Make the product packaging attractive	Strength – Threat: <ul style="list-style-type: none">- Attract customer with discount

Table 1. SWOT

Competitive Advantage

To differs our product than the other brand, we use only the best quality ingredients, so that our customer will be satisfied buying our product. Owner will always control the production flow to make sure every production is same on quality nor taste.

3.4 Human Resources

Team

We divide the work into 3 section, first is production, second is packing third is cashier. 2 people will be placed in the production to do all the cooking, one person in the packing section and also one person to do the cashier.

Task Breakdown

Owner:

1. Be the cashier in home industry
2. Do all promoting
3. Control work flow of worker
4. Develop new product
5. Control Production Budget
6. List all money flow (in and out)
7. Distributing product (meantime)

Cooks:

1. Do all preparation process (washing, cutting)
2. Do all production according to the procedure written
3. Cleaning all cooking utensils before and after production

Packing:

1. Cool product after cooking is done
2. Weight the floss a 100gr per pack before packing
3. Seal packaging tight so the product won't change texture

System Operation

Person in Charge

As mention above 2 person will be in the production and one in the packing. For the cashier and distribution will be done by the owner meantime. By taking part in the work itself, we can save less money for the worker wages.

Work Hours

Production and packing will begin from 8am until 16pm, For the selling hours, will start from 12.00 – 20.00.

Recruiting, Selecting, Interview

We will distribute brochure around our home industry neighborhood to get workers. We will also advertise our job vacancy in newspaper.

Training

To reduce cost on training methods, we use on-job training method in our home industry. We will show them once how the production is done, then for the next they will start their own production, and if they did something wrong the owner will correct them immediately.

Position	Task Breakdown	Standards	Punish
Cooks	<ol style="list-style-type: none"> 1. Cool product after cooking is done 2. Weight the floss a 100gr per pack before packing 3. Seal packaging tight so the product won't change texture 	<ol style="list-style-type: none"> 1. Good personal grooming 2. Cleanliness of every utensils and workplace 3. Came to workplace on time 	<ol style="list-style-type: none"> 1. Didn't arrive on workplace on time 2. Workplace is dirty 3. Personal hygiene not well fulfill
Packing	<ol style="list-style-type: none"> 1. Cool product after cooking is done 2. Weight the floss a 100gr per pack before packing 3. Seal packaging tight so the product won't change texture 	<ol style="list-style-type: none"> 1. Good personal grooming 2. Cleanliness of every utensils 3. Came to workplace on time 	<ol style="list-style-type: none"> 1. Didn't arrive on time 2. Workplace is dirty 3. Personal hygiene not fulfill

Table 2. Performance appraisal

Salary and Compensation :

The salary for both cooks and packing is 1 million per month. Some bonus will be given if they did good deed and business is going well on the store. If workers are willing to work on holiday such as (Christmas and idul fitri) a bonus will be given to them.

If somehow they disobey the rules, a warning will be given to them, if they keep repeating the mistake 3 times, they will be fired.