

## **CHAPTER III MARKETING STRATEGY**

### **3.1 Business Analysis**

#### 3.1.1 Introduction of Industry

Black Rice Milk Kefir is a home based industry which produce a healthy and functional beverage.

Visions :

1. Produce more varieties of healthy beverages made from kefir grains.

Missions :

1. Innovate in making more variety of kefir's beverages.
2. Maintain the best quality of ingredients.
3. Create a good Indonesian brand.

#### 3.1.2 Short Term Objective

This product can be consumed by everyone because this product is healthy. This products can be found in some campus canteen in Surabaya, Malang, and vegan restaurants such as Madame Chang. This products are also can be ordered by Line or Whatsapp.

#### 3.1.3 Long Term Objective

Our product can be accepted by people not from domestic region but also from international region, so this product can be acceptable by people all around the world.

#### 3.1.4 Opportunity

The popularity of healthy lifestyle has dominated Indonesian people. People nowadays are challenged to invent new products that are healthy and delicious. Black rice milk kefir is a new idea of beverage product which made from black rice. People will be curious about this

product because this product are made from black rice/forbidden rice, ingredients that are rare to be processed into drinks. Besides, black rice have so many benefit to body's health, so we take an opportunity to invent this product.

### **3.2 Market Environment Analysis**

People nowadays be more concern about healthy lifestyle. Our black rice milk kefir is one of healthy product that we sure can compete with the other kind of drinks. This product can be the selection everyone can enjoy when they choose to have a healthy life.

#### **3.2.1 Industrial Analysis**

We use Michael Porter's Five Forces Theory to analyze our products. This theory is a simple yet powerful tool for us to understand where the power lies in a business world.

##### **3.2.1.1 Threat of New Entry**

This product is easily get copied by other people, because of the ingredients and the making process. The ingredients are easy to find in the market, and the making directions are quite easy. But, we are feeling confident that we serve different product from the other. In addition, we have our own standard that different with the other products. And we also take care of our ingredient's quality and we always pay attention to our Standard Operational Procedure (SOP) so we can present our highest quality product.

##### **3.2.1.2 Supply Power**

We use local supplier from traditional market to fulfill our daily ingredients needed. Basically, our ingredients are easy to get, and if our supplier can't fulfill our needs, we still can resolve the problem by ordering in other supplier.

#### 3.2.1.3 Buyer Power

Black Rice Milk Kefir is a new product from beverages world. It will be our new challenge to get a loyal customer. To retain our customer, we will offer various promotions.

After we have some repeat customer, they will still ordering our product for sure because they already knew that our product has unique taste compared with the other products.

#### 3.2.1.4 Substitution

The substitute product for this Black Rice Milk Kefir is the various kind of milk kefir that people already knew before. We realize that this can endanger our business. So we will always promote our product by take a part in some bazaar, event, and do some endorsements.

#### 3.2.1.5 Competitive Rivalry

Our product is not famous and it is totally a new product in F&B business, so it will be quite hard to get attention from our consumer. But we sure that our product is different compare to the other products, soon we will get attention from customer and this product can compete with the other in F&B world.

### **3.3 Marketing Strategies**

Our products are not likely the other beverage products that already known and sold in the market. We only use best quality of black rice, which is rich in nutrients and safe for daily consumption and best quality of kefir grains.

#### 3.3.1 Segmentation, Targeting, Positioning

Target market of our product are all aged , who are still students, adult, and parents that are enjoyed healthy food, have a healthy lifestyle, and always search for an alternative of a healthy yet functional product.

### 3.3.2 Marketing Mix

#### 3.3.2.1 Product

“Black Rice Milk Kefir” is a new healthy beverage made from black rice. This product comes with a different concept because we want to give new solution for those who enjoy healthy lifestyle. Also we present the new kind of healthy beverage, with a unique taste.

#### 3.3.2.2 Price

The price for Black Rice Milk Kefir is Rp 24.000,- per bottle (250 ml).

#### 3.3.2.3 Place

Based on our target market, the marketing of Black Rice Milk Kefir will be done through :

- a. Campus cafetaria (UC, UK Petra, UBAYA, ITS), vegan restaurants, also some market in Surabaya (Hokky, Superindo) in Surabaya.
- b. Following bazaar/market in Surabaya.

#### 3.3.2.4 Promotion

These are our promotion strategies :

- a. Above the line promotion : we will make advertising on our website, online shopping sites (Tokopedia, Go-Jek, etc) and also social media (Instagram, Twitter, Facebook, etc).
- b. Below the line promotion :
  - We will distribute our brochure at some vegan restaurants and some shopping centers.

- We will make sales promotion (agent's price awarded every purchase of 5 packs at once and multiplication apply).

#### 3.3.2.5 People

Because we are a home based business, we will employ 2 (two) employees, who 2 persons in charge in production and distribution division . We don't need any special skills to take part of this business company. If there is an event, such as bazaar , the owner will drop directly into the field accompanied by one production's assistant. Our first criteria for workers are dilligent, hardworking, and honest.

#### 3.3.2.6 Process

We will make sure that every process of our product is in under hygienic control. Start from choosing the ingredients until packaging process. We will let our customer know by put our documentation photos into our printed material promotion and our website.

#### 3.3.2.7 Productivity

The quality of our products are supported by the using of the best quality raw ingredient and following the standard procedures that we have set, so the quality of our products will always be the same.

### 3.3.3 TOWS Matrix

TOWS analysis is a method of strategic analysis that is used to study the environment of the organization and company situation analysis (*Anonymous, 2016*). From SWOT analysis, we can know our external and internal factors, and from this TOWS analysis, we can

know what should we do to maximize our strategy and minimize our weaknesses.

	<b>Strength</b> <ul style="list-style-type: none"> <li>- Good product quality</li> <li>- Unique taste</li> </ul>	<b>Weakness</b> <ul style="list-style-type: none"> <li>- Have no display store</li> <li>- New comer</li> </ul>
<b>Opportunity</b> <ul style="list-style-type: none"> <li>- New variants of healthy drink</li> <li>- Vegan concern</li> <li>- Healthy lifestyle</li> </ul>	<b>S-O</b> <ul style="list-style-type: none"> <li>- Invent new variety of product</li> </ul>	<b>W-O</b> <ul style="list-style-type: none"> <li>- Promotions</li> </ul>
<b>Threat</b> <ul style="list-style-type: none"> <li>- Easy to be copied</li> <li>- Big competitor</li> <li>- Economic slow down</li> </ul>	<b>S-T</b> <ul style="list-style-type: none"> <li>- Brand awareness</li> <li>- Minimalize product's cost and maximize product's quantity and quality</li> </ul>	<b>W-T</b> <ul style="list-style-type: none"> <li>- Social media &amp; WOM promotion</li> <li>- Market penetration</li> </ul>

Table 3.1 TOWS Matrix

### 3.3.4 Competitive Advantage

Competitive advantage value of our product only focused on the quality of the product. The owner will always maintain all the process procedures, starts from choosing the best quality of ingredients until the marketing process.

## 3.4 Human Resource Management

### 3.4.1 Team

Since we are a home based industry, we employ 2 (two) workers to reduce our cost, 2 (two) persons in charge in production and distribution division. The owner of the business will have some roles in purchasing and storing, finance, marketing, research and development division.

### 3.4.2 Task Breakdown

- ❖ Owner :
  1. Buy and measure all the ingredients
  2. Make a list of every in and out ingredient
  3. Cross-check all the incoming ingredients
  4. Make a budgeting
  5. Make a marketing strategy
  6. Do research and development
  7. Do research about the competitor's product
- ❖ Cooks :
  1. Do all the preparation process
  2. Following the Standard Operational Procedure (SOP)
  3. Cleaning all the equipments and utensils before and after used to maintain its hygiene
- ❖ Distributor :
  1. Distribute the end product to third party
  2. Make a delivery report

### 3.4.3 System Operation

#### 3.4.3.1 Person In Charge

Since we are a home based industry, we employ 2 (two) workers to reduce our cost, 2 (two) persons in charge of production and distribution division. The owner of the business will have some roles in purchasing and storing, finance, marketing, research and development division.

#### 3.4.3.2 Working Hour

Operational hour starts from 9 AM – 2 PM for cooks division, and for distributor division working hour starts from 10 AM – 3 PM. We only work at working days (Monday – Saturday).

#### 3.4.4 Recruiting, Selecting, Interview

We will use external methods in recruiting our new employees. We will advertise a job offer in some media such as newspaper, social media, and radio. We will also do outsourcing methods in recruiting new employees from our link/channel/friends.

#### 3.4.5 Training

We will use on-job training in our home based industry. The owner will train the new employees him/her-self, because no need special techniques or skills to train the new employees. The owner will train the new employees while doing the production of Black Rice Milk Kefir on production day.

#### 3.4.6 Performance Appraisal

<b>POSITION</b>	<b>TASK BREAKDOWN</b>	<b>STANDARDS</b>
Cooks	<ul style="list-style-type: none"><li>- Do all the preparation process</li><li>- Following the Standard Operational Procedure (SOP)</li><li>- Cleaning all the equipments and utensils before and after used to maintain its hygiene</li></ul>	<ul style="list-style-type: none"><li>- Come on time / early in production time</li><li>- Keep the cleanness of the production area/kitchen</li></ul>
Distributor	<ul style="list-style-type: none"><li>- Distribute the end product to third party</li><li>- Make a delivery report</li></ul>	<ul style="list-style-type: none"><li>- Come on time / early in production time</li><li>- Routine delivery report</li></ul>

##### 3.4.6.1 Salary and Compensation

The basic salary for the employees position (cooks and distributor) are Rp 700.000,-. The overtime will be calculated Rp 5.000,- / hour. Salary and service charge will be given at the end of the month.