

## **CHAPTER 5**

### **BUSINESS PLAN**

#### **5.1 Type, Form, Vision, and Mission of The Company**

##### 5.1.1 Type of The Company

Bean-Yo is a manufacturing business. That means, we buy raw materials from markets, groceries, distributors, reseller, etc. and produce a new product. The result product will not look like the raw materials used. The product will then be sold to customers directly, or sold with the help of resellers or merchandising businesses.

##### 5.1.2 Form of The Company

Since Bean-Yo is owned by one person only, Bean-Yo is considered a sole proprietorship business. It is used because Bean-Yo is starting as a small home business. It will be easier to manage and spend the least cost to start the business.

##### 5.1.3 Vision Statement

“Have a healthy life for a better world.”

We believe that healthy living can make a better world. Good sources of food lead to producing healthy food and providing healthy lifestyle. In a mutual way, a healthy lifestyle will only lead to maintaining a healthy ecosystem. This will be the cycle of our vision in producing Bean-Yo.

##### 5.1.4 Mission Statement

“Provide vegan yogurt to the nation.”

“Recycle used plastic to reduce waste.”

## 5.2 Stakeholder

### 5.2.1 Creditor

Creditor is needed for Bean-Yo to start this business. With the help of creditor, Bean-Yo could buy the ingredients, tools, and equipment needed in this process of production.

### 5.2.2 Supplier

Every ingredients and packaging used in this product are from our supplier. We cooperate with our suppliers in order to receive our mung bean, vegan yogurt starter, packaging, etc.

### 5.2.3 Reseller

The resellers may join our company to help us sell our product through them. They are the bridge between us and their customers. The resellers may stock or open a pre-order for the customers, which is then the orders are collected to us.

### 5.2.4 Customer

Our customers give the biggest stake in our business. We continue to grow through criticism and suggestions from our loyal customers, in order to give them the best product we could make.

### 5.2.5 Government

Bean-Yo as a sole proprietorship and small home business, have to pay income tax. Bean-Yo also wants to request for Intellectual Property Rights (IPR) or in Indonesian, *Hak atas Kekayaan Intelektual* (HaKI) to prevent plagiarism from other parties. License from *Badan Pengawas Obat dan Makanan* (BPOM) is also needed in order for Bean-Yo to fully operate and market our product, in which there are other government parties included in the process.

### **5.3 Product Scope**

Purchasing for Bean-Yo is mostly done on the internet through e-commerce, from the ingredients used to the packaging. By doing so, we minimize the use of personal transportation which supports the go green movement.

The making of Bean-Yo is done at home. Mung bean as the main ingredient used, is always washed first before soaking. The reason is to wash out any particles that stick to the surface of the bean. Every tool used in the production process is also washed before using. For the fermentation jar, we always have to sterilize it to prevent any microorganism included in the fermentation process, which may cause yogurt spoilage.

Nowadays, social media platforms seem like the most efficient way to promote products. It is accessible to various generations and it is easier for us to communicate with prospective buyers. Sales are done on Bean-Yo's social media and through resellers. On account of keeping Bean-Yo in low temperature, the shipping needs to have certain storage bags to maintain the temperature inside and deliver as quickly as possible. Therefore, the shipping area for Bean-Yo is still limited.

## **5.4 SWOT Analysis**

### 5.4.1 Strengths

- Vegan.
- Promotes fat free diet.
- Containing many health benefits

### 5.4.2 Weaknesses

- Not always preferred due to mung bean taste and smell.
- Thoughts that plant-based food is not as good as animal-based food.
- Plastic usage for packaging seal, lid, and spoon.

### 5.4.3 Opportunities

- Creating and developing new plant-based dairy alternative.
- Gaining new and loyal customer base.
- Explore new variations of flavor which will be compatible with mung bean taste.
- Creating a movement in which Bean-Yo's packaging can be returned in order for us to give it to a plastic recycling companies.

### 5.4.4 Threats

- Thoughts that this product is only for vegan and non-dairy consumers.
- Forecasting growth of non-dairy products will increase rapidly until 2026.

## **5.5 Marketing Aspects**

We want our customers to see us not only as an option, but as a choice of yogurt in Indonesia. Bean-Yo is aiming to reach all generations from children to elderly people, since it enhances the nutrition needed in the body and aid digestive problems. Everyone, from meat lovers to vegan, from people who want to lose weight to people who want to gain weight, are welcome to consume Bean-Yo.

Using the social media marketing plan, we are using social media platforms for advertising our products. Instagram and Facebook are our main choices since those are the biggest platforms to promote an advertisement. On our Instagram and Facebook account, we would like to update our content once every two days. It could affect the Instagram's algorithm, so that more people would likely to see our post on their main page. Using an influencer to promote Bean-Yo could also be effective. Twitter is also the other platform that we can use. Bean-Yo is mostly will be posting the pictures of our product and health facts. We also use our social media platforms to announce if there are any discount or special offers.

We could expand our advertising from Instagram and Facebook. Since Instagram is owned by Facebook, we could set our advertisement on Instagram from our Facebook account. The advertisement can be in the form of photo, video (1 – 60 minutes), short video / Instagram Story (1 – 15 seconds), or collage of photos. Facebook will ask for our target in advertising (location area, age target, gender, and interests) and it will estimate the potential of audience reached. Facebook will then ask for our budget and maximize the usage of our budget. For starters, Bean-Yo will pay Rp300.000,00 for one month of advertising. Influencer may be used if Bean-Yo has enough positive feedbacks and revenue. The estimated cost for using influencer endorsement is Rp4.500.000,00 for one post.

## **5.6 Technical Aspects**

Bean-Yo uses imported mung bean from Blue Ribbon Group, Australia because Blue Ribbon Group invested a food manufacturing technology that restructure how legumes like mung bean can improve the nutritional value to food. The mung bean waste which is created when producing the milk can be a fertilizer. Maltodextrin as written in the ingredients is part of the vegan yogurt starter from Belle and Bella, Canada. Maltodextrin is a man-made powder, made from rice, wheat, potato, or corn starch. It is used as a thickener, as yogurt without the presence of lactose in milk or skimmed milk may be thinner and runnier.

At the time this was written, this small home business is handled by one person only. The production process from the beginning until the end took more than 26 hours to produce 8 cups of Bean-Yo from one recipe. Excluding the soaking, fermentation, and chilling process, 6 recipes can be made within 10 working hours in one day. To save budget from buying too much vegan yogurt starter, one recipe of Bean-Yo mung bean yogurt can be divided into a yogurt starter for 5 recipes. Therefore, in one day, Bean-Yo could produce 40 cups of mung bean yogurt. The maximum production capability in one month is producing 1.040 cups of Bean-Yo within 26 working days.

### **5.7 Legal Aspects**

Dairy product and the derivative products have a particular regulation when it comes to producing and distributing food or beverage. Even though Bean-Yo does not contain any dairy product, Bean-Yo's main ingredient is mung bean milk, which spoiled easily due to short fridge life, similar to regular cow milk. Therefore, Bean-Yo must register to get license from *Badan Pengawas Obat dan Makanan* (BPOM). It needs 6 to 12 months to finish this license and it must be renewed every 5 years. It is needed in order to prevent cases such as, food poisoning, incorrect food storing, and unhygienic food producing. To prevent plagiarism from other parties, Bean-Yo will request for Intellectual Property Rights (IPR).

## 5.8 Financial Aspects

Notes:

1 recipe of yogurt can be a yogurt starter for 5 recipes.

Therefore,

1 recipe = 8 cups

1 recipe:

1 day = 1 + 5 recipes

Bean 200 gram

1 day = 40 cups

Mineral water 1400 gram

1 month = 26 days

Sugar 100 gram

1 month = 26 + 130 recipes

Vegan Yogurt Starter 5 gram

1 month = 1.040 cups

*Table 5.8. 1 Variable Cost*

Ingredients	Amount (gram)	Price (IDR)	Stock/Month (pcs)	Quantity Used (gram)	Price/Quantity Used (IDR)
Mung Bean	500	12.500	62	31.200	780.000
Mineral Water	19.000	15.000	11	218.400	172.421
Granulated Sugar	500	6.250	31	15.600	195.000
Vegan Yogurt Starter	5	37.500	26	130	975.000
					<b>2.122.421</b>
Packaging	Amount (pcs)			Quantity Used (pcs)	
Cup, Lid, and Spoon	50	50.500	21	1.040	1.050.400
Aluminium Seal	100	95.000	10	1.040	988.000
Plastic Seal	500	27.000	2	1.040	56.160
Lid Label Sticker	24	17.425	43	1.040	755.083
Side Label Sticker	9	17.425	116	1.040	2.013.556
					<b>4.863.199</b>
<b>Total</b>				<b>Amount (pcs)</b>	
Cost per Month				1.040	<b>6.985.620</b>
Cost per Day				40	<b>268.678</b>
Cost per Cup				1	<b>6.717</b>

Table 5.8. 2 Fixed Cost

Tools and Equipment	Price (IDR)	Scrap Value (IDR)	Useful Life of Asset (year)	Depreciation Rate/Year	Depreciation Value/Year (IDR)	Depreciation Value/Month (IDR)
Food Scale	250.000	1	2	50%	125.000	10.417
Bowl	20.000	-	2	50%	10.000	833
Blender	125.000	1	5	20%	25.000	2.083
Cheese Cloth	9.000	-	2	50%	4.500	375
Tin Bowl	50.000	-	4	25%	12.500	1.042
Saucepan	800.000	1	5	20%	160.000	13.333
High-Pressure Pot	800.000	1	5	20%	160.000	13.333
Tongs	30.000	1	2	50%	15.000	1.250
Whisk	30.000	1	2	50%	15.000	1.250
Thermometer	25.000	1	4	25%	6.250	521
Paper Clip	400	-	4	25%	100	8
Small Bowl	5.000	-	2	50%	2.500	208
Jar	696.000	-	2	50%	348.000	29.000
Hot Air Gun	75.000	1	5	20%	15.000	1.250
Stove	450.000	1	5	20%	90.000	7.500
Showcase Cooler	2.650.000	1	5	20%	530.000	44.167
<b>Total</b>	<b>6.015.400</b>				<b>1.518.847</b>	<b>126.571</b>

Table 5.8. 3 Overhead Cost

Utilities	Amount/ Month (pcs)	Cost/Unit (IDR)	Cost/Month (IDR)
Electricity			30.000
Gas	0,25	160.000	40.000
Water			20.000
Employee	1	2.500.000	2.500.000
<b>Total</b>			<b>2.590.000</b>

Table 5.8. 4 Total Cost

Cost	Cost/Month (IDR)	Cost/Day (IDR)	Cost/Cup (IDR)
Variable Cost	6.985.620	268.678	6.717
Depreciation Value	126.571	4.868	122
Overhead Cost	2.590.000	99.615	2.490
<b>Total</b>	<b>9.702.191</b>	<b>373.161</b>	<b>9.329</b>



Selling Price per Cup (Gross Margin 50%)

*Cost per Cup + (Cost per Cup × Gross Margin)*

= Rp9.329,00/cup + Rp4.665,00/cup

= Rp13.994,00/cup

≈ Rp14.000,00/cup

Profit per Cup

*Selling Price per Cup – Cost per Cup*

Rp14.000,00/cup – Rp9.329,00/cup

= Rp4.671,00/cup

Breakeven Point/BEP (Unit)

*Fixed Cost ÷ Profit per Cup*

= Rp6.015.400,00 ÷ Rp4.671,00/cup

= 1.288 cups

Breakeven Point/BEP (Revenue)

*Fixed Cost + Cost for 1.288 cups*

= Rp6.015.400,00 + Rp12.015.752,00

= Rp18.031.152,00

Breakeven Point/BEP (Day)

*BEP Unit ÷ Total Cup per Day*

= 1.288 cups ÷ 40 cups/day

= 32 days

Bean-Yo will be sold at Rp14.000,00/cup, with Rp4.671,00 of profit per cup. To reach breakeven point, Bean-Yo must sell 1.288 cups, or earn Rp18.031.152,00 from sales, or selling for 32 days, in which one day can sell 40 cups.