

## **CHAPTER 5 BUSINESS PLAN**

### **5.1 Introductions, Vision & Mission**

(V)Choice is a company that runs in food industry especially vegan food. The author company is located in Surabaya. Currently the author company is innovating veganfood in a form of frozen food and the author will provide a combination of excellent food at value pricing, with fun packaging and atmosphere. The author first product is vegan nuggets, the author nuggets is the first vegan nuggets in Indonesia that made from jackfruit, the author want to provide a better food quality habit and to move people from junk taste to a healthy taste. The author company will create an innovative product with the unusual ingredients for both vegan and non-vegan consumers. The author vision is to be one of the most successful vegan company in Indonesia, and the author mission are, the author want the author customers to have the good experience when trying the author product as they will learn about this fascinating new "vegan culture" and the author want to improve the author consumers nutrition, health and wellness.

### **5.2 Business Scope**

(V)Choice is a company that runs in vegan food industry. (V)Choice activities are divided into 3 part:

1. Purchasing

(V)Choice main ingredient is young jackfruit. In order to provide the best quality products to (V)Choice customer, the author will search the best quality young jackfruit in Citraland Fresh Market. The author will also cooperate with some supplier at Citraland Fresh Market for other ingredients used in the recipe. The author realize through this purchasing process, the author will also help local farmers and seller at the market.

## 2. Production

In this production process, in order to give (V)Choice customer the best product the author only use the jackfruit flesh as the main ingredients for (V)Choice vegan nuggets. The author separate the jackfruit flesh from it's skin and core. And to minimize the waste, the author also use the jackfruit seeds aswell. Then the jackfruit will be simmered in (V)Choice homemade vegetable stock to make sure the nuggets is tender. And the author use combination of silken tofu and tapioca starch instead of eggs for the binding agents. Then the jackfruit mixture will be shaped using a mold, freeze and last coating it with breadcrumbs.

## 3. Marketing and Sales

The author step to introduce (V)Choice vegan nuggets to the market is through retailer and online. The author will try to supply some retailer as a market tester to see how customers response to (V)Choice vegan nuggets. Then after (V)Choice already stabilizing in the production, the author will open the author own store in strategic location such as mall. And the author hope in the future, the author can open branches in other town

### **5.3 Stakeholder**

#### 1. Retailer

Because (V)Choice is still new in this business. (V)Choice will cooperate with some retailer in order to introduce (V)Choice to the market. The author hopes through this cooperation, it will support the promotion of (V)Choice products.

#### 2. Supplier

Supplier have an important role in this production process. The author has already cooperate with many supplier to supply all ingredients that (V)Choice need for (V)Choice production process.

### 3. Creditor

In order to develop (V)Choice into a bigger company, the author also need a creditor who is willing to lend the author some amount of money.

### 4. Customer

By the existence of customer, the production process can be continued in order to fulfill (V)Choice customer need. And to make sure (V)Choice gain the customer trust, (V)Choice will provide the best quality and most innovative products.

### 5. Franchise

One of the author goal is opening a franchise. Franchise partner will be only come up if (V)Choice is already in mature and stable stage.

### 6. Government

Government also has an important role in the selling process of (V)Choice products. The author will make sure each (V)Choice products will pass the government procedures such as BPOM and Halal Certification.

## 5.4 Identification of Investment - SWOT Analysis

Table 3. SWOT Analysis

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>- The author products is healthier than other nuggets because its vegan and made from young jackfruit</li> <li>- Although it's made from young jackfruit the texture is similar to chicken meat</li> <li>- The author product have many nutrition than other nuggets product</li> <li>- The author products don't use any preservatives</li> </ul>	<ul style="list-style-type: none"> <li>- The product is still new, not famous yet</li> <li>- Limited product quantity because all were handmade</li> <li>- The author product duration is not too long because the author don't use any preservatives</li> <li>- Only sells vegan product</li> </ul>
OPPORTUNITIES	THREAT
<ul style="list-style-type: none"> <li>- Vegan product is still rare in Indonesia</li> <li>- Vegan food demand are increasing</li> <li>- There are other nuggets product that are not healthy and use preservatives</li> </ul>	<ul style="list-style-type: none"> <li>- Tight competition with other shop that sells vegan food</li> <li>- Other Vegan store might be opened due the increase of vegan food demand</li> <li>- Rising raw material cost</li> </ul>

## 5.5 Marketing Aspect

### 5.3.1 Customers Profiling

The author products are suitable for all people from all age range with minimum 5 years old with the income of middle until middle up.

Target Customers:

1. Vegan People: The author products are a good choice for people who following the vegan term. Frozen foods that are vegan are still rare to found in Indonesia supermarket. It wills easier for people if they buy the author products instead of cooking it from starch.

2. People who live alone: People who live alone are usually cooking their own food or buy their food from store. Cooking food from starch will take times to prepare and cleaning but buying food from outside isn't good either, it isn't healthy because it's usually use lots of MSG. The author products is a good choice for them because it's easy to process and healthy.
3. Health-Conscious People: The author products are a good choice for people who are conscious with their health. The author products made from real jackfruit which has many nutritional values and its use mushroom bouillon instead of MSG. And for people who avoid eating fried-foods the author recommend to process the author products using air fryer.
4. Family: Children are usually picky when it comes to food especially vegetable. And when children become fussy some parents feed their child with chicken nuggets. But store-bought nuggets are not healthy because they are not 100% chicken meat and it's also containing blood vessels, fat, and cartilage. So the author products is a good choice for them because its nuggets that made from young jackfruit and have many nutrition.

### 5.3.2 Marketing Strategy

#### 1. Product Strategy

The author products are a good choice for people who are vegan and non-vegan. This product is also healthy and has many nutrition value because it's made from jackfruit, the author product use mushroom bouillon instead of MSG and the author products didn't use any

preservative or chemicals. So it's a better choice for those people who want to frozen foods.

## 2. Promotion Strategy

Instagram is one of the biggest platforms where food and beverage business can thrive through social media. People love sharing story of food they eat. So not only the author posting picture of the author products but people are also posting reviews of the author products in their social media. Social media is the best platform to promote the author business because visual content is in high demand these days, and having delicious looking photos on social media is essential to make people feels hungry. The author will also endorse some food blogger to try the author products. Food bloggers have lots of followers on social media and getting their attention can give an influence to the author products

## 3. Place Strategy

Because (V)Choice is still a home based business, the author don't have the author own store yet. The author will start selling the author products through online and retailer. The author will supply the author product to some gifts shop and local store in Surabaya. And if there is high demand on the author product, the author will open the author own store that will also sell ready to eat food.

## 4. Price Strategy

For pricing strategy the author will sell the author product in affordable price and the author will make sure the author price is worth the quality.

## 5.6 Technical Aspect

(V)Choice location is in Surabaya and because (V)Choice is still new the author will start as a home industry business. The author will start selling the author products through online and retailer. Through retailer, it will help us to introduce the author products to customers. The author will have daily production from Monday to Saturday and the author will need at least 1 staff to help during the production. Because the author is still new and it is take times to produce the author nugget so the author will start selling the author products 20 packs/day. The author also hoping that in the future the author product can be sold and distributed in a larger quantity and the author can open the author own store.

## 5.7 Legal Aspect

To prevent any duplication of the author products by other company in the future it's important for company to take care the legal aspect. The author will submit the author creation, name, and logo for the legal aspect. (V)Choice is still a home based business, so the authors don't register the author product to BPOM yet. But the author will register the product to BPOM if (V)Choice is already stabilizing in production every month. The author product is also safe for all people because all the ingredients the author use are halal so the author will also take care for the halal certification. The author surely will process all legal aspect so the author products can be trusted by the author customers.

## 5.8 Financial Aspect

### 1. Variable Cost

Table 4. Variable Cost

Ingredients	Price	Amount	Quantity Used	Price/Quantity Used
Jackfruit	Rp.1,431	100gr	500gr	Rp.7,155

Vegetable Stock	-			
- Oil	Rp.25,500	2L	10ml	Rp.128
- Onion	Rp.2,000	100gr	200gr	Rp.4,000
- Carrot	Rp.1,995	100gr	200g	Rp.3,990
- Stalk leeks	Rp 2,200	100gr	3 stalk/60gr	Rp.1,320
- Stalk celery	Rp.6,000	100gr	3 stalk/35g	Rp.2,100
- Garlic	Rp.2,000	100gr	3 clove/15gr	Rp.300
- Totole	Rp.43,500	400gr	2tbsp/6gr	Rp.653
			Total:2 portion stock	Total/2portion : Rp.12,491
			<u>Quantity Used:</u> <u>1 portion</u>	<b>Price/Quantity Used :</b> <b>Rp.6,246</b>
Water	Rp.14,000	15L	510ml	Rp.476
Vegan Poultry Seasonings :				
- Rosemary	Rp.78,900	500gr	3 tbsp / 9gr	Rp.1,420
- Thyme	Rp.80,000	500gr	4 tbsp / 12gr	Rp.1,920
- Marjoram	Rp.103,900	500gr	5 tbsp / 15gr	Rp.3,117
- Sage	Rp.145,000	500gr	5 tbsp / 15gr	Rp.4,350
- White Pepper	Rp.125,000	1kg	1 tbsp /3gr	Rp.375
- Garlic Powder	Rp 46,900	500gr	4 tbsp / 3gr	Rp.281
- Nutmeg	Rp 76,900	500gr	1 tbsp / 3gr	Rp.461
			Total : 60gr	Total/60gr : Rp.11,924
			<u>Quantity Used</u> <u>: 2 tbsp / 6gr</u>	<b>Price/Quantity Used :</b> Rp.1,192
Nutritional Yeast	Rp.50,000	300gr	1 tbsp / 3gr	Rp.500
Silken tofu	Rp.10,100	250gr	4 tbsp / 60gr	Rp.2,424
Tapioca Starch	Rp.6,900	500gr	5 tbsp / 30gr	Rp.414
Orgran Egg Replacer	Rp.40.000	200gr	6 tsp / 18gr	Rp.3,600
Primera Panko Bread Crumbs	Rp.155,000	10kg	50g	Rp.3,875
Packaging :	Rp.1,254	1pcs	1pcs	Rp.1,254

Thinwall(1000ml)	Rp.9,000	15pcs	1 pcs	Rp.600
Sticker				
Total				Rp.27,736

Based on the table above the cost of production per pack is Rp.27,736. If the author planning to make 20 pack a day and there will be 26 working day a month, so the cost/day will be Rp.554,720 and the cost/month is Rp.14,422,720

## 2. Fixed Cost

Table 5. Fixed Cost

Equipment	Total	Depreciation	Depreciation/Year	Depreciation/Month
Cutting Board	Rp. 100,000	4 year	Rp. 25,000	Rp. 2,083
Knife	Rp. 100,000	5 year	Rp. 20,000	Rp. 1,666
Pot with lid (2pcs @Rp. 50,000)	Rp. 100,000	5 year	Rp. 20,000	Rp. 1,666
Stove	Rp. 300,000	8 year	Rp. 37,500	Rp. 3,125
Digital Scale	Rp. 150,000	6 year	Rp. 25,000	Rp. 2.083
Bowl (6pcs @Rp. 50,000)	Rp. 300,000	6 year	Rp. 50,000	Rp. 4,166
Plastic Tray (3pcs @Rp.22,500)	Rp. 67,500	2 year	Rp.33,750	Rp.2,813
Jar	Rp. 35,000	3 year	Rp.11,667	Rp.972
Strainer	Rp. 50,000	2 year	Rp.25,000	Rp.2,083

Rubber Spatula	Rp. 30,000	3 year	Rp.10,000	Rp.833
Dry Mill Blender	Rp.330,000	6 year	Rp.55,000	Rp.4,583
Spoon (4pcs @Rp. 5,000)	Rp. 20,000	2 year	Rp.10,000	Rp.833
Mold (2pcs @Rp. 50,000)	Rp.100,000	3 year	Rp.33,333	Rp.2,778
Hand Gloves (12 pack @Rp.6,150)	Rp.73,800	1 year	Rp.73,800	Rp.6,150
Total	Rp.2,056,300		Total	Rp.35,834

### 3. Overhead Cost

Table 6. Overhead

Others	Cost / Unit	Cost / Month
Employee (1 person @Rp.50,000)	Rp.50,000	Rp.1,300,000
Electricity		Rp.100,000
Gas		Rp.200,000
Repair & Maintanance		Rp.100,000
Total		Rp.1,700,000

#### Total Cost of Production

Variable Cost	Rp.14,422,720
Fixed Cost	Rp.35,834
Overhead Cost	Rp.1,700,000

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Total / month :Rp.16,158,554

Total production / month : 20 pack x 26 day = 520 pack

Cost of Production / Unit :

Rp.16,158,554 : 520 pax = Rp.31.074/pack

Selling Price :

Rp.31,074 + 50% = 46,611  $\Rightarrow$  Rp.46,700/pack

Price Comparison

(V)Choice vegan nuggets (460gr) sold for Rp.46,700/pack

Fiesta Chicken Nuggets (500gr) sold for Rp.52,900/pack

Based on the data above, if the author calculate, (V)Choice vegan nuggets price is Rp.10,152 / 100gr while Fiesta chicken nuggets price is Rp.10,580 / 100gr. It can be concluded if (V)Choice vegan nuggets is cheaper and healthier than Fiesta chicken nuggets.