**CHAPTER 5**

**BUSINESS PLAN**

**5.1 General Description of Company**

**“**KIER” barbeque sauce is product that created and produced by CV. Terang Abadi which is one of company that engaged in culinary business. The product of KIER is mostly using a high quality, unique, and also premium quality such as kiwi and it’s skin or balsamic vinegar which is rarely in local or traditional market. Going forward there will be many other variant of barbeque sauces using other unique ingredients that produced by CV. Terang Abadi.

**● Vision**

Our vision is to become the most innovative and unique barbeque sauce product that everyone can enjoy without any exception.

**● Mission**

We commited to always use the highest quality and the most unique of our ingredients that have a lot of health benefit to our body.

**5.2 Identification of Investment Opportunities**

**► Purchasing**

The main ingredients of our barbeque sauce is a Kiwi fruit which is very rare in traditional market especially we need the high quality one. So we cannot work alone on this case. We need a store or supermarket to get this item and this is the basic of our company.

**► Production**

We always give the best to our customer, including the selection of our ingredients by selecting and buying the highest quality. We process the sauce through the hygienist process as the standard of our company.

**► Marketing and Sales**

Basically our product is a premium product because we are using the premium and high quality of ingredients. So we are focusing our market in the supermarket or retail. The reason we choose supermarket is because supermarket have the most complete society that will buy stuff from the cheapest until the expensive one. So we don’t have to worry if our product has a little expensive price and it can make our product easier to be sold.

**5.3 Stakeholder**

**► Retail**

Retail is one way that our consumer can easily reach. We are strongly targeting supermarket to sell our product. Because supermarket has a strong sale value to sell product like barbeque sauce.

**► Supplier**

Supplier has a strong role in our production process. Because our barbeque is using high quality also some of them is premium ingredients that’s why we cooperate with some store to supply our ingredients.

**► Customer**

Customer have an important role for our company. We need customer to keep our production going for their needs. To build the trust from customer we will always giving them the best of our product by using high quality and premium ingredients.

**► Investor**

In fact that our company is a new comers, we will glad if there is any investor that like to give us some donate or loan for our continuity company. So we don’t have to struggle on our production process.

**► Government**

Government has a strong connection to new comers company who want to grow. Every company have to follow the current arrangement. That’s why we try to get permission from BPOM and MUI to get HALAL sertification to our product.

**5.4 SWOT Analysis**

**• STRENGTH**

**-** Using unique ingredients which is Kiwi with the skin ON

**-** Has a lot of health benefit

- Use premium ingredients

**• WEAKNESS**

- The ingredients quiet expensive

- The price of our sauce also quiet expensive

- There is a lot of product cheaper than us

**• OPPORTUNITY**

- Our product has more health benefit than other product because we are using kiwi also it’s skin that contain high fiber and antioxidant.

- There is no competitor with the same main ingredients as our product

- Have better sales strategy by hiring out new franchisees

**• THREAT**

- Growing competition from other international & local brands which means threats of declining market share

- There is a lot of big brands out there

- Curiosity of new product from people is quiet low

**5.5 Marketing Aspect**

KIER has a target to do the most effective marketing technique to grow our market. By doing promotion using Social Media such as Facebook and Instagram, because nowadays these 2 platform has a lot of users and the effect by doing advertisement using these 2 platform is very quick, also we will hire or pay some selebgram or food vlogger or etc.

Our company will continue doing promotion by using something that most of people use. Because to get customer we need to do marketing correctly, effective and innovative by keeping up with the most trending or popular platform.

Not only Social Media, we also will joining every bazaar that has most change to get a lot of people such as in mall to attract people with our product because some people will only attract if they see directly how the product is.

**5.6 Technical Aspect**

KIER will do the production everyday for 30 days per month, each day we can produce until 100 bottles with the quantity each bottle is 250gr. The number of employee used is 1 employee for preparing the ingredients and also packing the final product because KIER now is only a Home-Industry and online base shop.

Our hope in the future our product will grow up and can distributed to larger market sector even go to international. And as our company grow up we sure will increase our number of our employee and production to fulfill our market demand.

* 1. **Legal Aspect**

1. **PIRT**

Basically KIER is categorized as a home industry which is a small and medium-sized business so KIER will need a Food Production Certificate - Home Industry (SPP-IRT) which is a written guarantee given by the Regent / Mayor - through the Health Office - for food produced by Home Industries that have fulfilled certain safety requirements and standards, in the context of production and distribution of food products.

In other words, SPP-IRT has a function as a distribution permit for a food product, where after having SPP-IRT the product can be legally circulated or marketed, either by being entrusted or sold directly to the wider community. Therefore, having SPP-IRT can circulate its products with wider distribution channels, especially if you want to leave their products in well-known modern stores and have a large permanent customer base.

Terms & Condition :

* + Application form for Home Industry Food Production Certificate (SPP-PIRT). For form formats, download here
  + Photocopy of Food Safety Training Certificate
  + Photocopy of KTP
  + Business location plan
  + Health certificate from the health center

1. **HALAL**

Speaking of products, related to safety and trust, because of that there is such a thing as a halal certificate from the Indonesian Ulema Council (MUI). Halal certificate is a certificate stating that a product (food, drink, etc.) does not contain prohibited elements, or raw materials and processing is carried out with production methods that meet Islamic Shariah criteria.

Companies that want to obtain a halal certificate LPPOM MUI, both processing industries (food, medicine, cosmetics), abattoirs (RPH), and restaurants / catering / kitchen, must register for halal certification and meet the halal certification requirements.

The following are the steps that a company will sign up for in the halal certification process:

* + Understand halal certification requirements and take part in SJH training
  + Implement Halal Assurance System (SJH)
  + Prepare halal certification documents
  + Register for halal certification (upload data)
  + Monitor pre-audit and payment of certification contracts
  + Audit implementation
  + Carry out post-audit monitoring
  + Obtain halal certificate

**5.8 Financial Aspect**

**5.8.1 Variable Cost**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No** | **Description** | **Total Unit**  **(Per Day)** | **Cost / Recipe**  **(Rp.)** | **Cost / day**  **(Rp.)** |
| **1** | Whole Kiwi | 25 kg | 17.500 | 1.750.000 |
| **2** | Guiness Beer | 15 ltr | 13.359,37 | 1.335.937 |
| **3** | Honey | 10 kg | 10.800 | 1.080.000 |
| **4** | Brown Sugar | 5 kg | 2.500 | 250.000 |
| **5** | Mustard | 7 kg | 6.571 | 657.100 |
| **6** | Cooking Oil | 4,5 ltr | 630 | 63.000 |
| **7** | Balsamic Vinegar | 3 ltr | 3.750 | 375.000 |
| **8** | Chilli Flakes | 2,88 kg | 7.616 | 761.600 |
| **9** | Dry Thyme | 91 kg | 808,8 | 80.880 |
| **10** | Salt | 590 gr | 64,9 | 6.490 |
| **11** | Bottle + Sticker | 100 pcs | 7000 | 700.000 |
| TOTAL / Day | | | | Rp7.060.007 |
| TOTAL / Month | | | | Rp211.800.210 |

Table 1. Variable Cost

Notes :

* 1 month = 30 working days
* 1 day = producing 100 bottles (100 recipes)
* 1 bottle = consist of 250 gr barbeque sauce
  + 1. **Fixed Cost**

Table 2. Fixed Cost

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Material** | **Total** | **Depreciation** | **Depreciation / year** | **Depreciation / month** |
| Stove | Rp300.000 | 10 years | Rp30.000 | Rp2.500 |
| Gas | Rp700.000 | 1 year | Rp700.000 | Rp58.333,33 |
| Sauce Pan | Rp1.100.000 | 5 years | Rp220.000 | Rp18.333,33 |
| Non Stick Pan | Rp50.000 | 5 years | Rp10.000 | Rp833,33 |
| Blender | Rp400.000 | 10 years | Rp40.000 | Rp3.333,33 |
| Digital Scale | Rp50.000 | 5 years | Rp10.000 | Rp833,33 |
| Knife | Rp800.000 | 10 years | Rp80.000 | Rp6.666,66 |
| Fork | Rp7.500 | 10 years | Rp750 | Rp57,69 |
| Gas Portable | Rp26.500 | 1 month | Rp318.000 | Rp26.500 |
| Portable Gas Torch | Rp78.000 | 5 years | Rp15.600 | Rp1.300 |
| Cutting Board | Rp95.000 | 10 years | Rp9.500 | Rp791,66 |
| Silicon Spatula | Rp29.000 | 5 year | Rp5.800 | Rp483,33 |
| Total | Rp3.636.000 |  | Rp1.439.650 | Rp119.970 |

* + 1. **Overhead Cost**

|  |  |  |
| --- | --- | --- |
|  | **Cost / Unit** | **Cost / Month** |
| Electricity | Rp60.000 | Rp720.000 |
| Water | Rp30.000 | Rp360.000 |
| Employee | Rp50.000 | Rp1.500.000 |
| Total | Rp140.000 | Rp2.580.000 |

Table 3. Overhead Cost

* + 1. **Cost of Production**

|  |  |
| --- | --- |
| **Type of Cost** | **Total / Month** |
| Variable Cost | Rp211.800.210 |
| Fixed Cost | Rp119.970 |
| Overhead Cost | Rp2.580.000 |
| Total | Rp214.500.180 |

Table 4. Cost of Production

Interest rate : 50%

* Cost of Production (month) = Rp214.500.180
* Cost Production / Pack = Rp214.500.180 : 3000 Bottles

= Rp71.500

* Selling Price / Unit = Rp71.500 + (50% x Rp71.500)

= Rp71.500 + Rp35.750

= Rp107.250