

CHAPTER II

MARKETING PLAN

A. Market Size

It is important for a start-up business to estimate its market size. By estimating the market size, the company will understand about the potential customers to sell the product. If the company understands about the size of their market, it is easy for the company to get a good amount of profit. According to the author of “The Art of Startup Fundraising & Serial Entrepreneur” named Alejandro Cremades from Forbes, determining the market size is a really important and critical thing for a start-up company, as it will help the company to be able to calculate the potential of their business. Around 77 percent of Indonesians consume snacks rather than heavy meals every day. This statement was said by Saschin Prasad, the President Director of Mondelez Indonesia which applies to a survey conducted by The Harris Poll entitled “The State Of Snacking” that distributed to the Indonesian people, especially those aged 18 years and over. According to The General Secretary Association of Culinary Professionals named Petrus Nugraha, he stated that many Indonesians like sweets because their sweet taste is easily accepted by their palette.

Ngojo tightened the target by breaking it down into several segments, more precisely into four different types of market segmentation. All the data was conducted by the writer from a market survey that distributed to 107 participants that included as the potential buyers of the company.

1. Geographic Segmentation

Most of Ngojo's prospective buyers will come from the Palembang, Jakarta and Banten areas. This means that these three areas will be Ngojo's main focus for selling their products.

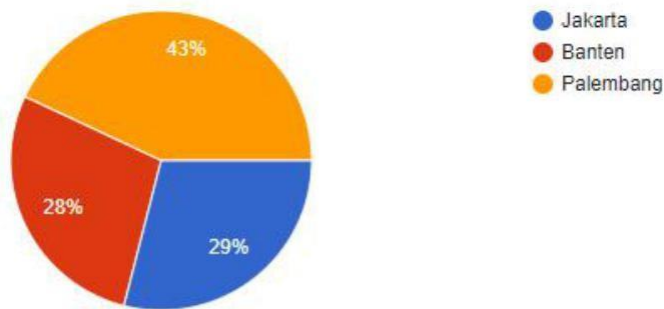


Figure 2.1 Domicile of Ngojo Potential Buyers

2. Demographic Segmentation

From the market survey result, most of the potential buyers will be female customers. This can be seen from the female customer got higher percentage results rather than the male customers. Approximately 75 percent of survey participants are women, while the remaining 25 percent are men. However, Ngojo's customers will still vary from all genders, all genders can freely purchase any product offered by Ngojo.

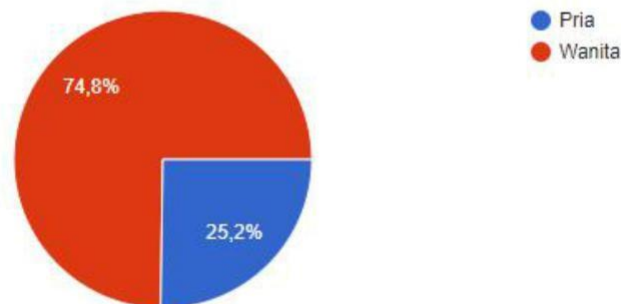


Figure 2.2 The gender range of Ngojo's Primary Target Audience (PTA)

For the age range, the Primary Target Audience (PTA) of Ngojo will be around 15 to 25 years old. Then, the Secondary Target Audience (STA) ranges from 26 to 40 years old. From the survey result, it can be seen that the main customers targeted by Ngojo are mostly the university (71 percent) and high-school (10 percent) students.

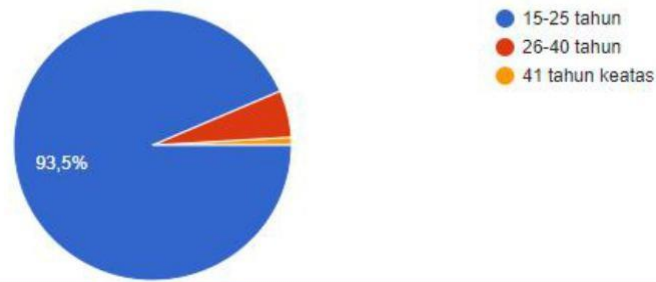


Figure 2.3 The Age Range of Ngojo's Primary Target Audience (PTA)

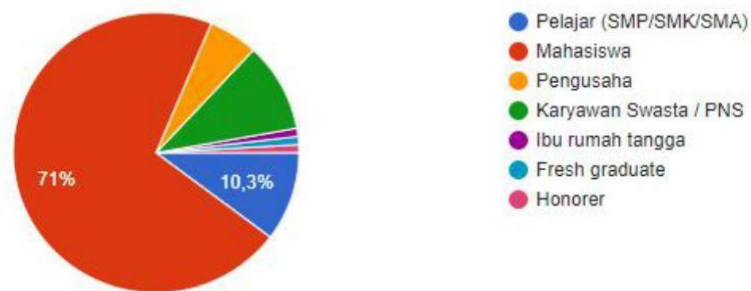


Figure 2.4 The Occupations of Ngojo's Primary Target Audience (PTA)

Most of Ngojo's Primary Target Audience (PTA) spend around Rp. 1.000.000 to Rp. 5.000.000 in a month.

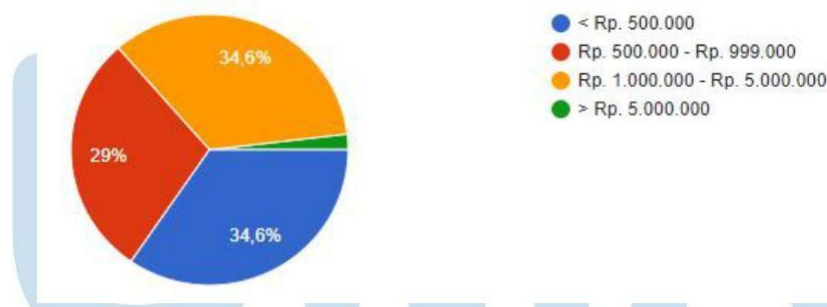


Figure 2.5 The Spending Power of Ngojo's Primary Target Audience (PTA)

3. Psychographic Segmentation

The Primary Target Audience of Ngojo interested in the products as they know the benefits provided by the main ingredients for making Kojo products, which are the suji and pandan leaves for human body. As these leaves help to relieve joint pain, prevent heart disease, and even treat the skin health. From the

107 audiences, around 47 percent are very interested in Kojo products, followed by around 36 percent of the audiences who are quite interested in products.



Figure 2.6 The Interest Rate of Kojo Products

As the product is rarely sold in the Jakarta and Banten area, it makes kojo products hard to be reached. This is supported by the results of a survey which shows that around 56 percent of the audience has never encountered a store that sells Kojo product variants around their area.



Figure 2.7 The Product Knowledge

After asking the question regarding the Kojo product knowledge, the writer continues by asking the audience's level of interest in buying and

consuming Kojo products. The results showed that more than 80 percent of the audience were interested in purchasing the products, both the bolu kojo and lapis kojo products.

Seberapa anda tertarik untuk membeli produk "Kojo" jika dijual dalam bentuk "Bolu"?

107 jawaban

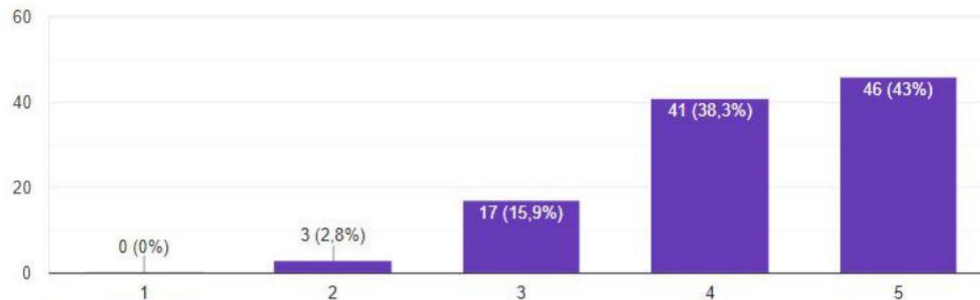


Figure 2.8 Bolu Kojo Level-of-Interest

Seberapa anda tertarik untuk membeli produk "Kojo" jika dijual dalam bentuk "Lapis"?

107 jawaban

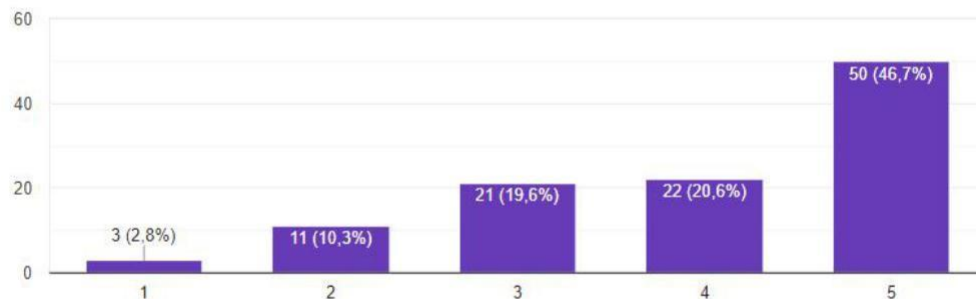


Figure 2.9 Lapis Kojo Level-of-Interest

4. Behavioral Segmentation

As the main product type offered by Ngojo is a sweet product, the customers of Ngojo are love to include sweets in their meals. They are not afraid to consume confectionery products and conversely they are dessert connoisseurs. Regarding purchasing behavior, most of Ngojo's Primary Target Audience (PTA) usually buy products by online. Around 95 percent of the audience are using Instagram as their main social media account, which can be used as the marketing platform of this business. For the marketplace, around 85 percent of the customers

are commonly use Grab-Food, Go-Food, Shopee-Food, and Traveloka Eats to purchase their meals.

Social Media apa yang sering anda gunakan untuk mencari produk makan secara online?

107 jawaban

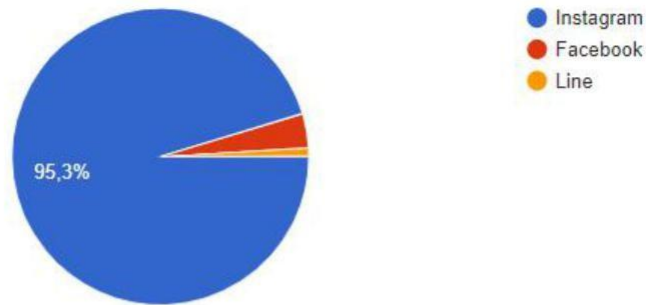


Figure 2.10 The Most-Used Social Media Platform

Marketplace yang sering anda gunakan untuk membeli produk makanan secara online?

107 jawaban

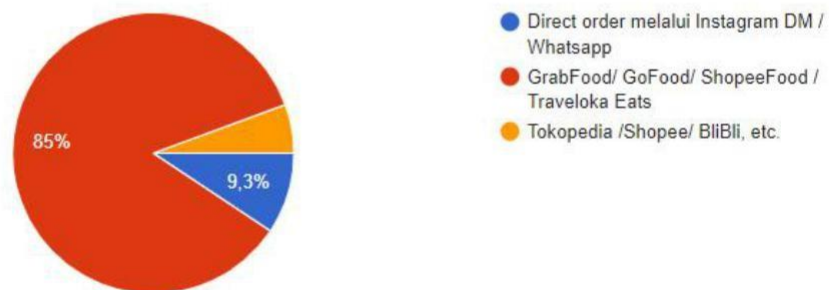


Figure 2.11 The Most-Used Marketplace for Food Purchase

B. Competitor Analysis

1. Competitor

Here are the several businesses that are included as the competitor of the owner business.

- a. Kojoin: Premium Kojo Cake



Figure 2.12 Kojoin Logo

Ngojo's first competitor was Kojoin. As the name implies, this company specifically sells kojo products to buyers. This business was launched in August 2021 by one of the top six Masterchef Indonesia(Season 8) participants named Wynne Intan. Kojoin only provides one type of kojo product to its buyers, which is the bolu kojo. The product offered by Kojoin is sold for Rp.75.000 per box. The size of the product is only around 20 cm x 10 cm. Buyers have to add additional fee of Rp.5,000 for the coconut as the topping on top of the bolu kojo. Kojoin was based in Kembangan area of Jakarta Raya. The sales method used is using a pre-order system, where customers must register their orders and make payments a few days before the product is baked. This company only opens orders for buyers around the Jakarta area, because they still cannot ship their products to other cities in Indonesia.

Table 2.1 SWOT Analysis of Kojoin

Strength	Weakness
Has a lot of attention because the owner is one of the public figures in Indonesia.	Only for Jakarta based customers, did not provide ship to another city.
Opportunities	Threats

The sales are high as it continues to be promoted by the owner who has around 125,000 followers on her Instagram account.	Sales figures have the possibility to slope down in the future, due to temporary prestige
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b. Kojo Gibran



Figure 2.13 Kojo Gibran Logo

The second competitor of Ngojo is located in Tangerang area. This start-up business is called Kojo Gibran. This home-based business offers two types of kojo products, which are normal sizes (15 cm in diameter) and mini sizes (3 cm in diameter). For the price range, it was start from Rp. 40,000 for 10 mini-sized kojoes and Rp. 75,000 for normal sizes. As this is a home-based business, the selling method is using a pre-order system. In which, customers must place an order several days in advance.

Table 2.2 SWOT Analysis of Kojo Gibran

Strength	Weakness
The first top search result that appear with the keyword "Kojo Tangerang".	Low in business credibility as it does not has a professional sales marketing content to promote its product.
Opportunities	Threats
First to be reached if someone want to purchase kojo products in Tangerang area by online.	Small number of purchases from a wider audience, because there is no marketing content that can attract the

	attention of potential buyers.
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c. Otlavaa Shop



Figure 2.14 Otlavaa Shop Logo

The third one is Otlavaa Shop which is based in the West Jakarta area. This startup sells several types of cakes, not just traditional cakes. However, this business also provides *kojo* products to customers. The price of lapis *kojo* with a size of 10 cm x 10 cm is around Rp. 75,000. Because the size is only 10 cm x 10 cm, the products provided by this shop are quite expensive. The sales method also uses a made by order system, meaning that customers must place an order several days in advance. This business only sells its products through e-commerce which is Shopee Indonesia. They do not have any Instagram account so it is quite hard to get noticed by a wide audience.

Table 2.3 SWOT Analysis of Otlavaa Shop

Strength	Weakness
One of the top search with keyword “Lapis Kojo” in Shopee application.	The price is very expensive for the size of the product which is only 10 cm x 10 cm.
Opportunities	Threats

Since this business has a 4.8 star rating on Shopee, it will increase the chances of the business being seen by a wider range of Shopee users.	Low in sales, as the company only sells the products through Shopee, most potential buyers will only come from shopee users only.
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2. SWOT

Based on a SWOT analysis of competitors, the following is a comparison between the business and the start-up business of the writer named Ngojo.

Table 2.4 Analysis SWOT

FACTORS	KOJOIN	KOJO GIBRAN	OTLAVAA SHOP	NGOJO
Location	Jakarta Raya	Tangerang City	West Jakarta	North Jakarta
Core Product	Bolu Kojo with Coconut topping	Bolu Kojo (Mini Size & Normal Size)	Lapis Kojo	Bolu Kojo & Lapis Kojo
Customer	20-45 y.o.	25-45 y.o.	Shopee Users	Students & Entrepreneurs
Distribution	Jakarta Area	Tangerang Area	JaBoDeTaBe k Area	Jakarta, Banten, Palembang
Marketing	Instagram, Whatsapp	Instagram, Whatsapp	E-commerce	Instagram, Facebook, Whatsapp, e-commerce.

From the SWOT Analysis, it can be seen that the entire business offers kojo cake as their core product. However, each of the business only has one type of kojo product to be offered to the customers, either they are only sells bolu kojo or lapis kojo product. To differentiate the product from its competitors, Ngojo chooses to sell two types of kojo products, which are bolu kojo and lapis kojo to customers. In addition, some competitors only

provide delivery to customers around their area. Therefore, Ngojo will provide a delivery service where buyers from outside the city can also get the products offered. Since Ngojo's Main Target Audience (PTA) will vary from customers with an age range of around 15 to 25 years, the company will use several social media that commonly used by teenagers and young adults as the company marketing platforms. These platforms include Instagram, Facebook, Whatsapp, and e-commerce such as Shopee and Tokopedia. The main reason is to increase a wider range of potential customers for the business and achieve the revenue goals.

C. Sales Goals

Table 2.5 Sales Goals

Sales Goals	Month 1	Month 2	Month 3	Month 4
Customer	600	630	693	792
Customer Base	-	300	315	346
Growth	-	5%	10%	15%
Average Revenue	Rp35,700,000	Rp37,485,000	Rp41,233,500	Rp47,124,000
Marketing Expenses	Rp650,000	Rp650,000	Rp650,000	Rp650,000
Customers Acquisition Cost	Rp100,755	Rp100,755	Rp100,755	Rp100,755

Assumptions:

- In each day there will be 20 customers, so in a month there will be 600 customer orders.
- The customer base is around 50 percent from the customer from last month.

- The growth is around 5 percent on the second month, 10 percent on the third month, and 15 percent on the fourth month.
- The average revenue was obtained from the revenue projection. In which, in each day the revenue is around Rp1,190,000.
- In each month the marketing expenses will be around Rp650,000.
- Customer Acquisition Cost will be around Rp100,755 for each month. This nominal is obtained by dividing the total expenses with new customers obtained in a certain period.

D. Marketing Strategy

1. Product Characteristics

Table 2.6 Ngojo SWOT Analysis

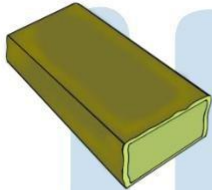
Strength	Weakness
a. Offers the customers with two type options of Kojo products. b. Able to ship the products to other cities outside Java. c. Freshly baked products. d. Cheaper price than the market.	a. Weak brand recognition as it is new in the market. b. Do not provide any ready to buy order. c. Limited owned equipment for large amount of order.
Opportunity	Threats
a. Highqualityproduct with reasonable price. b. Launch Ngojo offline store.	a. Well known competitor. b. Another business with viral, contemporary, and modern types of cakes

The core product of Ngojo is a traditional cake from South Sumatera called “Kojo”. This type of traditional cake still not widely sold in the jakarta and tangerang areas. This can be seen from how difficult it isto find a business that sells this type of cake both offline in the market and online from the internet. Most of the business that sells this product in Jakarta and Tangerang area only provide the customers with one type of

kojo product, either bolu kojo or lapis kojo. Therefore, Ngojo will provide customers with both types of original kojo products including bolu kojo and lapis kojo. By then, the customers can have options when buying the products from Ngojo.

To make it different from the others, the products offered by Ngojo can be sent to other cities outside Java, where later the products will be packaged using the vacuum seal method. This is one of the reason that can increase buyer interest in the products offered. Most of the time, buyers from another city want to try this type of traditional cake but they can not make a purchase because the seller can not send the product out of town. Besides that, as Ngojo use the best quality ingredients and original recipe for the production, the product will taste “legit” or extremely delicious. Another value of Ngojo is that the company offers products at very competitive prices, even cheaper than the market price.

Table 2.7 Ngojo Products

Product	Description
<p>1. Bolu Kojo</p>  <p>Figure 2.15 Bolu Kojo by Ngojo</p>	<p>The main ingredient of this kojo product is 100 percent real suji and pandan leaves. Bolu kojo is a cake which has a dense soft texture. The cake batter is poured directly into the pan before baking. The size offered is 20 cm x 10 cm. For the price is around Rp55,000 per box</p>

2. Lapis Kojo

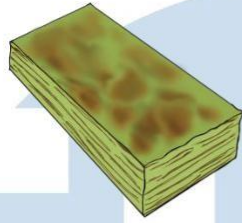


Figure 2.16 Lapis Kojo by Ngojo

The same as bolu kojo, the main ingredients included in lapis kojo is the juice of 100 percent real suji and pandan leaves. Unlike the bolu kojo product, this product is baked layer by layer. The size offered is 20 cm x 10 cm. For the price is around Rp65,000 per box.

2. Distribution

The products will be distributed by online market. The distribution platforms of Ngojo are include Instagram, Facebook, Whatsapp, and e-commerce such as Shopee and Tokopedia. The customer can purchase the products by using pre-order system through the platform owned by the company. As the company sells the kojo product using pre-order method, the customers have to registers their orders and make payments a few days before the day when the product is baked and ready to be delivered.

After the product is ready, it will be right away packed and delivered to the customers address instantly by the third-parties delivery platform courier. The company will use several third-parties delivery platforms such Grab-send, Go-send, Lalamove, and Paxel. For shipping outside the city, the product will be vacuum sealed first to maintain the product's durability when shipped to the customer's address.

3. Promotion

The primary customer of Ngojo is a teenager and young adults that has an age range between 15 to 25 years old, where they have a high-understanding about social media and tend to do transactions online. This is also in line with the results of a market survey conducted by the author

to around 107 audiences regarding this business, where around 64 percent of the audience said that they often purchase food products by online.



Figure 2.17 Online purchase percentage

For business marketing, the company will use a push marketing strategy to attract the audience's attention to the products offered. According to Kayla Carmicheal (2021) from Hubspot, the push marketing is a general advertising strategy that focused on “pushing” the business products to targeted audience. One of the push marketing strategy method is using the marketing content on social media. Ngojo use this type of marketing strategy to promote the products to potential buyers. After do the market survey, the writer choose Instagram as the main marketing platform of the company.

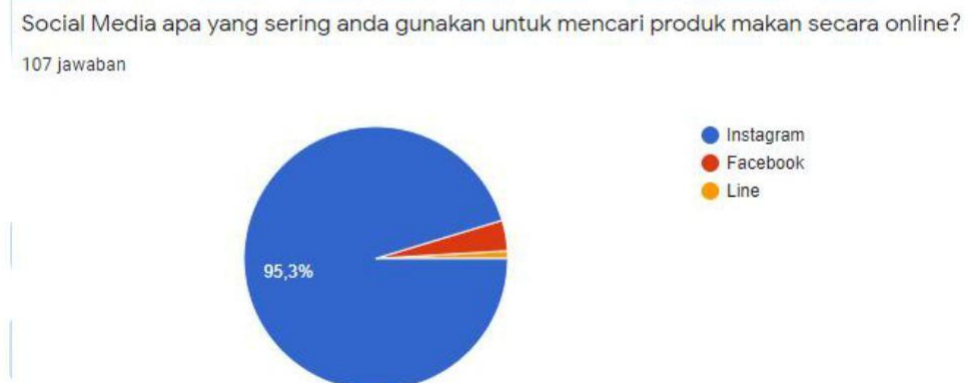


Figure 2.18 Most Used Social Media

There are several type of marketing content form that is used by the company including photos, short-videos, and illustration which is packaged in such a way with attractive colors and patterns that highlight the personality of the company. The entire marketing contents will be posted to Instagram in the form of feeds, story, and also reels. For the editing platform, the company will use Canva to create the marketing content. The goals of this marketing strategy is to provide awareness of the audience about this business and also increase the product purchases.

Besides that, the company will use social media advertising which can help increase awareness of potential buyers regarding the products offered by Ngojo. In addition, the company also has a printing advertising. In every product purchases, the company will include a thank you card inside the product packaging. The main reason is to ensure the customer was satisfied with the service provided by Ngojo.

Table 2.8 Advertising Tools

Promotional Tools	Budget Over 1 Year
Instagram Advertising	Rp. 6.000.000
Printing Advertising	Rp. 1.000.000
Editing Platform	Rp. 800.000
Total	<u>Rp. 7.800.000</u>

4. Price

Ngojo will use the penetration pricing strategy to sells the products. By using this strategy, the company will make sure selling the product with a lower price than the market price to gain a more significant market. Obviously, the company will also make sure that the business will still be profitable and produce products using high quality materials even though the product is sold at a lower price than the market. The market price of kojo product (20 cm x 10 cm) is around Rp. 75.000 up to Rp. 100.000. However, Ngojo will provide products of the same size starting from Rp. 55,000 to Rp. 65,000 per box.