

CHAPTER II

MARKETING PLAN

2.1 Market Size

Market size refers to the total number of individuals in a certain market segment who are potential buyers. It is important to decide market size because it helps to gain investment, develop a solid marketing and business strategy, and determine budget and hiring plans. Before the writer started this report, the writer decided to use both qualitative and quantitative methods. For the interviews, the writer did have conversations with three people, one is a manager of a coffee shop and the other two are customers or coffee lovers. Prior to the research several agreements such as videotaping the interviews have been understood and agreed upon verbally by all parties.

The first person is Filbert Jeremiah, an owner of small coffee business in West Jakarta. He has been running his business for one and a half years now. Filbert partnered with two more people who also have the same purpose, which is to run a coffee shop. The menus are similar to regular coffee shops, starting from non-caffeinated beverages, mocktails, snacks, and of course caffeinated beverages. Being a person who has knowledge of running a coffee shop business made him qualified to have an interview. For his own preference, he usually drinks coffee in the morning before he starts his day, in the afternoon, and in the evening. He is interested in KOPIBON's main product because he said that it has never been done before, and he is a person who is actually open to new ideas. For the prices, Filbert is shocked in the most positive way because it's considered cheap for a product that contains alcohol. He stated that selling regular caffeinated beverages nowadays is difficult because there are many competitors. He is a person who would love to try new things so he is absolutely would love to try KOPIBON's main product when the writer told him about the ingredients and the portion for each bottle. He suggested KOPIBON to collaborate with Instagram influencers to boost the sales and get a license to sell alcohol when the profits are able to cover it.

The second person is Jennifer Andriani, a university student in South Tangerang that enjoys and consumes coffee occasionally. She cannot be labeled as a 'coffee addict' because she just consumes coffee whenever she hangs out at coffee shops. She told the writer that she always enjoys coffee that is not too strong and has sweet taste in it. She also loves hanging out at places that is comfortable to sit and just talk for hours. She shared some of her favorite coffee shops to go, some of them are Sudut Sedjenak, Janji Jiwa, and Kopi Kenangan. She would prefer if the mentioned places to have more outdoor space. Jennifer is also open to trying KOPIBON's main product after she got explained about the ingredients and the taste. She suggested KOPIBON to market well on social media platforms to attract influencers and people who loves following trends. For the prices, Jennifer still thinks it's reasonable but competitive.

The third person is Victoria Audrey Tantra, a university student that enjoys and consumes coffee and alcoholic beverages regularly, especially in the morning. She drinks two to three cups of coffee every day, but prefers when each one is not too strong. According to Victoria, her whole family enjoys the bitter taste of coffee rather than sweet because it's neutral based on their preference. They judge coffee more by the taste and how it actually affects their systems. They are okay with both take-away only and dine-in coffee shops as long as the customer service is good and the quality of the products are ensured. Some of her favorite coffee shops are Revolver, After Friday, and Turning Point Coffee. After got explained about KOPIBON's idea, Victoria is interested and would love to try both of the products because she wants to try the regular taste. For the prices, Victoria is very pleased.

In conclusion, there are many things to consider after having interviews with the selected people above. It is not a wonder anymore that there are many competitors to build a coffee business but all three participants agreed that KOPIBON has a fresh idea and could become a trend if the writer markets the brand well and check on the performance regularly. They all have their own preferences but the most common ones are they like to enjoy coffee in the

morning and they don't like coffee beverages that taste too sweet. The prices, it is competitive but it is still considered cheap for the main product to contain some alcohol in it. They all would like to try the products because they are curious about them. For the ingredients, they all are okay with it and one of them suggested KOPIBON get a license to sell alcoholic beverages once the profits could cover the expense.

For the survey, it has already distributed about consumer preferences to the public and in conclusion, the survey resulted in 103 valid answers about their own preferences for KOPIBON's products, and here is the market segmentation based on the research:

a) Geographic, which helps to split up market-based by the respondent location(s) to help the company understand better the consumer's needs, and most of the respondents are based in Tangerang and Jakarta. Therefore, since KOPIBON is based in Tangerang, KOPIBON will start distributing the products in Tangerang first and wish to expand to Jakarta.

b) Demographic, which helps to split up the respondents based on their gender, age, employment status, income, and domicile.

And your gender is...
103 responses

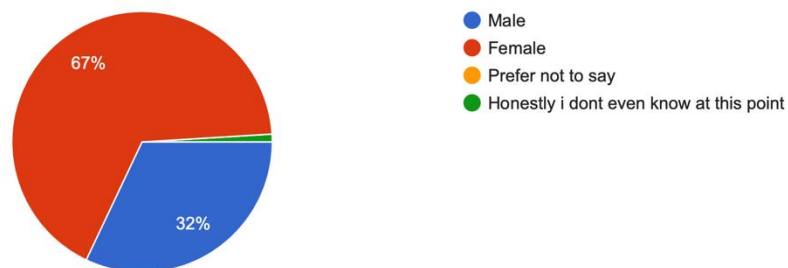


Chart 2.1 Gender

N U S A N T A R A

Based on the chart above, women are more interested into the idea of KOPIBON instead of me, excluding one person who don't want to reveal their gender. It can be concluded that women are more open to products with innovations and new ideas than men.

What is your age range?
103 responses

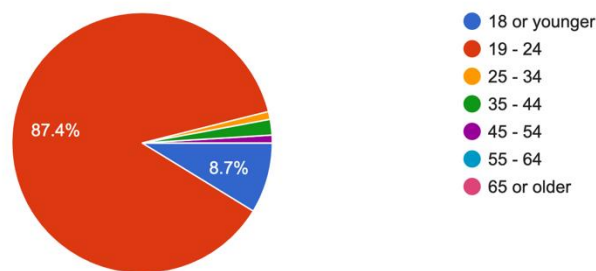


Chart 2.2 Age Range

According to the research, data indicated that people around 19-24 years old show more interested into the product, followed by a few parts of people who are around 18 years old or younger. Therefore, KOPIBON's target market are Millennials and Generation Z.

Are you currently employed?
103 responses

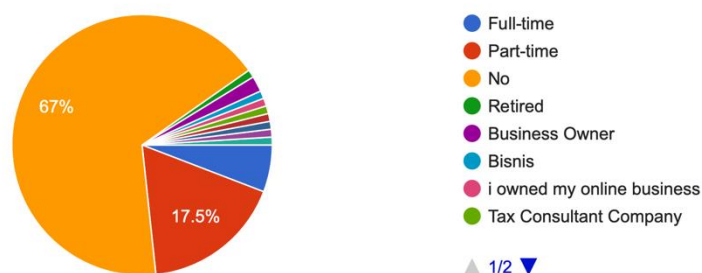


Chart 2.3 Employment Status

From all of the respondents, around 67% are unemployed, 17% are part-timers, and a few respondents are business owners.

May I know your salary range/month?

103 responses

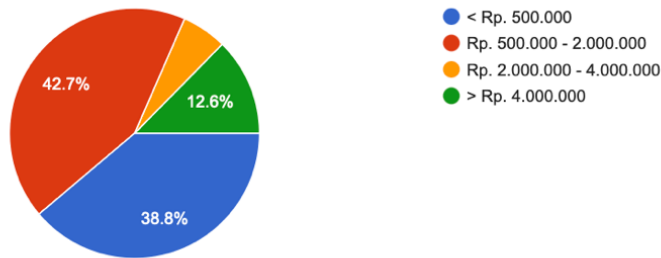


Chart 2.4 Salary Range

As most of the respondents are university students and fresh graduates, huge parts of the chart is dominated by people with money less than IDR 500.000 to IDR 2.000.000. KOPIBON decided to go with IDR 15.000 – IDR 25.000 as the price range to be able to fit in as pocket-friendly products.

Which city are you from?

103 responses

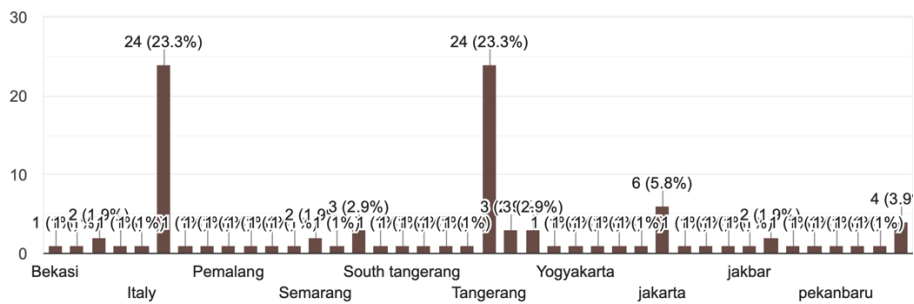


Chart 2.5 Domicile

Since KOPIBON distributed the survey publicly, KOPIBON received various answers on the domicile part. Tangerang and Jakarta dominated the chart with the exact same numbers on both, which is 41 each.

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- c) Behavioral, which can be identified based on people's behaviors (e.g. how someone interacts with products, websites, apps, brands in general).

So, how often do you drink coffee?
103 responses

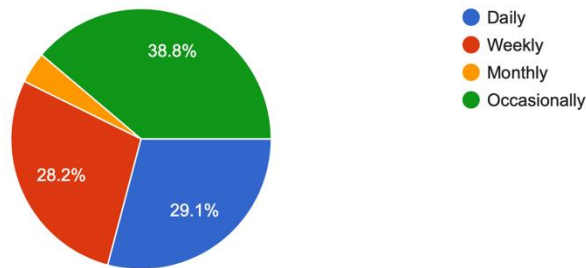


Chart 2.6 Respondents' Coffee Consumption

From 103 respondents, a huge part of the chart is dominated by 38.8% which has shown they drink coffee occasionally, the followed by 29.1% respondents who drink coffee daily, then 28.2% respondents drink coffee weekly, and the tiny part is owned by respondents who drink coffee monthly.

- d) Psychographic, it is similar to demographic segmentation but psychographic approaches on the characteristics, which are more mental and emotional based.

How would you describe your most favorite coffee drink?
103 responses

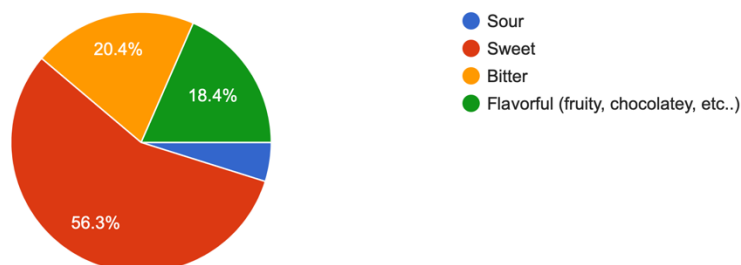


Chart 2.7 Respondents' Coffee Taste Preference

Since the survey is filled in by more women than men, women have been known they prefer sweet instead of bitter or sour taste so the majority of the chart is dominated by sweet, followed by bitter, next is flavorful, then the last thing is sour.

Would you consider purchasing an alcoholic coffee beverage?
103 responses

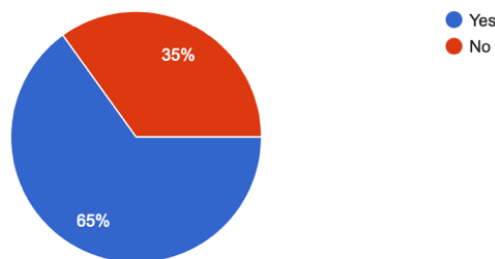


Chart 2.8 Respondents' Interest

Since the product contains a little bit of alcohol, KOPIBON did expect getting 'no' answers since the start because not everyone drinks coffee and alcohol. The result shows 65% of the respondents are interested in the product, and 35% of the respondents are not interested. Therefore, KOPIBON decided to add one more product that has no alcohol in it.

2.2 Competitor Analysis

2.2.1 Competitor

For people who want to jump into the Food and Beverage Industry, it is important to do competitor analysis to measure how well do they know their competitors, are the competitors working on anything new, or even do they know anything about the competitors' strategies for their success (Lloyd, 2021). Here are some of the competitors for KOPIBON:

Table 2.1 Competitor Analysis

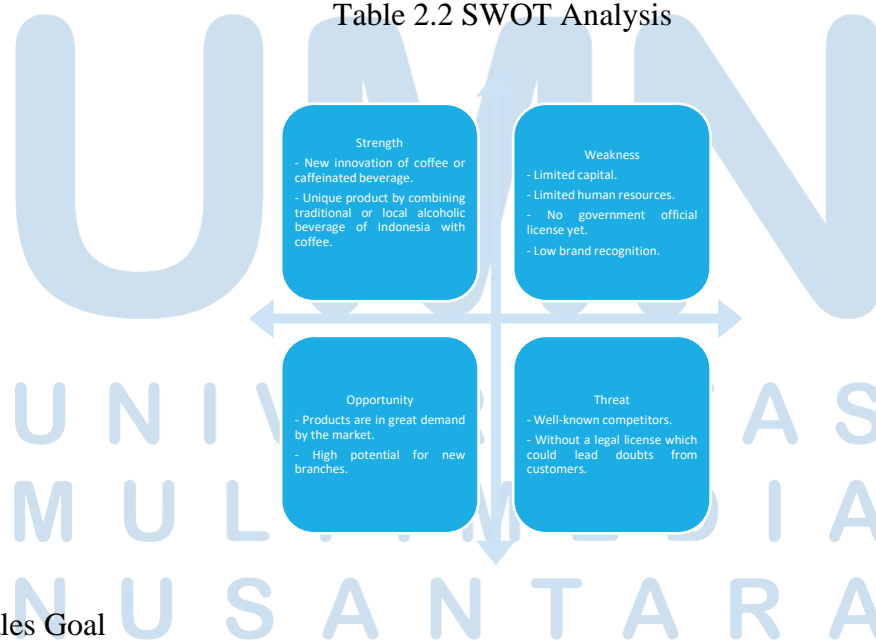
Factors	Kopi TUKU	KopiSoe	KULO	Janji Jiwa	KOPIBON

Location	Tangerang	Tangerang	Tangerang	Tangerang	Tangerang
Core Product	Coffee Beverages	Coffee Beverages	Coffee Beverages	Food and Beverages	Coffee Beverages
Customer	General	General	General	General	General
Service	Dine In/Takeaway	Dine In/Takeaway	Dine In/Takeaway	Dine In/Takeaway	Takeaway
Distribution	Gojek/Grab	Gojek/Grab	Gojek/Grab	Gojek/Grab	Gojek/Grab
Marketing	Instagram	Instagram	Instagram	Instagram	Instagram

2.2.2 SWOT

SWOT analysis is important for a business to do because it is used to evaluate a company's competitive position and to develop a strategic planning. It identifies core strengths, weaknesses, opportunities, and threats to draw new ideas and see how the company is going from a fresh perspective. Here is the SWOT analysis of KOPIBON:

Table 2.2 SWOT Analysis



2.3 Sales Goal

Table 2.3 Sales Goal

Sales Goals		Month 1	Month 2	Month 3	Month 4
Customer		300	318	350	392
Customer Base			618	668	742
Growth			6%	10%	12%
Average Revenue		IDR 15.330.000	IDR 16.249.800	IDR 17.874.780	IDR 20.019.753
Marketing Expenses		IDR 500.000	IDR 500.000	IDR 500.000	IDR 500.000
Customer Acquisition Cost		IDR 52.767	IDR 52.672	IDR 52.499	IDR 52.346

2.4 Marketing Strategy

2.4.1 Product Characteristics

KOPIBON is a home-made beverages business that specializes in creating fresh ideas of a beverage that is usually consumed daily /and occasionally by a lot of people to freshen up their mind, and mood. Coffee is very popular nowadays and there are many competitors which gave KOPIBON a push to make sure the products are at least have their own uniqueness. KOPIBON's main product is a combination of coffee and Cap Tikus, and the other one is a regular coffee latte. Both are rum-flavored.

2.4.2 Distribution

KOPIBON will be focused in Tangerang as a small stand coffee shop. Customers who live near the stand (1-2km away) from the production house will get free shipping, and the rest are charged. Then the products are going to be available on Instagram, GoJek, Grab, and Shopee to attract more customers. Once the products have gained a lot of attention, KOPIBON would like to sign consignment agreements at supermarkets, such as Farmers and Superindo.

2.4.3 Promotion

KOPIBON is going to be promoted by mouth-to-mouth strategy at first. It is going to be displayed on the writer's Instagram account to reach a lot of people, then the writer is also going to ask her friends and family members to promote KOPIBON on their Instagram, or other accounts. After that, KOPIBON will do advertisements on Instagram, Gojek, and Grab, also start a giveaway or "tag a friend" contest on socialmedia. Having an online presence, it can help to reach and respond to the customers across a variety of platforms which could build a reputation of being active, and responsive. (Vogel, 2021)

2.4.4 Pricing

Since there are a lot of competitors, KOPIBON decided to sell the products at fair prices. There aren't many companies that sell coffee liqueur below IDR 50.000, so KOPIBON decided to sell Chillin' Baboon for only IDR 33.000, and Sober Baboon for IDR 23.000. In order to attract /and maintain customers' interest, KOPIBON will also offer promotion deals, such as free shipping vouchers, discounted products, and 10% discount vouchers on their next purchase.

