

CHAPTER II

MARKETING PLAN

2.1 Market Size

Knowing that the level of consumption of sweet foods 87.9% in Indonesia is very high (Risksdas Indonesia, 2018), with mochi being a sweet dessert makes a big opportunity for Mochimaru to achieve their target market. There are several ways to learn more about target market in addition to gathering secondary data. For instance, this can entail compiling data on their characteristics, actions, interests, purchasing power, and more. To gain a better insight, another strategy can involve conducting in-depth interviews or using online questionnaires.

Owner spread a questionnaire that is filled with a total of 36 respondents with 32 valid respondents. The purpose of conducting this quantitative survey was to gather information about the demographics, preferences, and opinions of the target markets.

2.1.1 Qualitative

By doing qualitative research, it is possible to understand more about customer's opinions about mochi business in Indonesia from different perspectives. With a deliberate intent, the owner specifically targeted relevant audiences in the food and beverage industry to engage in comprehensive interviews. The owner has chosen one customer that has great interest in mochi, one manager in a restaurant and bar and owner of a mochi business which are all located in the Gading Serpong area. With this in-depth interview, the owner hoped it would gain insight regarding Mochimaru's product. Before the research commenced, all parties verbally reached a mutual understanding and agreement on various aspects, including video recording, company interviews, and privacy policy

Table 2. 1 Qualitative questions structure

No.	Owner and Manager	Customer
1.	Demographic and Business Introduction	Demographic

2.	Food and Beverage Trends	Mochi Product Interest
3.	Struggle in F&B Industry	Struggle in F&B Industry
4.	Mochi Product Interest	Mochi Innovation Knowledge
5.	Mochi Innovation Knowledge	Mochimaru's Interest
6.	Mochimaru's Interest	
7.	Opinion and Suggestion	

Participant 1: Ms. Maria Steffania, College Student

Ms. Maria is a college student that regularly consume sweet foods and she also have tried one of Mochimaru's product. Because she has a sweet tooth and has tried Mochimaru's products, the owner trusts her to share her perspective and opinion regarding Mochimaru's products.

Ms. Maria is very excited about Mochimaru's product, although she has not tried them all. One of the products that she has tried is the cold skin strawberry yakult mochi. She only consumes mochi once a month because Japanese mochi sellers are rare in Indonesia, unless we go to the mall. According to her, mochi is suitable for sale in malls because of the quality of the products provided. She also believes that mochi has good business opportunities in Indonesia because mochi is a unique sweet snack but does not make you sick and there are not many flavours of mochi available in Indonesia. She also added unique and eye-catching packaging will affect the consumer buying factor, because she believes a lot of consumers often are attracted to the packaging first before the product. Therefore, she suggested Mochimaru to have an eye-catching and aesthetically pleasing packaging to support the unique flavour that Mochimaru offers to become a consumer pull factor. Looking at the price, she thinks that it is worth it and balances the product size & quality. She mentions that Mochimaru is suitable for any age because it offers different kinds of flavours that can be perfect for any age range taste palette. Lastly, she believes that Mochimaru has a very good opportunity in the F&B industry due to the uniqueness of products but should always be aware of copycat and that's why mochimaru must be able to develop its products to be able to stay competitive with the competition.

Participant 2: Mr. Bently Edyson, Manager of F&B Cafe

Mr. Bently Edyson is a manager of an F&B Cafe in Cengkareng, Jakarta Barat. He also has tried Mochimaru's product. Because Mr. Bently already has his experience in becoming a manager, the owner trusted his opinion and decided to do an interview. In his opinion, it's hard to just depend only on the quality of the food, nowadays marketing is the key selling point. So, in his opinion, quality of the food is the most important, but the second important thing is marketing because through marketing it supports your quality of product. He also mentioned that people these days are more interested in healthier food options. Knowing what Mochimaru's products are made out of, he is sure that it is a healthy mochi. Compared to other mochi stores, they tend to focus more on the variety rather than the quality of each mochi. The amount of Mochimaru's variety is already enough because that way the owner can focus more on the quality rather than stressing about the variety. He also mentioned that Mochimaru has flavors that no other mochi places have, which is a very good starting point and will be a good opportunity.

Mr Bently Edyson also gave recommendations about Mochimaru marketing and promotional plans. For marketing, he gives an idea to invite small creators or celebrities to help promote the product, collaborate with another F&B store such as Alcohol store and create an alcohol mochi. Promotional plans can start with engaging with the community, customer loyalty programs, social media marketing and creating an appealing and user-friendly instagram. Looking at Mochimaru's product, he does not have any doubt because he thinks that the product variety is already good. But he has doubts on how to make it a trend so that people will buy mochi products

Participant 3: Mrs. Donna Rompies, Owner of an online baking

Mrs. Donna Rompies has been an owner of her own online baking business since 2013. She has tried the Mochimaru product and the owner believes that her feedback can give a helpful result to Mochimaru, that is why the owner trusts her to be interviewed.

She said that Indonesian people's consumption rate for sweet food is very high, because during her 10 years baking experience, a lot of her consumers asked her cake to be sweeter because she usually does not bake cakes as sweet as other places. She also thinks that the mochi consumption rate in Indonesia is starting to grow due to Japanese reality shows about foods. Mrs Donna really loves mochi, she doesn't consume it periodically but she always bought a lot of mochi in one purchase. She also mentioned that there is a lot of opportunity to build a business mochi since mochi business in Indonesia is rare. In her opinion, the shape of the product, visuals of the product, packaging, quality, price and taste are the factors that made people purchase the product. She also said that the price of Mochimaru's product is reasonable. She does not have any feedback with Mochimaru's product, but she hopes there are more mochi variations in the future such as chocolate for people that love chocolate.

She suggested that Mochimaru focuses on social media to create an effective promotion, but the content must attract customers as well and have to create content based on the customer's need.

2.1.2 Quantitative

To understand more about the market, Owner also spread a questionnaire on a bigger scale. The questionnaire is filled with a total of 36 respondents with 32 valid respondents. The purpose of conducting this quantitative survey was to gather information about the demographics, preferences, and opinions of the target markets. With this questionnaire, it is hoped to understand more of the target market's preference with Mochimaru's business.

a) Demographic

The quantitative demographic of the customers includes their gender, age, domicile and buying power in order to help the owner decide on how the business is going to be located, how the price should be and packaging of products so that it can reach out to the target market correctly

Table 2. 2 Quantitative demographic

Attribute	Components	Percentage
Gender	Male	36.1%
	Female	61.1%
	Rather not say	2.8%
Age	15-18	8.3%
	19-22	88.9%
	23-25	2.8%
Domicile	Tangerang	69.5%
	Jakarta	19.4%
	Outside Jabodetabek	11.1%
Occupation	University students	91.7%
	Students	5.5%
	Unemployed	2.8%
Monthly Expense	500k – 1mil	50%
	1mil – 2mil	33.3%
	3mil – 4mil	13.9%
	>5mil	2.8%

The respondent gender distribution of the survey shows that 61.1% of responses identified as women, 36.1% as men, and 2.8% chose not to disclose their gender.

According to the table, it shows that people with the age range of 19-22 years old have more interest in this product with 88.9% of the respondents being 19-22 years old. The other 8.3% are people with the age range of 15-18 and 2.8% are people from the age of 23-25. This shows that Millennials and Gen Z are the right target market for Mochimaru. With this information, Mochimaru will be able to focus on creating products that attract the younger generation.

Since Mochimaru is based on Gading Serpong, Tangerang and also targets people that live in Jakarta, the owner shares the questionnaire to people that 24 live

around that area. Knowing that most of the respondents are based in Gading Serpong, Tangerang and Jakarta it made the owner more confident on having a business based in Gading Serpong, Tangerang.

Knowing that most of the respondents are college students, Mochimaru will create and develop products that are on trend and open pop-up booths in areas that are filled with a lot of college students. Although it does not mean that Mochimaru products are only suitable for college students.

Because most of the respondents are college students, their monthly expenses are quite low which are only 500k - 1 million a month but following it up, 33.3% respondents show that they spend around 1 million - 2 million a month.

b) Customer's knowledge and interest about mochi

To gain a deeper understanding of customers' awareness and interest in mochi, various questions were posed regarding their consumption rate and level of interest in mochi. This questionnaire will also help promote brand awareness and help customers understand more about mochi. This way, it can increase the level of interest of the customer itself

Table 2. 3 Customer's knowledge and interest

Respondent's knowledge about mochi	Have consume	97.2%
	Never consume	2.8%
Respondent's liking towards mochi	Yes	88.9%
	No	11.1%
Respondent's consumption rate	Once every 6 months	33.3%
	Once every 1 month	27.8%
	Only when given/want	19.4%
	Once a week	2.8%
	Once every 2 or 3 weeks	2.8%
	Others	13.9%

It makes brand awareness easier after knowing that 97.2% of the respondents have tried mochi. Because most of the respondents being familiar with mochi will help a lot in how the customers imagine Mochimaru's products will be

Based on the data above, the respondents have a high interest in mochi with 88.9% of the respondents saying yes.

The respondent's consumption rate varies a lot and the number of respondents consume once every six months and once every one month are quite balanced but lean more towards once every six months and the rest consume mochi only when they are given or want to eat mochi.

c) Customer's knowledge and interest about Mochimaru's product

After a brief explanation of Mochimaru's product to the respondents, the owner is curious how the respondents will react to Mochimaru's product. Knowing the interest of respondents towards Mochimaru's products, it will help understand the customer's preferences.

Table 2. 4 Customer's knowledge and interest to Mochimaru

Respondent's interest towards Mochimaru	Interested	91.7%
	Not Interested	8.3%
Respondent's buying place	Mall	83.3%
	Shophouse	27.8%
	Traditional market	13.9%
	E-commerce	25%
	Bazaar	22.2%
	Others	8.4%

Most of the respondents are interested with Mochimaru's products and 8.3% of the respondents are not interested in Mochimaru's products. Although there are still some respondents that are not interested to Mochimaru due to various reason, Mochimaru will still ask for suggestions or any feedback from the respondent to keep our customers satisfied.

30 out of 36 respondents chose a mall as a place where they usually bought mochi, the others followed by a shophouse, e-commerce store and bazaar. This data will help the owner decide where to open Mochimaru's pop up store.

d) Pricing

This part of the questionnaire helps the owner to identify the price for each product based on the respondent's buying power.

Table 2. 5 Pricing for Mochimaru's product

Price for original mochi	Rp 10.000,00	55.6%
	Rp 15.000,00	41.7%
	Rp 20.000,00	2.7%
Price for mochi dip	Rp 25.000,00	36.1%
	Rp 30.000,00	38.9%
	Rp 35.000,00	25%

Majority of the respondents agree that the suitable price for mochi that is sold per piece (Cold Skin Mochi and Original Mochi) is Rp 10.000 and for Mochi Dip, the highest voted price is Rp 30.000,00. This result will be taken into consideration of the owner when deciding the mochi price.

Qualitative Conclusion

In conclusion, most of the target markets are women with the age range of 19-22 years old. Majority of the respondents are university students that have a low buying power. Most of the respondents are based in the Gading Serpong area which is Mochimaru's target market. Based on the data, most of the respondents are already familiar with mochi and like mochi. Although, most of the respondents rarely consume mochi and would only consume mochi when they feel like it or when someone gives it to them. But, after a brief explanation about Mochimaru, they are interested in the product and willing to purchase it once a week.

2.1.3 Market Conclusion

Based on both quantitative and qualitative research it could be concluded into several points

1. Most respondents are already familiar with mochi and have a positive inclination towards it.
2. All three perspectives highlight the unique offerings of Mochimaru's products, such as distinct flavours and a focus on quality rather than overwhelming variety

3. Emphasize the importance of effective marketing, including collaborations with creators or celebrities, partnerships with other F&B stores, engaging with the community, utilizing social media, and creating appealing content that meets customer needs.
4. High consumption rate of sweet food in Indonesia, indicating a potential market for Mochimaru's products.
5. While respondents do not consume mochi regularly, they express interest in having it when the craving arises or when someone gives it to them.

2.2 Competitor Analysis

Mochimaru conducting a thorough analysis of competitors to gain valuable insights for the competitor SWOT and find the gap so that Mochimaru can optimize the market positioning. Below is the competitor analysis




2.2.1 Competitor

The more a company perceives other business's product to be comparable, the more likely it is that the company will view them as a direct competitor (Martinez & Diaz, 2012). So, Mochimaru's direct competitor are business that sells Japanese mochi as their main product. Currently, there a couple of direct competitors in Gading Serpong and Jakarta area. Direct competitor of Mochimaru is Mochimochio and Furuku. Both have the same exact similarity to Mochimaru's product, target market and pricing.

Mochimochio is the trendsetter, one of the most well-known mochi seller in Gading Serpong and Jakarta area and Furuku is a home-based business selling Daifuku mochi in Gading Serpong. Mochimochio and Furuku are Mochimaru's direct competitor because one of the reasons is the similarity of the products. Mochimochio have cold skin mochi and matcha mochi with a similar product size as Mochimaru's. Both brands also mentioned their product as Japanese mochi. Mochimochio is selling place is inside of malls spread in six cities meanwhile Furuku's selling place is a booth at outdoor food market and supermarket and coffee shop.

To understand more about the competitors, a simple matrix containing lists of competitors and their profiles are provided below.

Table 2. 6 Direct competitor matrix

	Mochimaru 	Mochimochio 	Furuku 
Location	Gading Serpong	Gading Serpong & other cities	Gading Serpong & Jakarta
Core Product	Yakult mochi	Lots of mochi variations	Big Daifuku mochi
Price Range	Low	Low	Low
Target Customer	General, Students	General	General
Service	Japanese mochi with modern fillings	Traditional and modern Japanese mochi	Authentic Daifuku mochi
Distribution	Pop-up stores, pre-orders, and school canteen	Booth inside malls	Booth at outdoor food market and through supermarkets and coffee shops.
Marketing	Social media, influencers, promotions	Social media, website, influencers, promotions	Social media, influencers, promotions




Indirect competitor means targeting the markets of the company while offering a distinct product and maintaining a comparable or identical value proposition (Adom et al, 2016). Chateraise is considered as Mochimaru's indirect competitor because they specialize in Japanese high-quality cakes & dessert.

Chateraise is considered as Mochimaru's indirect competitor because they offer different kinds of products than Mochimaru but they are also selling Japanese dessert.

Another indirect competitor of Mochimaru is Boulangerie Provence. Boulangerie Provence is an Authentic Japanese Bakery that serves Japanese original breads. They are committed to providing healthy and top-quality breads. They have a wide selection of pastry with no preservatives and no chemicals in their dough. Every piece of bread in Provence is hand-made and freshly baked daily to achieve the best quality possible.

To understand more about the competitors, a simple matrix containing lists of competitors and their profiles are provided below.

Table 2. 7 Indirect competitor matrix

	Mochimaru 	Chateraise 	Boulangerie Provence 
Location	Gading Serpong	Gading Serpong & other cities	Jakarta
Core Product	Yakult mochi	Japanese Authentic sweets and desserts	Authentic hand-made bread
Price Range	Low	Medium to high	Medium to high
Target Customer	General	Authentic, general	Health concerned
Service	Japanese mochi with modern fillings	Delectable offerings of Japanese dessert	Healthy Japanese breads
Distribution	Pop-up stores, pre-orders, and	Stores at malls	Stores at malls

	school canteen		
Marketing	Social media, influencers, promotions	Social media, promotion, website, influencers, using imported ingredients	Social media, website, promotions, influencers

2.2.2 SWOT

SWOT comparison between owner's business and direct competitors

Table 2. 8 SWOT Analysis

SWOT	
Strength	<ul style="list-style-type: none"> First brand to sell Yakult flavored mochi Simple and attractive packaging Uniqueness of product experience Ingredients that can be easily bought anywhere
Weakness	<ul style="list-style-type: none"> Marketing promotion might not be as strong as bigger competitor Not the kind of food that people eat daily Limited capital
Opportunity	<ul style="list-style-type: none"> Indonesian people interest to try new food is high No competitors that sell the same exact product yet Japanese dessert is well-known in Indonesia Japanese mochi sellers in Gading Serpong and Jakarta area are still hard to find
Threats	<ul style="list-style-type: none"> Competitor that offers similar products Competitor that might copy Mochimaru's product Punctuating ingredients costs due to seasonal ingredients

2.3 Sales Goal

Sales goal are owner's expectation to reach during four years of running the business.

Table 2. 9 Sales goal

Sales Goals	Year 1	Year 2	Year 3	Year 4
Total Customer	4500	5175	5951	6843
Growth	-	15%	15%	15%
Average Revenue	Rp 536.400.000	Rp 616.860.000	Rp 709.389.000	Rp 815.797.000
Marketing expense	Rp 12.000.000	Rp 13.200.000	Rp 14.400.000	Rp 15.600.000
Customer Acquisition Cost	Rp 2.667	Rp 2.550	Rp 2.419	Rp 2.279

2.4 Marketing Strategy

2.4.1 Product Characteristics

Mochimaru is a home-based business which means that ingredients and hygiene are maintained properly to ensure the product quality. Yakult mochi is the highlight of Mochimaru's product since it creates a mix of flavors that no other mochi has. Yakult is also a well-known brand that are consumed daily by most of the customers, making it easier for customer to imagine the taste of the mochi itself. Since Mochimaru is the only brand that sells Yakult flavored mochi, it can pull the customers and make the brand itself being known by lots of new customers.

Since Mochimaru is a small business, products can be personalized based on the customer's preference to keep the customer satisfied. Mochimaru can also follow the trend and adapt to the customer demand quickly. Customers are used to the traditional filled mochi, but Mochimaru wants to do something different. By doing a lot of research and development, Mochimaru aimed to create Japanese mochi with unique fillings that still maintain the authenticity.

2.4.2 Distribution

Since Mochimaru is a home-based food production with limited production budget, in the first year of operation, the owner plans to entrusted to sell Mochimaru at BPK Penabur Gading Serpong canteen because mostly Gen Z and Millenials are there. Since kids loves to eat sweets and desserts, selling through school canteen and course place is a good market place. Since the canteen have freezer to stock their ice cream, Mochimaru will use a dummy for the cold-skin mochi as display on the table and stock the mochi in their freezer. Prices of the mochi can be negotiated between the owner and the seller. Mochimaru will entrust selling while also doing pop-up booth at bazaar or events and selling through pre-order.

2.4.3 Promotion

Lately promoting business using social media is the most effective method to increase brand awareness and a lot of Mochimaru's target market are using social media. With the right marketing strategies, Mochimaru will be able to reach out to the perfect target market.

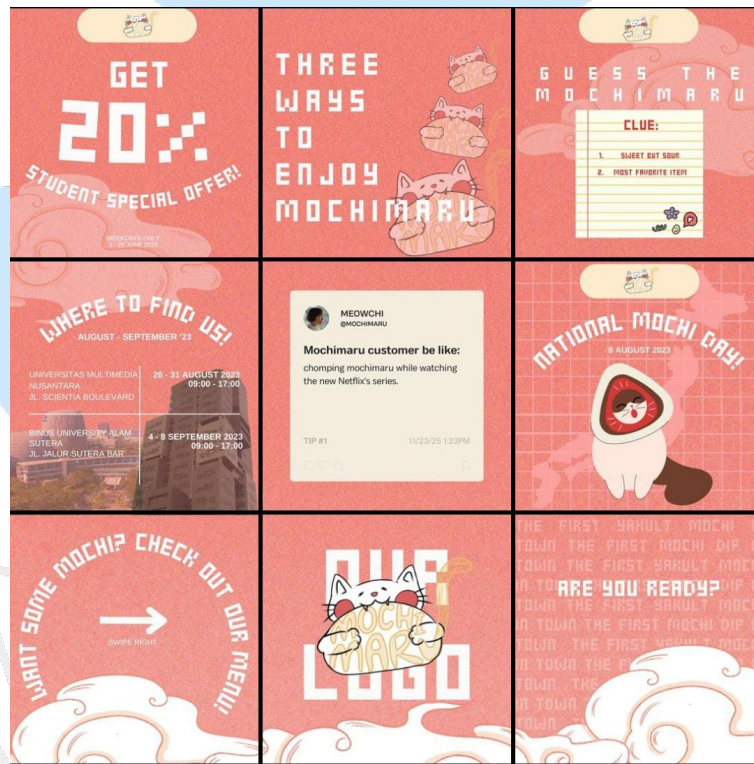


Figure 2. 1 Mochimaru's Instagram feed
(Source: Writer's data)

One of the social media that Mochimaru will be using is Instagram, by creating an interactive Instagram account between the customers will make the account more alive and increase customer loyalty to the brand. A beneficial addition of interactive social media is that the owner's able to do more research about the target market, ask or receive opinions on the most favorite flavor/least liked flavor and get feedback from loyal customers that can help generate more ideas into Mochimaru's products. Mochimaru will also do paid promotions and collaborations with influencers that are based in Gading Serpong and Jakarta to help promote the brand. One example of influencer that Mochimaru is going to be using is @jamskuuy.id on Instagram with rate card of Rp 350.000 per content. The owner chooses to trust him due to the price and the quality that the influencer gives.

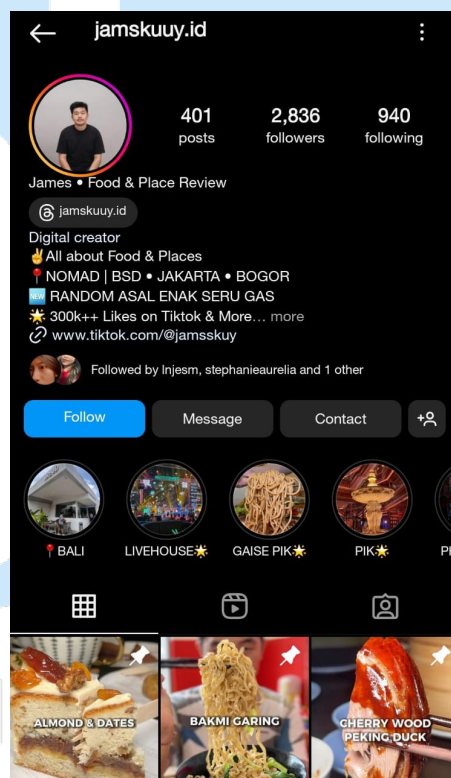


Figure 2. 2 Influencer's Instagram page
(Source: Instagram.com/jamskuuy.id)

Joining a community that is related to the business will also help with brand awareness such as going to Japan related events like Impactnation Japan Festival that are usually held in Jakarta and Comifuro in ICE BSD to create connections and community.

Not only that, Mochimaru will also create promotions along the way. Promoting during pre-opening and grand opening with a fun and unique way will attract the customer.



Figure 2. 3 Mochimaru promotion
(Source: Author's data)

Mochimaru also sells pre-ordered mochi straight from the owner's residence. Due to mochi being a fragile food, there are only limited shipment options such as using GoSend and GrabExpress. But this feature will benefit Mochimaru's brand awareness since ecommerce platforms allow customer's feedback of the products they consume. Customers tend to read the customer's review before they decide to buy the product. With a lot of discount vouchers, referral code, big events discount provided by the e-commerce there is a high chance customers would prefer to buy from e-commerce, especially for Millennials and Gen Z that prefer discounted prices.

2.4.4 Pricing

Based on the qualitative research, most of the respondent have income around Rp 500.000 to Rp 1.000.000 and majority respondent voted Rp 10.000 for the mochi

price and Rp 30.000 for mochi dip. Since the average market price for mochi in Gading Serpong area is Rp 10.000 – 15.000 per pieces, Mochimaru will have similar pricing to compete with the competitor. Based on the COGS, one mochi have an average cost of Rp 2.500 and mochi dip Rp 9.064. Mochimaru will receive gross profit around 70% from variable cost. All the prices have been calculated with the ideal markup price based on Chapter IV with the mochi being sold at cheapest price Rp 10.000 and highest price of Rp 30.000.

