CHAPTER I

EXECUTIVE SUMMARY

1.1 Introduction

Svstain is a startup founded in 2023 by five students from Multimedia Nusantara University. Based in Gading Serpong, Svstain operates in the fashion industry, focusing on innovative products emphasizing style, comfort, and flexibility. Svstain's main products include Cotton Combed 20s T-shirts and removable patches, an innovation that allows customers to change the patch design without buying a new T-shirt.

Using digital platforms like Instagram, TikTok, and e-commerce, Svstain reaches a broad audience and creates an interactive shopping experience that aligns with the latest trends. Additionally, Svstain actively participates in bazaars and builds relationships to strengthen its presence in the offline market. The name Svstain comes from the word "sustain," reflecting the hope that the products and brand will last in the market and become the top choice for dynamic and creative young people.

1.2 Company Description $V = R \times I \times A$

Systain is a fashion startup founded in 2023 by five students from Universitas Multimedia Nusantara. The name Systain comes from the word "sustain," meaning sustainability, with the letter "U" replaced by a "V" as a unique identity to reflect that most of the founders' names start with "V." The name symbolizes the hope that Systain's products will continue to innovate, stay relevant to consumers, have long-lasting durability, and maintain high quality over time.



Figure 1.1 Systain Logo

Source: Systain, 2023

Systain combines online and offline sales strategies to expand its market reach. Systain leverages social media and e-commerce platforms to enhance marketing and sales efforts, effectively reaching a broader audience. Offline, the brand participates in various bazaars and fosters direct connections with customers through relevant networks and relationships.

As a fashion startup, Svstain offers products like T-shirts and patches focusing on high quality and innovation. Svstain's t-shirts are made from soft cotton combed 20s and come in regular-fit and oversized styles to suit different customer tastes. The brand's signature product is its removable patches, which can be attached and detached using velcro. Each t-shirt is embroidered with a logo featuring soft velcro, while the patches have rough velcro on the back, allowing users to quickly swap designs based on their style or mood. This innovation empowers consumers to express themselves freely and adapt their fashion choices to current trends or personal emotions.

Svstain's initial designs featured five endangered Indonesian animals: the Sumatran tiger, Sumatran rhinoceros, orangutan, maleo bird, and Komodo dragon. These designs were created to raise awareness about wildlife conservation. So far, Svstain has released nearly 40 patch designs with various themes, ranging from original characters to current trends, with plans to expand its collection to continuously provide more options for consumers. Svstain plans to expand its fashion product line by introducing tote bags, caps, hoodies, and other items aligned with the brand's vision of sustainability and creativity.

Vision: Systain aims to create stylish and functional fashion products with velcro and patches, offering unique options for self-expression.

Mission: To innovate by providing products that support creativity and individuality in everyday fashion.

1.3 Industry Analysis



Figure 1.2 Revenue Chart of Indonesia's Fashion Industry Year-on-Year

Source: (Statista, 2024)

Based on Figure 1.2, Indonesia's fashion industry has shown an exciting growth trend with varied patterns over recent years. This industry comprises three main categories contributing to its revenue: apparel, accessories, and footwear. Each category exhibits its growth, driven by various factors (Statista, 2024).

The apparel category consistently contributes the most significant share to overall revenue, with rapid growth from US\$0.91 billion in 2017 to a peak of US\$5.49 billion in 2021. This sharp increase indicates a rising demand for fashion products in Indonesia, likely fueled by lifestyle changes, improved purchasing

power, and the increasing penetration of e-commerce in this sector (Statista, 2024).

However, after 2021, the apparel sector's revenue declined, reaching around US\$4.61 billion in 2022 and dropping further to US\$3.94 billion in 2023. This decrease may have been caused by various factors, including the economic impact of the post-pandemic period, fluctuations in consumer purchasing power, or shifting consumption priorities (Statista, 2024).

On the other hand, the accessories category also experienced significant growth up to 2021, with revenue increasing from US\$0.33 billion in 2017 to US\$2.28 billion in 2021. Following this, the revenue stabilized, slightly declining to US\$2.12 billion in 2022 and US\$2.03 billion in 2023. This category is projected to grow moderately, reaching approximately US\$2.96 billion by 2029 (Statista, 2024).

Meanwhile, the footwear category showed slower and steadier growth than other categories. Revenue grew from US\$0.33 billion in 2017 to US\$1.74 billion in 2021 but decreased to US\$1.42 billion in 2023. This category is expected to remain stagnant, with revenue between US\$1.48 billion and US\$1.67 billion from 2024 to 2029. This trend suggests that the footwear segment may require targeted strategies to increase its appeal and growth in the future (Statista, 2024).

When comparing the categories, the significant revenue drop from 2021 to 2022 reflects major shifts in consumption patterns or challenges faced by the fashion industry during this period. Although revenue continued to decline in 2023, the rate of decline slowed, indicating that the market may be stabilizing. This suggests the downturn is temporary, with potential for recovery in the coming years (Statista, 2024).

Projections for 2024 to 2029 show that Indonesia's fashion industry will experience stable growth, albeit slower than during 2017–2021. Apparel and

accessories are expected to be the primary drivers of this recovery, while footwear may face challenges in demand growth (Statista, 2024).

Overall, the long-term outlook for Indonesia's fashion industry remains positive, with stable growth projected over the next few years. This sector will likely be supported by consistent demand for apparel and accessories, although the footwear category must address challenges to achieve faster growth. The industry must consider external factors such as changing fashion trends, consumer purchasing power, and the evolution of digital platforms, which could influence consumer preferences for fashion products in Indonesia. With the right marketing strategies and product innovations, Indonesia's fashion industry has the potential to continue expanding and strengthening its position in both local and global markets.

1.4 Market Analysis

The fashion industry in Indonesia has grown significantly in recent years, driven by high consumer interest in innovative products. This trend is particularly evident among younger generations, such as Gen Z and millennials, who seek comfortable clothing for self-expression. Indonesia represents a promising market with continuously growing fashion demand. However, this significant potential is accompanied by intense competition, both at the local and international levels.

Significant brands like H&M, Uniqlo, and Cotton On have entered the Indonesian market, offering high-quality fashion products that follow global trends while remaining affordable. In addition, local brands such as Erigo, Thanksinsomnia, and 3Second have positioned themselves as prominent names in the fashion industry by promoting casual and streetwear concepts that resonate with many young people. Their competitive advantages, from unique designs to effective digital marketing strategies, make them direct competitors for new brands entering the market.

As a newly emerging local brand, Svstain Cloth introduces an innovative concept of t-shirts with interchangeable patches using velcro technology, allowing consumers to personalize their clothing according to their preferences. This unique product is expected to attract a market segment that values flexibility in fashion. However, to compete effectively, Svstain Cloth must understand the market conditions and strategies employed by competitors.

Brands like Erigo, for instance, have demonstrated that focusing on quality products at affordable prices and leveraging influencer and e-commerce marketing can significantly boost brand awareness. Meanwhile, Thanksinsomnia has built a strong identity through its streetwear elements and exclusive collaborations, creating a distinct appeal for young consumers. 3Second, as one of the senior brands in the local fashion industry, continues to maintain its relevance by offering up-to-date collections and utilizing both digital channels and physical stores spread across various cities.

In addition to local competitors, Svstain Cloth also indirectly competes with global brands like H&M and Uniqlo, which have advantages in production scale and extensive market reach. These brands emphasize comfortable and functional fashion at competitive prices. Their strategies, which include collaborations with international artists and influencers and a strong presence on both online and offline platforms, pose unique challenges for local brands with more limited resources.

Given this intense competition, Systain Cloth must develop effective marketing strategies to capture the attention of its target market and differentiate itself from competitors. Therefore, this research will further review the existing market potential while exploring strategies Systain Cloth can implement to strengthen its position in the local fashion industry.

1.5 Marketing Analysis

In Indonesia's rapidly evolving fashion industry, a brand's success relies on product quality and effective marketing strategies. Systain Cloth, with its innovative t-shirts featuring interchangeable velcro patches, must develop marketing strategies that appeal to dynamic young consumers. As more members of Generation Z engage with fashion trends and leverage digital technology, marketing approaches centered on online platforms are essential.

Svstain's marketing strategy focuses on digital marketing, primarily through social media platforms like Instagram and TikTok, which are highly popular among younger audiences. Social media allows the brand to interact with its audience more engagingly and visually, creating a memorable and attractive brand image. By producing compelling content, Svstain can highlight the unique features of its products, such as their customizable design, which encourages consumers to express their creativity.

Additionally, with the growing awareness of sustainability among younger consumers, Svstain can emphasize eco-friendly values in its marketing campaigns. By targeting consumers who care about the environmental impact of the products they purchase, Svstain can foster stronger customer loyalty. Collaborations with influencers who resonate strongly with the target market are another critical aspect of Svstain's strategy. Influencers can introduce the brand to a broader audience and enhance its credibility. Furthermore, experience-based marketing strategies, such as pop-up stores in strategic locations, can capture attention and allow consumers to experience the products physically.

By combining digital marketing, influencer collaborations, and a focus on sustainability, Systain is positioned to build strong brand awareness and increase engagement with young consumers in Indonesia.

1.6 Management Team and Company Structure



Figure 1.3 Organizational Structure of Systain

Based on their expertise, Systain's management team comprises five individuals who hold critical positions within the company's structure. These individuals are:

- Vidy Tandiono as Chief Executive Officer (CEO)
- Arief Dharma as Chief Operating Officer (COO)
- Valencia Antoinette as Chief Creative Officer (CCO)
- Vivin as Chief Marketing Officer (CMO)
- Vivian Regina as Chief Financial Officer (CFO)

The CEO (Chief Executive Officer) holds the highest position within the company and is responsible for leading and maintaining stability in the business. The CEO is also responsible for making critical decisions for the company and managing resources to ensure profitability. However, the current CEO of Systain is only partially active in handling daily operational decisions.

The **COO** (Chief Operating Officer) oversees the company's administrative and operational aspects. This role includes managing operations,

developing and implementing Standard Operating Procedures (SOPs), supervising the production process to ensure quality, and leading the operations team in quality control, packaging, and distribution.

The **CFO** (**Chief Financial Officer**) leads the finance and accounting division. The CFO's responsibilities include preparing short-term and long-term financial plans, managing cash flows, performing financial performance analysis to identify areas for improvement, and presenting financial reports to management and relevant stakeholders.

The CMO (Chief Marketing Officer) is responsible for marketing and advertising. This role involves developing effective marketing strategies, managing advertising campaigns across platforms such as social media and e-commerce, conducting market research to understand consumer trends, and collaborating with the creative and operations teams to ensure consistency in messaging.

The CCO (Chief Creative Officer) oversees creative content development, including social media and product design. The CCO ensures that Svstain's brand identity is reflected in all visual and communication aspects. This role involves developing product designs such as patches and Svstain Stickers, managing social media content, and fostering design innovation to maintain Svstain's competitiveness in the sustainable fashion market.

In addition to the core team, Svstain has temporary staff who contribute to the business's operations, one individual works in the creative division and is responsible for designing patches and product photography. Additionally, two website developers are tasked with creating and managing the Svstain website.

1.7 Operational and Product Development Plans

1.7.1 Operational Plan

Systain strives to optimize operations to support production, distribution, and stock management needs. Below are the operational plans currently in progress and planned for the future:

1. Production Management

- Ensure clear communication with vendors through more structured SOPs, such as using image and design-based instructions.
- Conduct regular follow-ups to ensure production timelines are met, and product quality aligns with standards.
- Maintain good relationships with vendors and consider alternative vendor options for flexibility.

2. Stock and Distribution Management

- Store stock at the COO's home warehouse, with a space capacity of 3x4 m².
- Proactively manage stock replenishment by starting new production when stock levels are low. Restocking will be initiated when the remaining product count drops to 5, with periodic stock monitoring using Sheets for inventory tracking.
- Ensure smooth product distribution through e-commerce platforms such as Tokopedia, Shopee, and TikTok Shop.

3. Packaging and Shipping

- Use custom zipper bags with the Svstain logo to enhance branding and provide added value to customers.
- Follow packaging SOPs to ensure products arrive at customers in excellent condition.

• Use shipping services available on e-commerce platforms to ensure timely deliveries. (Products are processed and shipped within 24 hours of an order being placed.)

1.7.2 Product Development Plan

Systain is committed to continuously innovating and developing products that align with market needs and support sustainability. Below are the product development plans currently in progress and planned for the future:

a. Launch of New Designs

- Systain is currently in the design phase to launch patches and apparel featuring new themes that resonate with Gen Z market trends.
- Once the business becomes profitable or reaches the breakeven point, Systain plans to release exclusive patches or new products with fresh designs every month to enhance customer engagement and loyalty.

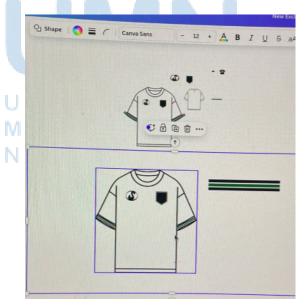


Figure 1.4 Systain Exclusive Apparel Design Planning

b. Systain Sticker Innovation

- Svstain has introduced a soft launch product called the Svstain Sticker, which allows customers to use the Velcro feature on other fashion items, such as their own bags or clothes.
- The sticker designs will vary to match market trends and customer preferences.



Figure 1.5 Systain Sticker Product Innovation

c. Branding and Market Fit Development

- We are conducting market tests for new products to identify market fit aligned with the Gen Z target audience by organizing bazaars and analyzing consumer behavior.
- We improve product quality through customer feedback and evaluations while ensuring designs remain attractive and innovative.

d. Partnership Expansion N T A R A

- It enhances market penetration by collaborating with communities and institutions aligning with Systain's vision.
- We target specific market segments with tailored product designs for partners or special events.

1.8 Financial Projections

Systain is a business whose main source of revenue is product sales. Four products, Systain T-shirts, Systain Patches, Systain Stickers, and Systain Tote Bags, are planned to be sold from 2025 to 2027. The author has projected the sales of these four products for 2025 to 2027, with a total sales volume of 5,402 units in 2025, 6,260 units in 2026, and 7,194 units in 2027.

After determining the number of products that can be sold annually, the COGS (Cost of Goods Sold) for each product, and other fixed costs that need to be paid, a profit and loss projection for 2025 to 2027 can be calculated. Various fixed costs include research and development costs, marketing expenses, website-related costs, application needs for the creative team, bazaar venue rental, and freelancer salaries for bazaar operations. Based on the projections, Systain is expected to achieve a net profit of IDR 104,740,780 in 2025, IDR 138,401,380 in 2026, and IDR 177,930,380 in 2027.

The profit and loss statement shows Svstain's net cash inflow and outflow. In 2025, Svstain is projected to generate a net cash inflow of IDR 108,392,000, along with additional business capital from the 2025 P2MW program amounting to IDR 25,000,000. Meanwhile, in 2026, the net cash inflow is projected at IDR 120,943,140 and IDR 157,030,700 for 2027.

Thus, the projected balance sheet for 2025 balances assets, liabilities, and equity at IDR 139,740,780. In the following year, 2026, the balance is IDR 278,142,160 in 2027, it is balanced at IDR 456,072,540.

1.9 Funding

Capital or equity is required to start, run, and further develop a business. The capital for a business can come from various sources, including personal funds from the founders, bank loans, investments from investors, and government funding programs. The funding source for Systain comes from the government of Indonesia, specifically the Ministry of Education and Culture, through their

program called **Kampus Merdeka**. The Kampus Merdeka program provides funding to create and develop businesses and guidance from experts through **Wirausaha Merdeka** and **Program Pembinaan Mahasiswa Wirausaha**.

The five founders of Svstain joined the Wirausaha Merdeka program in 2023, while the Program Pembinaan Mahasiswa Wirausaha was followed in 2024. The funding received allowed Svstain to research and develop various products and production processes, purchase equipment and supplies, buy food, develop a website, and pay other expenses. However, most of the funding contributed to research and development and the production of various Svstain products in both 2023 and 2024.



CHAPTER II

COMPANY DESCRIPTION

2.1 Introduction

Systain, also known as Systain Cloth, is a fashion startup founded in 2023. The company focuses on creating innovative removable patches, allowing customers to personalize their clothing to match their style and preferences. This startup was founded by five students from Multimedia Nusantara University's Bachelor of Management program, class of 2021. The founding team includes Vidy Tandiono as Chief Executive Officer, Arief Dharma as Chief Operating Officer, Valencia Antoinette as Chief Creative Officer, Vivian Regina Surya as Chief Financial Officer, and Vivin as Chief Marketing Officer.

Svstain operates in the fashion industry, with T-shirts as its main product and several other products currently being researched and developed, such as hoodies, hats, cardigans, etc. In addition to these products, Svstain also has a product called the Svstain Patch. The Svstain Patch is critical to the removable patch innovation, where this patch can be attached to Svstain fashion products, such as T-shirts or tote bags, and can also be removed.

As a startup, Svstain conducts its online and offline marketing and sales. Its online presence includes a range of social media platforms like Instagram, WhatsApp Business, and TikTok. Additionally, Svstain leverages significant e-commerce platforms in Indonesia, such as Shopee and Tokopedia, to facilitate online sales. Svstain also has a website that serves as an information hub about its products and directs customers to its various platforms. Offline marketing and sales efforts include word-of-mouth promotion and participation in offline bazaars at different locations over specific periods.

The name "Systain" comes from "sustainability," reflecting the company's vision to provide long-lasting fashion products that retain quality and appeal over time without becoming monotonous. The letter "V" replaces "U" in the name to

represent the fact that most of our team members have names starting with the letter "V."

Systain aligns its business strategies with the United Nations Sustainable Development Goals (SDGs), focusing on three primary goals:

1. Goal 12: Responsible Consumption and Production

By offering T-shirts with removable patches, Svstain encourages mindful consumption patterns. This innovative feature reduces the need for frequent purchases and minimizes waste, promoting more sustainable production and consumption practices.

2. Goal 13: Climate Action

Systain's focus on sustainability includes raising awareness of environmental issues through its designs, such as patches featuring endangered animals. These efforts aim to inspire action and highlight the importance of protecting ecosystems and biodiversity.

3. Goal 8: Decent Work and Economic Growth

Systain collaborates with local suppliers and artisans, contributing to inclusive economic development. By supporting local communities, the company ensures that its growth positively impacts those involved in the production process.

Through its commitment to sustainability and social impact, Svstain balances its business growth with meaningful contributions to environmental and societal well-being. These efforts resonate with modern consumer preferences for ethical, high-quality, and innovative products.

2.2 Background

Although the fashion industry continues to grow yearly, this phenomenon also brings significant environmental challenges, particularly with the rise of the fast fashion trend. This trend enables the mass production of clothing at low costs

and short production times to keep up with rapidly changing fashions. Unfortunately, this trend contributes to massive textile waste globally and in Indonesia. According to the 2023 Global Fashion Agenda, 92 million tons of clothing waste accumulate in landfills yearly, equivalent to one truck of clothing waste being discarded every second. The accumulation of clothing waste in open spaces, mixed with other waste, makes it difficult to decompose, resulting in trash heaps that disrupt the environment and ecosystems (Kumparan.id, 2024).

Globally, textile waste is showing a significant increase. The Sustainable Fashion Forum estimates that global clothing consumption will rise by 63% by 2030, from 62 million tons to 102 million tons. As a result, global textile waste is expected to reach 300 million tons by 2050 (Rizqiyah, 2023).

In Indonesia, this phenomenon is also a cause for concern. Based on data from the Ministry of Environment and Forestry through the National Waste Management Information System in 2021, Indonesia generates 2.3 million tons of clothing waste annually, which accounts for 12% of total household waste. Ironically, only 0.3 million tons of clothing waste is successfully recycled, indicating that most waste is in landfills without proper management (Kumparan.id, 2024). As a result, environmental issues become more complex with the increasing volume of clothing waste, which pollutes the soil and water, adding to the burden on the national waste management system.

According to Priyanto Rohmattullah, Director of Environment at the Ministry of National Development Planning (Bappenas), textile waste in Indonesia is estimated at around 2.3 million tons per year. This number is expected to increase by 70% if no intervention is made (Mardiyansyah, 2024). Furthermore, a survey by YouGov also noted that 66% of adults in Indonesia dispose of at least one item of clothing per year, with three out of ten people having discarded clothing after wearing it only once (Rizqiyah, 2023). This shows that without concrete steps in textile waste management, Indonesia will significantly increase waste, potentially exacerbating environmental impacts. This

situation also underscores the urgency of developing sustainable solutions in the textile industry to reduce negative impacts on ecosystems.

Another familiar issue consumers face is the quick boredom they feel with their clothing. This boredom leads to many clothes being discarded or left unused in wardrobes. This is also supported by a survey conducted by Tinkerlust, which found that 37.2% of respondents discard clothing because they feel bored with it (Rizaty, 2022). Moreover, FOMO (Fear of Missing Out) also exacerbates this issue. FOMO is a condition where a person experiences fear of missing out on new things, such as news or trends in society. This condition pushes people to consume clothing with a fast fashion concept to keep up with current trends.

Fast fashion is a concept in the fashion industry that allows clothing to be produced in large quantities, at low production costs, and in a short time. The critical feature of fast fashion is that it does not follow a specific design but instead continuously follows changing trends. This method enables retailers to release new inventory throughout the year at much lower prices than other sectors in the fashion industry, providing consumers with quick access to the latest fashion trends. However, despite offering affordable prices, this concept contributes to the significant accumulation of textile waste. The fast and mass production process often disregards sustainability, resulting in clothing that quickly becomes outdated and unused, thus contributing to the severe waste problem worldwide. Thus, fast fashion creates unsustainable consumption patterns and risks, adding to the already critical environmental burden caused by increasing waste (Linden, 2016, p. 17).

In Indonesia, the fashion industry continues to grow, mainly driven by the need for clothing, one of humanity's basic needs. With a continuously growing population, the demand for clothing is also rising. In 2023, clothing consumption in Indonesia increased by 60% compared to consumption at the start of the 21st century. Additionally, according to data from BPS for the second quarter of 2023,

there was a 7.02% increase in consumption of clothing, footwear, and related services, the highest in the last 14 years (CNBC Indonesia, 2023).

In the face of these challenges, Svstain emerges as an innovative solution. Svstain produces stylish and comfortable clothing and introduces a sustainable concept with T-shirts that feature removable patches. This concept allows consumers to change the appearance of their clothing without having to buy new items, addressing the issue of quick boredom with clothes. With this approach, Svstain is committed to helping consumers maintain their clothing longer and reduce the frequency of purchases. We also aim to educate the public about the importance of choosing clothes with longer lifespans and raise awareness of the negative environmental impact of fast fashion.

As part of its marketing strategy, Svstain leverages relationships, digital technology, and online platforms to engage consumers in product design. Consumers can directly provide feedback on the products they desire, creating a stronger sense of ownership of the brand. In addition, social media platforms like Instagram and TikTok will be used to reach the target market, particularly the younger generation active on these platforms. Svstain hopes to increase brand awareness and build strong customer relationships with engaging and relevant content.

Systain strives to contribute to positive change in the Indonesian fashion industry through a more sustainable and innovative approach. Fashion is not only about self-expression; it must also consider its impact on the environment. With all these efforts, Systain is ready to be part of the solution to reduce textile waste while still offering high-quality clothing.

2.3 Brief History of the Company

Svstain, or Svstain Cloth, is a startup founded on June 28, 2023, by five students from Universitas Multimedia Nusantara (UMN) in the Bachelor of

Management program, class of 2021, focusing on Entrepreneurship. Vidy Tandiono, Arief Dharma, Valencia Antoinette, Vivian Regina Surya, and Vivin are the five founders. Svstain was established as part of their participation in the 2023 Wirausaha Merdeka (WMK) program. It is a mandatory program for students with an Entrepreneurship focus and can be converted into 20 credits in the 5th semester.

As part of the requirements for participating in the WMK program, students were required to have a business idea. The five students then discussed and developed a unique and innovative business idea to be submitted to the program. After a lengthy discussion, they decided to start a fashion business named Svstain. The business offers an innovative product in the form of t-shirts with removable patches, providing consumers with a fun and customizable clothing experience.

After the initial establishment through the WMK program, Svstain continued to grow by participating in the MBKM Skystar Ventures Entrepreneurship Cluster program from February to May 2024, as well as the 2024 Program Pembinaan Mahasiswa Wirausaha (P2MW). P2MW is a mentoring program that provides funding and business training for students with established businesses. This program aims to support the development of student businesses, offer access to business skills training, and expand networks for collaboration with other entrepreneurs. Through this program, Svstain is expected to grow faster and be ready to become an independent entrepreneur after graduation, with the support of experienced mentors and access to various resources ((Ministry of Education, Culture, Research, and Technology, 2024).

At its inception, Svstain had two main products: Svstain T-shirts made from cotton combed 20s fabric and five types of patches with themes of endangered animals in Indonesia. As the company grew, fueled by funding from P2MW and guidance from the MBKM program, Svstain introduced new products, such as Svstain oversized t-shirts, patches with a broader range of themes, and a

stronger focus on branding and marketing. Additionally, Svstain continued to enhance its product research and development processes to ensure the business's quality and sustainability.

2.4 Tagline

'Systain The World With Us'

The tagline 'Sustain The World With Us' was chosen to reflect the company's vision, inviting consumers to participate in a sustainable lifestyle through our innovative products. In addition to supporting environmental sustainability, Svstain also gives consumers the freedom to express their style through customizable designs. With this tagline, we aim to encourage consumers to join efforts to preserve the environment and design their appearance uniquely and creatively.

Systain emphasizes creativity and personalization as core values. The use of patches with various themes, such as endangered fauna, cryptocurrency, and anime, allows customers to express their unique styles and interests. Marketing strategies through popular social media platforms like Instagram and TikTok also showcase the brand's innovative approach to engaging with a young and dynamic audience.

Aligned with its mission to make sustainable living more accessible and to encourage self-expression, Systain continues to innovate by offering high-quality products that blend functionality with appealing designs. Through its strong and mission-aligned branding, Systain not only creates a memorable identity but also strengthens its narrative of social responsibility and environmental advocacy

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2.5 Products

The Svstain brand's products highlight the innovation of removable patches utilizing Velcro, providing a customization experience for Svstain consumers. The fashion products available include Svstain T-shirts, Svstain Patches, and other products currently in the Research and Development process.

The Svstain T-shirt is one of the first products released by Svstain, alongside the Svstain Patch. The first Svstain T-shirt was produced and sold as a regular-fit shirt made from Cotton-Combed 20s fabric. The Svstain T-shirt features an embroidered Svstain logo, stitched onto the shirt in an oval shape and made using soft Velcro. This Svstain logo area is the key feature of the removable patch innovation offered by Svstain.



Figure 2.1 Systain Regular T-shirt (Cotton Combed 20s)

Next, Systain also produces and sells the Systain Oversize T-shirt, made from Cotton Combed 24s, a thinner fabric. The consideration to use thinner fabric came after evaluating the previous product; a thinner fabric was seen as advantageous for increasing comfort for users who found the Cotton Combed 20s fabric too thick and uncomfortable.

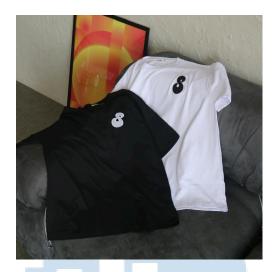


Figure 2.2 Systain Oversize T-shirt (Cotton Combed 24s)

The Svstain Oversize T-shirt comes in two colors: black and white. Unlike the Svstain Regular T-shirt, the Svstain Oversize T-shirt no longer uses the oval-shaped Svstain logo but instead features an embroidered "S" from the Svstain logo using soft velcro, which is also stitched onto the shirt. The embroidered "S" on the Svstain Oversize T-shirt gives a more casual and modern impression while still representing the Svstain brand identity.



Figure 2.3 Embroidered "S" on the Systain Oversize T-shirt

Svstain Patch is one of the company's main products, having existed since the company's establishment and operations. It is an embroidered patch with various attractive designs and features rough velcro stitched onto the back. When Svstain Patch was first released, the theme focused on endangered fauna in Indonesia. Based on this theme, Svstain introduced five initial patch designs: Sumatran Tiger, Javan Rhino, Orangutan, Komodo, and Maleo Bird.



Figure 2.4 Systain Patch Featuring Endangered Fauna in Indonesia

Next, Systain also created patches with different themes. There are patches themed around Cryptocurrency, featuring logos of various cryptocurrencies such as Ondo, Bitcoin, and Pepe.



Figure 2.5 Systain Patch with a Cryptocurrency Theme

Due to the limited response from potential consumers to the cryptocurrency-themed patches, Svstain conducted Research and Development on other patch themes. Considering the popularity of Japanese culture, such as anime, Svstain produced patches with anime themes, such as designs from One Piece and Studio Ghibli.

The One Piece anime has five different designs: Zoro, Luffy, Nami, the One Piece logo, and Sanji. There are characters such as Totoro, among others, for the Studio Ghibli design. In addition to anime-themed patches, there are patches with outdoor panorama designs and Chibi animal character designs.



Figure 2.6 Systain Patch with One Piece and Studio Ghibli themes

Systain consumers can enjoy the customizable experience of the removable patch innovation offered by Systain products very quickly. Patches can simply be attached to the embroidered Systain logo on the Systain T-shirt, whether the oval or just the "S" logo. Since both logos use velcro, the patches can easily stick to these logo areas. The patches can then be removed from the shirt and replaced with a different design patch.

Additionally, Systain offers customization options for its patches, allowing consumers to create designs that reflect their personal preferences. Customers can place made-to-order requests for patches, choosing specific themes, colors, or even requesting custom designs that align with their unique style. This

customization process ensures that each patch is created specifically for the individual, providing an exclusive, personalized experience that stands out in the fashion market.

This approach not only enhances the customer's connection to the product but also plays a significant role in reducing waste. By producing patches only when they are ordered, Svstain eliminates excess inventory and avoids the environmental impact of unsold goods. The made-to-order system ensures that only the necessary amount of patches are produced, supporting a more sustainable and efficient production process.

The customization of patches also allows Svstain to cater to niche markets and customer desires, offering designs that are unique and tailored to specific interests. This level of personalization makes the patches even more valuable to customers, as they can create a product that is truly one-of-a-kind. As a result, Svstain not only meets the demand for individualized fashion but also promotes an eco-conscious approach, aligning with the growing desire for sustainable and personalized products.

2.6 Current Business Status

Svstain is an operational startup on its way to becoming an established business. Currently, Svstain's operations, after being registered in the business licensing system, have been running for less than 42 months and thus are still categorized as a startup (Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia, 2024). However, Svstain has already established cash inflows and outflows, where its cash inflows are derived from product sales. In 2023, the first sales occurred in December, where Svstain successfully sold 14 Svstain Bundling (t-shirt and patch) units, 4 Svstain T-shirts (t-shirt only), and 11 Svstain Patches.

In 2024, Systain also received custom orders, including 14 units of polo t-shirts with custom embroidery. Systain continued to sell its main products, which include t-shirts, patches, and a new product, Systain Stickers. From January 2024 to October 2024, total sales reached 58 t-shirts, 49 patches, and 14 stickers. Additionally, Systain sold merchandise as A6 stickers with themes such as Ice Bear, Ghibli, and KMI Expo, with 40 units sold during the KMI Expo XV 2024 in Kendari.

Svstain's highest sales occurred in October, supported by online sales, product reviews by KOLs, and a product bazaar at the KMI Expo XV 2024. In November, Svstain also ventured into offline sales by opening a booth at the SAA 2024 (Student Association Award) bazaar connecting buildings C and D at Universitas Multimedia Nusantara. During the two-day sales event on November 18 and 19, 2024, Svstain sold one Svstain T-shirt, eight Svstain Patches, two Svstain Stickers, and nine merchandise units.

Sales in July, October, and November have successfully validated the market for Svstain, confirming that Svstain's products are well-received by potential consumers and have a market share. Additionally, online sales continued in November, with the Svstain team conducting a TikTok Live session for sales, where 1 Svstain T-shirt and 1 Svstain Patch were sold. Below is a summary of the sales conducted during the 2024 period:

Table 2.1 Systain Sales Report Summary

Sales Report Summary							
	SVSTAIN						
	The period from January 1, 2024, to November 30, 2024						
Month Item Price Order Quantity Total Description		Total					
February	Custom Polo Lacoste CVC 24s Premium Gray T-shirt	Rp196,000	14	Rp2,744,000	Custom Order	Rp2,744,000	
June	Svstain T-shirt	Rp139,900	2	Rp279,800	Direct	Rp3,023,800	

	Bundling				Selling	
July	Svstain T-shirt Bundling	Rp139,900	10	Rp1,399,000		Rp4,422,800
	Svstain T-shirt	Rp125,000	2	Rp250,000		Rp4,672,800
	Systain Patch	Rp25,000	9	Rp225,000		Rp4,897,800
	Svstain Oversize T-shirt	Rp120,000	1	Rp120,000		Rp5,017,800
	Svstain Oversize T-shirt Bundling	Rp149,900	18	Rp2,698,200	Direct	Rp7,716,000
	Svstain T-shirt Bundling	Rp139,900	4	Rp559,600	Selling and E-commerce	Rp8,275,600
	Svstain Patch	Rp25,000	2	Rp50,000		Rp8,325,600
	Svstain Patch	Rp30,000	3	Rp90,000		Rp8,415,600
	Regular Tshirt Bundling + Patch	Rp180,000	1	Rp180,000		Rp8,595,600
	Svstain Oversize T-shirt Bundling	Rp150,000	6	Rp900,000		Rp9,495,600
		Rp120,000	1	Rp120,000		Rp9,615,600
October		Rp100,000	13	Rp1,300,000		Rp10,915,600
	Svstain Patch	Rp30,000	6	Rp180,000		Rp11,095,600
		Rp24,000	10	Rp240,000		Rp11,335,600
		Rp25,000	2	Rp50,000	VMI EVDO	Rp11,385,600
		Rp20,000	2	40000	KMI EXPO XV	Rp11,425,600
	Svstain Sticker Bundling and 4 Patches	Rp100,000	V _i D	Rp100,000		Rp11,525,600
	Svstain Sticker Bundling	Rp40,000	1 9 E	Rp360,000		Rp11,885,600
	Svstain Sticker Bundling	Rp50,000	N ₁ T	Rp50,000		Rp11,935,600
		Rp20,000	5	Rp100,000		Rp12,035,600
	Merch Svstain - Sticker	Rp12,000	2	Rp24,000		Rp12,059,600
		Rp8,000	13	Rp104,000		Rp12,163,600
November	Svstain Patch	Rp30,000	1	Rp30,000		Rp12,193,600
	Svstain Oversize T-shirt Bundling	Rp149,900	1	Rp149,900	Tiktok Live	Rp12,343,500
	Svstain Oversize T-shirt Bundling	Rp149,900	1	Rp149,900	Direct Selling	Rp12,493,400

	Svstain Oversize T-shirt Bundling	Rp149,900	1	Rp149,900		Rp12,643,300
	Svstain Patch	Rp24,000	3	Rp72,000		Rp12,715,300
	Svstain Patch	Rp30,000	1	Rp30,000		Rp12,745,300
	Svstain Sticker Bundling	Rp50,000	1	Rp50,000	Svstain	Rp12,795,300
	Svstain Sticker Bundling	Rp45,000	1	Rp45,000	Bazaar in UMN	Rp12,840,300
	Svstain Merchandise- Sticker	Rp12,000	6	Rp72,000		Rp12,912,300
40.00	Svstain Merchandise - Sticker	Rp15,000	3	Rp45,000		Rp12,957,300
Rounding by Customer			Rp	5,100		Rp12,962,400

2.7 Purpose of Creating a Business Plan

A business plan is a written document created to provide an overall description of a business to interested parties (Telkom University, 2024). The objectives of creating the business plan titled *Business Plan for Systain as a Fashion Brand: Designing Creative Strategies for the Social Media and Design Division* are as follows:

- To fulfill the final project requirement for the author, a seventh-semester student of the Bachelor of Management program with a concentration in Entrepreneurship at Universitas Multimedia Nusantara.
- Measure the performance of Svstain's current and ongoing business from various aspects such as marketing, operations, and others to identify strengths and weaknesses and set appropriate solutions for the future.
- Implement solutions to address the weaknesses and shortcomings identified in the business strategy, such as setting marketing, sales, or other more effective strategies.

- The business plan serves as a tool for Systain to evaluate Systain products, enabling continuous product innovation or diversification.
- It is a primary tool for evaluating the company's financial health by analyzing the financial reports included in the business plan.
- It serves as an essential instrument to secure additional capital, whether through various funding programs or from investors.

2.8 Needs

In any business, it is undeniable that funding is crucial for the overall operation of the business or company. The funds obtained are used for various purposes, with the primary needs being production and marketing. These two areas are expected to support Svstain's sales target for 2025, which are 1618 units for Svstain T-shirts, 2477 units for Svstain Patches, 995 units for Svstain Stickers, and 312 units for Svstain Tote Bags. Therefore, Svstain has outlined the expected funding needs as follows:

Table 2.2 Expected Funding Requirements

No	Fund Utilization	V E Price]	A S Descriptions
1	Patch Production Costs	Rp17,834,400	Production Costs for Patch Products for One Year
2	T-shirt Production Costs	Rp100,316,000	Production Costs for T-shirt Products for One Year
3	Tote Bag Production Costs	Rp19,000,800	Production Costs for Tote Bag Products for One Year

4	Svstain Sticker Production Costs	Rp5,174,000	Production Costs for Systain Sticker Products for One Year
5	Research and Development Costs for Tote Bag	Rp271,800	Development Costs for Systain Tote Bag Product
6	Research and Development Costs for Svstain Patch Designs	Rp6,000,000	Design Development Costs for Systain Patch with Commission System
7	Logistics Costs	Rp1,704,000	Shipping Costs for Products from Supplier to Systain
8	Marketing Costs (Paid Advertising)	Rp7,200,000	Marketing Costs for Paid Social Media Ads
9	Marketing Costs (Influencer or KOL Services)	Rp19,833,600	Marketing Costs for Services by Influencers or KOLs
10	Bazaar Booth Rental Costs	Rp72,000,000 V E R S	Bazaar Booth Costs for Systain
11	Freelancer Wages U S	Rp22,400,000	Freelancer Wages for Svstain Bazaar
12	Website Maintenance Costs	Rp6,962,020	Website Maintenance Services Costs and Annual Domain and Hosting Fees
13	Application Costs for the Creative Team	Rp 808,000	Subscription Costs for Canva Premium and Capcut

			Premium for the Creative Team
Total		Rp 279,504,620	

Total Fund Requirements

The total amount of funding requested by Svstain is IDR 279,504,620, which will be used for production costs, logistics, marketing, research and development, pop-up store or bazaar rental, and business capital reserves. These funds are intended to achieve the projected sales outlined in Svstain's sales forecast.

2.9 Legal Status and Business Ownership

At this stage, Svstain's legal status can be assessed based on several aspects of its legal framework, which form the foundation for the company's operations. Strong legal standing protects the company and enhances its credibility in the eyes of consumers and business partners.

Indonesia has various types of business structures, including Sole Proprietorships, Private Limited Companies (Ltd), Limited Partnerships, Firms, etc. Each business type has its criteria, as well as its advantages and disadvantages. Systain, a startup founded by five University of Multimedia Nusantara students, has obtained its business capital through government programs such as WMK 2023 and P2MW 2024. The business structure used by Systain is a civil partnership. A civil partnership is a form of cooperation established based on an agreement among founders to run a business together without forming a formal legal entity such as a Limited Partnership or a Private Limited Company (Ltd). In this case, Systain operates based on an agreement

outlined in a Business Cooperation Agreement, which regulates capital division, roles, responsibilities, and profits and losses among members.

As a startup, the civil partnership was chosen due to its flexibility, especially considering the initial capital came from government programs like WMK 2023 and P2MW 2024, making establishing a formal legal entity such as a Private Limited Company (Ltd) not yet a priority. However, this business structure has drawbacks, such as personal liability for debts and obligations. Therefore, Svstain focuses on building trust and commitment among its members to ensure business sustainability.



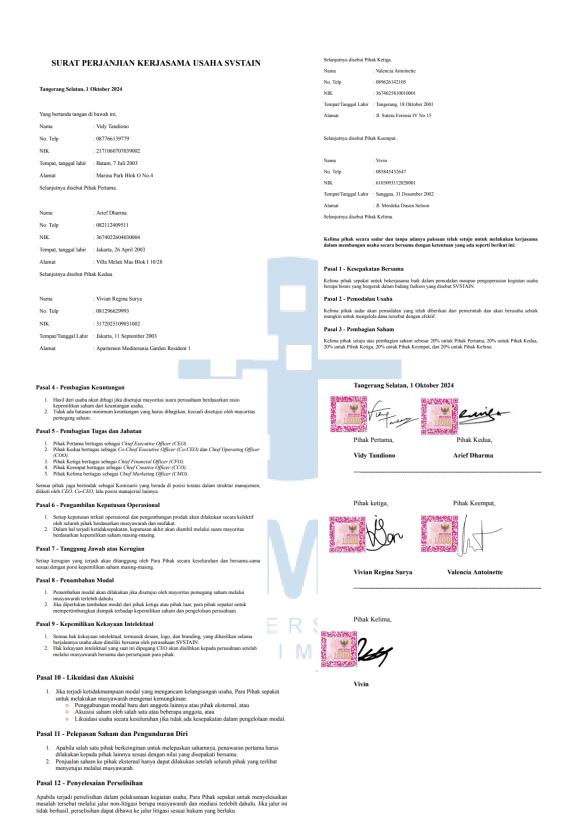


Figure 2.7 Systain Business Cooperation Agreement Letter

Intellectual Property (IP)

Intellectual Property (IP) is essential for businesses operating in creative industries, such as Systain. IP encompasses various aspects such as copyrights, trademarks, industrial designs, and patents, which protect the company's innovations and creativity.



Figure 2.8 Intellectual Property (IP) of Systain

An example from Systain is registering the company logo as a trademark. This provides legal protection against unauthorized use of the logo by other parties. The unique product designs are also registered as part of the IP to prevent plagiarism in the market.

Business Identification Number

Systain obtained a Business Identification Number (NIB), registered in August 2024. The NIB is an identity for business owners issued by the OSS (Online Single Submission) institution. Business owners use the NIB to apply for Business Licenses and Commercial or Operational Licenses based on their business activities. The registered NIB number for Systain is 0708240101516.



Figure 2.9 Systain Business Identification Number