

INDONESIA

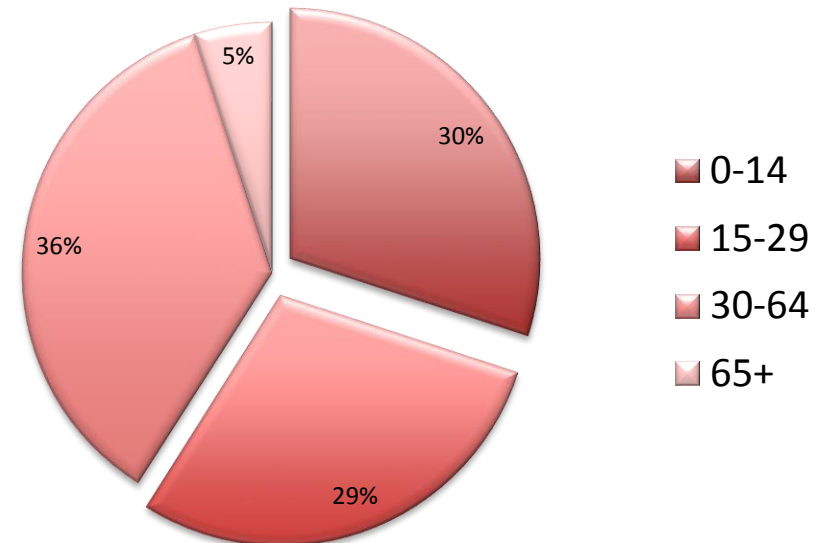
Marketing Plan

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Why Indonesia?

- Total Population: 240 million people
- Target Market: children and teenagers
 - Ages 0-14 and 15-29
- Rapid economic growth
 - GDP \$846 billion
 - 5% annual growth
 - Consistently growing

Age Distribution in Indonesia



Important Considerations

- Religion
 - More than 80% Muslim
 - Important for dietary considerations
- Environment
 - Prone to natural disasters
- Buying behavior
 - Prefer local, trusted brands
 - Prefer certifiably halal products

Ice Cream Market Size

- 356 million dollars in 2010
 - Impulse: 61.9 million liters
 - Take Home: 32.8 million liters
- Unilever holds 55% of the market share
- Growth rate of 9%
- Single portion dairy increased 18%
 - 31.04 million liters sold in 2011
- Children and teens make up the largest consumer group of ice cream sales

% retail value rsp	2006	2007	2008	2009	2010
Unilever Indonesia Tbk PT	46.53	49.15	53.10	54.03	54.65
Campina Ice Cream Industry PT	21.33	21.44	20.54	20.90	21.05
Diamond Cold Storage PT	12.69	12.24	11.11	11.11	10.83
Indolakto PT	-	-	9.33	8.41	8.07
Indo Van Houten PT	1.77	1.53	1.31	1.23	1.38
Monsyaga Prima PT	0.43	0.43	0.41	0.42	0.39
Ultrajaya Milk Industry & Trading Co Tbk PT	0.21	0.18	0.06	-	-
Indoeskrim Dairy Food PT	-	10.45	-	-	-
Indo Meiji Dairy Food PT	12.57	-	-	-	-
Others	4.48	4.58	4.14	3.91	3.63
Total	100.00	100.00	100.00	100.00	100.00

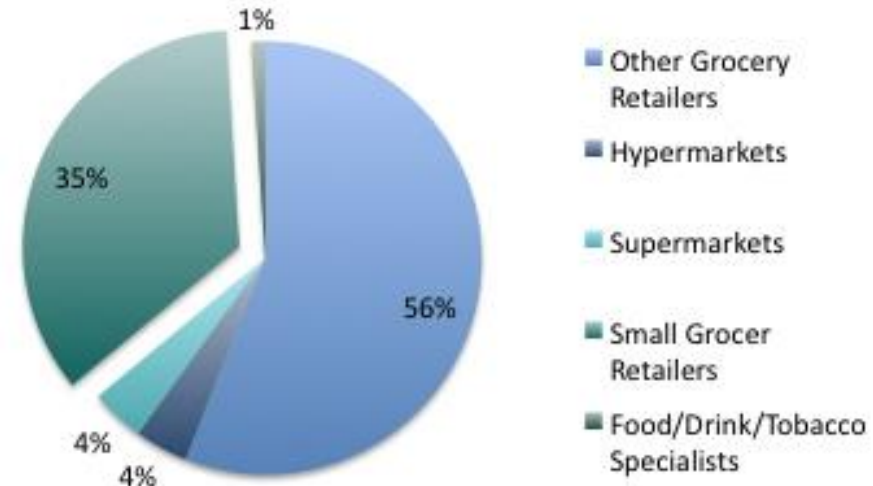
million litres	2006	2007	2008	2009	2010	2011
Frozen Yoghurt	-	-	-	-	-	-
Impulse Ice Cream	43.02	45.93	50.71	53.18	57.40	61.96
- Single Portion Dairy Ice Cream	19.12	20.84	23.86	25.53	28.09	31.04
- Single Portion Water Ice Cream	23.89	25.09	26.84	27.65	29.31	30.92
Retail Artisanal Ice Cream	-	-	-	-	-	-
Take-Home Ice Cream	26.50	28.24	29.97	31.10	31.12	32.81
- Take-Home Dairy Ice Cream	23.94	25.59	27.24	28.70	29.59	31.21
-- Bulk Dairy Ice Cream	22.81	24.41	26.00	27.56	28.94	30.53
-- Ice Cream Desserts	-	-	-	-	-	-
-- Multi-Pack Dairy Ice Cream	1.12	1.18	1.24	1.14	0.65	0.68
- Take-Home Water Ice Cream	2.56	2.65	2.73	2.40	1.54	1.60
-- Bulk Water Ice Cream	-	-	-	-	-	-
-- Multi-Pack Water Ice Cream	2.56	2.65	2.73	2.40	1.54	1.60
Ice Cream	69.51	74.17	80.68	84.29	88.52	94.77

Jakarta

- Our distribution location:
 - 59% of Indonesia's population (137 million)
 - Located on the island of Java
 - 10 million people (1.2% of Indonesia's population)
 - Young population
 - 50% under 25
 - 30% under 14

Distribution

- Walls distribution center in Jakarta
- Small bicycle vendors
- Small grocery stores
 - 3,968 mini-markets in Jakarta
 - 35% shop at small grocery retailers



Vision and Message

- Trusted brand
- Hygienic products
- “Certifiable Halah”
- Sharing, togetherness, and family
- Message:

“Healthy, local, cool, sweet. Family or social treat.

Together it’s a perfect fit. The Original It’s It. Sharing family & social occasions with It’s-It scrumptious frozen treat.”

Image

Introducing
IT'S-IT



San Francisco's legendary Ice cream sandwich.
Sweet and creamy Ice Cream sandwiched between two crunchy Oatmeal cookies creating a mouth watering snack for your friends and family.

"Happiness is Best shared together."

IT'S ICE CREAM AND COOKIES!!

The Original



IT'S-IT ICE CREAM TREAT

A SAN FRANCISCO EXPERIENCE SINCE 1928

Package

- Adapted to Indonesia culture
 - Red and white and yellow
 - Bahasa labeling
 - “Halal Certified”
 - Prepared hygienically



Advertising and Media Strategy

- Television
 - Commercial
- Internet
 - Facebook, Twitter, IndoFace
- Small-Scale advertisements
 - Social media, magazines, radio, etc.

Marketing Tool	Frequency	Total Annual Budget
Magazines	Monthly	\$124,800.05
Social Networks (advertisements)	Weekly	\$150,000
Radio	Weekly	\$62,400.02
Television	Daily (52 weeks)	\$500,132.60
Website	Ongoing	\$187,200.07
TOTAL ANNUAL		\$1,024,532.75

Financial Projections

- Unilever 60% of profit, we make 40%
- Price of product
 - Retail Price: \$1.00 (9,625 rupiah)
- Cost of product
 - Base cost: \$0.39 (Raw materials, manufacturing, packaging, service, etc.)
 - Unilever incurs \$0.20 (51.3%)
 - We incur \$0.19 (48.7%)
- Unilever makes \$0.366 per unit
- We make \$0.244 per unit

Cost of Business

- Start-Up
 - \$400,000
- Advertising and Marketing
 - \$1,000,000
- Freight
 - \$1,585,689

Profit and Growth

Year One	Year Two	Year Three	Year Four	Year Five
Profit: (267,365)	Growth: 32%	Growth: 25%	Growth: 25%	Growth: 25%
	Profit: 3,938,289	Profit: 7,861,736	Profit: 13,109,914	Profit: 20,065,584

Volume Projections

Year One	Year Two	Year Three	Year Four	Year Five
22,652,700	29,448,510	36,810,638	46,013,297	57,516,621
Per Day: 62,062	Per Day: 80,680	Per Day: 100,851	Per Day: 126,064	Per Day: 157,580
Per Store: 15 units	Per Store: 20 units	Per Store: 25 units	Per Store: 32 units	Per Store: 40 units

Risk Analysis

- Competitive
 - Decreases with joint venture
 - Still major competitors
 - Rise in sweet and savoury snack industry
- Currency
 - High
 - Weak balance of payments
 - Subject to currency changes
- Political
 - High
 - Social and political instability
 - Reforms
- Other
 - Failed partnership
 - Problems with Unilever as its own individual entity

Recommendation



YES

- Economy is growing each year
- Consumer spending is increasing