



**MANAGEMENT COMPETITION
UAJY 2021**

LEVERAGING MARKET GROWTH WITH LOKALATE'S WINNING STRATEGY

Presented by

WALLSTREET TEAM

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Executive Summary

SITUATION

Fierce-coffee related products **competition** and more **tight-personalized marketing campaign** in each competitor

Low brand flavor and awareness amid the growing retail and soluble coffee market. Moreover, Lokalate still **lack of mindset “unique-coffee” for youth**

Lokalate facing enormous challenge during Covid-19 pandemics - **decrease consumption and sales growth**

QUESTION

Is there any **breakthrough marketing campaign** for Lokalate in this pandemic?

What should Zeller do to **promote and keep Lokalate relevant** in the mind of Indonesian youth in **hyper-competition** in the coffee industry in Indonesia?

RECOMMENDATION

#NyantaiAjaGuys

LoKaLaTe Strategy

LokaYouth Strategy

Overview : Nutrifood and Lokalate

Helping Our Customer to Achieve a Longer Healthy Life
Through Our Reputable and Leading Brands



Lokalate was initiated by Mardi Wu and led by Jesaya Christian, after seeing the potential demand in unique coffee flavor.

Lokalate comes up with their slogan of **#SobatMelekGue**, targeting to young people.

Lokalate has a unique value proposition. It offers a unique taste experience with a lower sugar intake at a reasonable price.

Lokalate offers four flavors:

- Palm sugar
- Avocado
- Kawista
- Berondong

Situational Analysis

1

Industry Analysis



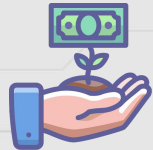
Market Size

We estimates the annual market size of coffee amounted to ~ **IDR 9 Trillion**



Coffee Consumption Growth

The amount of coffee consumption has been increased **14%** in the last five years



Interest of Target Customers **60%** of Millennials and Gen Z likes coffee milk



Flavor Preference

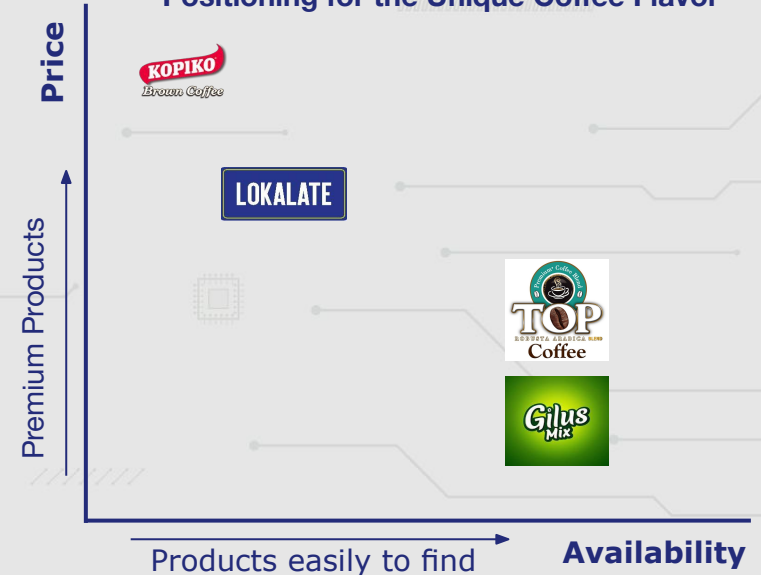
Palm sugar (**35%**) and Avocado (**30%**) the 2nd and 3rd of most preferred coffee flavor

The large market size, increasing trend of coffee consumption, and the flavor preference that suitable with Lokalate has offered, can give a market opportunity for Lokalate to grab the market share and increase the market penetration.

2

Competitor Analysis

Positioning for the Unique Coffee Flavor



Nutrition Facts (Sugar/Total)

Lokalate	Top Coffee	Gilus Mix	Kopiko
8g/15g (53%)	14g/22g (63%)	17g/23g (74%)	20g/25g (80%)

Lokalate has a value proposition in lower sugar intake which is considered healthier and the unique taste of coffee can provide new taste experiences to customers in the market in innovative ways.

TOWS Analysis of Lokalate

LOKALATE

TOWS Analysis

Internal Factors

Strength

1. Unique taste and experience
2. Attractive packaging design
3. Supported with a strong brand reputation.
4. Promote coffee intake with a healthy lifestyle

Weakness

1. Hard to find the product in the market.
2. One pack contains only one variant.
3. Lower brand association and identity.
4. Saturated marketing content on social media.

Opportunity

1. Increasing trend of coffee-milk consumption among the Gen Z and Millennials.
2. Caffeine in the coffee believes able to maintain our focus on work and study.
3. Heavily connected and social media savvy by the Gen Z and Millennials

S-O

1. Promoting a new way in enjoying coffee-milk variants for Millennials and Gen Z.
2. Healthier caffeine beverages to accompany your study and work.

W-O

1. Promoting Lokalate through established a brand ambassador to capture the Millennials and Gen Z market.
2. Encourage consumers to buy Lokalate at Nutrimart.

Threat

1. Higher brand loyalty and market share of competitors.
2. The emergence of sachet coffee competitors.
3. The emergence of contemporary coffee shops

S-T

1. Regular coffee milk contains a lot of sugar. Lokalate can challenge the customers to enjoy four coffee-milk variant in a healthy way.

W-T

1. Offer a new buying customer journey from Nutrimart, provide a loyalty programs and promotions.

External Factors

Problem 1 : Lokalate Targeted Unspecific and Unaligned Market from Expectations

#SobatMelekGue

Stay late at night with Lokalate or can also be done with any coffee

Monotone campaign to all market becoming less attractive

Market Segment

Expectation/Behavior

Impact

First Jobbers

Most likely **go for hype retail coffee** around the new company they work for

College Students

Chill content campaign with connecting with others as the main focus

High-Schooler

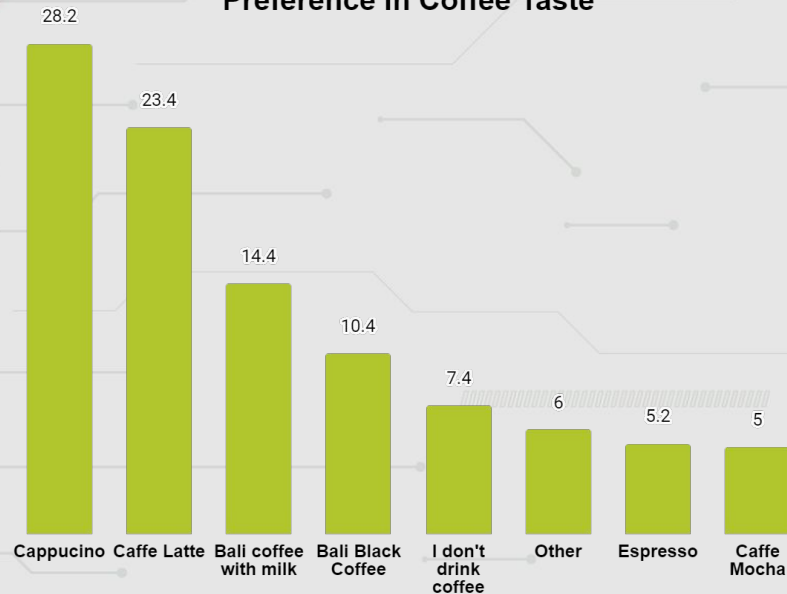
Young, fun, and **only go for fun things**

Unspecific Segment, Reducing Market Share Potential in Each Segment due to Competitions being More Specific

Problem 2 : Too unique product in the market with low awareness and knowledge of the product

Lokagate product are not within the preferred list of coffee taste

Preference In Coffee Taste



Other types of product than western coffee might not get much attention in the market

We could assume that,

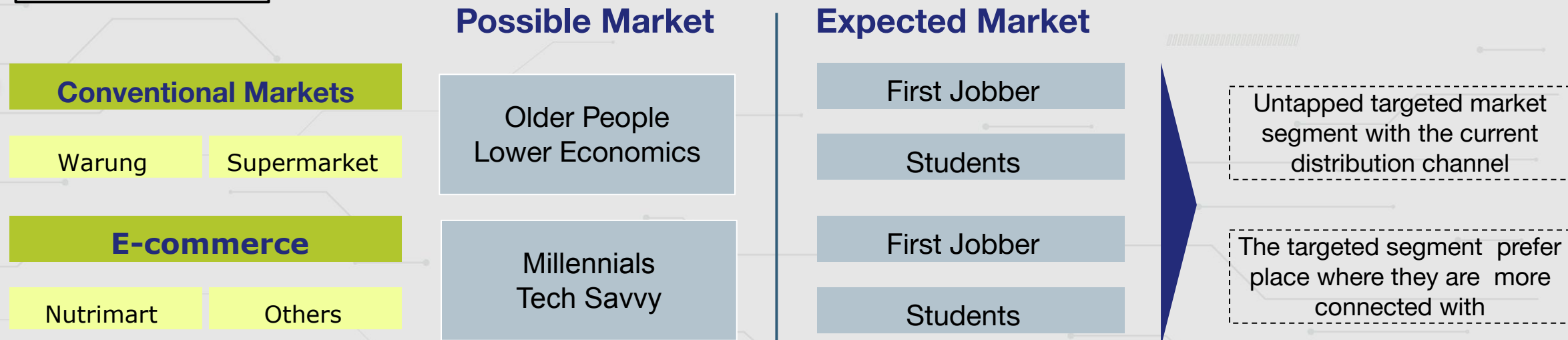
Lokagate **product type** is not **well known** within the market

Lack of **product knowledge** and **awareness** of the Lokagate's product type

People **will not purchase** product that they don't understand or relate with

Problem 3 : Limited distributional channel reach to the targeted market, especially during pandemic

Pre-Pandemic



Pandemic

Limitations

- Limited movement restriction
- Fear of purchasing product in not known place

Impact

- Lack of awareness channel
- Reduction in volume for offline channels

Awareness spreading by Lokalate will be reduced, impacting in future sales

Solution Overview

Lokate #SantaiAjaGuys to Boost Productivity during Pandemic

#NyantaiAjaGuys, Be Productive with Lokate

Target Audience

Young adults, young professionals, university & high school students, youth who loves music & gigs

Solutions

Purpose

LoKaLaTe Campaign Strategy

- Social media engagement
- Lokate Brand Ambassador
- Lokate Virtual Concert
- Lokate Social Media Challenge

Promote “*Ngopi Lifestyle*” to promote Lokate and its benefit to boost people’s productivity during pandemic

LokaYouth Strategy

- Partnership with Cafe and Hangout Places
- Game in Nutrifood Website

Getting closer to youths through their everyday lifestyle, such as their hangout places

Engage youths by providing incentives through quiz and free Lokate products as their reward

LoKaLaTe Strategy

[Lo]ok At Lokalate



Social Media Engagement

Provide fun and engaging content to enjoy

Tips: How to enjoy yourself

Info: Music concert, trivia, etc.

Mini Events: Live Instagram, etc.



Campus Ambassador

To increase student awareness about Lokalate in young generation in school/college, the mechanism was

1. There is a registration accompanied by a selection of profiles

2. Receive training and company explanation to the student agent

3. Promote nutritional products in their own style and provide testimonials

4. Invite friends to buy on Nutrimart with a referral code

The benefit are allowance, merchandise, and free products

[Ca]pturing New Market with BA

Potential candidates **to attract** young generation **who has good reputation** in **universities** and **communities**



Danilla



1.6 M followers

Her character resonates with **young and loss individual** who are trying to **explore themselves** (target market)



Ardhito



887K followers

He always emphasize that **every story have their own uniqueness**, same goes with **Lokalate variants**.



Kunto Aji



401K followers

His songs mostly talk about **facing the problem and relax**, same goes with our campaign **#NyantaiAjaDulu to relax** for a while and **take your time**

[La]ntunan Senja Virtual Concert: By Lokalate

1

Deploy the "**Lantunan Senja**" Virtual Concert by Lokalate

2

Purchase Lokalate from Nutrimart

3

"**Lantunan Senja**" Virtual Concert by Lokalate

4

Hype it online!

[Te]ll Your Friends

1

Share Promotion Code to Friends

Get referral code with purchases with a **minimum of 5 times**.

Share promotion code to friends

Customers can redeem the referral code to get a discount for **Spotify** in a **premium package**

2

Create an Instagram Challenge

Upload moment with Lokalate on Insta Story

Tag Lokalate's Instagram account with **#SantaiAjaGuys** tagline

The best will **receive gifts** from lokalate.



Grameia



Line-Up Artist in the “Lantunan Senja” Virtual Concert

Line-Up Artist

Instagram
Followers

Youtube
Subscribers



Danilla

1.6 Million followers

424 Thousands
subscribers



Ardhito Pramono

887K followers

477 Thousands
subscribers



Kunto Aji

401K followers

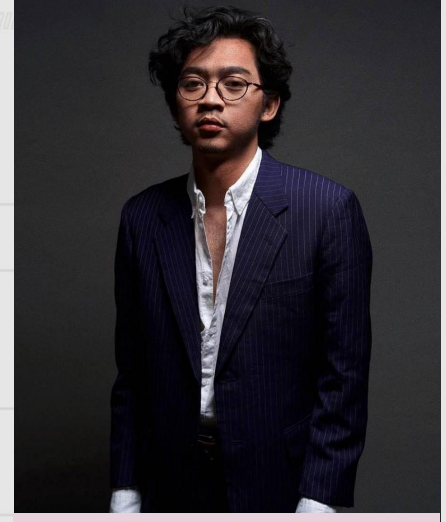
322 Thousands
subscribers



Adhitia Sofyan

54.1K followers

103 Thousands
subscribers



Pamungkas

671K followers

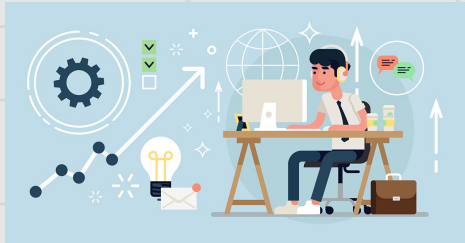
536 Thousands
subscribers

LoKaLaTe Strategy

To increase penetration and brand awareness of LoKaLaTe strategy, we propose:



Web Series



Objective: Increase awareness of productivity in this pandemic situation with the real story of students in home

- Videos are packaged in series with a duration of 10 minutes per episode which is shown once a week on the Youtube Nutrisari channel
- Tells the story of young people who have to learn from home and feel unproductive, where eventually lokalate can become perfect complements



Podcast



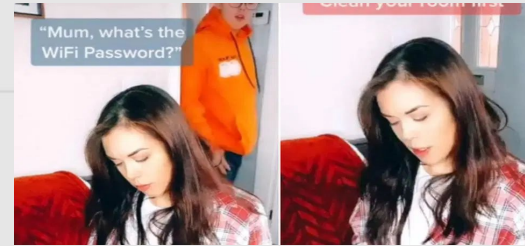
Objective: increase public knowledge about the issue of health in casual chatting with specialist doctors

- Podcasts will be broadcast via Spotify media once a week which will last for 10-15 minutes
- Talking about productivity in home with inspirational figures who can manage their time well



Viral Clip

Tik Tok



Objective: Create challenges for consumer that show daily productive activities accompanied by lokalate

- Viral clip has a competition concept for the wider community using Tik Tok media and later the most viewers will get prizes
- The content of this clip contains consumer stories about their productive activities at home that can inspire many people



Video about uniqueness of Lokalate



Objective: Convince the uniqueness flavour of Lokalate so that at least they want to try nutrisari products first

- In a business, the role of video marketing is very important to build a brand image so that people will trust them when they want to try it for the first time
- This video will have a short duration of 1-2 minutes and will be published on the Lokalate Instagram account



Paid partnership with Influencers

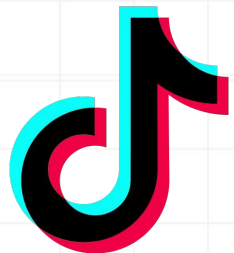
Increasing product knowledge of several Lokalate variants



Instagram can reach the feeds of their followers with content that mimics the type of posts users are already seeing from the people they follow

Collaborate with **Instagram Influencers (Selebgram)** to promote and spread the word of mouth of Lokalate's product

Close it with **Lokalate promotions** in the last second



Known for its simplicity in algorithm to provide their users with relevant and engaging content

Collaborate with **Tiktok content creators** which showcase unknown facts through storytelling of variants

Close it with **Lokalate promotions** in the last second



Instagram and TikTok Account Recommendation for Partnership

Instagram Account	Reasons
@riodewanto	Rio Dewanto is a coffee lover. His followers reached 1.5 M and mostly from Indie community. Moreover, he also became the top of mind after he starred in "Filosofi Kopi"
@okintph	Niko is a famous band musician. His followers reached 1.6 M and dominated by Indie community. Thus, it fits well with the target market

TikTok Account	Reasons
@fadiljaidi	Fadil Jaidi is a tiktok artist with high engagement (3.4 M). Besides that, Fadil also frequently uploads himself with his coffee stock.
@stanleyhao	Stanley Hao is a tiktok artist from Surabaya with high engagement (4.6 M). As a student majoring in hospitality, he often uploads content about mixing coffee — thus it fits well with the target market.

LokaYouth Strategy: Partnership with Cafe and Hangout Places

Increasing youth awareness through places that are frequently visited by students or first jobbers

1 Logo and Design Branding on a Small Cafe

Provide **area redesign** that emphasizes Lokalate Brand **inside** the **Cafe** that is collaborating with Nutrifood

2 Product Knowledge by Cafe Owners

Create **special menus** with **Lokalate** product to be sold in the **owners'** respective **cafes**

3 Cafe owners directly approach & engage their Customers to buy Lokalate

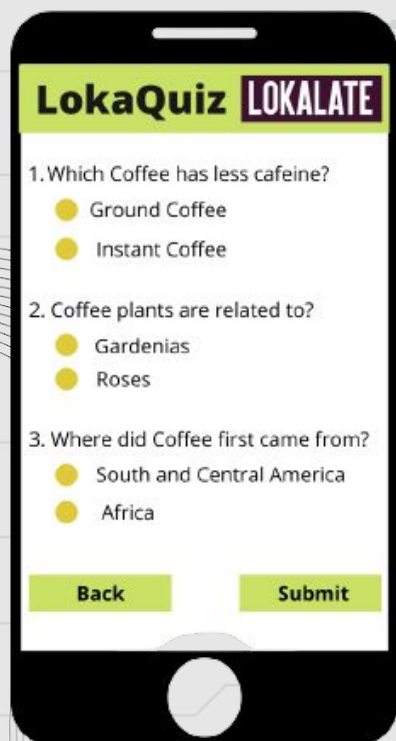
Provide Lokalate **information** and its variant flavour and knowledge to the **cafe owners** to help them **persuade** their **customers**

4 Reward program for Cafe Owners

Giving **incentives** for the **Cafe owner** in terms of purchase discount, coffee maker machine, etc when they **successfully** achieve **sales target**

LokaYouth Strategy: LokaGame in NutriFood Website

Increasing youth engagement through Coffee-Trivia Quiz in Nutrifood Website



Creating Game in form of **quiz** for every Nutrifood's **website visitors**

The **accumulated points** of the quiz can be used by customers to get free cup/sachet of Lokalate within a **certain limit** of point

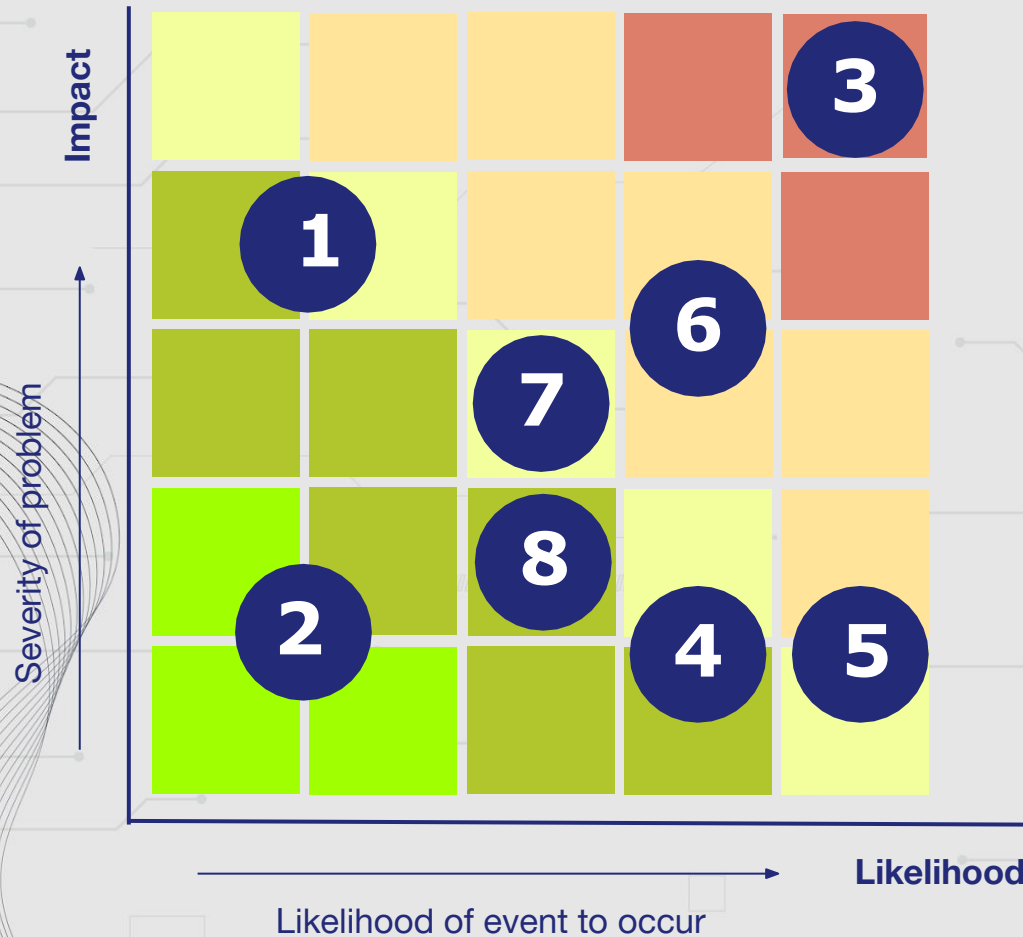
Point Accumulation per Quiz = 1000

3000 points = 10 sachets Lokalate
with **limit** of 5x quiz per month

This quiz is a form of **Lokalate promotion** to the youths that aims to promote "*Ngopi Lifestyle*" in a healthy way

Risk Analysis

Solution Risk Mitigation



Identified Risk



Risk Mitigation

Solutions	Identified Risk	Risk Mitigation
Look at Lokalate!	1 Unable to penetrate to the Target Market (indie college student)	Collaboration with college student organizations
Capturing the New Market with BA	2 Unable to deliver the message	Determining KPI standard for the BA in actions related to Lokalate
"Lantunan Senja" Virtual Concert by Lokalate	3 Lack in number of participants	Boost marketing through the participating artists and college student organization
Tell Your Friends!	4 Lack of data to retain consumer	Boosting the fame of nutrimart purchase number and starting to develop AI to keep more email data
Educate people through Tiktok and instagram influencer	5 Nutrimart lack of fame compare to other e-commerce	Promoting more promotions in nutrimart through every nutrifood social media account
Partnership with Cafes and Hangout Place	6 People are skipping the education video	Creating certain hook for the video in form of storytelling (advising to the partner in forms of KPI)
	7 Low number of Cafe who want to partnership	Lokalate approach several cafe to conduct a partnership
	8 Lokalate are not being ordered	Providing promotions and special event within the cafe for Lokalate product online and offline

Implementation Plan

Strategy

1

2

3

4

5

6

7

8

9

10

11

12

LoKaLaTe Strategy

1

Look at Lokalate!

Rebranding content

Collaboration with
Student Ambassador

2

Capturing the New
Market with BA

3

"Lantunan Senja" virtual
concert by Lokalate

4

Tell your friends!
Loyalty program

Instagram challenge

Educate

Partnership with Cafe



Grameia



BUDGETING & FINANCIAL PROJECTION

LokaYouth Strategy

Item	Price/Item	Quantity	Total
Branding on Cafe	Rp 1.500.000	50 Cafes	Rp 75.000.000
Reward for Cafe Owner	Rp 2.000.000	50 Cafe Owners	Rp 100.000.000
Website Development	Rp 5.000.000	1x	Rp 5.000.000

LoKaLaTe Strategy

Brand Ambassador	Rp 15.000.000	3 people	45.000.000
Student Ambassador	Rp 500.000	30 people	15.000.000
Virtual Concert Artist	Rp 30.000.000	5 artists	150.000.000
Challenge Reward	Rp 250.000	50x	12.500.000

Total Budget

Rp 402.500.000

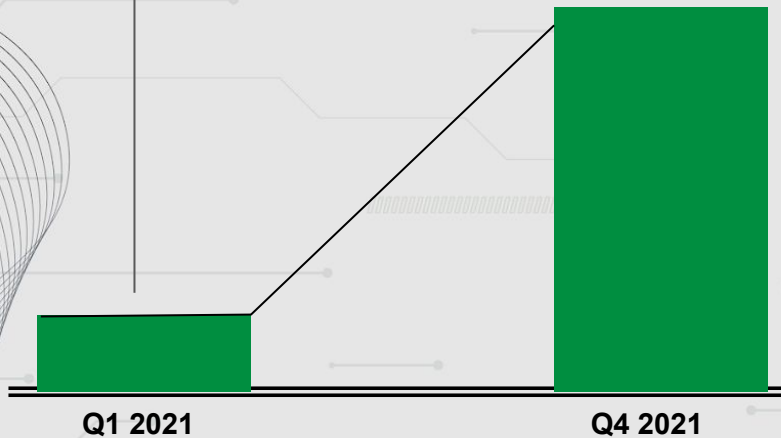
*Web development cost is estimated from Sribulancer.com

BUDGETING & FINANCIAL PROJECTION

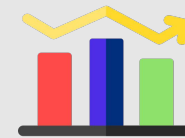
EXPECTED OUTCOME

Sales Growth

25%



KEY PERFORMANCE INDICATOR



Increase of
brand image



Increase of sales



Increase of *retention*
rate

We believe the #SantaiAjaGuys campaign will be aligned and able to capture emerging market opportunities through our LoKaLaTe strategy and LokaYouth

STRATEGY

IMPACT

1

LoKaLaTe Strategy

Breakthrough Marketing Strategy

Able to provide customer journey through Nutrimart, increase conversion rate, and increase customer engagement with Lokalate

2

LokaYouth Strategy

Market Engagement Strategy

Able to increase product knowledge of Lokalate for the target market

Deploy an effective word of mouth about Lokalate to The Target Market

***"Customer's not only
need taste, but also
value"***

THANK YOU

Presented by

WALLSTREET TEAM

Belinda Azzahra | Fransiskus Ryan | Ruthana Bitia





APPENDICES



Demographic	Geographic	Psychographic	Socioeconomic
Millennials, Gen Z Male and Female	B2C: Lives in the big city , such as Jabodetabek, Bandung, Semarang, Yogyakarta, and Surabaya. B2B: Cafe located around the university , such as near Universitas Indonesia, Binus University, Universitas Mercu Buana, and Universitas Trisakti.	B2C: Those who likes to try new things, loves coffee-milk, fear of missing out (FOMO), Indie music enthusiast, and concerned to the healthy lifestyle. B2B: Cafe owner who loves to engage with their customers, want to branding their cafe, and likes to experience with coffee formula.	SES A , with monthly expenditure more than 3 million rupiah. SES B , with monthly expenditure in the range of 1.8 million until 3 million rupiah.

Detailed Timeline

LOKALATE

Strategies	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Look at Lokulate!																
Lokulate Re-branding Content																
Collaboration with Student Ambassador																
Create a KPI for the Ambassador Program																
Open recruitment																
Selection process																
On boarding																
Monthly report for SA's performance																
Capturing the New Market with BA																
Create a KPI for the Ambassador Program																
Listing potential BA																
Find and reach out to selected BA																
On-boarding																
Monthly Report for BA's performance																
"Lantunan Senja" Virtual Concert by Lokulate																
Step 1: Deploy the "Lantunan Senja" Virtual Concert by Lokulate																
Step 2: Marketing Lantunan Senja virtual concert through nutrimart and social media																
Step 3: "Lantunan Senja" Virtual Concert by Lokulate																
Step 4: Hype it online!																
Tell Your Friends!																
Loyalty Program - Referral Code																
Concepting																
Approach Potential Partner (Spotify, Skill Academy, etc.)																
Event process																
Instagram Challenge																
concepting																
event session																
awards announcement																
Educate People through Tiktok and Instagram Influencer																
Partnership with Cafes and Hangout Place																
Step 1: Logo and Design Branding on a Small Cafe																
Step 2: Product Knowledge by Cafe Owners																
Step 3: Cafe Owners Directly Engage Their Customers to Buy Lokulate																
Step 4: Reward Program for Cafe Owners																

Source: Team Analysis

Detailed Financial Projection

LOKALATE

Financial Projection									
Cash Inflow		Year 1		Year 2		Year 3		Year 4	Year 5
Revenue	Rp	4.661.550.000	Rp	5.127.705.000	Rp	5.589.198.450	Rp	6.036.334.326	Rp 6.458.877.729
Gross Margin	Rp	2.330.775.000	Rp	2.563.852.500	Rp	2.794.599.225	Rp	3.018.167.163	Rp 3.229.438.864
Total Cash Flow	Rp	2.330.775.000	Rp	2.563.852.500	Rp	2.794.599.225	Rp	3.018.167.163	Rp 3.229.438.864
Discounted Cash Flow	Rp	2.330.775.000	Rp	2.489.177.184	Rp	2.634.177.797	Rp	2.762.050.506	Rp 2.869.314.603
Cash Outflow		Year 1		Year 2		Year 3		Year 4	Year 5
LoKaLaTe Strategy	Rp	841.700.000	Rp	766.700.000	Rp	805.035.000	Rp	845.286.750	Rp 887.551.088
Product Knowledge Strategy	Rp	15.000.000	Rp	20.000.000	Rp	25.000.000	Rp	30.000.000	Rp 35.000.000
B2B Strategy	Rp	100.000.000	Rp	100.000.000	Rp	100.000.000	Rp	100.000.000	Rp 100.000.000
Research & Development	Rp	39.862.500	Rp	36.945.833	Rp	38.751.458	Rp	40.636.948	Rp 42.606.295
Other Operational Expenses	Rp	1.036.425.000	Rp	960.591.667	Rp	1.007.537.917	Rp	1.056.560.646	Rp 1.107.763.678
Total Cash Flow	Rp	2.032.987.500	Rp	1.884.237.500	Rp	1.976.324.375	Rp	2.072.484.344	Rp 2.172.921.061
Discounted Cash Flow	Rp	2.032.987.500	Rp	1.829.356.796	Rp	1.862.875.271	Rp	1.896.616.761	Rp 1.930.612.219

Source: Team Analysis