

CHAPTER I

EXECUTIVE SUMMARY

1.1 Introduction

Shibui Project was founded in August 2020 by Kevin Adrian, who had an idea of making an online-based clothing store that will use the concept of graphic designs with the help of designers to interpret the founder objectives into a picture which later printed into a form of T-shirt. Following his idea, the founder asks Tio Arief to invest with him and help Kevin Adrian to achieve his idea by becoming a co-founder, which Tio Arief provides him with Strategic planning of the business. However, since both of the co-founders lack in designing and have no experience with graphic design. Kevin Adrian later suggested to his friend Farhansyah Mochtar, a graphic designer who has experience working at a graphic designing company and already caught the eye of both co-founders with his previous art portfolio, to join Shibui Project by becoming the third co-founder of this company. By asking Farhan as a co-founder this fulfills the gap where both of the co-founders are lacking which is graphic design. Shares of the company are equally distributed into 33 percent between each co-founders.

‘Shibui’ is a Japanese word for “ Particular Aesthetic of simple and unobtrusive beauty”. Thus, the founders agreed to use this word as art which is the main selling point of our product and the word Shibui perfectly suits our company objectives. Japanese culture is also viewed as aesthetic and savvy in terms of how they live their life. It is an inspiration why we took the company name in Japanese word. Indonesian social media users are considered as avid (people who spend more than 2 hours strolling around social media everyday) and on the verge of shifting their shopping behaviour into e-commerce rather than physical stores. Indonesians are also well known for their mouth-to-mouth advertising which is very important for a new business to rise quickly. Seeing this opportunity since one of the founders has the connection of social media influencers. Thus, solidify the co-founders to continue to make this online clothing store since we have social media influencers connection as the “investment”.

Figure 1.1 shows the logo of Shibui Project which reflects simplicity and some elements of Japanese symbols that are reflected on the word H and T. Our motto “*Art is therapy for the complexities of the human mind*”, suggests that we are firm believers that art can change the perspective towards something. Completing the puzzle of the human mind with a touch of art that can be expressed in the form of clothing. In recent years it is obvious that South Korean

pop culture is emerging into the most engaging in Asia. However, Co-founders from the start agreed that Japanese have their own niche value, a classy yet simple culture that has been on the founders mind from their childhood. Since we consider that South Korean culture may be hype right now but the late hype that has been generated from Korean drama and K-pop still does not suit our core value of aesthetic yet beautiful which we found on Japanese culture. Our current legal standing is still not available since we still use our both respective parents NPWP taking into consideration that the three co-founders have not yet have a job that has a stable income. After consulting with respective parents, the co-founders are waiting for their college degree then opening a tax account or NPWP in the near future. We are planning to open a CV to continue our business in the near future since we are still a small company and currently involve three individuals running the company. In order to obtain the CV license we have to get the legality from notaris which provides a legal agreement between under the law of Indonesia and the company founders. Next step is SIUP (Surat Izin Usaha Perdagangan) mikro which we selected since our investment is under 50 million Rupiah, with SIUP our legal status that we are obedient to the law of business in Indonesia. Last step of our legal standing is creating a SKDU (Surat Keterangan Domisili Usaha) where our province authorities acknowledge the whereabouts of our business.



**Figure 1.1 Shibui Project Logo
(Property of Shibui Project)**

1.2 Market Analysis

Understanding the market to reach the accurate target market is essential before making any plans for the marketing department. This section includes the overall market segmentation, target market, positioning of our company in the market and the consumer behaviour of our market (Businesswire.com). Understanding this section will help the business which group of customers that we have to pursue and which group of customers that have no potential interest in our products. This will help our advertising allocation with the help of Google ads and Instagram ads to correctly distribute our marketing targets that we obtained from our market analysis. This analysis was taken from our 27 customers that bought our product in October 2020, where they answer a series of questions that we provided for them via google forms.

1.3 Competitor Analysis

Designed to be a comparison of our direct and indirect competition. Potential threats that could be averted by assessing the competitor way of doing business and marketing. How to see the gap in the market by using the Direct competition table and predicting the next move of our indirect competitor that might be a threat in the future (Mederrick, 2019). Understanding which marketing strategy to be utilized optimally to fulfil our gap from our competitor. Hence, a step further from a rookie in the market to a legitimate competitor for our predecessor. This method was taken from the survey that we took from 27 customers that bought our products earlier this October 2020 and intensive research of our competitor website from Public-culture.com and Insurgentclub.com and their social media for additional marketing strategy information.

1.4 Sales Analysis

Sales Analysis examines how the sales will be in the future, What product will be predicted to be underperforming and what marketing action should be taken in order to increase the sale of this product (Shaw, 2019). By using a sales projection that is connected with cash flow and payback period. We are able to study what strategy should the marketing department use to utilize the data for future reference. By using constant 5% of sales projection increase, we are able

to spot the highest selling product and the lowest selling product. Evaluating how much cost that we use currently for marketing helps us understand what should be allocated later in the future for a better marketing.

1.5 SWOT Analysis (EFAS and IFAS)

This analysis helps the Shibui project to understand their current position internally and externally. What strengths and weaknesses that we as a company encounter internally and how to manage these problems so that we can see from the external perspective the opportunities and yet threats that we would encounter later on. On the SWOT analysis table we can evaluate how to utilize strengths with our opportunities, how to optimize strengths to eliminate the threats outside the company, how to eliminate our weaknesses with opportunities and how to solve our weaknesses while understanding that there are still threats out there (Mindtools.com). After collecting our SWOT data we release a questionnaire specifically for our buyers that bought our product in the month of October 2020. Then we conduct EFAS and IFAS to understand clearly what is our position in the market and what further action to excel in the market that we should take after receiving the numbers of EFAS and IFAS.

1.6 Marketing Strategic Objectives

Strategic objectives of the Shibui Project were determined by the co-founders to see what should be done in the short term, medium term and long term of the business. Then what marketing activities to support the strategic objectives to become reality (Krause, 2018). Short term which in a time frame within 12 months are focusing more on collaborating with non-profit organizations and trying to open a one-time physical store which a small bazaar in UPH and a small bazaar on mall events will do just fine. Our objective for medium term is expanding our product line and for our long term objectives is to change our course from product maker to service maker as a platform for new designers to express their art and also exploring eco-friendly materials as our raw material.

1.7 Marketing Team and Budget

Discussing the marketing budget further that has been set by co-founders to reach the Sales Projection as projected as the current marketing team and the future of the marketing team that is expected to reach our strategic objective in the near future (Marketingmo.com). Currently there is only a single marketing director for Shibui Project and still the one of the co-founders who handle the

marketing team. Budgets are estimated by seeing the best time for investing from analysing cash flow condition and sales projection.

1.8 Digital and Traditional Market Levers to reach Strategic Objectives

As the business steps forward to fulfil their plan written on strategy objectives, the marketing department should be able to support the strategy objective on using the latest technology that is offered on digital marketing levers and supported by the old fashioned way of traditional yet proven also efficient till this day (Anderson, 2018). Using fashion magazines, newspaper articles and event sponsorships for traditional levers. For digital levers we use podcast, social networking, Search engine optimization, email marketing and customers review.

1.9 Product Price and Channel of Distribution

As a business that plays in a highly competitive market accompanied with rapid growth of the market, demands the marketing department to understand the marketing fundamentals of 7p's (Hanlon, 2020). This 7p's later will determine whether both internal and external marketing that was conducted by the marketer are symmetrical to the marketing strategies. All of the p's should be related. There are two channels of distribution that suit our strategic objectives. Direct sales where there are no intermediaries, Retailers is the third party that helps us speed things up in terms of expanding the brand into the national wide scale.