

EXECUTIVE SUMMARY

With the spike of the number of births that will happen in 2021, the prevalence for allergy disease in children is also increasing. Data from Food Allergy Research and Education from website hellosehat.com (2020), shows prevalence that 1 out of 13 children has an allergy to at least one kind of food. In Indonesia, allergic cases increase to 30% per year. Based on data from The Association of Data Center of The Indonesian Hospital (2007), food allergy often occurs in children. The younger the child's age, the more vulnerable the children are to allergy. This is also supported by data from IDAI's pediatrician Dr. Media Tanakusumah, Sp.A, says that in the first year of life, 6% of children below 3 years old are often suffering from food allergy.

Based on interviews we conducted with a number of mothers in the Greater Jakarta area in September 2020, it was shown that mothers who have children with allergies to certain foods (cow's milk and its derivatives, eggs, flour, nuts and seafood) feel tortured because they have to do a lot of trial and error. error when giving complementary feeding (MPASI) to their children. In addition, mothers also find it difficult to find commercial complementary foods on the market with ingredients that do not contain allergens. To avoid recurrence of allergies in children, mothers tend to avoid foods that can trigger allergies. Therefore, the food menu for allergic children is also limited. With this, it is feared that the child will quickly get bored and not want to eat. In addition, based on data, it is stated that the number of demand and supply has a gap of 1.561.920 units in one year that has not been fulfilled so that there is business potential that we can take advantage of. Therefore we are here to provide solutions to mothers through BUBBA, namely instant baby porridge for children aged 6 - 24 months which aims to minimize the risk of food allergies in babies.

Therefore, the generic strategy used is differentiation focus considering that the target market for BUBBA are mothers with allergic children where BUBBA offers the value of freshness, allergy friendly and real food. The value mentioned may increase the competitive advantage for BUBBA. In addition, from the prospective buyers side that we have surveyed has stated that they are more interested in purchasing baby food with organic ingredients, does not contain ingredients that may trigger allergies, preservatives and easy to consume. Therefore, this business has potential that can be accepted by consumers. With BUBBA, consumers will acknowledge that ingredients used are organic ingredients, and do not contain ingredients that may trigger allergies nor preservatives thus it is safe to be consumed.

In addition to solving problems, the value offered by BUBBA is freshness, allergy friendly and real food. It can also increase the competitive advantage of BUBBA products. In addition, from the perspective of potential consumers we surveyed, they stated that they are more interested in buying baby food products that use organic ingredients, do not contain ingredients that can trigger allergies, do not contain artificial preservatives and are also easy to consume. So this business has the potential to be accepted by consumers. With BUBBA, consumers can clearly know that the ingredients used are organic, do not contain allergy-triggering ingredients and are also without artificial preservatives, so this product is safe for consumption.

*The size of the business potential if executed, there is a potential sales revenue of **Rp19,316,816,579** in the first year and BUBBA has projected a sales growth of at least 30% annually. This potential income can be obtained only by investing Rp 7,500,000,000, which is invested once every five years. The amount of dividends to be distributed according to the policy is a Dividend Payout Ratio of 0.5. The dividend will be distributed after BUBBA has passed the payback period, which is 3 years and 1 month. So that the distribution of dividends will begin in year 4. Dividend Payout Ratio of 0.5 is determined on the basis of consideration of the shareholders, and dividends are distributed after the payback period because the owners want to prioritize the company for a return on investment if it gets a direct cash return to the owners.*

With the NPV value generated by BUBBA for the current five years, namely Rp20,994,309,956 , the Payback period is 3 years and 1 month, the IRR is 61%, the profitability index is 2.80. Thus stating that this company has a high profit opportunity with BUBBA products that are needed by potential customers, and are feasible to run.