

Natural Stones Ornament

The biggest problem that occurs in this industry is the difference in the results obtained after installation compared with the picture. This resulted in the downgrading of the reputation of the consultants, apart from the suppliers. Therefore, these consultants will always look for new material suppliers to maintain the quality of the services they provide. That aims to anticipate there are suppliers whose quality has decreased the consultants already have other alternatives. In addition to, as a risk mitigation, supplier of these consultants also require more suppliers to get a variety of choices in creating to satisfy consumers in designing their homes.

From Euromonitor, the demand of natural stone industry in Indonesia is growing at 7% per year. The growth is projected up to 2020. The market for this industry has not reached the oligopoly market and there is a 1.3% gap between demand and supply in 2015.

According to a report by a Singapore Human Resources Consultant; Willis Towers Watson (WTW), Indonesia is in the top five in the growth of wage allocation in 2017, at 9 percent. It supports an increase in income that improves people's living standards, thereby impacting the increasing number of upper middle class. Based on the projection of Boston Consulting Group (BCG), there is a middle-class growth of 64% (in 2012 amounted to 41.6 million and 2020 totaling 68.2 million people). World Bank Data shows that by the year 2030, the number of middle class is estimated to be bounced to 141 million people (in 2012 amounted to 41.6 million and 2020 around 68.2 million people). The property market value in 2017 is estimated to increase around 15% to around Rp 318 trillion with the occupancy segment still the main focus. The growth of luxury homes in Jakarta reached 38% according to research from property consultant, Knight Frank, and this growth ranked 5th in the world. Meanwhile, for home improvement, from Euromonitor 2015 data, Indonesia has an industry growth rate of 7% per year.

Panca Gemilang Perkasa (PGP) comes as the solution. PGP is a company that offer natural stones ornament for home decoration. It can be used as wall and

floor. The ornament product called 'Corale'. Corale is a natural stone ornament that prioritizes aesthetic value. This product is shaped precast with a size of 1m X 1m. The European-themed Victorian design will be the hallmark of the company. Corale design can be tailored to customer's wishes. Corale also provides quality conformity service from the images and installation results in the field.

The upper middle class has practically reached a psychological and security level, so their psychological-needs begin to seek ownership, respect, and self-actualization. This has an impact on the growth of the decorative property industry, which houses no longer only serve as a shelter, but also has more value to the aesthetic that gives comfort, more sense of ownership, appreciation, and self-actualization. This is supported by interviews with 12 contractors and consultants who said that for the building ornament industry there will be no death and continue to grow.

PGP potential market are contractors in Jabodetabek (Jakarta, Bogor, Depok, Tangerang, Bekasi). Our business market is business to business. The business will stand by 55% equity from the founders and 45% equity from angel investor for the optimum financial leverage. Whereas the NPV is Rp 16,929 billions in 5 years. To start this business, we need Rp 29 billion as the capital.