

## EXECUTIVE SUMMARY

In recent years, non-contagious diseases, such as gastritis and diseases of the cardiovascular system, tends to increase in big cities of Indonesia which linked to urban lifestyle. On the other side, there is an overall rise in health awareness among Indonesian population, especially people who lives in urban areas such as Jakarta. This awareness leads to healthier lifestyle, growing interest in more regular exercise and more consumption of health related products, for example vitamins and dietary supplements, and other healthcare products.

The increase in disposable income due to strong economic growth in Indonesia has facilitated better purchasing power enabling consumption of consumer health products among Indonesians, including healthy drinks which offer product perceived benefits. Healthy drinks such as probiotic drinks are believed to be able to improve digestion. In line with the expected growing health awareness, especially for urban consumers from the middle to upper-income groups, Euromonitor (January 2012) forecasted that drinking yoghurt (in which probiotic drinking yoghurt. i.e. Yakult, is in this category), is expected to have a strong constant CAGR of 7% until the year of 2016.

PT Kefir Prima Indonesia produces KefirQ, which is a fermented liquid (milk or water) drink, made with kefir grains which contained of 10 live cultures (friendly bacteria) that have beneficial effect for better digestion. PT Kefir Prima Indonesia was established with initial capital amounting to Rp. 2.3 billion from the founders and Rp. 2.5 billion from the investors.

Cost focus is the Company's generic strategy, because the Company intends to target specific segment (niche market), which are white collar employees and middle to upper-income groups with age 25 – 54 years, who has interest in healthy lifestyle. It followed by production cost efficiency without omitting the production quality.

During the first three years, the distribution strategy is providing subscription delivery services to offices specifically in Golden Triangle area, and upper class residences (Pondok Indah and Kelapa Gading). Entering to the fourth year, the Company plan to distribute KefirQ through specialty store. In the fifth year, the Company plan to open outlets in several shopping malls in Jakarta.

PT Kefir Prima Indonesia chooses the production location near to the suppliers in order to ensure good quality of the raw materials (pasteurises milk and fruits). Cost of goods sold are maintained less than 40% every year.

The Company's values are quality, customer satisfaction, honest and responsible, competence and respect for people. Those values are implemented through 4S (*Senyum, Salam, Sapa and Sopan*). By having the same perception of the company's value among employees, supported with consultative leadership, the Company would be able to achieve its goal. Based on financial feasibility studies, business plan is feasible considering the business plan has positive NPV (Rp.2,415 billion), IRR of 15% and the Discounted Payback Period less than 5 years.

