

EXECUTIVE SUMMARY

In 2010, there were about 7.6 million Indonesian children under the age of 5 (five) who suffered from malnutrition. One of the important factors in maintaining the nutritional level of children is adequate consumption and high quality of milk. Milk is nutritious food or drink that contains lots of minerals and protein. A person needs for protein and calcium about 25-44% per day, it can be fulfilled by consuming 2 cups of milk everyday. Problems, it is rare to find an affordable price of high quality milk which can be bought by all the Indonesian people in fact, and the milk consumption growth can not be fulfilled by domestic production.

PT. Sumber Nutrisi Indonesia (SNI) is established to face these business challenges by building a plan to produce milk in granular form; it is practical and has very reasonable price for people, particularly the middle and lower economic classes. The production will be in the form of sachet for one time drinking and will be intended for children of 3-6 years old. The main consideration to select the sachet's packaging is because of high product durability, practically consumed just dissolve it in water or without water, hygiene and easy to distribute.

The generic strategy used by PT.SNI to gain Overall Cost Leadership. This strategy is applied its competitive advantage by offering a low cost production in the wide range market target. PT. SNI will adopt offensive strategy as it has very potential milk market demand its target reaches 1% market share for children in the first year and increase the market share by 20% each year.

The financial analysis shows that the business is very promising for most likely scenario with the NPV of Rp 102 billion, 57% IRR and discounted payback period of 3 years 2 months.