

EXECUTIVE SUMMARY

Recently Indonesian government faces major constraints such as the imbalance between the demand of LPG with the amount that can be supplied. The lack of supply and the lack of LPG distribution made LPG to become a rare and expensive commodity for middle-above society. Biogas can be used as a substitute for LPG that is safer and more affordable.

PT. Advance Clean Energy Solution (ACES) is a company in Indonesia which has business in the biogas reactor industry and prioritize in environmentally friendly alternative energy. PT. ACES produces, sells and distributes the biogas reactor that is made from fiberglass. Biogas reactor is sold in local cattle farmers in West Java. Competition strategy that is used by PT. ACES is Cost Leadership that relies on more benefit advantages than those are given by its competitors. This advantage is the competitive price with longer usage life.

PT. ACES will make a relationship with cooperation ("koperasi") that will help company to distribute its products. The role of cooperation ("koperasi") here is not as a part of PT ACES, but as the exclusive trading partner company based on their operational areas. With this collaboration, cattle farmers can obtain product information about biogas reactors of PT. ACES more easily. Meanwhile, farm areas which are beyond a reach of memberships of cooperation ("koperasi"), the buying process can be done directly to PT ACES or through cooperation ("koperasi") units that are located nearby.