III.   MARKET ANALYSIS

Market analysis is a very important and essential step to further understand about the market. It analyses which part of the group or organization in the market that the company targets.

III.1. Market Segmentation

Based on Kotler's theory on market segmentation is a process of dividing the market into a group of similar interest and needs. The market segmentation varies into demographic, geographic, psychographic and behavioural. Below are the explanation of each variables:

1. Demographic

    Demographic segmentation divides the market into group of gender, age, income, occupation, education, nationality and etc. The variables used are adjusted to the company's needs.

2. Geographic

    Geographic segmentation divides the market based on geographical units. For example cities, countries and etc.

3. Psychographic

    Psychographic segmentation divides the market based on their personality, lifestyle or values.

4. Behavioural

    Behavioural segmentation divides the market based on the occasion and benefit sought of the product.

Table III.1.1 Customer Segmentation

Demographic	Male & female Age 25 - 45 Higher (income >120 million) (World Bank, n.d., as cited in Deloitte, 2015)
Geographic	Jakarta
Psychographic	Personality Type: People starting or having a healthy lifestyle. Attitudes: Does not consider the price for a healthier life.
Behavioral	Occasion: Habitual purchase in needs of plant-based Benefit sought: Natural ingredients, calcium supply

Source: Primary Data, 2022

III.2. Market Mapping

Market mapping is a process of dividing market that is plotted in a graph to visualize the market based on two variables that suits what the company targets.

Table III.2.1 Market Profile

Name	Name of Profile	Age	Income	Mindset
Fajar Ayu	A	30-40	Mid to High	Open minded person that follows the current trend and technology that have mid to high income.
Clarissa Valencia	B	25	Low to Mid Income	Open minded person that follows the current trend and technology that have low to mid income.
Devin Lesmana	C	25	Mid to High Income	Close minded person that is conservative that have mid to high income.

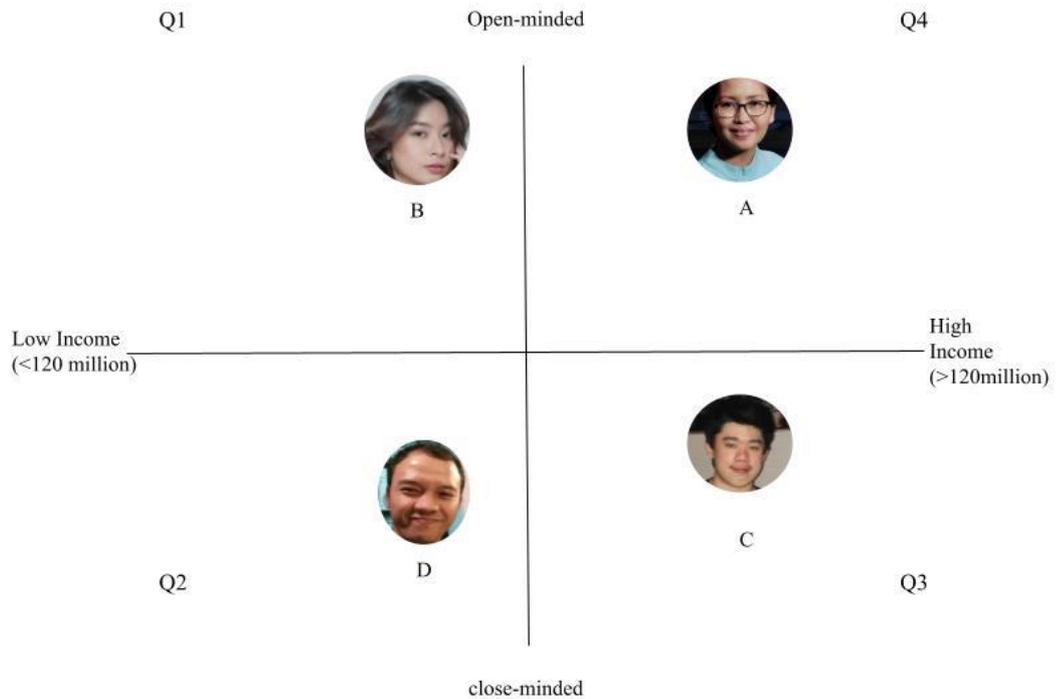| Hanang	D	35-38	Low to Mid Income	Close minded person that is conservative that have low to mid income.

Source: Primary Data, 2022

Figure III.2.1 Market Mapping

We analyse our market position based on concentrate (Y-axis) and price (X-axis). The Y-axis explained about the mindset. Close minded person means the person is conservative while open minded person means that the person follow and is updated about the current trend and technology. The X-axis explained about the income of the market. Low income means that the person has an annual income of under Rp. 120,000,000.00 while high income means that the person has an annual income of more thant Rp. 120,000,000.00.

Our market position is on Q4-Open minded with mid to high income (>Rp. 120,000,000.00). Based on this analysis, we have 4 types of profiles. The first profile in Q1 is a person who is open-minded with low to mid income (<Rp. 120,000,000.00). Then, in Q2 there are people with close-minded and low to mid

income (<Rp. 120,000,000.00). Next, in Q3 there are people who are close-minded too but have a mid to high income (>Rp. 120,000,000.00).

III.3. Competitor Mapping

Competitor mapping is an analysis of other brands that have the same products produced. They are called competitors. The competitors are analysed based two variables that the company targets. Below are the graph that Nuts & Natural uses:
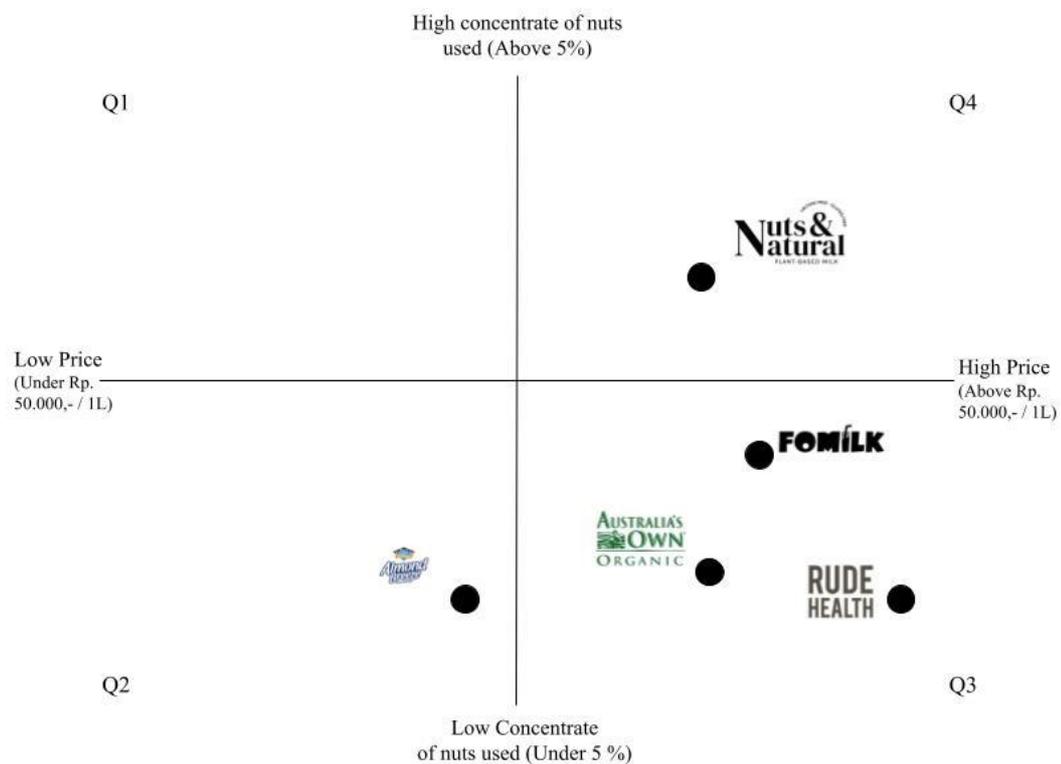

Figure III.3.1 Competitor Mapping

We analyse our competitive position based on concentrate (Y-axis) and price (X-axis). The Y-axis explained about the concentrate of nuts in the milk. Low concentrate means it contains less than 5% of nuts while high concentrate contains more than 5% of nuts. The X-axis explained about the price of the product. Low price means the product costs under Rp. 50,000.00 in the market while high price means the product costs higher than Rp. 50,000.00 in the market.

Our position in the market is on Q4-High concentrate of nuts with High price. Based on this analysis, we don't have direct competitors. Our competitors on

Q3 are Fomilk, Rude Health and Australia's Own Organic with low concentrate under 5% and high price above 50.000 / 1L . Also, our competitors on Q2 have similar products with low concentrate under 5% but have a low price under 50.000 / 1L. Our unique selling point that differentiates us from these competition is that we offer hazelnut milk with a high concentrate (7.1%) with a low price (Rp 64.900 / 1L).

III.4. Positioning

Nuts & Natural has the slogan "Natural, Economical, Healthier life". Our slogan represents every aspect of our brand where we provide plant-based products made from hazelnuts and other natural ingredients that are certainly very healthy. In addition, our products also have affordable prices compared to our competitors.

III.5. Benchmarking

Benchmarking is a process of measuring our company with other competitors. It analyses the competitive advantages and disadvantages of the brand. This allow us to determine the position of the company. Nuts & Natural competes with a more affordable price in the marketplace and it contains more hazelnut (7,1%) than other brands.

Table III.5.1 Benchmarking

Brands	Nuts & Natural	Fo Milk	Rude Health	Australia's Own Organic	Almond Breeze
Ingredients	Hazelnuts 7,1%	Hazelnuts 4% (Fomilk, 2020)	Hazelnuts 2% (Rude Health, 2019)	Almond 2.4% (Australia's Own, 2016)	Almond 2% (Almond Breeze, 2020)

Price/L *prices from supermarket The Food Hall.	Rp 64.999.00	Rp. 67.900.00	Rp 107.000.00	Rp 47.900.00	Rp 49.800.00
Advantages	-Higher hazelnut content.	- Prevent separation because it contains "Gellan Gum".	- Contains other organic ingredients.	- Contains other organic ingredients. - Have some higher nutrients such as calcium and protein. - Cheaper price.	- Many choices of flavours.
Disadvantages	- Short durability.	- Higher price. - Less hazelnut content.	- Higher price. - Less hazelnut content.	- Less almond content.	- Not 100% natural because it uses flavouring powders such as chocolate and latte.

Source: Primary Data, 2022. Fomilk, 2020. Rude Health, 2019. Australia's Own, 2016. Almond Breeze, 2020.

III.6.   SWOT Analysis

The SWOT analysis is an analysis of the company's product from its strength, weakness, opportunities and threat. SWOT analysis examines the internal and external factors that affect the business. Below are the explanation of each variables:

1. Strength

   Several things that the company is particularly good at and it emphasizes our company.

2. Weakness

   Several things that the company still need to improve.

3. Opportunity

   Several things that are chances that arise from the situation outside the company that can benefit the company.

4. Threat

   Several things that can negatively affect the company from outside.

Below are the SWOT analysis of our company:

Table III.6.1 SWOT Analysis

	Strengths	Weaknesses
	1. Animal cruelty free: we use products derived from plants. 2. Lower price compared to competitor: based on our survey, our products have the lowest prices with the highest concentrates of nuts.	1. Unknown brand: our brand is relatively new in entering the industry so it is not yet known by the public. 2. Made by pre-order: Our milk

	3. Natural ingredients: we use natural ingredients consisting of nuts, water and natural honey. 4. Higher hazelnut content: compared to other competitors, we have the highest hazelnut content of 7.1%. 5. Preservative free: Our products are natural as we don't use any preservatives	is produced based on orders and will be sent 1 day after ordering. Therefore, our products aren't ready stock. 3. Short durability: Our milk only last 3-5 days.
Opportunities 1. Very little competitors, both local & international: based on our survey, we have very few competitors that produce hazelnut milk. 2. Healthy living culture is popular: due to the pandemic, many people	Opportunity-Strength Strategies - High demand (S3, O1, O2,O3) - Highly nutritious product (S4, O2)	Opportunity-Weakness Strategies - Selling products in supermarkets (W1, O3)

have changed their lifestyle to be healthier. 3. Not widely available in supermarkets: based on the survey, only big supermarkets that provide imported products as most hazelnut milk brands are imported.		
Threats 1. Easy to duplicate: The production process of hazelnut milk is relatively easy. Therefore, the business plan might be easy as well to be duplicated.	Threat-Strength Strategies - Highlight and advertise about "contains more hazelnuts" (S4, T2)	Threat-Weakness Strategies - Introducing the newest healthy product using hazelnut (W1, T3)

2. Various substitution products: Many other milk substitutes can replace hazelnut milk, such as almond milk.		

Source: Primary Data, 2022