



2nd International Conference on Multidisciplinary Academic Research
(ICMAR-2019), Bali, Indonesia
ISBN: 978-0-6482404-5-7
Asia Pacific Institute of Advanced Research (APIAR)
www.apiar.org.au

PROPOSED VALUE ADDED AND MARKETING STRATEGY FOR INDONESIAN SPECIALTY COFFEE

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Abstract

Nowadays, Indonesia is the number 4 coffee producing country in the world and the second largest exporter of Arabica specialty coffee in the world. However, the level of coffee consumption in Indonesia is still low at 1.34 kg per capita, and Indonesian specialty coffee consumption in Indonesia is still 1% of national coffee consumption. Then, external analysis and internal analysis are conducted to find the root cause of this problem so that it can increase specialty coffee sales in Indonesia. The root causes of the low consumption of Indonesian specialty coffee are the lack of value proposition, limit number of promotions, limit number of marketplaces, lack of packaging design, and lack of collaboration also the extreme weather. This research only focuses on the marketing area. Therefore, the author proposes value proposition in the form of healthy value and marketing mix strategy that follow top nine marketing trends in 2019 which includes creates colorful and interesting packaging, put 'healthy' label, 'love your love' campaign, and 'halal' logo on its packaging, millennial engagement, micro influencer, gamification, instant gratification, and co-marketing as promotion strategy, also omnichannel as place strategy. Besides that, the author proposes to improve the business ecosystem, so that enhances the collaboration.

Keywords: Indonesian Specialty Coffee, Value Proposition, and Marketing Mix Strategy.
