

Strategy of PT. Indofood Sukses Makmur Makes Indomie as a Brand Market Leader in Indonesia

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Abstract:- This journal analyzes Indomie's strategy as a brand market in Indonesia. The development of instant noodle production in Indonesia shows a positive increase in quantity. This shows a good prospect for the instant noodle industry in Indonesia. PT. Indofood Sukses Makmur makes Indomie quality and customer satisfaction for planning carried out by the company. Therefore the desires and needs of consumers must be considered by producers because these needs will always change. The development of instant noodle products has been considered as fast food and even as a staple food, causing higher levels of competition in the instant noodle industry.

Keywords:- Strategy, Indomie, Quality and Satisfaction.

I. INTRODUCTION

➤ Background

Indomie is a brand of instant noodle products that are very popular in Indonesia. Indomie is produced by PT. Indofood CBP Sukses Makmur. The most successful product from Sudono Salim's company was launched first introduced in Indonesia in 1972 as an affordable instant noodle, and easy presentation with many flavors. This makes indomie grow along with the growth of public acceptance of instant noodles.

The first Indomie product introduced was Indomie Kuah Rasa Chicken Broth which at that time was in accordance with the taste of the Indonesian people. Then in 1982, Indomie's product sales experienced a very significant increase with the launch of the Indomie Kuah Rasa Ayam Curry variant. After a year, Indofood introduced its products in Indonesia with Indomie Goreng. Now, Indomie has been a pioneer in the innovation of instant noodle products in Indonesia for more than four decades, and remains popular with the public.

Besides being marketed in Indonesia, Indomie is also widely marketed overseas, including in the United States, Australia, various Asian and African countries and European countries, which makes Indomie one of the few Indonesian original products capable of forging international markets. . In Indonesia, the term "Indomie" is commonly used as a generic term that refers to instant noodles.

The economical price of Indomie and its taste that has been adapted to Indonesian tastes make this instant noodle product very popular with the community. In fact, it is not uncommon for Indonesian citizens to travel abroad to bring Indomie to overcome the problem of the availability of practical food and according to Indonesian tastes. The practicality of its presentation and the ease of distribution make Indomie the mainstay of Indonesian citizens in the event of a natural disaster tragedy to overcome the problem of limited and scarcity of food in the location immediately.

Indomie is claimed as a healthy and nutritious food by its producers, this instant noodle product is called having various nutritional content such as energy, protein, niacin, folic acid, pantothenic acid, iron, sodium and various vitamins such as vitamins A, C, B1, B6, and B12.

Thus, it is interesting to study how Indofood's strategy makes indomie a brand market leader in Indonesia.

II. LITERATURE REVIEW

A. Understanding Strategy

There are several kinds of understanding strategies from experts. According to Marrus (2016) in the Journal of Strategy Management, Strategy is defined as a process of determining the plans of top leaders who focus on the long-term goals of the organization, accompanied by the preparation of a way or effort to achieve these goals.

According to Coulter in the book Mudrajad Kuncoro, Ph.D. (2002: 7), Strategy is a number of decisions and actions aimed at achieving goals and adjusting organizational resources with the opportunities and challenges faced in its industrial environment.

Strategy is very important to determine the success of the organization, so this is the reason why learning strategies becomes very useful and promising. Thus, some of the main characteristics of the strategy are:

- Goal-directed action is an activity that shows "what" the organization wants and "how" to implement it.
- Consider all internal strengths (resources and capabilities), and pay attention to opportunities and challenges.

B. Marketing Strategy

According to Chandra (2002: 93), marketing strategy is a plan that describes the company's expectations of the impact of various activities or marketing programs on the demand for products or product lines in certain target markets. The marketing program includes marketing actions that can affect demand for products, including in terms of changing prices, modifying advertising campaigns, designing special promotions, choosing distribution channel choices, and so on.

Formulating a marketing strategy means implementing a three-step procedure systematically, starting from a market segmentation strategy, a strategy to determine the target market, and a market positioning strategy. These three strategies are key in marketing management:

➤ Market Segmentation Strategy

Market segmentation is the process of dividing markets into different groups of buyers based on needs, characteristics, or behaviors that require their own product mix and marketing mix. Or in other words, market segmentation is the basis for knowing that each market consists of several different segments. According to Setiadi (2003: 55), market segmentation is the process of placing consumers in subgroups in the product market, so that buyers have responses that are almost the same as marketing strategies in positioning companies.

➤ Determination of Target Market Strategies

Namely the selection of the size or extent of the segment according to the ability of a company to enter the segment. Most companies enter a new market by serving a single segment, and if proven successful, they add segments and then expand vertically or horizontally.

According to Umar (2001: 46) in examining the target market must evaluate by examining three factors:

- Segment size and growth
- Structural exploration segment
- Goals and resources

➤ Strategy for Determining Target Markets

Determination of market position (positioning) is a strategy to seize the position in the minds of consumers, so that this strategy involves how to build trust, confidence, and competence for customers.

C. Concept of Marketing Mix (Marketing Mix)

According to Kotler and Armstrong (2004: 78), the marketing mix (marketing mix) is a collection of controlled tactical marketing tools that the company integrates to produce the response it wants in the target market. Marketing management is grouped into four aspects which are often known as marketing mix or marketing mix.

The marketing mix consists of four groups of variables called "four P", for product, price, place, and promotion reviews carried out by PT. Indofood Sukses Makmur Tbk towards Indomie.

III. RESEARCH METHODS

Descriptive research is the method used in this study using a qualitative approach. Techniques for collecting data through activities, such as: data collection, data analysis, and data interpretation.

IV. RESULTS AND DISCUSSION

A. PT Indofood's Marketing Strategy

The marketing strategy carried out by PT Indofood in marketing its products is by using marketing strategy formulation that starts from STP, namely market segmentation (segmentation), strategy for determining target markets (targeting), and market positioning strategies (positioning).

In addition, it also uses the marketing mix which consists of 4 elements, namely product (product), price (price), place (place) and promotion (promotion).

The following is an explanation of the marketing strategy of PT Indofood Sukses Makmur:

B. Marketing Segmentation Strategy (Segmentation)

The first step taken by PT Indofood is market segmentation. The following criteria needed in market segmentation include:

- Geografis : Whole region Indonesia.
- Demografis : Gender
 - (all), Religion
 - (all), job
 - (all), education
 - (no limit),
 - tribe (no limit).
- Psikografis : Life style, consumptive and frugal.
- Perilaku : level of usage high to low, loyalty consumer, purpose.

C. Strategy for Determining Target Markets (Targeting)

In order to increase the company's revenue, adjustments must also be made to the target market so that sales can be targeted at all ages except toddlers.

D. Market Position Strategy (Positioning)

PT Indofood managed to instill in the minds of consumers, namely:

- Indomie is an Indonesian noodle, with a taste of the archipelago from various regions, so that according to the tagline "Indomie Seleraku".

- Instant and practical noodles for consumption, can be served with other side dishes. The following is PT Indofood's marketing mix (marketing mix), consisting of:

➤ *Products*

One Indomie standard pack has a mass of 85 grams, and there are 2 sachets containing 5 spices included, namely: sweet soy sauce, chili sauce, palm oil, flavored powder and fried onions, while also available in a jumbo version with a mass of 120 grams.

Products produced by Indomie are high quality noodles with various variances. There is a fried Indomie, Indomie Soto flavor, Indomie Kari Ayam, and even traditional Indomie flavors such as Cakalang, Soto Betawi and Soto Madura, in addition there are Indomie duo and Indomie goreng Premium.

This shows that Indomie wants to continue to provide quality noodles to its consumers, by continuing to innovate to produce noodle flavors that are in line with consumer tastes.

➤ *Price*

Besides being able to purchase Indomie per pack, it can also be purchased with a 5-pack or 1-card package, containing 30 or 40 ingredients. Indomie prices are also very cheap and affordable for all people.

The following is the Indomie price table per 2013.

Type	Price
Mie instant rasa Ayam Bawang	Rp 1500/pcs
Mie instant rasa Soto Mie	Rp 1500/pcs
Mie goreng Ayam Special	Rp 1550/pcs
Mie rebus rasa Ayam Special	Rp 1500/pcs
Mie rebus rasa Ayam Bawang	Rp 1500/pcs
Mie rebus rasa Kaldu Ayam	Rp 1450/pcs
Mie rebus rasa Kari Ayam	Rp 1500/pcs
Mie goreng rasa Cabe Ijo	Rp 1550/pcs
Mie jumbo goreng Ayam Panggang	Rp 2500/pcs
Mie jumbo goreng Special	Rp 2500/pcs
Mie keriting goreng Special	Rp 3500/pcs
Mie Vegan	Rp 1600/pcs

Table 1:- Price pcs

Type	Price
Mie goreng Ayam Special	Rp 62,000/dus
Mie rebus rasa Ayam Bawang	Rp 60,000/dus
Mie rebus rasa Kari Ayam	Rp 66,000/dus
Mie rebus rasa Kaldu Ayam	Rp 69,000/dus
Mie goreng rasa Cabe Ijo	Rp 65,000/dus
Mie Vegan	Rp 66,000/dus
Mie keriting goreng special	Rp 140,000/dus
Mie goreng Pedas	Rp 65,000/dus
Mie kocok Bandung	Rp 71,000/dus
Mie keriting goreng Ayam Cabe Rawit	Rp 150,000/dus
Mie instant rasa Soto Betawi	Rp 71,000/dus

Table 2:- Price box (40pcs)

➤ *Place*

The number of stock points (warehouses) is increasingly being aggressively propagated since 2005, so as to be able to provide wider penetration through the supply chain and delivery. Indomie products can be easily obtained, ranging from stalls to large supermarkets. The Indofood-agent also collaborates in providing Indomie with stalls like Gemboel (a shop that provides rice + side dishes and instant noodles / fried noodles as the main menu)

➤ *Promotion*

- Tagline : Indomie Seleraku
- Iklan : Billboard, advertisement TV, sponsor acara
- Event : Indomie held the event make a song jingle for high school student, the event title Jingle Dare the held almost every year.

Judging from the product life-cycle aspect, Indomie is currently in a mature, stable position, has a very strong brand equity so that it can survive as the Top of Mind brand of instant noodles.

At this stage Indomie should not be complacent, in the sense that Indomie still has to hold a promotion to remind customers that Indomie is still an exsister, and always continues to innovate for product evaluations and promotion strategies.

E. Results of PT Indofood's Profit Analysis

In 2013 as a whole PT Indofood through its Indonesian products posted a profit of Rp 25.09 trillion. In 2014 it increased by 19.6% to Rp 30.02 trillion. In 2015, the industry experienced a 5.4% increase and created accounting of Rp. 31.74 trillion. In 2016 it increased by 8.6% to Rp 34.47 trillion. And in 2017, there was a 3.6% increase so that it would get a profit of IDR 35.61 trillion.

Year	Profit	Percent
2013	Rp 25,09 T	-
2014	Rp 30,02 T	19,6%
2015	Rp 31,74 T	5,4%
2016	Rp 34,47 T	8,6%
2017	Rp 35,61 T	3,6%

Table 3

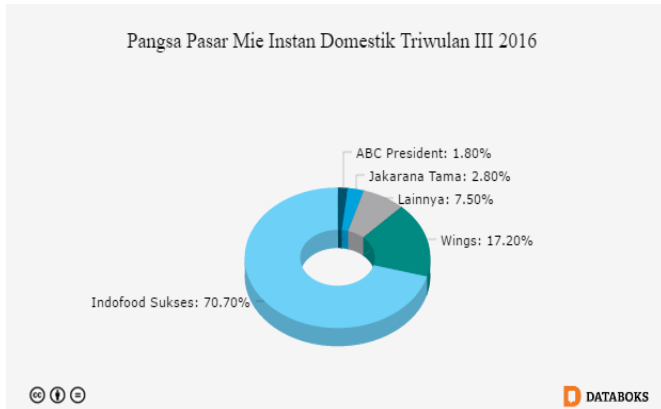


Fig 1:- Donut Chart mie instan at Indonesia

The Donut chart above shows that Indomie controls the instant noodle market in Indonesia by 70.7%.

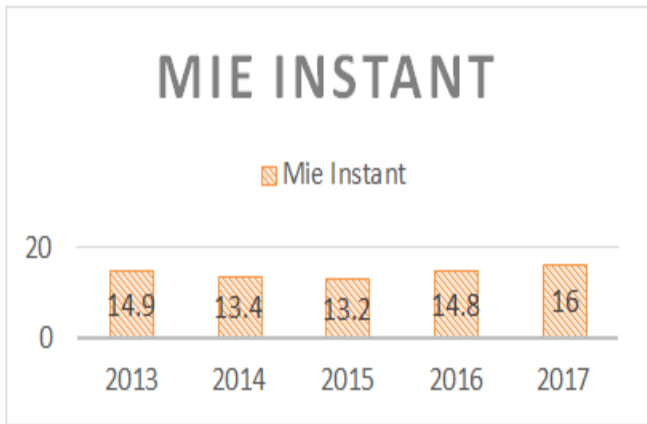


Fig 2:- Grafik Chart mie instan at Indonesia

➤ *In Billion Counts*

The chart above shows the annual consumption of instant noodles in Indonesia in the last 5 years.

If we assume the donut chart data with a chart chart then we can calculate the amount of consumption in Indonesia as follows:

- Year 2013 : 14.9M * 70,7% = 10.5M
- Year 2014 : 13.4M * 70,7% =9.4M
- Year 2015 : 13.2M * 70,7% =9.3M
- Year 2016 : 14.8M * 70,7% =10.4M
- Year 2017 : 16M * 70,7% =11.3M

➤ *Total 50.9M Packs Indomie*

Data from the last 5 years shows that Indomie is consumed by the Indonesian population of 50.9M. So, from all available data, we can interpret that the marketing carried out by PT Indofood on its products is successful because indomie can control the instant noodle market in Indonesia by 70.7% and indomie always increases profits every year in the last 5 years even though 2014 and 2015 decreased, but did not have a significant impact. Thus this makes indomie as Indonesia's brand market leader.

V. CONCLUSIONS

The brand name that has been inherent in the community makes Indomie still the Market Leader of instant noodle products in Indonesia. even though there was very tight competition, both with the Indofood group itself (Sarimi, Supermie, Pop Mie) and wingsfood (Mie Sedap) and other brands, which carried out a very aggressive marketing strategy that should be watched out by Indomie. Various innovations and strategies were carried out to maintain its position as a Brand Market Leader, one of which was the release of the latest Indomie "Indomie Goreng Aceh" product by highlighting the distinctiveness of cuisine and the variety of cultures that exist in Indonesia. Indomie's advantages compared to other products include: a distinctive Nusantara flavor with premium quality, customer equity and a high community commitment to Indomie products.

SUGGESTION

Based on the results of the research and discussion on the conclusions that have been described previously, there are some suggestions that will be given as input for consideration that are expected to be beneficial for the company. The suggestions are:

- Innovative in products The product is always up-to-date and updated (completely renewed) to maintain its strength in the market.
- Innovative in the process The company's internal operations process continues to be improved in order to create quality products and cost savings.
- Innovation in marketing combine management product line with analysis market-identify market potential better and do segmentation by breaking down all market potential into smaller parts (manageable parts) based on demography, geography or psychography.
- Discipline This means that they must always be vigilant that their position is not an eternal position of all time.

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