

# Proposed Marketing Strategy for New Entry Markets in Breast Milk Courier Business (Case Study: Jesika by JNE)

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**Abstract:** Over time, the need for logistics is increasing to meet the needs of the community, one of which is sending breast milk. JNE is one of the providers of breast milk courier services through one of its products called Jesika which picks up breast milk instantly. With the increase in female workers in parts of Indonesia, Jesika plans to clone her business to other cities such as Surabaya and Bandung. The strategy begins by analyzing external and internal conditions through PESTLE, Porter's five forces, competitor analysis, internal analysis through STP analysis, 7Ps, and resource-based view. The marketing strategy will be outlined based on the answer matrix, namely market development and will decrease to SWOT with the outcome tows matrix. Based on the results of the analysis, Jesika already has a good position as a breast milk courier but the lack of effort to promote on social media makes her less well known. This is also a suggestion so that Jesika can promote her services to social media, especially Instagram.

**Keywords:** Breast milk courier, Jesika, logistic, marketing strategy.

## 1. Introduction

As a developing country, the number of labour forces in Indonesia is increasing every year. The population aged 15-65 years is categorized as the labour force. In 2020 the number of labour forces has increased by 2.36 million people (source: Central Bureau of Statistics: 2020). The female labour forces participation rate in Indonesia according to the profile of Indonesian women released by the Ministry of Child and Women's Empowerment is 52 out of 100 female workers, while in big cities it is only 50.57%. Among the workforce there are mothers who should still be actively giving breast milk.

Based on the need for breastfeeding and the working conditions experienced by mothers, attend to breastfeeding services provided by several couriers, including JNE. JNE through the Instant breast milk Pick-up called Jemput Asi Seketika (Jesika) service which has been available since 2013, with the operating area at that time only being in Jakarta, but currently Jesika services can be used by customers from Jabodetabek. Since the service was launched, their coverage is limited to Jakarta, Bogor, Depok, Tangerang, and Bekasi only. Nowadays, along with the economic development in other big

cities in Indonesia, the participation of women workers in the work environment is also increasingly being considered, JNE plans to expand the operational area of their Jesika services to another big city, Surabaya. This is also in line with the motto held by JNE, namely "Connecting Happiness" where JNE believes that by helping working mothers, they can still provide breast milk for their little ones while they continue to work to help their family's economy.

Based on the business issue and data about Jesika by JNE, could be concluded that the problem statement of this research is to enter new market to other big cities like Surabaya.

Based on the condition above, the objective of this paper is to:

1. Analyse internal and external business environments for JNE.
2. Analyse current marketing strategy for Jesika service by JNE.
3. Implementation program for Jesika service entering new market.

## 2. Literature Review

### A. PESTLE Analysis

PESTEL analysis is an external analysis of a business that includes political, economic, sociocultural, technological, ecological, and legal aspects that ruled the business, this also the tools to learn about the business' position and potential events in the future (Gupta, 2013).

### B. Porter's Five Forces

The Porter's Five Forces model is commonly used to develop strategies for many industries. If the intensity of the competition is high and the business is not giving much profit for a firm, means that the business is not attractive. According to Michael Porter, the forces are: Rivalry among competing firms, potential entry of new competitors, potential development of substitute product, bargaining power of supplier, and bargaining power of buyer. (David, 2013).

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### C. Competitor Analysis

The importance of analysing competitor(s) for our business is to take consideration the businesses competition environment and what is hype among competitor. These are will make smoother or even harder to gain marker against targeted market segment. (Roman and Cooper, 2003).

### D. STP Analysis

Buyers are unique, they are differ based on their wants, needs, locations, abilities, buying behavioural. The combination of ways to determine the market structure. The major of market segmentations are: geographic, demographic, psychographic, and behavioural variables. (Kotler and Armstrong, 2010). Meanwhile, the purpose of positioning is to “locate” your product (or service) in customer’s mind. positioning depends on a host of variables, mostly the positioning factor controlled under the marketer. (Keegan, 2000).

### E. VRIO

Valuable, Rare, Inimitable, and Organized to capture the value or we could say VRIO is a framework where the company’s strategy will obtain if the company’s resource has able to fulfil all the VRIO checklists. (Rothaermel, 2017).

### F. Resource-Based View

The resource-based view (RBV) is a way to explore company’s competitive advantage focusing in internal resource. The contend of RBV mainly focused on three big categories; physical resource, human resource, and organizational resource. The underlined preposition of RBV is the combination type, amount, and nature of a company’s internal resources is the main idea in choosing strategies that can lead to competitive advantage, (David, 2011).

### G. Marketing Mix 7p

The basic of strategic elements when it comes to manufactures goods are product, price, place, and promotion or more familiar with the norms of 4Ps. But these aspects can fulfil the needs when a marketer dealing with service business. So that the extend of this marketing mix with adding people, process, and physical evidence or mostly called 7Ps of service marketing. This combination of Ps required to create strategies to meets the customer needs in a competitive marketplace. (Lovelock and Wirtz, 2004).

### H. Value Proposition

Value Proposition Canvas is a business model in which it is stated how a business is created, delivered, and has its own value for all aspects around it. Value proposition canvas will highlight what customers need or want and how the company can provide answers to those needs and or desires. (Osterwalder et al, 2010).

### I. Ansoff Matrix

The Ansoff Matrix or marketing strategy matrix is a 2 x 2 matrix to analyse strategy for business growth and business risk that was introduced by Ansoff Igor in 1957, the dimension of

product and market could be categorized as new or current. (Kotler and Bliemel, 1995).

### J. SWOT Analysis

SWOT analysis consist of strength and weaknesses as internal evaluation base and opportunities and threats as external assessment is use to build strategies insight such as strategic planning and evaluate internal management inside a firm. (Rothaermel, 2019)

### K. TOWS Matrix

TOWS matrix is a tool to develop strategy that emerged from the developed from the internal analysis which are strengths and weaknesses, and also from the external analysis which are opportunities and threats. (Rothaermel, 2017).

## 3. Methodology and Data Collection

### A. Methodology

This research began with learning the problem issue of Jesika, a product by Indonesian logistic company called JNE, after that conducting external and internal analysis for the breast milk courier, especially Jesika. After knowing the external and internal situation, the result or business solution will be derived from the analysis above.

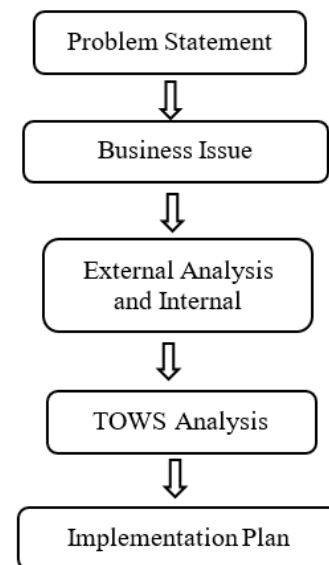


Fig. 1. Methodology

### B. Data collection

This research’s data obtained by qualitative approach which conducting Focus Group Discussion (FGD) with internal management of Jesika, research from the internet and article. The qualitative approach by doing the random questionnaire to the target market.

## 4. Results and Analysis

### A. External Analysis

The overall external business situation is support Jesika service business from the political, the growth of baby, economic growth. Regarding the forces, the breast milk courier

also still a good business to run. The competitor for Jesika also not in big number, but Jesika should face that there are a lot people doesn't know about breast milk courier.

### B. Internal Analysis

Jesika's target market is clear, for working mom who have a baby. Based on resource based-view and VRIO analysis, Jesika stand under JNE's big name so that they already have a good brand reputation and financial capabilities for their resources. The existing marketing mix of Jesika who offer breast milk courier service operated in Jabodetabek area only, and having special range also weekly and monthly subscription.

### C. Ansoff Matrix

Based on the interview conducted Jesika service is planned to widening their operation area to other big cities in Indonesia like Surabaya. Therefore, based on Ansoff Matrix, the best strategy for Jesika is "Market Development Strategy" where JNE will provide breast milk courier service similar with breast milk courier service in Jakarta but in new area.

### D. Value Proposition

#### 1) Value Proposition

- Gain creators:

Mom can do their job in office while still maintain baby's need to get breast milk young mother, breast milk helps young mom to give their baby breast milk but will reduce their problems caused at work because they have to breastfeed their babies and vice versa.

- Product and services

Jesika, Breast milk courier service

Jesika is a breast milk courier that offer breast milk delivery service from the mom at office to their baby at home. JNE realized that nowadays the opportunity for women to go to work especially for office workforce is quite widely open. After giving birth, young mom who still in their paid leave will think how they can still give their baby breast milk but they can go to work after that. There are many formulated powdered milk in the market but, the baby has right to get breast milk exclusively especially in their first six months.

- Pain relievers

Young mom who has occupation in their work place and have responsibility to feed their babies at home will helped. They can pump their breast milk in the office and send them to their baby in short time with breast milk courier.

#### 2) Customer Profile

- Gain

Young mom who needs to feed their babies will helped if they can send their breast milk to their baby that can be done in the middle of time where they in a workplace and they are emotionally will not feel guilty because they can do both role as a worker and as a mom.

- Customer jobs

Feeding their baby with the best nutrition which is breast milk. Direct breast feeding is the best way to feed their baby but if they have occupation in the work places they can pump the breast milk, put it in a bottle and give the breast milk to their

baby from a bottle.

- Pain

Because of their double responsibility to go to work and their role as a young mom, sometimes they forced to change their baby's nutrition from breast milk to the formulated powdered milk that available in the market. This is not recommended to give to baby especially for new born baby one to six months years old.

### E. SWOT and TOWS Analysis

After conduction the analysis for the business environment of breast milk courier, especially Jesika, the SWOT and TOWS matrix is developed.

#### 1) SWOT Analysis

Strengths:

1. Strong brand reputation;
2. Competitive service offered;
3. very affordable price;
4. strong management base;
5. one of breast milk courier pioneer;
6. integrated with other JNE program.

Weaknesses:

1. Low promotion effort
2. Doesn't available in JNE's application
3. Limited order platform

Threats:

1. Threat of formulated milk
2. People's knowledge about breast milk courier
3. New player
4. Day Care

Opportunities:

1. Amount of baby is still increase in Indonesia
2. Government program about giving baby breast milk
3. Small number of competitors
4. Cooperation with third parties

#### 2) TOWS Strategies

SO Strategy:

With JNE's strong reputation, they can easily do cooperation with other parties especially government to support government's program about breastfeeding importance while capturing more customers and do the promotion based on their affordable price. (O1, O2, O4, S1, S3)

WO Strategy:

JNE can add Jesika service to their own application by provide Jesika order via application while promoting Jesika to their existing customer in other JNE's service. With small number of competitors, Jesika also can be a pioneer in breastmilk courier service in app-based (O4, O3, W1, W2, W3)

ST Strategy:

Compared to powdered milk, the tariff that is set by Jesika is still cheaper than buying powdered milk special for infant. This can be informed to the customers who prefer to give their baby powdered milk. (S2, S4, T1, T3)

Promoting Jesika service through their programs, and creating the entry barrier for breastmilk courier by educating the potential customer about their competitive advantage so that competitor will struggle to overcome Jesika's existence. (S1,

S2, S3, S4, S5, S6, T2)

*WT Strategy:*

Creating Instagram account to reach bigger customer Jesika also can educate the customer about breastfeeding through the platform and instagram account that persuade working mom to give best nutrition to their babies without disturbing their working activities. (W1, W2, W3, T1, T3)

*F. Implementation Plan and Timeline*

• *Implementation Programs:*

The implementation program, especially marketing strategies for new market entrance is by social media. Based on questionnaire result, they prefer looking information by searching on Instagram. The target market will remain the same because the service offered is focused on the young mom. By creating the Instagram account, they can do give away and held online seminars too. The other promotion program like giving merchandise, seminars, and promoting among JNE’s existing customer via JLC loyalty member.

• *Implementation Timeline:*

Table 1  
Implementation Timeline

Program	August				September				October				November				December			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
<b>Operation</b>																				
Choosing for the best starting point in other cities																				
Procurement of vehicle																				
Procurement of daily operation supplies																				
Courier hiring																				
<b>Marketing</b>																				
Creating instagram																				
Posting on social media																				
Cooperate with third parties to held events																				
Held online seminars																				

**5. Conclusion**

This paper presented a study on marketing strategy for new entry markets in breast milk courier business.

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