Proposed Marketing Strategies to Increase Sales of Kira Almond

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ABSTRACT: In the last five years Indonesia has experienced an increase in gross domestic gross which has a direct impact on increasing public consumption. However, in 2020 there was a change in the consumption patterns of Indonesian people towards food and beverages consumed due to the COVID-19 pandemic. People began to change their consumption patterns to a healthy lifestyle by consuming more nutritious foods and drinks. A noticeable change is the pattern of milk consumption which has changed to plant-based milk. Kira Almond is an MSME company that runs in the field of food and beverages which was founded in 2018. Kira Almond Milk was created to help people who are lactose intolerant, pregnant and lactating mothers, and to support people with a healthy lifestyle. However, during the COVID-19 pandemic Kira experienced sales that tended to stagnate and decline because it could not market its products optimally. This study aims to identify factors that affect brand awareness of Kira Almond and formulate strategies to increase sales of Kira Almond. The method used for data collection is quantitative method and descriptive statistics. Data was obtained from interviews with the owner of Kira Almond, questionnaires distributed to 204 respondents, and literature studies. The use of internal analysis tools such as 4P marketing mix, VRIO, and STP as well as external analysis tools such as Porter's Power Analysis, PESTEL analysis, competitor analysis, and consumer analysis followed by SWOT and QSPM analysis were conducted to determine the optimal strategy to increase brand awareness and purchase intention of Kira Almond.

Based on the results of the study, Kira Almond can increase promotional activities and placement to increase the company's brand awareness which will have a direct impact on consumer purchase intentions. In addition, based on the results of the analysis, five alternative strategies are obtained and the preferred strategy is to invest in promotional activities and channels such as social media advertising, partnerships with influencers, or events to increase brand awareness or equal to the W-T2 strategy.

KEYWORDS: Almond milk, Brand awareness, Marketing strategy, Purchase intention.

INTRODUCTION

Indonesia's Gross Domestic Product (GDP) per capita over the last five years has increased by an average of 4.02% per year. The improving trend of economic growth in Indonesia can have implications for increasing the income, consumption and purchasing power of the Indonesian people. This is reflected in the increase in food and beverage consumption growth of the Indonesian population. The increase in Indonesian consumption from year to year is 6.16% since 2017. This increase in Indonesian consumption is utilized by food and beverage producers to expand their business. Additionally, the protracted epidemic has altered consumer behavior and dining trends in the food and beverage sector. Due to the pandemic's effects, lifestyle changes in metropolitan areas, followed by partial lockdown in various locations, most individuals in Indonesia are spending more time at home and paying more for food deliveries. The advantages of ordering meals online during a pandemic were supplied by the internet itself. According to Statista [1] in 2020, there were 19.1 million consumers in Indonesia using the platform for online meal delivery. This indicates that there was a surge of change in consumer behavior in food delivery platform users during the COVID - 19 pandemic lockdown.

The ease of access between customers and food delivery services has led to the emergence of numerous new food and beverage firms, who are battling the established players and working to close the food and beverage market's gap. Healthy food is one of the food and beverage industries that is growing. Indonesians are more conscious of the significance of eating healthy food as a component of a healthy lifestyle and preventing long-term medical disorders as a result of the pandemic situation we have been in since early 2020. Plant-based milk, also referred to as non-dairy or alternative milk, is a variety of beverages made from plants instead of animals. Plant-based milk has become a popular alternative for vegans and vegetarians as demand for plant-based products has increased. Nuts, grains, legumes, seeds, and even vegetables can make plant-based milk. Almond, soy, oat, coconut, rice, and hemp milk are popular plant-based milks. Each variety of plant-based milk has its own taste, texture, and nutritional profile, giving consumers several choices to suit their tastes and diets. Plant-based milk is ideal for vegans and lactose-intolerant people. Lactose-intolerant people can

digest plant-based milk since it lacks lactose. For vegans, it has no animal ingredients. Plant-based milk could still provide the nutrition that people needed if being consumed [2].

Plant-based milk is popular for its nutritional and environmental benefits. Plant-based milk requires less land, water, and energy than conventional dairy farming. Many people choose plant-based milk to lessen their environmental impact. Furthermore, plant-based milk can be used as a substitute for cow's milk in a variety of food and beverage recipes, such as smoothies, cakes, and sauce. Plant-based milk, in addition to having a delicious and unique taste, has some health benefits, such as containing less calories and saturated fat than cow's milk. As a result, an increasing number of people are substituting plant-based milk for cow's milk in their daily lives. Many Indonesians have started to consume plant-based beverages. This is shown by a data conducted by Statista [1] which shows that 59% of lactose free diet consumers live in large cities in Indonesia. In Indonesia, 56% of consumers of plant-based food and beverages do so because they are concerned with their physical well-being. This encourages many of them to consume more nutritious foods and beverages for their daily needs. This study will use one of the subject as a study case to provide a clearer picture of the plant-based milk industry. This small company, Kira Almond, is one of the players in the plant-based milk market in Indonesia and is based in Bandung City. The following chapter will explain the company's further description.

BUSINESS ISSUE

Kira Almond has been producing almond milk since 2018. Their almond milk products are quite popular among pregnant and breastfeeding mothers. Kira often markets its products and also distributes free samples to visitors at bazaars or health education seminars. Kira also worked with several cafes around the Bandung area. When the pandemic emerged in Indonesia, Kira Almond sales had experienced a considerable increase during Eid because many consumers made Kira Almond as an Eid parcel. However, this did not last long because Kira's sales dropped slowly but significantly. Therefore, Kira Almond is trying to rebrand its brand by diversifying their products by making almond milk powder. even so, Kira has not been able to reach their sales target again because there has been a market loss during the pandemic.

Kira Almond could determine which holistic marketing plan will best drive customer trial, recall, and devotion to the unique product, enhance product awareness and sales, acquire consumers, and extend the audience. As a food and beverage business, especially healthy beverage, has grown rapidly in recent years, Kira Almond should consider how to achieve and keep a competitive edge. Not just from a big worldwide brand in Indonesia but also from small businesses and local entrants. Many players are growing brand awareness, product innovation, and competitive pricing. Based on this business challenge, Kira Almond should have an ultimate marketing strategy to compete with competitors and stand out by growing brand awareness and purchase intention to achieve sales and market share.

METHODOLOGY

The research approach used is applied research. The goal of applied research is to adapt research results to a specific problem that an organization or industry is facing [3]. This type of study will also help the firm make more effective and cautious decisions while dealing with the company's difficulties. This study collected data using interview techniques with the owner and CEO of Kira Almond in order to get up to date and accurate information about the company. After that, the author distributed questionnaires to respondents using online platforms. The survey delivered to 204 respondents for the study sample. The data will be examined and quantitatively assessed using the SMART PLS tool. Smart PLS is a well-known software tool for modeling structural equations using partial least squares (PLS-SEM) [4].

RESULT AND DISCUSSION

A. Validity Analysis

Convergent validity, also known as communality, is quantified by the average variance extracted (AVE) across all items connected to a specific reflectively measured construct [5]. The AVE criterion should be 0.50 or greater. A construct is said to be at this level or higher if it typically explains more than 50% of the variation of its elements.

Table 1. Convergent Validity Result (Author, 2023)

Construct	Average Variance Extracted (AVE)
Attribute Promotion	0.581
Brand Awareness	0.776
Place	0.752
Product Attribute	0.738
Purchase Intention	0.744

Based on the table 4.7, the AVE value of all the constructs are more than 0.50 this indicates that all variables have good convergent validity.

Research and statistical analysis, especially in the field of psychometrics and measurement, use the idea of discriminant validity. It is used to see if two constructs or variables are different from each other and measure different things. The Fornell-Larcker criterion is an alternative and more careful way to judge the discriminant validity of a test. The Square Root of the AVE for each construct should be higher than its highest correlation with any other construct in the model, according to this criterion.

Table 2. Discriminant Validity Result (Author, 2023)

Construct	Attribute Promotion	Brand Awareness	Place	Product Attribute	Purchase Intention
Attribute Promotion	0.762				
Brand Awareness	0.279	0.881			
Place	0.435	0.301	0.867		
Product Attribute	0.181	0.164	0.375	0.859	
Purchase Intention	0.237	0.586	0.252	0.285	0.862

Based on the numbers in the table above, which show that the root of AVE is greater than the correlation value between the latent variables, we can say that all latent variables have good discriminant validity.

B. Reliability Analysis

Higher values for the composite reliability criterion indicate better levels of reliability. In exploratory research, for example, researchers can accept values between 0.60 and 0.70.

Table 3. Composite Reliability Result (Author, 2023)

Construct	Composite Reliability (rho a)
Attribute Promotion	0.806
Brand Awareness	0.912
Place	0.858
Product Attribute	0.849
Purchase Intention	0.897

The composite reliability ρc is 0.806 or higher, significantly above the predicted minimum level of 0.60.

C. Customer Analysis

1) R-Square

The R square number describes how well a research model represents an events; here are the results.

Table 4. R-Square Result (Author, 2023)

Construct	R-square	R-square Adjusted
Brand Awareness	0.120	0.107
Purchase Intention	0.381	0.371

R-square (0.107) meaning that X1 Promotion, X2 Place, and X3 Product Attribute to Y1 Brand Awareness is only capable of explaining 10.7% of the phenomenon. The remaining 89.3% cannot be represented as Brand Awareness is influenced by external factors.

R-square (0.371) meaning that X2 Place, X3 Product Attribute, and Y1 Brand Awareness to Z Purchase Intention is only capable of explaining 37.1% of the phenomenon. The remaining 62.9% cannot be represented as Purchase Intention is influenced by external factors.

2) Path Coefficient

Path coefficients (i.e., b1, b2, and b3), which are the results of regressions of each endogenous latent variable on their direct antecedent constructs, are used to quantify the strength of links between latent variables (Nunan et al., 2020). If the t-Value is higher than 1.96, the relation is considered significant; however, if the t-Value is lower than 1.96, the relation is not considered significant [6].

Table 5. Path Coefficient Result (Author, 2023)

Construct	Original sample (O)	T Statistic	P Values
Attribute Promotion → Brand Awareness	0.181	2.156	0.031
Brand Awareness → Purchase Intention	0.551	9.665	0.000
Place → Brand Awareness	0.201	2.343	0.019
Place → Purchase Intention	0.016	0.222	0.824
Product Attribute → Brand Awareness	0.056	0.798	0.425
Product Attribute → Purchase Intention	0.189	3.038	0.002

Based on the table above, it is clear that the majority of the statistical T values are more than 1.96, implying that the association between latent variables is substantial or has a positive influence. The figure above displays the percentage of respondents who agree that the variable Attribute Promotion and Place has an impact on Brand Awareness. Based on the questionnaire's queries, Brand Awareness and Product Attribute both influence Purchase Intention. As a result, T values less than 1.96 for Place have no effect on Purchase Intention same goes to Product Attribute have no effect on Brand Awareness.

The P value can also be used to determine significance. The condition is significant if the p-value is less than 0.05. According to the table above, four of the six factors show a substantial association or positive influence, with the exception of Place to Purchase Intention and Product Attribute to Brand Awareness.

Table 6. Hypothesis Analysis (Author, 2023)

Hypothesis	Description	Result
H1	Attribute Promotion has a positive influence on Brand Awareness	Accepted
H2	Product Attribute has a positive influence on Brand Awareness	Rejected
H3	Place has a positive influence on Brand Awareness	Accepted
H4	Place has a positive influence on Purchase Intention	Rejected
H5	Product Attribute has a positive influence on Purchase Intention	Accepted
H6	Brand Awareness has a positive influence on Purchase Intention	Accepted

CONCLUSION

Kira Almond is a micro, small, and medium enterprise (MSME) established in 2018 that has experienced a setback in sales due to the COVID - 19 pandemic. The author has identified the factors that affect Kira Almond purchase intention. After analyzing the company's internal and external environments, it is clear that Kira's public brand awareness must be acknowledge by potential customer in order to increase purchase intention. Their product attribute must also be known because its impact directly to purchase intention. Meanwhile Kira's brand awareness is significantly influenced by the place and promotional attributes.

RECOMMENDATION

Kira Almond must increase their purchase intention by integrating promotion attribute, product attribute, and location into their brand awareness. By increasing their promotional activity and product placement online and offline, Kira almond milk will increase its brand recognition among potential buyers. In addition, Kira product will automatically increase the intention to purchase Kira almond milk. Nonetheless, after calculating the relationship between constructs with PLS-SEM, this study discovered that product attributes have no significant effect on brand awareness, and that place has no direct effect on purchase intention.

This study's research is limited because it only examines the marketing aspect of the company and offers no insight into its financial or operational aspects. This study focuses solely on factors that influence the company's brand awareness and purchase intention. If future research is conducted, it can examine the financial and operational aspects of the company in greater depth and analyze the brand equity of the company. In addition, prospective authors can evaluate the effectiveness of the company's implemented marketing strategy.

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