

ENHANCING BUSINESS PERFORMANCE OF CV. BERKAT ANUGERAH MALANG USING ONLINE MARKETING STRATEGIES

Danny N. Gunawan; Ahmad Ihza Nailul F; Nicko Andrianto; Wendy Schoonderbeek

ABSTRACT

CV. Berkat Anugerah is the company focussed on Packaging and Bottling industry. After the identification of the factors concerning the internal and external factors on the company. the repair was undertaken as well as an increase in the company's strategy. the latest strategy is integrated with various concepts in business management. the latest strategy developed at the company's focus to enter international markets especially in the Asian region. Improving Exposure, Adding the Target Markets, and Use Personal Seller On Abroad. the strategy drawn up by various considerations such as a competitive advantage and the risks that may be encountered by the company.

Keywords: *Packaging Industry, Bottling Industry, Business strategic, Export, Nusantara Project, Business expansion.*

1. COMPANY PROFILE

Berkat Anugerah is a manufacture company that produces complete range of lines for packaging and bottling industry. This company was established in 2001. CV Berkat Anugerah keeps innovating in improving filling machine, washing and water treatment. Products Manufactured by Berkat Anugerah are Auto Bottling rotary monoblock, Auto cup sealer, Auto filling gallon, Auto washing gallon, Proses air rasa, and Water treatmen plan. With the expert employee, CV. Berkat Anugerah always up to date in technology. So Berkat Anugerah can fulfill costumer's wants.

Berkat Anugerah Vision

Providing the Best Manufacturing Machines

Berkat Anugerah Mission

Become a Global manufacturing company

Make improvements in services and products to become a better company

CV. Berkat Anugerah Organizational Structure

Andrianto as President Director

Suryono as Head Assembling

Andrianto as Admin and Finance

Sulaiman as Head of engineering and electric

Slamet as turner

Devi as head of warehouse

Address : Jln. Raya karanglo 69 Singosari.

Website : cvberkatanugerah7.com

PIC : Andrianto.

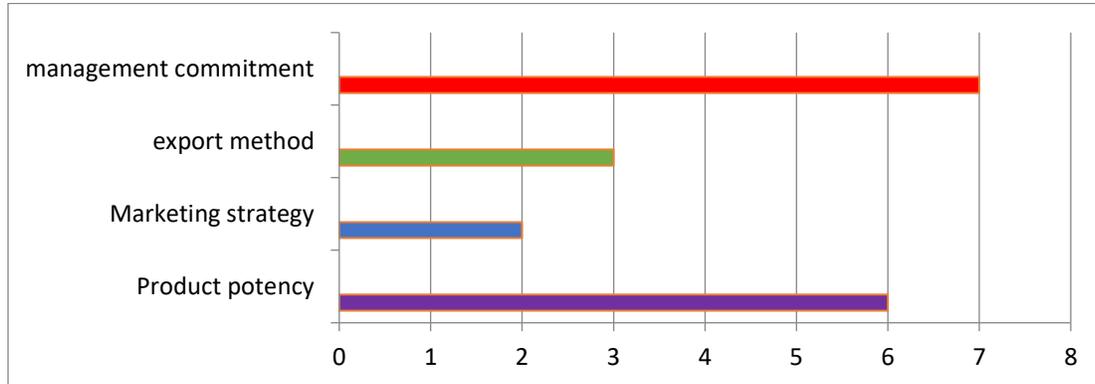
Phone Number : 0816508859

Email : info@cvberkatanugerah7.com

Current Situation

CV. Berkat Anugerah Malang has not fully adapted and still not optimizing the use of online marketing. The use of online marketing is very influential if a company wants to enter the international market. Customer from Indonesia and abroad most certainly search for data online when they want to buy equipment for their company. Besides word of mouth, IT for marketing is very potential to increases the sales for company. This one will be very great for this company.

2. COMPANY READINESS



Tabel 1. Readiness level based on CORE methods (Company Readiness to Export)

2.1 Export Method & Product Potency

This company scored 3 for export method and 6 for Product potency. This is because CV. Berkat Anugerah have expert employees in the manufacture of products. It also can produce custom product, as requested by the costumers. This company also have many client from Indonesia that trust their service and their ability to produce manufacture machines, because of that this company has a big opportunity to enter international market. But unfortunately this company doesn't have any employees who can speak English fluently, so our group give 3 score for this company.

CV. Berkat Anugerah have many customer from another company. Those company need an exclusive machine that is not sold in other places, and it customized by CV. Berkat Anugerah, because of that reason, CV. Berkat Anugerah have their own market and their business is doing very well righ now. It is a good opportunity for CV. Berkat Anugerah to expand their market, from domestic to international market, because CV. Berkat Anugerah can produce an exclusive machine for many company, and nowadays manufacture industry is growing fast, so it a good chance for CV. Berkat Anugerah to enter international market.

2.2 Management Commitment

CV. Berkat Anugerah scored 7 on management commitment because they have a great commitment to enter the international market. The evidenced is by the improvement of company's website in according with what our team have suggested.

2.3 Marketing Strategy

CV. Berkat Anugerah scored 2 for marketing strategy. This company only use online media in promotion, and rarely doing promotion through personal selling. So, CV. Berkat Anugerah need to improve personal selling to face International markets.

3. RECOMMENDED PRODUCT IDEA

3.1 Necessary Modifications

When a product is introduced into the international market, there must be some improvements made to the product. This is because in each country have different standard. Modifications must still be made in order to prepare the entry of goods to the country with a higher product standard than the existing one. Another reason is the development of technology that makes the market want the goods with the best quality that can realizing customer desires.

CV. Berkah Anugerah should make modifications to Auto Filling Gallon products, if planning to enter the Asian market as follows: Based on existing demand data on Go4worldbusiness, the average company from other countries wants Auto Filling Gallon with production capacity 400B / Hour to 1200B / Hour. At production capacity, Auto Filling Gallon CV. Berkah Anugerah can be considered capable to meet the demand of the product. However, it is still too common to attract potential customers, so it would be better to start replacing current stainless steel with better quality stainless steel, for example high quality stainless steel frame (No. Z304) also make the necessary power in the operation of the machine can be more efficient, because most of the existing machine in another country only require 9.75 KW Motor Power for 1200 B / Hours auto filling gallon.

To prepare for future competition, product of CV. Berkah Anugerah should equipped Programmable Logic Controller (PLC) is better known as an electronic circuit that can work on various control functions at complex levels. Although the addition of functions to a product is not easy, but this should indeed be done. So CV Berkah Anugerah has an advantage in competition in the international market.

3.2 Design

With the current product design, it would be difficult for CV. Berkah Anugerah to convince customers from other countries. The current product should make a beautiful appearance and easy operation. In addition to convincing customers to buy many products from CV. Berkah Anugerah, these changes can also increase the economic value of products and make the existing product more attractive to customer.

3.3 Labelling

Based on demand data on Go4worldbusiness only a few companies from other countries who want the ISO/CE certification, but some companies who do import product is not too concerned for a company and imported products have certification ISO/CE. For long-term benefits, CV. Berkah Anugerah should have certification ISO/CE. So CV. Berkah Anugerah can be more trusted to be a Supplier in certain countries.

3.4 Core Product

CV. Berkah Anugerah should focus on Auto Bottling Rotary Monoblock and Auto Filling Gallon. Based on demand on Go4worldbusiness many company want to by Auto Filling Gallon. By prioritizing these two products, CV Berkah Anugerah is expected to perform better and faster product development on products that are currently in demand.

Auto Bottling Rotary Monoblock

Auto Bottling Rotary Monoblock				
Type	:	ABRM 8N	ABRM 16N	ABRM 24N
Capacity	:	3.000 Bottle/H	7.000 Bottle/H	12.000 Bottle/H
Power Supply	:	15Kw	17Kw	19Kw

Auto Filling Gallon

Auto Filling Gallon				
Type	:	AFG 2L	AFG 4L	AFG 6L
Capacity	:	300 Gallon/H	650 Gallon/H	1.000 Gallon/H
Power Supply	:	10Kw	12Kw	14Kw

3.5 Augmented Product

Focusing on core product development does not make company to earn big profits, diversification of a product also needs to be done. One of the successful companies in gaining huge profits from diversification is astra, although known for its vehicle spare parts, it turns out that astra is also opening a business on heavy equipment. Therefore additional products below should also be developed.

Auto Cup Sealer

Auto Cup Sealer				
Type	:	ACS 4L	ACS 4X2L	ACS 16L
Capacity	:	6.000 Cup/H	10.000 Cup/H	20.000 Cup/H
Power Supply	:	6Kw	7.5Kw	16Kw

Auto Washing Gallon

Auto Washing Gallon				
Type	:	AWG 2L	AWG 4L	AWG 6L
Capacity	:	350 Gallon/H	750 Gallon/H	1.100 Gallon/H
Power Supply	:	7.5Kw	10Kw	12.5Kw

Proses Air Rasa (Flavoring water process)

Proses Air Rasa				
Type	:	PAR 500L	PAR 1000L	PAR 2000L
Capacity	:	500 L/H	1000 L/H	2.000 L/H
Power Supply	:	1.5Kw	2.5Kw	3.5Kw

Water Treatment Plan

Water Treatment Plan				
Type	:	WTP 2.500	WTP 5.000	WTP 10.000
Capacity	:	2.500 L/H	5.000 L/H	10.000L/H
Power Supply	:	2Kw	4Kw	6Kw

4. COUNTRY SELECTION

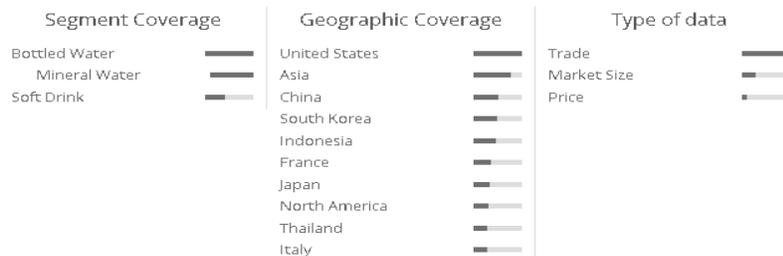


Figure 1. Figure of mineral water statistic. (Source: <https://www.reportlinker.com/d0115503140/Mineral-Water-statistics.html?pos=6>)

From that data above. We can see US is the best who contributed mineral water. And Asia have the second place. even though the US is in the top position, we could not set it as the main target, it is because the distance between Indonesia and US is very far. So, the cost to make the delivery will also be expensive. large shipping costs make it difficult for companies to achieve competitive advantage. So that's the reason why we choose Asia as the primary target.

This is the data which we can get from The Public Health and Safety Organization as **Monday, October 16, 2017** at 12:15 a.m. Eastern Time. This data based on Asian geographical, so this is the specific country which can be targeted for CV. Berkas Anugerah Product.

No	Country	Total Certified Industry Bottle Mineral water
1	China	82
2	Thailand	16
3	Republic of Korea	7

4	Philippines	4
5	Pakistan	3

Table 2. List Number of Certified Industry Bottle Mineral Water (Source: <http://info.nsf.org/Certified/BWPI/Listings.asp?standard=0BWBWNMW&PlantRegion=ASIA&>)

China is the most country which have the most industry bottle mineral water on Asia. But this company can't make china as primary. According to The Balance (2017) "China uses cost leadership. It exports low-cost products at a reasonable quality level. It can do this because its standard of living is lower, so it can pay its workers less. It also fixes the value of its currency, the yuan, at a value lower than the dollar". China has greatest supply chain for everything. That country can production everything, so it is impossible for china to import CV. Berkat Anugerah product that because china has competitive advantage which CV Berkat Anugerah very difficult for rival it. So, the only option is we use Thailand as the primary market target

For medium sized companies that are beginning to enter the international market, choosing one of the most potential countries is the wisest choice. this is because the company's resources are still very limited. This company needs agent in marketing, so that the costs to be incurred by the company can be suppressed as efficiently as possible. This is some company on Thailand which can be targeted for CV Berkat Anugerah

No	Company
1	Bayak Co., Ltd 137 Moo. 7 Tambol Phathai Rin, Amphur Lam Plai Mat Buriram 31130 Thailand 66 44 666 978 Facility : Buriram, Thailand
2	Beer Thai (1991) Public Company Limited 349 Moo 2, Thumbolmaelard Amphurkhlongklung Kamphaengphet 62120 Thailand 66 55 728 400 Facility : Kamphaengphet, Thailand
3	Beer Thip Brewery (1991) Co., Ltd. 68 Moo 2 Thumbol Namtao Amphur Bangban Phanakorn Sri Ayutthaya 13250 Thailand 66 35 289 333 Facility : Phanakorn Sri Ayutthaya, Thailand
4	Boon Rawd Group 999 Samsen Road, Dusit Bangkok 10300 Thailand 66 22 424 003 Facility : Boonrawd Asia Beverage Co., Ltd. - Thailand

Table 3. List of Mineral Water Company on Thailand (Source: <http://info.nsf.org/Certified/BWPI/Listings.asp?standard=0BWBWNMW&PlantRegion=ASIA&>)

According to The Balance (2017) "A country can also create competitive advantage. It's called national competitive advantage or comparative advantage". In 2017, we know about ASEAN Economic Community (AEC), this declaration give us some benefit to penetrate on international market. The elimination of export and import cost thanks to the free trade agreement at the AEC means that the cost to sell a good will be decreased and the seller can reduce the price and we can enjoy cheaper goods (at least the import one of raw material for make the product). The elimination of export and import cost means that it will a lot easier and cheaper for many businesses to export and import their goods to the other countries. and we know Thailand is member of AEC.

That's all the reason why choose Asian (Thailand) as primary target is the best choice. Thailand have many mineral industry, and they not so far from Indonesia. CV. Berkat Anugerah can take advantage of such things to reduce the cost. Start from Thailand while creating track record can make CV Berkat Anugerah have relationship and trusted when trying to enter new market on another country.

5. MARKETING STRATEGY

One of the key elements of a successful marketing strategy is the acknowledgement that make existing and potential customers of company will fall into particular groups or segments, characterized by customer "needs". Identifying these groups and their needs through market research, and then addressing customers more successfully than the competitors, should be the focus of the company strategy (Infoentrepreneurs.org, 2017). That is also known as Marketing mix: 4Ps, consists of product, price, place and promotion (McCarthy's, 1960). A good strategy helps a business focus on the target they serve best and how to satisfying their customer wants or needs by staying focused on profitability. So, we suggest Berkat anugerah for use this strategy:

Segmenting: Geographical

Targeting: Asia Countries (first Penetration is Thailand)

Positioning: Based on category product --> Packaging and Bottling Industry with easy to maintenance

Promotion tools: Push Strategy

Pricing: Multipoint Pricing

Place: Via Agents (Not directly to customers)

5.1 Segmentation

According to Smith (1956) "Segmentation is based upon developments on the demand side of the market and represents a rational and more precise adjustment of product and marketing effort to consumer or user requirements" and according to Haley (1968) "Several varieties of market segmentation have been popular in the recent pass. at least three kinds have achieved some degree of prominence. historically, perhaps the first type to exist was geographic segmentation".

Based on the description on above, Geographical segmentation is the most suitable to use for this company. According to ReportLinker 2015, Asia contributed second best after US in Mineral Water Statistics, while in 2016 in China the demand for bottled water is very high.

CV Berkat Anugerah is focusing on packaging and bottling industry and it has been running the business since 2001. Now, the company hopes to enter international market and seeks the opportunity to import to other countries, while still maintaining the market share on the national scale.

Our team agreed that it would be beneficial for the client company to target Asia Market. As for the starter, it would be easier for the company to expand its sales starting from the nearest continent as it would be easier to manage and the culture would be more or less the same. Unlike in western countries where tap water is very common and considered safe to be consumed, most of Asian countries have different custom, except in famous public place such as Airports where tap water can be accessed easily. According to Travel China Guide (n.d.), the tap waters in China are not considered safe to consume, even though the water may look clear. Even in big cities like Beijing and Shanghai, it is not very common to find safe tap water where most of them might not be well filtered and purified, drink it otherwise may cause some sickness like diarrhea as it may contain hazardous contaminants.

The same condition, even worst is also happening to 2nd most populated country in the world, India. The World Bank calculates that around 21 percent of diseases in the country are part of the reason behind unsafe water and lack of hygiene practices (*"India Water Crisis | Water.org"*, n.d.). In addition, around 163 million of people are having difficulties in accessing safe water. Thus, CV Berkat Anugerah has the opportunity to help breaking those chain of unsafe water by providing sterilized, bottle water package to the mineral water company around Asia countries to ensure the people on that have the access to clean, safe bottled water where the hygiene and the safety are guaranteed.

At first, we would be targeting China, and India to be our "test-project" in entering international market. Based on Mordor Intelligence, Asia-Pacific bottle water market is categorized to be the biggest market in terms of revenue and consumption, calculated around 33% market share. China, with market share of 27% is leading in bottled water consuming country followed by India (23%). The large market is also driven and helped by countries large population, high demand, and fast-pace urbanization.

In the selected countries, the company is suggested to find a connection on local's bottling industry, it does not have to be mineral water industry/company, it might also able to be any kind of industry that is related to packaging bottle or packed product such as processed drink industry, soda or carbonated drink industry, even liquor industry, and oil package industry where it involves packaging in the process.

However, the company needs to ensure that while starting to export, the company still has to focus maintaining the quality product within the country so the company won't lose any loyal client within the country. In addition, if the company has succeed in entering the international market, CV Berkat Anugerah may even boost the sales in the national scale.

5.2 Targeting

According to TheEconomictimes (2017) "Target market is the end consumer to which the company wants to sell its end products too. Target marketing involves breaking down the entire market into various segments and planning marketing strategies accordingly for each segment to increase the market share". So according to the ReportLinker's statistic above, we did not choose US even though US was positioned the top rank in mineral water statistic because we have to consider the estimate cost for delivering the Machines, and the market potential in Asia is second best.

5.3 Positioning

According to Smallbusiness (2017) "The best start for any positioning analysis is gaining a thorough knowledge of a product or service's target market. This is the group of people or businesses that will best benefit from the use of the product or service. With a good idea of the wants, needs and interests of a product or service's target market, a good marketing team can help develop a positioning statement to help reach as much of the target market as possible". In the same category product as CV Berkat Anugerah, we will face direct competition from a local industry, King Machine, focusing on blowing, filling, and packaging product with some benefits like this:

1 year warranty, if any problems on the machine, will be repaired without charge.

Installation process 10 to 25 days.

Installation is done by king machine technician with return ticket fee, accommodation and USD 80 / day from customer side.

Engine assembly ordered (standard machine) takes 30-60 days. By shipping depending on destination.

That can be seen more detail in <http://www.king-machine.com/Automatic-5-Gallon-Bottle-Water-Filling-Machine-pd031882.html>. So CV Berkat Anugerah should position itself as a company engaged in the field of Filling, washing, and water treatment with easy to maintenance.

5.4 Promotion

According to Yourbusiness (2017) "Marketing and promotional strategies are closely tied together. Marketing includes all aspects of developing, promoting and selling products or services to customers. Promoting is a key element in communicating the benefits of products once they are researched and developed. Effective marketing and promotion strategies drive the long-term success, customer development and profitability for companies". Push strategy is the most suitable for this company because push strategy is personal selling emphasis, industrial products, complex new products. Those are things that we think suit the Business to Business where the potential customers can be classified into certain number of companies. This is appropriate on Marketingmadesimple (2017) "New businesses often adopt a push strategy for their products in order to generate exposure and a retail channel. Once the brand has been established, this can be integrated with a pull strategy". So, we suggest to the company to keep on updating their video promotions as well as its qualities, the role of agencies could not be taken lightly. On the international market, the customer will also need to keep an eye for products' maintenance. Thus, using agents in the certain location will provide the company many benefits.

5.5 Pricing

According to BusinessDictionary (2017) "Method adopted by a firm to set its selling price. It usually depends on the firm's average costs, and on the customer's perceived value of the product in comparison to his or her perceived value of the competing products. Different pricing methods place varying degree of emphasis on selection, estimation, and evaluation of costs, comparative analysis, and market situation. See also pricing strategy". And according Thebalance (2017) "Multiple pricing is a method which involves selling more than one product for one price, such as three items for \$1. Not only is this strategy great for markdowns or sales events, but retailers have noticed consumers tend to purchase in larger amounts where the multiple pricing strategy is used". The company should be used multi-pricing cause customer also need to do some installations and another custom things.

5.6 Place (Distribution)

Kotler et al (2010) "A channel of distribution comprises a set of institutions which perform all of the activities utilised to move a product and its title from production to consumption". It is better to distribute the products to agents first, except for national based companies (Indonesia-based). Another benefit of using agents (in promotion tools) is that where there is a technical problems with our products, the customers won't need to contact us, but via agents instead.

In this section, we will explain in brief on how partners should be selected and managed. As well knowing what kind or type of channels that would be considered most suitable for CV Berkah Anugerah. Considering CV Berkah Anugerah is rather unfamiliar with exporting, it is important that the company selects suitable partners. Selection will be based on multiple factors, namely:

The size/influence of the partner on the importing country;

The years of successful operating of the partner in the importing country;

The name the partner has established in the importing country;

The contract the partner is willing to close: what does the partner want to get out of the partnership?

What the partner is willing to give the company;

Etc.

The company should hire a specific person to fulfil the job of selecting distribution partners abroad. The suitable employee has a lot of knowledge about the company: he/she needs to know much about the company to be able to choose the most suitable partner. Also, the employee who will fulfil this task must be willing and able to travel, so that he/she can visit the different countries and partners to select the best choices.

The company will go from barely exporting to exporting to multiple countries. Therefore, it is important that the different partners are managed well. There are a few factors that should be implemented in closing contracts and managing partners:

A (possible) distribution partner should always first be visited by the partners-managing employee of the company before closing the contract;

A contract should be written in the local languages of both the company and the partner, if they differ;

The partner-managing employee of the company will visit the distribution partner abroad frequently to build-up and maintain a good relationship;

One employee of the company should have the lead in managing partners, so that to the partner it is clear who they are dealing with. If the partner-base becomes too big for one employee, multiple employees should be assigned this task but with clear distinction who handles which partner;

The company needs the partners abroad to do business there, so it is crucial that a good relationship is established. The employee should put in effort to e.g. learn about the local habits, get to know some local phrases, et cetera to show the company's willingness of getting involved with the local culture.

Considering the company is exporting, there will be used indirect distribution channels. The company can choose any combination of the different actors: producer, wholesaler, retailer and end consumer. Considering these actors, there are three possible distribution channels:

1. The longest channel: producer ("the company") -> wholesaler ("abroad partner") -> retailer (abroad) -> end consumer (abroad).
2. The median channel: producer ("the company") -> retailer (abroad) -> end consumer (abroad).
3. The direct channel: producer ("the company") -> end consumer (abroad).

The company sells products in a specific segment, namely products for very specific consumers instead of products which can e.g. easily be sold in a supermarket, it is important that there are intermediaries who know where to find suitable consumers. Therefore, the third distribution channel is not a suitable option for the company.

The first and second distribution channel could both be an option for the company. In the first case, the partner abroad will be the wholesaler. In the second case, there is no partner or the partner will be the retailer. However; when the partner is the retailer, this means that the products will only be sold to end consumers from one source. If this retailer is a big retailer with a lot of influence and/or well-known within the country, this can be an option. However, if not, this will not be favourable.

Considering the segments, some will be better served using the first distribution channel and others the second. The distinction can be made in the kind of product.

If the product is one of which the company expects that plenty of consumers will be interested, thus the product is rather liquid, the first distribution channel would be best. With this channel, multiple retailers will sell the product hence it is easy for interested consumers to get a hold of the product. In this case, the company will have to search for a wholesaler abroad to become their partner and distribute the products amongst different retailers.

If the product is one which is merely interested to e.g. big factories, the company could best choose distribution channel two. In this case, the company will find a retailer as partner abroad. This retailer will then have the job of visiting companies/factories to try and sell them the products. In this case, the distribution partner will thus be the retailer abroad.

Segments

Product types:

- Auto Bottling Rotary Monoblock
- Auto Cup Sealer
- Auto Filling Gallon
- Auto Washing Gallon
- Proses Air Rasa (flavouring water process)
- Water Treatment Plan

Industry types:

- Water mineral (16 clients)
- Processed drinks (3 clients)
- Liquor (1 client)
- Jamu (Herb) (1 client)

Areas:

- JaTim / East Java : 11 clients
- JaTeng / Central Java: 1 client
- Sumut / North Sumatra : 2 clients
- Sumsel / South Sumatra : 1 client
- KalTim / East Kalimantan : 1 client
- KalSel / South Kalimantan : 1 client
- Aceh : 1 client
- Kep. Riau / Riau Islands : 1 client
- Bali : 1 client
- Papua : 1 client

6. EXPORT PROCESS

In export, there are many terms that need to be noticed by the exporter in order to minimize the risk. One of them is FOB and CIF / C&F. FOB make exporters bear the cost of delivery only to the port. While CIF will make exporters bear the cost of shipping to importer countries. The responsibility of the exporter is not only a matter of cost, but also the risk of the goods delivery. Therefore, FOB is highly recommended for exporters especially for the use of EMKL (Ekspedisi Muat Kapal Laut). For payment also should be through L / C so the payment can be guaranteed by the bank. CIF requires a higher cost, while as a UKM fund or capital perusahaan very limited. So

companies should only use CIF if it is very forced and prefer to use FOB. Here is a breakdown of the costs required to make a delivery to Laem Chabang Thailand from Surabaya.

PT. Hermes Transindo

(Surabaya-Laem Chabang Thailand)

Ocean Freight USD 360/20' Container

USD 450 /40' Container

USD 525/HC Container

USD 50 per CBM/MTO

Surabaya Canal fee IDR 120.750/20" – IDR 220.500/40"

Seal fee IDR 85.000/container

BL fee IDR 100.000 / Document

Mahkota Logistik

door to port Surabaya to Port Laem Chabang Thailand

Cusotms Clearance export + Trucking Surabaya Tanjung Perak RP 6.600.000

Undername ekspor Rp. 5.500.000

Seafreight Rp. 8280.000

Packing that recommended for exporting machines is wood and palette (Processed wood materials and not wood raw). The required document is:

Dokument packing list invoice

- NPWP
- SPPKP
- APIP/API
- TDP
- SIUP

Other Document (Surat ijin kawasan, SKEP if needed).

For document export, it is not recommended to be self-administered by companies because it is very complicate. The document also depends on the policy we choose when export (FOB / CIF). FOB gives us an advantage over the processing of documents, because the document requirements are the regulations of the Indonesian government. For CIF, the required documents may different depending on the destination country. But if forced to use CIF then Elections FF should be an International scale.

7. EXPORT RISK

As good as any plans made by a company in order to widen its wings in the competition. Although the plan has been supported by various theories that exist and has also been applied to other companies, must still be fixed there is a risk that must be faced by the company. strategy Planner can only reduce the risks faced by a company. with a variety of considerations in making plans, risks that have to be faced by the majority of companies will only come from a technical point of export.

7.1 Financial Risk

The risk is surely appear on every business expansion planning undertaken by the company. This is due to the expansion of the company's for save considerable cost is required, and if the planned strategy turned out to be failure, then the investment is already done for investing will be wasted in vain. However this can be different if the failure had occurred was made a research by the company demi can get the latest strategies and make better.

7.2 Risk Of Loss Due To Ignorance Of The Export

Sales of products abroad needed knowledge and techniques in practice, one of which is about how to negotiate in the export of products, which the company knew less about the terms in the world of import export It would be easy're fooled by opponents negoiasinya. for example: when the company was indeed forced to use CIF for the export, then the freight forwarder should be used is already an international scale, or commonly referred to with International freight Forwarder.

7.3 Customer Fails To Make Payment

The company should take heart in negotiations, including in the selection of the payment method. the payment method is best for export import is by L/C, in order to avoid fraud or nonpayment of customer.

8. RECOMMENDATION

CV. Berkata Anugerah has a high commitment to market its products abroad and Nasatech products have great potential to be marketed to the US. But, its to far from Indonesia so we choose second best potential which is Asia especially Thailand. The increasing Asian market especially Thailand for demand of industry bottle mineral water becomes a big enough potential for CV. Berkata Anugerah to compete in the Thailand market. But CV. Berkata Anugerah still have to improve its marketing communication strategy that so far only use Bahasa Indonesia. CV. Berkata Anugerah must provide information in English on its website. In addition, CV. Berkata Anugerah also must learn more about export process that can help realize the marketing of its products abroad. CV. Berkata Anugerah had to find an partner who could become a agent of its products to the Thailand.

CV. Berkata Anugerah must face some risks to enter a new market in Thailand, such as financial risk, costumer fail to make payment and problem export document. To overcome them, CV. Berkata Anugerah should spam in Web Trading about CV. Berkata Anugerah to improving exposure. CV. Berkata Anugerah should adding more target markets. There are several ways to gaining target markets, but the most suitable way for it is to need to identify specific target companies,

searching an opportunity where we can enter and offering solution with the products we are selling. This can be done through online sites to make it faster and easier. And also, CV. Berkat Anuegrah needs to select who will be his personal seller thah can aboard very well by holding a challange to prove its match and its personal seller abilities. For the export payment, CV. Berkat Anugerah have to use FOB, because to avoid excess costs, reduce the risk of shipping the product, and made the company can get a payment from the customer faster. Finally, in order to use agent. CV. Berkat Anugerah must make payment for the agent based on product capable of sales. Because to make not burdened with many employee payrolls

9. RECOMMENDATION

9.1 Improving Exposure

The background story is that the company is not yet known in international markets, we need to do spam in Web Trading. Besides of the background of this company this strategy is based According to Word-of-Mouth and Referral Marketing Blog (2017) "According to a famous guide by Thomas Smith called (Successful Advertising), people will buy your product after being exposed to it 20 times!".

9.2 Adding Target Markets

According to Blog.strategic-ic.co.uk (2017) "All activity in an Inbound campaign centres around targeting your best-fit buyer personas; using educational content to build trust by addressing the pain points and issues they are experiencing" so this company need to identify specific target companies, searching an opportunity where we can enter and offering solution with the products we are selling. According to Showing Suite (2017) "With the rise in internet communication, direct mail can be quite effective. Sending a little something in the mail guarantees that their eyes are going to at least see your marketing materials. A little flyer about your services, a monthly mailer with relevant updates, and little holiday goodies make a big impact". Based on that statement above this company should be use email for efficiency.

9.3 Use Personal Seller on Abroad

As a company that sells its products to other companies (Business to Business). using personal seller can be very effective because it makes it easier to convince a consumer. This is accordance with Schneider. D (2017) "Personal presentation by the firm's sales force for the purpose of making sales and building customer relationships is called Personal selling". for machine products, when costumers definitely need maintenance. Customers can call this company to get services to maintenance that product. so in addition to profit from product sales, the company can also take advantage of maintenance costs.

9.4 Use FOB to Export

FOB made, these are only liable up to the port of shipment in the country of origin of the product is shipped. In addition to avoid excess costs and also reduce the risk of shipping the product. the use of FOB also made the company can get a payment from the customer faster. In addition, the documents required for a patent based on the regulation already FOB in the country of the exporter.

9.5 Payment Agent Based on Products Capable Of Sale

This idea could be the strongest weapon for the company, because it can boost sales without having to increase the load on the company's business. The company doesn't have to give a monthly salary to the agent. This is a system that is most profitable for the company, because it is not burdened with many employee payrolls

10. REFERENCES

- Alibaba, 2017, *Auto 5 gallon water filling packing machine*, http://sourcing.alibaba.com/rfq_search_list.htm?searchText=Auto+Washing+Gallon&categoryId=100010756, Viewed 20 november 2017.
- Blog.strategic-ic.co.uk, 2017, 5 Tips For B2B Marketers That Lead to Effective Campaigns, <http://blog.strategic-ic.co.uk/effective-b2b-marketing-campaigns>, Viewed 6 Dec. 2017.
- BusinessDictionary.com, 2017, *What is pricing? definition and meaning*, <http://www.businessdictionary.com/definition/pricing.html>, Viewed 6 Dec. 2017.
- Go4worldbusiness, 2017, *Filling Gallon Buyers and Buying Leads*, <https://www.go4worldbusiness.com/find?regionFilter%5B%5D=Asia+&searchText=Filling+Gallon>, Viewed 21 november 2017.
- Haley. Rusell I, 1968, Benefit Segmentation: A Decision-oriented Research tool, *Journal of Marketing*, Vol. 32, pp. 30-35.
- Infoentrepreneurs.org, 2017, Create your marketing strategy, <http://www.infoentrepreneurs.org/en/guides/create-your-marketing-strategy/>, Viewed 6 Dec. 2017.
- Kotler. P, 2010, *Marketing management. (millennium ed.)*, Upper Saddle River: Prentice Hall International.
- Lazaridismarmor, 2017, ISO/CE, <http://www.lazaridismarmor.eu/HistoricEvents/ISOCECertification/tabid/514/language/en-US/Default.aspx>, Viewed 21 november 2017.
- Machinedesign, *Engineering Essentials: What Is a Programmable Logic Controller?*, 2015. <http://www.machinedesign.com/engineering-essentials/engineering-essentials-what-programmable-logic-controller>, Viewed 21 november 2017.
- Marketing made simple, 2017, Push pull marketing strategies - Marketing made simple, <http://marketing-made-simple.com/push-pull-marketing-strategies/>, Viewed 6 Dec. 2017.
- McCarthy. E. J, 1960, *Basic Marketing: A Managerial Approach*, Homewood, USA.
- Schneider. D, 2017, What is Personal Selling? (Proven Weapon for B2B Sales) - Ninja Outreach. Ninja Outreach, <https://ninjaoutreach.com/what-is-personal-selling/>, Viewed 6 Dec. 2017.
- Showing Suite, 2017, 8 Branding Techniques of Successful Agents - Real Estate Solutions - Showing Suite, <http://www.showingsuite.com/8-branding-techniques-successful-agents-real-estate-solutions/>, Viewed 6 Dec. 2017.
- Smallbusiness.chron.com, 2017, What Is Positioning in a Marketing Plan?, <http://smallbusiness.chron.com/positioning-marketing-plan-22983.html>, Viewed 6 Dec. 2017.
- The Balance, 2017, A Retailer's Guide to Setting the Right Price, <https://www.thebalance.com/retail-pricing-strategies-2890279>, Viewed 6 Dec. 2017.

The Balance, 2017, Use These 3 Harvard Business School Strategies to Beat Your Competition, <https://www.thebalance.com/what-is-competitive-advantage-3-strategies-that-work-3305828>, Viewed 8 Dec. 2017.

The Economic Times, 2017, Definition of Target Market | What is Target Market? Target Market Meaning - The Economic Times, <https://economictimes.indiatimes.com/definition/target-market>, Viewed 6 Dec. 2017.

Wendell R. Smith, 1956, Product Differentiation and Market Segmentation as Alternative Product Strategies, *Journal of Marketing*, Vol. XXI , pp. 3-8.

Word-of-Mouth and Referral Marketing Blog, 2017, 5 Ways to Improve Your Customers Perceptions of Your Brand – ReferralCandy, <https://www.referralcandy.com/blog/5-ways-improve-customers-perceptions-brand/>, Viewed 6 Dec. 2017.

Yourbusiness.azcentral.com, 2017, The Importance of Promotional & Marketing Strategies, <https://yourbusiness.azcentral.com/importance-promotional-marketing-strategies-13197.html>, Viewed 6 Dec. 2017.

Zeroplus, Z304.1/203/SAA, 2017, <https://zeroplus.co.uk/variation/z304-1203saa/>, Viewed 21 november 2017.

Can I Drink Tap Water in China, or Brush Teeth? Bottled Water Price. Travelchinaguide.com. Retrieved 12 December 2017, from <https://www.travelchinaguide.com/essential/water.htm>

India Water Crisis - Clean Water In India | Water.org. Water.org. Retrieved 12 December 2017, from <https://water.org/our-impact/india/>

Asia Pacific Bottled Water Market | Size | Trends | Analysis | Future Scope to 2023. (2017). Mordorintelligence.com. Retrieved 12 December 2017, from <https://www.mordorintelligence.com/industry-reports/asia-pacific-bottled-water-market>.

Export.gov. (2017). 1-Choosing a Sales Channel | export.gov. [online] Available at: <https://www.export.gov/article?id=Choosing-a-Sales-Channel>.

Price, D. (2017). The 12 Commandments of Asian Business Etiquette. [online] Davidcliveprice.com. Available at: <http://davidcliveprice.com/12-commandments-of-asian-business-etiquette/>.

Schweitzer, S. (2017). Master Business Etiquette in Asia With These 8 Tips. [online] Association for Talent Development. Available at: <https://www.td.org/insights/master-business-etiquette-in-asia-with-these-8-tips>.

Staff, I. (2017). Distribution Channel. [online] Investopedia. Available at: <https://www.investopedia.com/terms/d/distribution-channel.asp>.

