

CHAPTER 1

INTRODUCTION

1.1 Background

Mayora is a well-known food producing company, which has been established for 68 years. Mayora is consisting of eight business units and one of them is biscuit division.

The following list are containing Mayora's business unit:

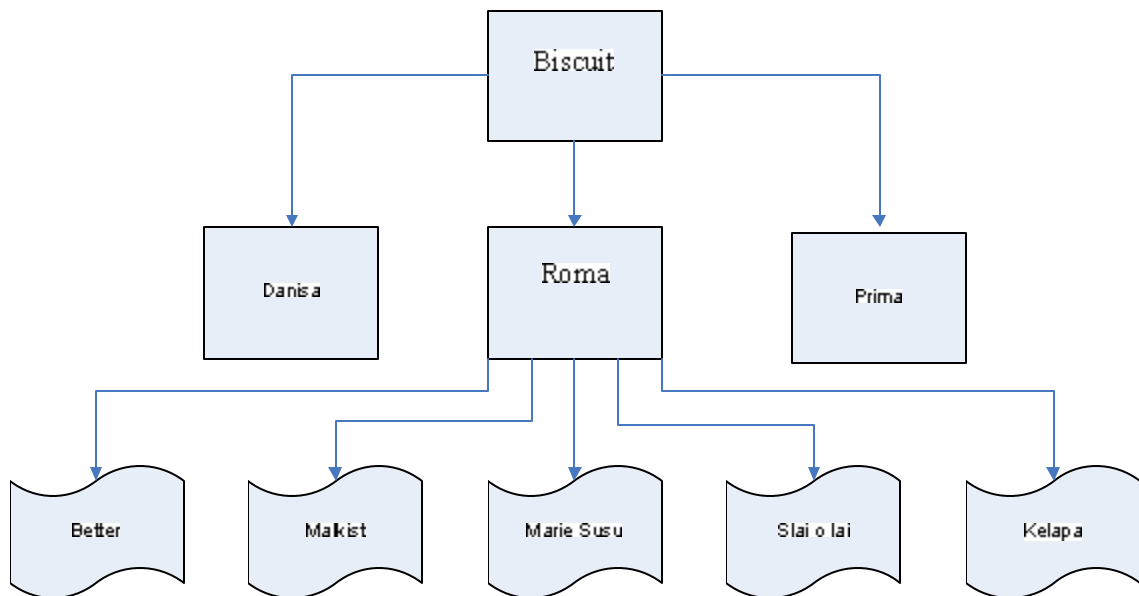


Figure 1. 1 Business Units of Biscuit

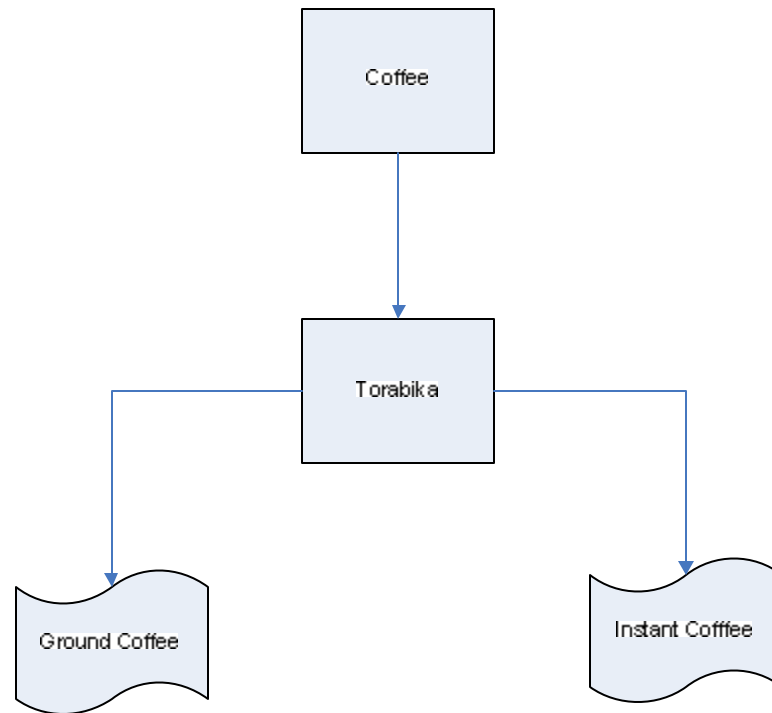


Figure 1. 2 Coffee Business unit

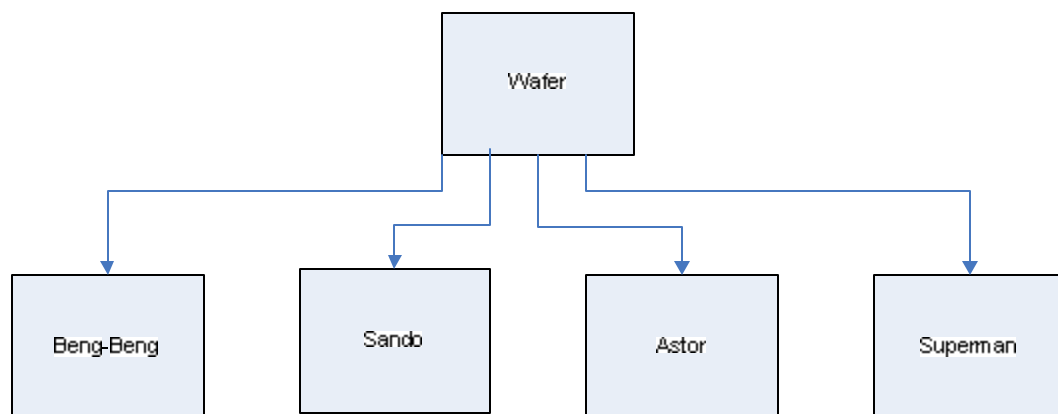


figure 1. 3 Wafer Business Unit

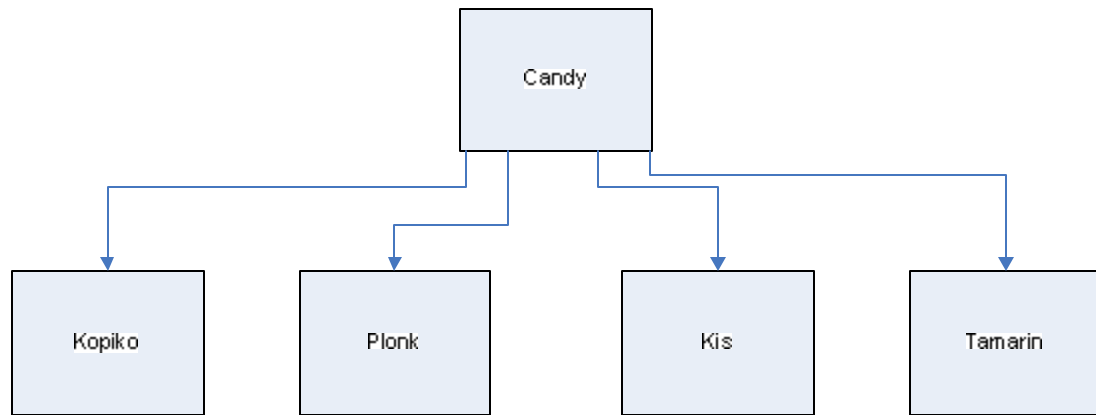


figure 1. 4 Candy Business Unit

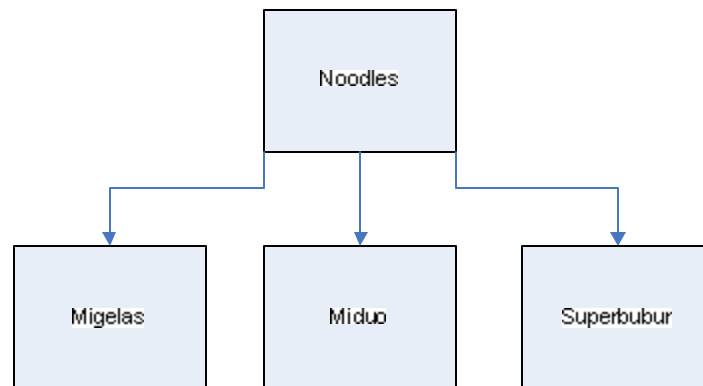


figure 1. 5 Noodles Business Unit

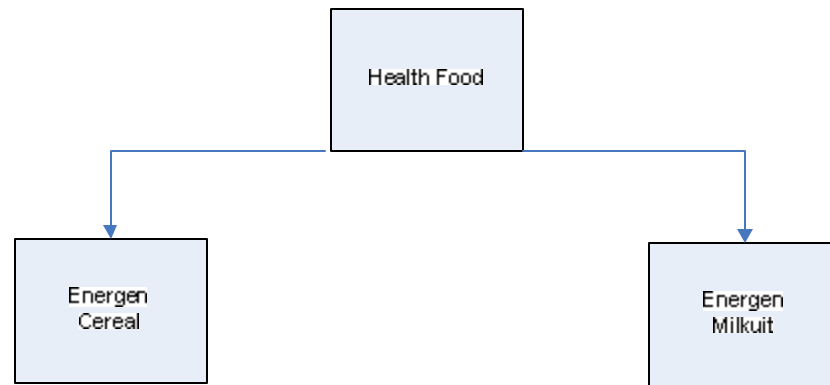


figure 1. 6 Health Food Business Unit

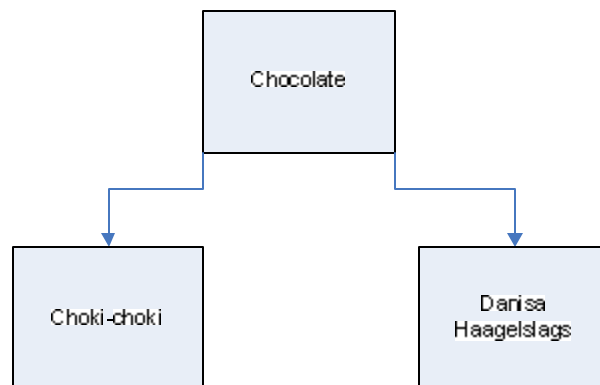


figure 1. 7 Chocolate Business Unit

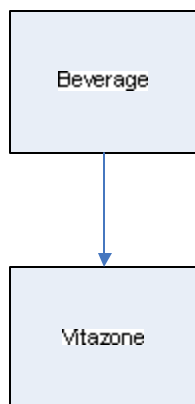


figure 1. 8 Beverage Business Unit

Challenges in Biscuit industries could be one of the toughest in this country. Since, the player has reached 185 companies from all of the country and consists of 400 brands of biscuits. However the competition among these industries has increased dramatically at the era of monetary crisis, since the multinational players keep getting more aggressive day by day. For instance, Arnott's the biscuit manufacturer from Australia that taking over PT. Helios Food (the child company from Kalbe Group). In addition there were still France Manufacturer (Danone) and also American manufacturer (Nabisco Food).

Mayora Biscuit Division also facing the competition among foreign and local competitor as well. In addition the main ingredient prices couldn't be increased without any good preparation.

Every company including Mayora biscuit division, that spent the budget in one event or activity, of course would like to know about the efficiency of their budget. They would like to know their SOV (Share of Voice) against the SOE (Share of Expenditure). This condition already anticipated by reading and analyzing the presentation material (media review) that sent by the agency and the data that being surveyed by AC Nielsen. The presentation is on Microsoft power point basis, which contain a report about media activity review that being done by Mayora Biscuit division on Television. This presentation also contains media activity that being done by Mayora Biscuit Division competitor.

Sample of the presentation contain was in the form of spreadsheet, bar chart and pie chart. However, it occurs that the data is too general and too raw, because it will take much time to consume if we would like to analyze the effectiveness deeper. Such when we would like to compare it with other parameter. For example, one of the Mayora's agencies gave the chart of Monthly TV expenditure by brand that gives the description of the budget that spent on advertisement, sponsorship, or product built in on TV shows. The problem is if we would like to know whether the expenditure could increase the sales by comparing it with the data given before the time that the budget was being spent, or maybe with the data given after the budget was spent. In addition, by reading the presentation material given, we could not analyze the trend about the advertising pattern tendencies that done by Mayora's Biscuit Division competitor.

For instance, given that the advertising trend that being done by Kraft-

Belvita Milk Biscuit, is to put their advertisement on infotainment programme such as INSERT (INFORMASI SELEBRITI), KABAR KABARI, HOT SHOT, SILET, ADA GOSIP, B2S BLAK-BLAKAN SELEBRITIS. The Reason that I chose the problem was that because it will make the media effectiveness analysis of Mayora became automated. In addition, Mayora will also be able to identify the advertising trend that currently being used by its competitor. Because the RAMESYST will be linked with the sales data, Mayora can keep the confidentiality of their current sales status, without any needs to giving it to the other parties, such as the agency.

Mayora Biscuit Division realizes that the Executive Information System will help the executive to make a decision that has the connection with media activity effectiveness and correlated with sales' number impacted by the media activity itself. Since to build a good brand image and brand personality, Mayora Biscuit Division has to communicate the brand with clear positioning to the consumer with suitable demography and psychographic condition through the right media and last but not least also with précised timing and power.

1.2 Scope

Creating a system called RAMESYST (Mayora Media Effectiveness Analysis System) in order to help the executive in making their decision based on the analysis of television advertising so that they can increase sales and knowing their competitor weaknesses, without any worries that they have to give the confidential data to other parties. The system itself would have the capability to:

1. Make a media review report for a specific brand with specific time constraint based on AC Nielsen data given by agency.
2. Link the report with the sales data to see the impact of the advertisement.
3. Historical database to compare the previous impact with current condition in a specified inputted parameter.
4. Analyze the linked data between media review report and sales in a national scope.

The system is not capable to:

1. Analyze the linked data between media review report and sales in a region scope.
2. Analyze the combination impact between Above the Line activity and Bellow the Line activity.
3. Optimizing proposed media plan from the agency.

1.3 The Aims and Benefits

- Save more time to analyze the media activity result.
- Faster decision making about the effectiveness of media activity.
- Decision about sales that was being impact by media activity can be elaborated faster.
- To make the analysis become more independent and free from any political bias.
The term of political bias here refers to the bias that can be occurred; when the agency tries to change the data that gathered from the AC Nielsen in order to fulfill their political purpose.
- To prevent the data and confidentiality leakage, since the advertising agency turn over trends is very high

1.4 Structures

Chapter two will mostly discuss about the theories and terminologies used in describing the current system in Mayora and also in developing the RAMESYST. Thus, chapter two also will give the theoretical framework that will be used in developing the RAMESYST.

Chapter three will discuss the current system that being used by Mayora and also the problem that happened among the system in a more comprehensive manner.

Chapter four will discuss about the proposed system and the steps to design the solutions for the problem.

Chapter five will present the implementation plan for the system

Chapter six will be the Conclusion for the thesis.