

CHAPTER ONE

INTRODUCTION

1.1. Background of the Project

These days, as the competitions in the markets are getting tougher; many companies with little creativity in marketing strategy will earn little even minus profit in their sales. Therefore, to create a competitive advantage, marketing tasks must deal with identifying and meeting human's social needs. One of the shortest definitions of marketing tasks is 'meeting needs profitably' (Kotler and Keller, 2006:5). Besides, marketing tasks can create, promote and deliver goods, services, events, experiences, people, places, properties, organizations, information and last but not least ideas to the target market. To apply marketing tasks, a role of consumers is highly needed in order to reach the purposes of marketing.

A consumer is a person giving a response to the marketing tasks, especially in purchase decision-making process. When the consumer has decided to purchase what the market offers, it means that the offering meets the consumer's expectation. The offering is 'positioned in the minds of the target buyers as delivering some central benefit' (Kotler, 2003:9), so it can

build consumer's satisfaction. Consumer satisfaction is important in marketing because 'the success of marketing depends on whether marketers can deliver the value and satisfaction to the target buyer or not' (Kotler, 2003:177). Consumer satisfaction can be reached if the performance of the product matches the expectations of the consumer.

Therefore, creativity in marketing strategy, especially in designing marketing mix, is highly necessary. One of the elements of the marketing mix, which will be discussed, is a product. This is because product is related to the discussion of this term paper which focuses on redesigning a packaging. Product designing needs to be considered by the company in order to fulfill both of customers' needs and wants because most of the time, design of the products become the major reason for consumers to make a purchase.

Product is one of the elements of market offering, which has a value for target market. If we are able to position our product's image in consumer's mind, the company will increase its profit. Thus, 'positioning is the act of designing the offering and image to occupy a distinctive place in the mind of the target market' (Kotler, 2003:308). One of many ways to design market offering of a product, is 'by adding a set of meaningful and valuable differences to distinguish the company's offering from competitor's offering, which means differentiation' (Kotler, 2003:315).

Product differentiation is important to increase the company's performance. Product differentiation can be done by differentiating physical products. Physical products 'vary in their potential for differentiation because

the consumers frequently purchase physical product' (Kotler, 2003:318). In accordance with Kotler and Keller in Marketing Management, products can be differentiated into three groups:

The first one is differentiated in form, which deals with the size, shape, color or physical structure of a product. Secondly, products can be offered with varying features that supplement its basic function. Lastly, most products are established at one of four performance levels: low, average, high, or superior (Kotler and Keller, 2006:345).

However, I choose to discuss more on its physical structure because it is what the consumers see first.

The form of the products takes an important role in affecting the consumers whether to choose or leave them alone. Through the size, shape, color and design, usually called a packaging, consumers can be attracted to purchase and have a desire to own the products that are offered.

Most physical products have to be packaged and labeled. Packaging is all the activities of designing and producing the container for a product (Kotler and Keller, 2006:365). Besides, according to Kotler and Keller,

an increasing number of products are sold on a self-service basis, the effective package must perform many of the sales tasks, for instance, attract attention, describe product's features, create customer confidence, and make a favorable overall impression (Kotler and Keller, 2006:365).

In this case, I choose to discuss about renewing the packaging of Pocari Sweat. This is because Pocari Sweat is 'enjoyed in countries in Southeast Asia and around the world, which can be inferred that Pocari

Sweat is the leader of isotonic drinks' (http://www.otsuka.co.jp/pocari_e/pocari2.htm). When a company is a market leader, it has to keep on innovating its product sales so the company can maintain its old customers and attract new consumers. Therefore, I am interested in creating a new packaging, which aims to look more attractive and comfortable for the target market.

According to the information available in the internet, 'Pocari Sweat has never been repackaged or modified' (http://en.wikipedia.org/wiki/Pocari_Sweat). As we know, Pocari Sweat has the same shape of can as other products, for instance, Coca Cola, Pepsi, Fanta, Pokka, etc. Therefore, I try to create a barbell-shaped can as a new packaging shape for Pocari Sweat, which symbolizes sports, to make refreshment as well as to differentiate it from other products in order to attract more people to purchase Pocari Sweat while they are on displays.

1.2. Project Identification

The new packaging of Pocari Sweat will have some changes in its design, material, and size. I choose to apply the shape of a barbell whose body is thinner than its upper and lower body as the new packaging of Pocari Sweat because as we know, Pocari Sweat is an isotonic drink and although it can be consumed by people in general, it can be said to be suitable for people who are active, especially for those who love sports. This is so

because, as we can see from the benefits written on the packaging, Pocari Sweat will replace the lost ion of our body. As we know, people who are active lose their body ion more than those who are not. The material of the current Pocari Sweat's packaging will be transformed into plastics in order to avoid the noise produced by the current packaging which is made of aluminum.

Moreover, the size of the new packaging of Pocari Sweat will be slightly taller and thinner on the middle of its body. The total height is 14 cm, total diameter of its top and bottom is 5.7 cm, whereas the total diameter of its middle body is 4.6 cm. Nevertheless, there will not be any changes on its colors because the two main colors of Pocari Sweat, which are blue and white, have been well established and are familiar to the customers for a long time. Thus, it is better to apply the same color for the new packaging of Pocari Sweat.

1.3. Objectives

1.3.1. To create a more attractive and comfortable packaging of Pocari Sweat.

1.3.2. To maintain old Indonesian customers and to attract new consumers of Pocari Sweat.

1.4. Layout of the Thesis

This thesis starts with the Abstract, a concise summary of the entire paper in Indonesian. This Abstract is followed by the Preface, in which acknowledgements are given to those contributing and involved in the work. After that is the Table of Contents and the Appendices, followed by its three chapters:

Chapter I : Is the introduction to the project

Chapter II : contains the justification of the project

Chapter III : deals with the project realization

In the final part, I present alphabetically the Bibliography.