

Proposed Marketing Strategy for Shrǖm by Mycl X Ōd Architecture Studio

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ABSTRACT : *The global furniture industry is experiencing growth driven by rising incomes and increasing demand for eco-friendly products. In this context, Shrǖm Stool, made from sustainable mycelium material by MYCL X ŌD Architecture Studio, aims to meet the demand for sustainable furniture. However, it faces challenges such as limited brand awareness and higher price points. This study explores the internal and external conditions required to increase awareness among potential Shrǖm Stool customers and proposes suitable marketing strategies for successful market penetration. By analyzing consumer behavior, market segmentation, targeting, and positioning, and using a TOWS matrix to identify strategic opportunities and threats, the research highlights the strengths of Shrǖm Stool, such as its innovative, eco-friendly material, modular design, and strong, lightweight construction. However, challenges like limited brand awareness and higher price points were identified. Quantitative methods, including descriptive statistics and Pearson correlation, were employed to validate findings. The study offers practical solutions for Shrǖm Stool's marketing strategy, emphasizing the importance of targeting urban, eco-conscious consumers and leveraging social media and influencer partnerships. Future research should explore new market segments and refine the brand's positioning strategy to maintain competitiveness. This research underscores the need for continuous evaluation and adaptation of marketing tactics to align with consumer preferences and market dynamics..*

KEYWORDS - *Consumer Analysis, Furniture Products, Marketing Strategy, Brand Awareness, Shrǖm Stool.*

I. INTRODUCTION

The global furniture industry is a crucial sector that significantly contributes to the world's economic landscape. It encompasses the production, distribution, and retail of furniture catering to both residential and commercial needs. This industry is currently experiencing a period of remarkable growth, driven by various factors including rising disposable incomes, rapid expansion in the real estate and hospitality sectors, and evolving consumer demands for innovative and high-quality furniture products [1]. Indonesia, in particular, has emerged as a significant player in the global furniture industry. The country is renowned for its abundant raw materials such as teak and rattan, which are highly valued in furniture manufacturing. This rich availability of resources has enabled Indonesia to solidify its position as one of the world's foremost furniture manufacturers and exporters . The Indonesian furniture market is poised for substantial growth, with projections indicating a Compound Annual Growth Rate (CAGR) of 7% from 2022 to 2028. This growth is fueled by increasing disposable incomes among the upper and middle-class populations, along with a growing demand for premium and luxury furniture items . [2]. Indonesia's furniture market is poised for significant growth, with a projected Compound Annual Growth Rate (CAGR) of 7% from 2022 to 2028, fueled by factors such as the increasing disposable incomes among the upper and middle-class populations and the growing demand for premium and luxury furniture [3]. Moreover, the COVID-19 pandemic in 2020 had a significant impact on consumer behavior, particularly in the furniture sector. According to Comscore, spending on furniture surged during the pandemic as people spent more time at home and focused on home improvement projects. This shift in consumer spending patterns highlighted the importance of creating comfortable and aesthetically pleasing home environments . [4]. The Asia Pacific region, with Indonesia at the forefront, has witnessed significant growth in the furniture market. This growth is largely attributed to rising disposable incomes and an increasing demand for home improvement goods. The region's substantial market share is a testament to the burgeoning interest in high-quality, durable, and stylish furniture products . As the global furniture industry continues to evolve, Indonesia's strategic advantages in raw material availability and skilled craftsmanship position it well to meet the growing demands of both domestic and international markets. [5].

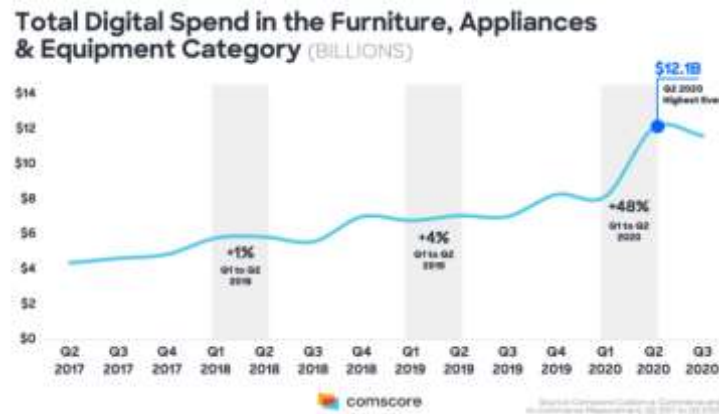


Figure 1: Total Digital Spend in the Furniture
Source: (Comscore, 2020)

As sustainability becomes an increasingly critical factor in consumer decision-making, products like Shrüm Stool are well-positioned to capture a share of this expanding market. However, achieving market penetration and increasing brand recognition require a strategic marketing approach that leverages these market trends. Shrüm Stool, an innovative product made from sustainable mycelium material, represents a unique intersection of sustainability and modern design. Developed by MYCL, a startup from Bandung, in collaboration with Òd Architecture Studio, Shrüm Stool aims to address the growing demand for eco-friendly furniture while offering a chic and durable seating solution. Despite its strengths in innovative, eco-friendly materials and strong, lightweight construction, Shrüm Stool faces challenges such as limited brand awareness and higher price points compared to traditional furniture. This study explores the internal and external conditions required to increase awareness among potential Shrüm Stool customers and proposes suitable marketing strategies to achieve successful market penetration. The findings reveal that Shrüm Stool’s strengths lie in its eco-friendly material and modular design, while challenges include limited brand awareness and restricted distribution channels. Opportunities exist in the growing eco-conscious consumer base and potential strategic partnerships, while threats include intense market competition and economic fluctuations.

One of the significant business issues identified is the lack of effective marketing strategies to boost brand awareness and sales. Shrüm Stool's unique selling propositions, such as sustainability and innovative design, are not being effectively communicated to the target market. Additionally, the high price point of the product poses a challenge in a market where cheaper, non-sustainable alternatives are readily available. This research provides practical solutions for Shrüm Stool's marketing strategy, highlighting the need for continuous evaluation and adaptation of marketing tactics to maintain competitiveness in the evolving market landscape.

II. LITERATURE REVIEW

2.1 Brand Awareness

Brand awareness is a critical element in the success of any product. It refers to the extent to which consumers are familiar with the distinctive qualities or image of a particular brand of goods or services. High brand awareness can significantly influence consumer purchasing decisions and loyalty. Keller (1993) highlights that high brand awareness can lead to higher brand loyalty, trust, and ultimately, increased sales. This is particularly important in competitive markets where differentiation is key to gaining a competitive edge. In the context of the furniture industry, brand awareness can be the differentiator between choosing a well-known, trusted brand over a lesser-known alternative. Effective strategies to increase brand awareness include consistent and pervasive marketing efforts across various channels, engaging storytelling, and maintaining a strong brand presence both online and offline [6].

2.2 Marketing Mix

The marketing mix, also known as the 4Ps (product, price, place, and promotion), is a foundational model for developing marketing strategies. This model helps businesses to plan their marketing strategies in a comprehensive manner. Kotler and Armstrong (2017) emphasize that a well-balanced marketing mix can help a company meet consumer needs and achieve its business objectives. The product element focuses on the design, features, and quality that meet customer needs. Price involves setting a price point that reflects the value of the product while remaining competitive. Place refers to the distribution channels used to reach customers effectively. Promotion encompasses all communication tactics used to raise awareness and persuade potential customers. For the furniture industry, the marketing mix must be tailored to highlight unique selling points such

as design innovation, quality craftsmanship, and sustainability. Each element of the marketing mix must be meticulously managed to create a cohesive strategy that resonates with the target audience [7].

2.3 VRIO Framework

The VRIO framework is a tool for analyzing a firm's internal resources and capabilities to determine their potential for sustainable competitive advantage. Resources that are valuable, rare, inimitable, and organized can provide a significant competitive edge. The VRIO framework involves evaluating resources and capabilities to determine if they can provide a sustained competitive advantage. If a resource or capability meets all four criteria, it is likely to contribute significantly to a company's success. In the furniture industry, this could include proprietary designs, superior craftsmanship, or exclusive materials. By leveraging these unique resources, companies can differentiate themselves in the market and create lasting value for customers. A thorough VRIO analysis allows companies to focus on their strengths and strategically invest in areas that will yield the highest returns [8].

2.4 Segmentation, Targeting, and Positioning (STP)

STP is a strategic approach to identifying and selecting target markets and positioning products to meet the specific needs of those markets. Effective segmentation, targeting, and positioning can help businesses reach the right audience with the right message. Segmentation involves dividing the market into distinct groups of consumers with similar needs or characteristics. Targeting involves selecting one or more of these segments to focus marketing efforts on. Positioning involves creating a distinct image and value proposition for the product in the minds of the target audience. In the furniture industry, segmentation could be based on factors such as demographics, lifestyle, or purchasing behavior. Targeting the right segments and positioning products effectively can lead to higher customer satisfaction and loyalty. This strategic approach ensures that marketing efforts are aligned with consumer needs and preferences, leading to more effective and efficient use of resources [9].

2.5 PESTLE Analysis

PESTLE analysis examines the external macro-environmental factors that can impact an organization. These factors include political, economic, social, technological, legal, and environmental aspects. These factors can help businesses anticipate changes and adapt their strategies accordingly. Political factors may include government regulations and policies that affect the industry. Economic factors involve economic conditions and trends that influence consumer spending and business operations. Social factors include demographic changes, cultural trends, and lifestyle shifts that impact consumer preferences. Technological factors encompass advancements in technology that can drive innovation and efficiency. Legal factors involve laws and regulations that businesses must comply with. Environmental factors include sustainability and environmental concerns that can influence consumer choices. For the furniture industry, considering environmental regulations and sustainability trends is particularly important. By conducting a PESTLE analysis, companies can identify potential opportunities and threats in the external environment and develop strategies to address them [10].

2.6 Competitor Analysis

Competitor analysis involves assessing the strengths and weaknesses of current and potential competitors. This analysis helps businesses identify opportunities and threats in the market. Porter (1980) argues that understanding competitors' strategies can inform better decision-making. Competitor analysis involves identifying key competitors, evaluating their strengths and weaknesses, and understanding their strategies and market positioning. In the furniture industry, this could involve analyzing competitors' product offerings, pricing strategies, distribution channels, and promotional tactics. By understanding competitors' strengths and weaknesses, businesses can identify gaps in the market and develop strategies to differentiate themselves. Competitor analysis also helps businesses anticipate competitors' actions and respond proactively. This strategic approach ensures that businesses remain competitive and can adapt to changing market dynamics [11].

2.7 Porter's Five Forces

Porter's Five Forces is a framework for analyzing the competitive forces within an industry. These forces include the threat of new entrants, bargaining power of suppliers, bargaining power of buyers, threat of substitute products, and industry rivalry. Understanding these forces can help businesses navigate the competitive landscape and identify strategic opportunities. The threat of new entrants involves the potential for new competitors to enter the market and increase competition. The bargaining power of suppliers involves the ability of suppliers to influence prices and terms. The bargaining power of buyers involves the ability of customers to influence prices and demand. The threat of substitute products involves the availability of alternative products that can fulfill the same need. Industry rivalry involves the level of competition among

existing players in the market. For the furniture industry, analyzing these forces can provide insights into the competitive dynamics and help businesses develop strategies to strengthen their position in the market [12].

2.8 Customer Analysis

Customer analysis involves understanding the needs, preferences, and behaviors of target customers. Solomon (2018) emphasizes that this analysis is essential for developing effective marketing strategies. Customer analysis involves identifying target customer segments, understanding their needs and preferences, and analyzing their buying behavior. In the furniture industry, this could involve analyzing factors such as demographics, lifestyle, and purchasing patterns. Understanding customers' needs and preferences helps businesses develop products and marketing strategies that resonate with their target audience. Customer analysis also helps businesses identify opportunities for innovation and improvement. By staying attuned to customer needs and preferences, businesses can enhance customer satisfaction and loyalty [13].

2.9 Product Attributes

Product attributes are the characteristics that define a product and influence consumer perception and choice. These attributes can include quality, design, functionality, and sustainability. For the furniture industry, highlighting product attributes such as innovative use of materials, superior craftsmanship, and eco-friendly features can attract environmentally conscious consumers. Product attributes play a significant role in differentiating a product from competitors and influencing consumer purchasing decisions. By emphasizing unique and desirable product attributes, businesses can create a strong value proposition and enhance their competitive advantage. Effective communication of product attributes through marketing efforts can also enhance brand perception and customer loyalty [14].

2.10 Integrated Marketing Communications (IMC)

IMC is a strategic approach to coordinating and integrating various marketing communication tools to deliver a consistent message. Belch and Belch (2014) state that effective IMC can enhance brand recognition and consumer engagement. IMC involves integrating advertising, public relations, sales promotions, direct marketing, and digital marketing efforts to create a cohesive and consistent message. This approach ensures that all marketing communications are aligned and reinforce each other, leading to greater impact and effectiveness. For the furniture industry, using a mix of traditional and digital marketing channels can effectively reach a diverse audience and communicate the brand's value proposition. IMC helps businesses create a unified brand image and build stronger relationships with customers [15].

2.11 SWOT Analysis

SWOT analysis is a tool for identifying an organization's strengths, weaknesses, opportunities, and threats. This analysis helps businesses develop strategies that leverage strengths and opportunities while addressing weaknesses and threats. Strengths refer to internal capabilities that give the business an advantage. Weaknesses refer to internal limitations that hinder the business's performance. Opportunities refer to external factors that the business can capitalize on. Threats refer to external factors that pose challenges to the business. For the furniture industry, a SWOT analysis can provide insights into how to strengthen its market position by leveraging unique capabilities and addressing market challenges. By understanding its internal and external environment, a business can develop strategies that align with its goals and objectives [16].

2.12 TOWS Matrix

The TOWS matrix builds on SWOT analysis by matching internal strengths and weaknesses with external opportunities and threats to develop strategic options. Wehrich (1982) argues that the TOWS matrix can help businesses create actionable strategies. The TOWS matrix involves analyzing the interactions between internal and external factors to identify strategic options. This approach helps businesses develop strategies that leverage strengths to capitalize on opportunities, address weaknesses to mitigate threats, and create a balanced and holistic strategy. For the furniture industry, the TOWS matrix can guide the development of marketing strategies that capitalize on unique capabilities and market opportunities while addressing challenges. This strategic approach ensures that businesses remain competitive and can adapt to changing market dynamics [17].

III. RESEARCH METHOD

3.1 Research Design

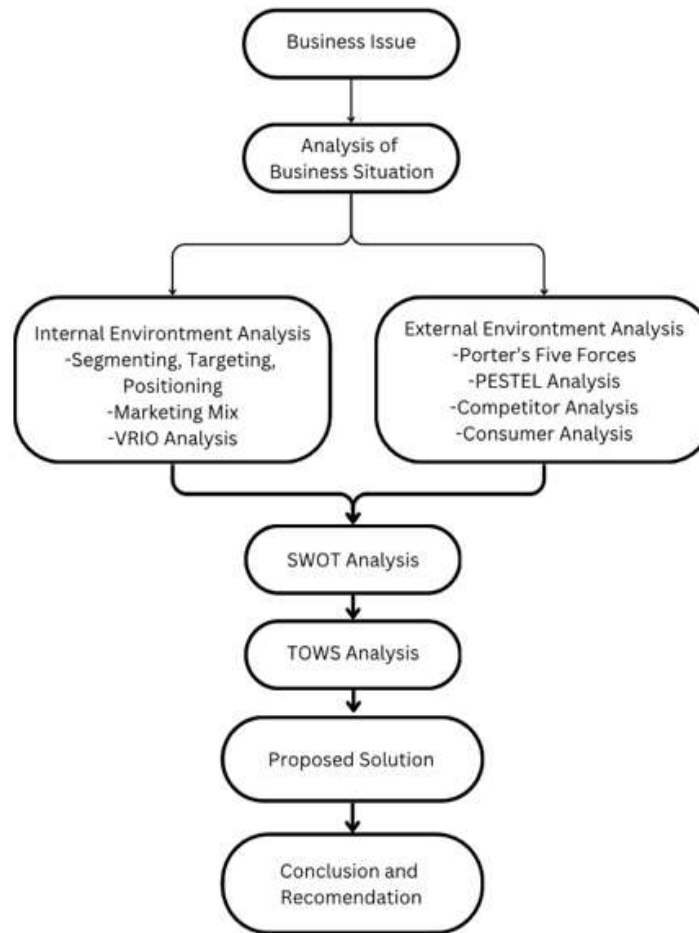


Figure 2: Conceptual Framework

Research designs encompass plans and procedures for conducting research, moving from broad hypotheses to specific techniques for data collection and analysis [18]. In this particular study, a mixed-method approach is employed, which integrates both qualitative and quantitative methodologies [19]. This approach allows for a comprehensive analysis and collection of data, ensuring a more nuanced understanding of the research topic. The research design, illustrated in Figure 2, outlines the systematic process through which data is gathered, analyzed, and interpreted to address the research questions effectively. The initial phase of the research design process begins with defining the research objective by identifying the problem and elucidating the business issue. This involves conducting both internal and external factor analyses to gain insights into the company's situation and consumer preferences. Internally, the analysis includes evaluating current Segmentation, Targeting, and Positioning (STP) strategies, as well as conducting a VRIO analysis to assess the company's internal strengths and weaknesses.

Following the internal analysis, an external analysis is conducted to understand the company's competitive position within the industry, assess potential threats and opportunities in the business environment, and analyze how industry dynamics influence competitiveness. This external analysis utilizes frameworks such as Porter's Five Forces analysis, PESTEL analysis (examining political, economic, social, technological, environmental, and legal factors), and Competitor analysis. Furthermore, market research is undertaken to gather insights into consumer preferences regarding the company's products, which helps in understanding market needs and desires more deeply. The culmination of these analyses is synthesized using a SWOT analysis, which guides the determination of an appropriate marketing mix and the development of a tailored marketing strategy for the company.

The data finding process in this research can be seen in Table below:

Analysis	Data Collection Method
Consumer Analysis (Market Research)	Questionnaire
Segmentation, Targeting, Positioning	Unstructured Interview Internal Secondary Data Analysis
VRIO Analysis	Unstructured Interview Internal Secondary Data Analysis
PESTEL Analysis	External Secondary Data Analysis
Porter Five Forces Analysis	External Secondary Data Analysis
Competitor Analysis	Observation, External Secondary Data Analysis

Table 1: Data Finding Process

3.2 Data Collection Method

3.2.1 Observation

Observation is a research technique that allows for the examination of real-time interactions and behaviors of participants, offering valuable insights into the context of the study. In this study, the author will observe the product development process at MYCL and the design process at OD Studio for the Shrum stool. This method provides a deeper understanding of the operational practices, design decisions, and team dynamics that influence the creation of the Shrum stool. Observations will focus on the stages of product design, material selection, and the collaboration between teams to identify factors that impact the product’s market readiness [20].

3.2.2 Informal Interviews

Informal interviews involve unstructured or semi-structured conversations with key stakeholders to gather insights and perspectives on the research topic. For this study, the author will conduct informal interviews with internal sources from MYCL and the OD Studio developer to explore their views on the Shrum stool’s design, market positioning, and development challenges. These interviews aim to uncover in-depth information about the product’s strengths, weaknesses, and potential for market success [21].

3.2.3 Questionnaire

Questionnaires are a systematic research tool designed to collect data from a larger population. In this study, a structured questionnaire will be distributed to potential customers of the Shrum stool via Google Forms. The questionnaire will consist of three main sections: (1) demographic information and consumer preferences, (2) customer knowledge and assessment of existing marketing platforms, and (3) preferences for user experience based on specific research variables. This approach will help gather data on brand awareness, marketing effectiveness, and consumer expectations [22].

3.2.4 Secondary Data Analysis

Secondary data collection involves analyzing existing data sources to provide background context and support the study’s findings. This study will utilize secondary data sources including:

- Internal Company Data: Sales records, historical data on previous products, and internal market research reports from MYCL.
- External Data Sources: Relevant statistics, academic journals, industry reports, and articles that provide insights into market trends, consumer behavior, and competitive analysis for the furniture industry [23][24].

3.3 Data Analysis

This research is applied research aimed at solving specific marketing challenges for Shrum and providing actionable solutions to enhance market awareness and strategy. Applied research in market contexts involves utilizing research methodologies to address practical issues and deliver quantifiable outcomes [25]. The author employs IBM SPSS software and descriptive analysis to examine the all variable data for the Shrum stool. This analytical approach helps make validity and reliability variables, ensuring a focused and effective marketing strategy.

A research population encompasses the entire group of individuals or entities relevant to the study’s objectives. In market research, populations are defined by the unit of analysis and include various subsets and their attributes [26]. In this study, the population consists of potential consumers in major Indonesian cities, including Jakarta, Bandung, and Surabaya, who are interested in furniture product.

The sample size selection is influenced by the study’s objectives and research design. In exploratory research designs, which often employ qualitative methods, the sample size is typically smaller. However, for quantitative analysis, a larger sample size is essential to ensure statistical validity and reliability. The required

minimum sample size for this study is set at 100 respondents, ensuring a robust dataset for analysis [27]. The author targets individuals within the age range of 20-40 years who are part of the upper and middle-class demographic, and who have expressed interest in furniture product through online or offline channels.

IV. RESULT AND DISCUSSION

4.1 Internal Analysis

4.1.1 VRIO Analysis

In this paper, VRIO framework is used to determine that Shrüm resources are very potential to achieved the competitive advantage. The table below is Shrüm VRIO analysis:

VRIO attributes	Valuable	Rare	Costly to imitate	Well organized by organization	Implication for competitive
Tangible Resources					
Human Resources	Yes	No	Yes	Yes	Competitive Parity
Financial Resources	Yes	No	Yes	Yes	Competitive Parity
Organizational Resources	Yes	No	Yes	Yes	Competitive Parity
Physical Resources	Yes	No	Yes	Yes	Competitive Parity
Intangible Resources					
Product Innovation and Knowledge	Yes	Yes	Yes	Yes	Sustained Competitive advantage
Technological Resources	Yes	Yes	Yes	Yes	Sustained Competitive advantage
Reputational Resources	Yes	No	Yes	Yes	Competitive Parity

Table 2: VRIO Analysis

Shrüm's tangible resources, including human, financial, organizational, and physical assets, are valuable and costly to imitate but not rare, leading to competitive parity. This means these resources enable Shrüm to compete effectively but do not provide a significant competitive edge. In contrast, Shrüm's intangible resources, such as product innovation, knowledge, and technological capabilities, are valuable, rare, costly to imitate, and well-organized, resulting in a sustained competitive advantage. Although Shrüm's reputational resources are strong, they are not rare and thus only contribute to competitive parity. Overall, Shrüm's primary sources of long-term competitive advantage are its product innovation, knowledge, and technological resources.

4.1.2 Marketing Mix Analysis

The marketing mix analysis for the Shrüm stool includes Product, Price, Place, and Promotion.

4.1.2.1 Product

The Shrüm stool is unique due to its sustainable mycelium material, appealing to eco-conscious consumers. Designed with Òd Architecture Studio, it features architectural elegance and versatility, with a stackable and modular design. It's lightweight yet robust, weighing 4 kg but supporting up to 600 kg, and offers customizable top finishes for personalization.

4.1.2.2 Price

Positioned in the premium segment, the stool is priced at IDR 6,875,000 per unit. A bulk purchase option is available with a minimum order of 10 units at IDR 2,500,000 per unit, catering to both individual high-end buyers and businesses like cafes and restaurants.

4.1.2.3 Place

The stool is accessible online through the Mycotech store and physically at the Pita Collection store. This dual-channel strategy ensures wide market reach, appealing to both tech-savvy online shoppers and those who prefer in-store experiences.

4.1.2.4 Promotion

Shrüm uses Instagram and its official website to build brand awareness and provide detailed product information. Participation in exhibitions like ICAD 13, IFFINA Indonesia Mebeul & Design Expo, and Space Available in Los Angeles helps engage potential customers directly, showcasing the stool's unique and sustainable design.

Overall, the Shrüm stool's marketing mix effectively combines unique product features, premium pricing, diverse distribution channels, and multi-faceted promotional strategies to reach and engage its target audience.

4.1.3 Segmenting Targeting Positioning (STP) Analysis

4.1.3.1 Segmenting

Shrüm segments its market based on geographic, demographic, psychographic, and behavioral variables. Geographically, the focus is on urban areas in major Indonesian cities such as Jakarta, Bandung, and Surabaya. Demographically, Shrüm targets males and females aged 25-40 years old, encompassing professionals, entrepreneurs, business owners, and employees with monthly incomes ranging from less than Rp5,000,000 to more than Rp10,000,000, placing them within the middle and upper-middle classes. Psychographically, the market is segmented into sustainability-oriented individuals and modern design enthusiasts who value environmental consciousness and innovation. Behaviorally, Shrüm aims at consumers seeking high-quality, durable, and sustainable furniture, including frequent buyers of premium furniture and businesses purchasing in bulk.

4.1.3.2 Targeting

Shrüm identifies its primary target market as urban professionals aged 26-30 years old with monthly incomes between Rp10,000,000 and Rp20,000,000, who are passionate about eco-friendly furniture. This group is primarily located in major Indonesian cities and is characterized by a sustainability-oriented lifestyle and a keen interest in modern design. The secondary target market includes slightly older professionals aged 31-35 years old within the same income range, who are early adopters of innovative products and place a high value on environmental responsibility. Both target segments consist of upper-middle-class individuals who are looking for durable, eco-friendly furniture for their homes and offices.

4.1.3.3 Positioning

Shrüm Stool positions itself as a premium, eco-friendly furniture option designed for environmentally conscious and design-savvy consumers in Indonesia. By emphasizing the use of sustainable mycelium material, modern aesthetics, and functionality, Shrüm differentiates itself from traditional furniture options. The brand focuses on delivering a unique blend of sustainability, innovation, and superior design, aiming to be recognized as a leader in the premium furniture market. This strategic positioning highlights Shrüm Stool's commitment to sustainability, durability, and versatile design, making it the preferred choice for urban professionals and design enthusiasts who value both style and environmental responsibility.

4.2 External Analysis

4.2.1 Porter Five Force Analysis

4.2.1.1 Supplier Power: Low

Shrüm has a significant advantage by producing its key raw material, mycelium, in-house. This strategy reduces dependency on external suppliers, minimizes costs, and ensures quality control, resulting in low supplier power. Shrüm's control over its supply chain diminishes suppliers' influence and stabilizes production costs.

4.2.1.2 Buyer Power: Medium

As a newcomer in the sustainable furniture market, Shrüm faces moderate buyer power. Customers have multiple options and can demand better prices and quality. However, Shrüm's unique selling points, such as innovative design and sustainability, help balance this power. Building strong customer relationships and loyalty is crucial for Shrüm to mitigate buyer influence.

4.2.1.3 Competitive Rivalry: High

The sustainable furniture market is highly competitive, with numerous established brands offering similar eco-friendly and modern designs. Shrüm must continuously innovate and improve to maintain and grow its market share. Effective marketing, product differentiation, and customer engagement are essential to stand out in this crowded market.

4.2.1.4 Threat of Substitution: Medium

Various alternatives exist, including other sustainable and traditional furniture options. While these substitutes meet similar customer needs, Shrüm's unique use of mycelium and innovative design provide some protection against substitution. Customers who value these distinctive features are likely to choose Shrüm over other options.

4.2.1.5 Threat of New Entry: Medium

The increasing demand for sustainable products attracts new market entrants. However, Shrüm's in-house mycelium production and innovative processes create significant barriers to entry. New competitors

would need substantial investments in technology, production, and expertise to compete effectively. This balance between market attractiveness and entry challenges results in a medium threat level.

No	Variable	Attractiveness Level			Reason
		High	Medium	Low	
1	Supplier Power			v	Produce by ownself
2	Buyer Power		v		New to the market
3	Competitive Rivalry	v			Competitive market with many players
4	Threat of Substitution		v		Availability of alternative
5	Threat of New Entry		v		New entrants need similar capabilities

Table 3: Porter Five Forces Analysis

4.2.2 PESTEL Analysis

4.2.2.1 Political (Threat)

Political instability and bureaucratic hurdles in Indonesia present significant threats to Shrüm. The fluctuating political stability index score (-0.44 in 2022) highlights moderate instability, affecting consumer confidence and investment. Additionally, bureaucratic challenges in obtaining permits and complying with regulations complicate operations for sustainability startups like Shrüm. The inconsistent implementation of sustainability policies and potential shifts in government priorities further add to the uncertainty, making it difficult for Shrüm to navigate the regulatory landscape effectively.

4.2.2.2 Economic (Opportunity)

Indonesia's economic growth presents substantial opportunities for Shrüm. The rapid development of the digital economy, predicted to reach USD 110 billion by 2025, provides a platform for Shrüm to expand its reach through e-commerce. Government support for MSMEs and incentives for innovation in bio-based materials offer additional growth avenues. The booming digital economy not only supports sales growth but also enhances opportunities for digital marketing and customer engagement, crucial for building brand awareness and loyalty.

4.2.2.3 Social (Opportunity)

Shrüm benefits from shifting consumer preferences towards eco-friendly and unique products. The growing middle class with increasing disposable income presents a significant opportunity, with consumer spending expected to rise by 5% in 2023 and an average of 4.9% from 2024-2026. The rising demand for sustainable products, with 86% of Indonesian consumers reporting increased importance of sustainability, aligns perfectly with Shrüm's offerings, providing a favorable market trend to capitalize on.

4.2.2.4 Technological (Opportunity)

Technological advancements in bio-materials and the booming e-commerce market in Indonesia offer Shrüm numerous opportunities. Collaborating with research institutions like LIPI-ITB can provide access to cutting-edge developments in mycelium-based materials. Leveraging e-commerce platforms like Tokopedia and Shopee can broaden Shrüm's reach and enhance online sales. Additionally, integrating 3D printing technology can introduce intricate designs and customization options, catering to diverse consumer preferences.

4.2.2.5 Environmental (Opportunity)

Shrüm's commitment to sustainability aligns with Indonesia's growing environmental consciousness. The country's efforts to address deforestation and promote sustainable practices, such as carbon trading, provide economic incentives for businesses like Shrüm. By collaborating with governmental and non-governmental organizations focused on sustainability, Shrüm can strengthen its market position and appeal to eco-conscious consumers, enhancing its credibility and visibility in the market.

4.2.2.6 Legal (Opportunity)

Favorable governmental support and incentives for sustainable businesses in Indonesia present significant opportunities for Shrüm. The National Long-Term Development Plan prioritizes sustainability and the circular economy, offering potential funding and partnership opportunities. Tax incentives in certain regions can reduce operational costs, enhancing financial viability. Intellectual property protection ensures Shrüm's unique technology and designs are safeguarded, fostering innovation and market competitiveness.

Understanding and proactively managing these legal factors will help Shrum navigate the Indonesian legal landscape confidently, minimizing risks and contributing to a more sustainable future.

4.2.3 Competitor Analysis

4.2.4 Consumer Analysis

4.2.4.1 Validity Test

This study, the author uses Pearson correlation test and the author IBM SPSS for processing data that is already conducted from surveys. Based on the two-tailed r-table value with significance level of 0.05 or 5% and N(number of respondent) of total respondents of 147 is 0,161.

Variable	Item	R Count	R Table	Description
Customer Analysis (CA)	CA1	0.648	0.161	Valid
	CA2	0.758		Valid
	CA3	0.740		Valid
	CA4	0.776		Valid

Table 4: Customer Analysis Validity Test Result

Variable	Item	R Count	R Table	Description
Segmenting Targeting Positioning (STP)	STP1	0.696	0.161	Valid
	STP2	0.681		Valid
	STP3	0.788		Valid
	STP4	0.734		Valid

Table 5: Segmeting Targeting Positioning Validity Test Result

Variable	Item	R Count	R Table	Description
Marketing Mix (MM)	MM1	0.718	0.161	Valid
	MM2	0.655		Valid
	MM3	0.711		Valid
	MM4	0.766		Valid

Table 6: Marketing Mix Validity Test Result

Variable	Item	R Count	R Table	Description
Product Attributes (PA)	PA1	0.554	0.161	Valid
	PA2	0.775		Valid
	PA3	0.650		Valid
	PA4	0.728		Valid

Table 7: Product Attributes Validity Test Result

Variable	Item	R Count	R Table	Description
Integrated Marketing Communication (IMC)	IMC1	0.678	0.161	Valid
	IMC2	0.722		Valid
	IMC3	0.602		Valid
	IMC4	0.648		Valid
	IMC5	0.681		Valid

Table 8: Integrated Marketing Communication Validity Test Result

Variable	Item	R Count	R Table	Description
Brand Awareness (BA)	BA1	0.702	0.161	Valid
	BA2	0.686		Valid
	BA3	0.678		Valid
	BA4	0.673		Valid

Table 9: Brand Awareness Validity Test Result

Based on the data processing using IBM SPSS, all the table that content question of brand customer analysis (CA), segmenting targeting positioning (STP), marketing mix (MM), product attributes (PA), integrated marketing communication (IMC) and lastly, brand awareness (BA) is categorize as valid because of all question is above 0.161.

4.2.4.2 Reliability Test

According to Ghazali (2008), the acceptable α is 0,6 is acceptable in social sciences. The cronbach alpha that is greater than 0,6 concludes the data is reliable or consistent in measuring. Based on Table, CA,STP,MM,IMC and BA variables are all shown to have reliable questions. This is due to each variable's Cronbach's alpha value having a value higher than 0.6.

Variable	Cronbach Alpha's Score	Cronbach Alpha	Description
Consumer Analysis (CA)	0.712	>0,6	Reliable
Segmenting Positioning (STP)	0.700		Reliable
Marketing Mix (MM)	0.671		Reliable
Product Attributes (PA)	0.614		Reliable
Integrated Marketing Communication (IMC)	0.679		Reliable
Brand Awareness (BA)	0.618		Reliable

Table 10: Variable Reliability Test Result

4.2.4.3 Descriptive Statistic Analysis

According to Ghazali (2008), the acceptable α is 0,6 is acceptable in social sciences. The cronbach alpha that is greater than 0,6 concludes the data is reliable or consistent in measuring. Based on Table IV.4, CA,STP,MM,IMC and BA variables are all shown to have reliable questions. This is due to each variable's Cronbach's alpha value having a value higher than 0.6.

	N	Minimum	Maximum	Mean	Std. Deviation
Consumer Analysis	147	6	20	15.45	3.206
STP	147	6	20	15.86	3.005
Marketing Mix	147	6	20	16.07	2.742
Product Attributes	148	9	20	16.14	2.628
IMC	147	10	25	19.56	3.190
Brand Awareness	147	6	20	14.57	2.984
Valid N (listwise)	147				

Figure 3: Variable Reliability Test Result

The consumer analysis for Shrüm reveals generally positive feedback, with a mean score of 15.45 and moderate variability (standard deviation of 3.206). The STP (Segmentation, Targeting, Positioning) aspect is also viewed positively, evidenced by a mean score of 15.86 and slightly less variability (standard deviation of 3.005), indicating more agreement among respondents. The marketing mix received strong positive feedback, with a mean score of 16.07 and consistent responses (standard deviation of 2.742). Product attributes are highly appreciated, scoring a mean of 16.14 with the lowest variability (standard deviation of 2.628), showing strong consensus. Integrated Marketing Communication (IMC) stands out with the highest mean score of 19.56, indicating very positive feedback, though with a bit more variability (standard deviation of 3.190). In contrast, brand awareness is the lowest-rated area, with a mean score of 14.57 and moderate variability (standard deviation of 2.984), suggesting it needs improvement.

4.2.4.4 Questionnaire Descriptive Result

The survey of 147 respondents aged 20-40 years old for the Shrüm stool product reveals a comprehensive potential consumer profile, encompassing demographic, psychographic, behavioral, and preference data. The demographic analysis indicates a near-equal gender distribution, with 51% identifying as female and 49% as male. The respondents are predominantly within the 26-30 age group, which comprises 42.9% of the sample, followed by the 20-25 age group at 26.5%, the 31-35 age group at 20.4%, and the 36-40 age group at 10.2%. Occupation-wise, the largest segment consists of professionals (36.1%), followed by

business owners (29.9%), entrepreneurs (17%), and students (13.6%). In terms of domicile, 46.9% of respondents are from Bandung, with 33.3% from Jakarta and 15% from Surabaya. Income distribution reveals that the majority (55.8%) earn between 5-10 million IDR per month, while 23.1% earn 10-20 million IDR, 18.4% earn below 5 million IDR, and a minority (2.7%) earn over 20 million IDR per month.

Preference data highlights that quality is the most significant factor in furniture choosing preferences for 52.4% of respondents. Design is the second most important consideration, influencing 21.1% of the respondents. Price is a significant factor for 10.9%, sustainability for 11.6%, and brand is the least influential, affecting only 4.1%. The survey results also shed light on product awareness, indicating that while respondents are generally aware of the Shrüm stool, with a mean awareness score of 14.57, there is still significant room for improving brand visibility. These findings underscore the importance of quality, design, and sustainability in the purchasing decisions of potential Shrüm stool consumers. The balanced gender representation and the diverse age distribution of respondents ensure that the survey results provide a comprehensive understanding of the target audience. This demographic and preference profile highlights the critical factors influencing purchasing decisions and underscores the potential areas for enhancing brand awareness and consumer engagement for the Shrüm stool.

4.3 SWOT Analysis

SWOT analysis is a comprehensive assessment of a company's strengths, weaknesses, opportunities, and threats, serving as a means to monitor both the external and internal marketing environment. Businesses must remain vigilant about macroenvironment forces and crucial microenvironment factors impacting their profit potential. Establishing a marketing intelligence system is essential for tracking trends, significant developments, and associated opportunities and threats in the external environment.

4.3.1 Strengths

The Shrüm Stool boasts several key strengths. Its innovative material, made from sustainable mycelium, positions it well in the eco-conscious market. Additionally, the stool's modular design makes it highly versatile, allowing for stackability and customization to fit various needs. Despite its lightweight nature, the stool is robust and can support significant weight. Furthermore, being a collaborative product with a designer enhances its brand credibility and aesthetic appeal, making it an attractive option for consumers who value both form and function.

4.3.2 Weaknesses

However, the product faces notable weaknesses. One of the primary challenges is limited brand awareness; as a new entrant in the market, it lacks the recognition of more established brands. The higher price point associated with its premium materials and design may also limit its appeal to a broader audience. Additionally, the distribution channels are currently limited, which restricts its accessibility to potential buyers. The stool's niche market appeal might further constrain its market penetration, as it may primarily attract a specific segment of eco-conscious consumers.

4.3.3 Opportunities

There are significant opportunities for growth. The increasing demand for sustainable products provides a fertile ground for expanding the customer base. There is also potential to broaden distribution channels, both through physical retail locations and an enhanced online presence, to reach more consumers. Strategic partnerships with eco-friendly brands or influencers could further boost brand visibility and credibility, tapping into new market segments and increasing overall sales.

4.3.4 Threats

The Shrüm Stool faces several external threats. Intense market competition from both traditional and other sustainable brands presents a challenge in gaining market share. Economic fluctuations could impact consumer spending, potentially reducing demand for premium-priced products. Additionally, rapid shifts in consumer preferences may require constant innovation to stay relevant. Finally, regulatory changes, especially those related to environmental standards, could impact production processes and costs, necessitating adaptability to maintain compliance and competitiveness.

In conclusion, while the Shrüm Stool has distinctive strengths that align well with current market trends, it must address its weaknesses and leverage opportunities to navigate the threats in a competitive and dynamic marketplace.

4.4 TOWS Analysis

4.4.1 Strength-Opportunity (S-O) Strategies:

Eco-conscious Attraction: Leverage the sustainable mycelium material to attract eco-conscious consumers through strategic marketing campaigns and partnerships with sustainability influencers and organizations.

Urban Appeal: Highlight the modular and customizable design to appeal to urban dwellers seeking versatile, space-saving furniture solutions.

Design Credibility: Collaborate with OD Architecture Studio to enhance brand credibility and reach a wider audience through design-focused promotions.

Practical Benefits: Promote the lightweight and strong features of Shrüm Stool to emphasize its practical benefits and long-term value.

4.4.2 Weakness-Opportunity (W-O) Strategies:

Increase Brand Awareness: Launch targeted marketing campaigns that showcase the unique features and eco-friendly aspects of Shrüm Stool to increase brand visibility and differentiation.

Pricing Strategies: Develop pricing strategies that offer a range of products at different price points to broaden market appeal without compromising on quality or sustainability.

Expand Distribution: Partner with more retailers and enhance the online presence to overcome limited distribution channels and reach a wider audience.

4.4.3 Strength-Threat (S-T) Strategies:

Differentiate from Competitors: Emphasize Shrüm Stool's unique sustainable material and collaboration with OD Architecture Studio to stand out from competitors.

Adapt to Consumer Preferences: Highlight the stool's flexibility and customization options in marketing strategies to address rapidly changing consumer preferences.

Highlight Durability: Emphasize the environmental benefits and durability of Shrüm Stool to mitigate the impact of economic fluctuations on consumer spending.

4.4.4 Weakness-Threat (W-T) Strategies:

Increase Brand Recognition: Focus on social media and online advertising to improve brand recognition and compete with established brands.

Broaden Market Appeal: Expand promotional efforts to showcase the versatility and unique benefits of Shrüm Stool, reducing dependency on niche markets.

Enhance Visibility: Strengthen brand presence in retail stores and online platforms to ensure availability and ease of purchase, making the product more accessible to consumers.

4.5 Business Solution

To enhance Shrüm Stool's brand awareness and growth, the following business solutions are proposed:

4.5.1 Enhance Brand Recognition and Awareness

Utilize social media and online advertising to increase brand recognition by developing engaging content that highlights Shrüm Stool's unique features. Partner with eco-conscious influencers and designers, and invest in SEO and SEM to boost online visibility.

4.5.2 Expand Distribution Channels

Increase product availability by listing Shrüm Stool on popular e-commerce websites like Tokopedia, Shopee, and Lazada. Collaborate with high-end and eco-friendly furniture stores for physical retail presence.

4.5.3 Targeted Marketing Campaigns

Implement marketing campaigns targeting identified segments, such as urban dwellers aged 26-35 with a focus on sustainability. Run targeted ads, offer seasonal promotions, and host pop-up events in urban areas to increase brand awareness and customer interest.

4.5.4 Emphasize Product Versatility and Unique Benefits

Highlight Shrüm Stool's multi-functional use, eco-friendly aspects, and strong, lightweight construction in marketing efforts. Run campaigns showcasing different uses of Shrüm Stool in various settings, promote its sustainable production process, and feature customer testimonials to build trust and credibility.

4.5.5 Optimize Pricing Strategy

Develop a competitive pricing model with different pricing tiers based on customization options and finishes, within the recommended price range of Rp. 2.000.000 - Rp. 4.000.000. Offer discounts for bulk purchases, bundle offers, and flexible payment options to attract a broader audience.

4.5.6 Leverage Strategic Partnerships

Form strategic alliances with renowned designers and architecture studios for exclusive designs. Collaborate with eco-friendly brands for joint promotions and product bundles, and partner with co-working spaces, cafes, and eco-conscious businesses to place Shrüm Stool in high-visibility locations, increasing brand exposure and attracting new customers.

V. CONCLUSION AND RECOMENDATION

5.1 Conclusion

To increase awareness among potential Shrüm customers, it is essential to consider both internal and external conditions. Internally, Shrüm benefits from strong innovative materials, modular design, and a partnership with OD Architecture Studio, which are appealing to eco-conscious consumers. However, the brand faces challenges such as limited awareness, higher price points, and restricted distribution channels. Externally, there are opportunities like a growing eco-conscious consumer base and potential for expanded distribution channels, but threats include intense market competition, economic fluctuations, and rapid changes in consumer preferences. Addressing these conditions is crucial for enhancing Shrüm's market presence and brand awareness.

To facilitate successful market awareness, Shrüm should adopt a multi-faceted marketing strategy. This includes leveraging social media and influencer marketing, expanding distribution channels through e-commerce and offline events, implementing dynamic pricing models, and creating tailored marketing content for key demographics. Consistent social media engagement, online advertising, and visibility in retail stores are also vital. Partnerships with environmental influencers and research institutions will further promote Shrüm's eco-friendly attributes and sustain market awareness.

5.2 Recommendation

To increase awareness and market presence, Shrüm should leverage its strengths in innovative materials and modular design while addressing internal weaknesses such as limited brand recognition and higher price points. Key recommendations include enhancing promotional strategies through social media and influencer marketing, expanding distribution channels both online and offline, and adopting dynamic pricing models. Additionally, developing tailored marketing content for target demographics and strengthening brand presence in both physical and online retail environments are crucial. These strategies aim to broaden Shrüm's market appeal and ensure sustainable growth.

5.2.1 Practical/Managerial Implications

Implementing these recommendations will have significant practical and managerial implications for Shrüm. By enhancing promotional strategies and engaging influencers, Shrüm can increase brand visibility and credibility, attracting a broader audience. Expanding distribution channels will make Shrüm products more accessible, reducing dependency on niche markets and enhancing overall market presence. Adopting dynamic pricing models will allow Shrüm to respond to market demands and economic conditions more effectively, increasing sales and customer satisfaction. Tailoring marketing content for specific age groups will ensure that messaging resonates with the intended audience, fostering stronger connections and loyalty. Strengthening brand presence in retail and online platforms will ensure consistent visibility and availability, crucial for long-term brand growth.

5.2.2 Future Research Suggestions

Future research should focus on evaluating the long-term impact of these marketing strategies on Shrüm's market position and brand awareness. Specifically, studies could investigate the effectiveness of social media and influencer campaigns in driving sales and customer engagement. Additionally, research could explore consumer perceptions of Shrüm's innovative materials and sustainability claims, providing insights into how these factors influence purchasing decisions. Further, comparative studies with competitors could identify additional opportunities for differentiation and market positioning. Lastly, research on the scalability of Shrüm's business model in different geographic regions could offer valuable guidance for international expansion.

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