



JAVARA

Introduction



Location: Indonesia

Industry: Food & Agriculture

Founded in 2008

Image credit to
WhiteboardJournal

Javara is the signature brand under the social enterprise Kampung Kearifan Indonesia (KKI). The social enterprise strives to preserve the rich biodiversity and cultural heritage of Indonesia's indigenous food. It collaborates and deliberates closely with various stakeholders, including smallholder farmers, food producers, research institutions and customer participation and preferences, paying attention to every segment of the value chain. With its market reach and expansion, it aims to extend affordable and healthy food to everyone. Examples of its products include organically grown vegetables, gluten-free flour, gourmet salt and coconut cooking oil.

Highlights

- Javara's unique positioning has granted the company with global recognition, including intensive media coverage from reputable national & international media and awards such as Schwab Social Entrepreneur of the Year 2015. Javara also has been named by Forbes Indonesia as one of the Indonesia's 20 Global Rising Stars, and is the only SME on the list.

Social Problem

There are around 50 million people classified as indigenous in Indonesia. The villagers are not granted rights to the customary lands, thus are vulnerable to frequent land grabs by large scale palm oil producers and other forest users. The perpetual cycles of poverty faced by the villagers, as well as the dominance of power resulting in monopolistic land use, are alarming and not sustainable.

Social Intervention and Impact Created

Sourcing

JAVARA's value chain includes farmers with small landholdings, organized into farmer collectives. JAVARA creates local farm-entrepreneurs and helps them develop high market potential produce and supports them to adopt sustainable and economically beneficial farming practices such as crop rotation or inter-cropping.

Training

Over 3,000 food artisans are also trained by JAVARA to reach and maintain high food safety and quality standards. These processors source from these collectives and add-value through processing. When there is strong local capacity, the farmer collectives handle the processing operations. JAVARA then purchases, markets and distributes these products. This model ensures transparent pricing structures and allows all involved stakeholders to benefit from selling value added products.

Farmers: Javara is working with 50,000 farmers, of which 20% are certified organic

Food artisans: Javara is working with 2,000 artisans who make the products from the agricultural produce. 50% of these artisans are certified organic.

Business Model

100% of the source material is from Indonesia, while 80% of the sales outreach is international. Javara's products include spices, honey, rice, oil, gluten-free flour, salt, sugars and syrups, jams and spreads, snacks, and noodles.



CEO & Founder,
Helianti Hilmin
posing with some of
JAVARA's products

Image credit to Max
Monroe

Current Marketing Efforts

Online presence and social media

- Company website: Javara's products are listed and described on the website (there is no online purchase function). Some food recipes which used their products as ingredients are also listed.
- Facebook (Javara Indigenous Indonesia): 772 likes, infrequent posts.
- Instagram (javaraindonesia): 5646 followers.

Javara works with over 25 partners across 18 countries in Europe, America and Asia. The company engages in co-branding partnerships and has 60 domestic partners, which include large retailers, premium supermarkets and hotel chains that carry Javara-labelled products.

Press coverage

Javara has been appeared on local television programme, and press coverage is significant. From Javara's website: Javara and its founder Helianti Hilman has been profiled in various leading media in Indonesia and overseas, including TVRI, Bloomberg Indonesia TV, The Indonesian Channel, Net TV, Femina, Dewi, Forbes Indonesia, Her World, Esquire, Kompas, Media Indonesia, Republika, The Jakarta Post, More Indonesia, Harpers Bazaar, Sedap Alami, The Huffington Post, Flow Magazine Netherland, The Guardian UK and many more. The company also gains supports from Swiss Import Promotion Program (SIPPO) and Import Promotion Desk (IPD) as an SME with strong export potential to Europe. For the details, please see individual articles found on the "News and Press" section of the website.

Brick and mortar stores

On the company website, Javara lists over 30 partnering stores where her products can be purchased from in Indonesia. Domestically, she has a network of over 500 stores that sell her products. Furthermore, her products are sold internationally, in departmental stores and organic food stores. Participation in international organic food fairs Hilman, together with some of the key members of Javara such as the points of contacts of farmers' groups across Java, take part in food fairs to increase international exposure of the Javara brand. For example, they attended the Swiss Import Promotion Programme pavilion during the BioFach Organic Food Trade Fair held in Germany in February 2013. Javara has also gained exposure through an exhibition by the Indonesian trade ministry, held in Korea. Tapping on current global organic food networks Javara is promoted through some of the most established networks of sustainable foods, such as Slow Food (<http://www.slowfood.com>) which boasts 100,000 members represented by 160 countries.

Status of Business Growth

Javara has been described as in the "Growth stage" in a report by the Boston Consulting Group (see link below). *"At the growth stage, the SE has proven itself to be a sustainable model and seeks a larger scale of social impact. The focus turns to scaling up or replicating the business and its impact, possibly through branch expansions. The SE has a proven track record of sustaining operations. It acquires supporting assets. it operates on a positive margin. It begins to explore new types of financing, such as equity investments and loans. It has legal standing, often with multiple legal entities. With its larger presence, the SE uses its growth stage to exert a wider social impact, producing multiple indicators of social improvement. Approximately 24*

percent of Indonesia's SEs have made the leap forward to the growth stage or beyond. Current examples of SEs at this stage include ... and Javara."

Challenges Faced and Project Scope

Remoteness of the indigenous population

Indonesia comprises nearly 1,000 permanently settled islands, many of the smaller ones hold unique indigenous populations. years of marginalisation has also left the villagers distrustful of outsiders and unfamiliar with mainstream market mechanisms and trends.

Volume of goods are not large individually

Farmers traditionally have small plots and grow mixed crops. They currently do not subscribe to the model of intensive cultivation and mono-crop production. More conservative communities even ban the sale of rice, promoting only barter trade. Hilman thus took the specialty crops and used them to create inventive, value added products, such as turmeric-infused rice instead of pure turmeric or heritage rice alone.

Small domestic premium market

In 2011, after two years of operations, Hilman shifted the organisation's focus to exports. Java's international sales, which include Japan, Korea, the US and 11 European countries, comprise of 85% of its total revenues in 2015.

Stringent international laws

Upon the request of a Swiss departmental store to sell Javara products, it took almost a year for the products to pass the rigorous Swiss certification programme for food imports. "the European market has high standards", said Hilman, who added that she alleviated the challenge by getting support from the local NGOs such as international development organisation Swisscontact.

JAVARA's project scope has been identified as follows:

How can Javara increase its brand awareness in Singapore? Identify the key consumers of organic foods. What are some of the marketing channels to reach out to the various types of consumers? What kind of marketing medium works best?

Useful Links and Resources

Company Website: <http://www.javara.co.id/>

Facebook: <https://www.facebook.com/Javara.Indonesia>

Video on company: <https://youtu.be/zzxuA3Z1DFw>

Additional references

An overview of Javara:

<http://www.theguardian.com/sustainable-business/2015/jun/24/beyond-organic-promoting-indonesias-indigenous-farming-cultures>

An interview with Hilmin:

<http://www.asianentrepreneur.org/helianti-hilman-founder-of-javara/>

Branding of the artisanal products:

<http://www.thejakartapost.com/news/2013/05/26/javara-treasuring-food-biodiversity.html>

The art of sustainable giving by the Boston Consulting Group, page 13:

<http://www.bcgsea.com/documents/file189262.pdf>