

# Risk Taking

## In ICS Commercialization

Yayasan Dian Desa - Indonesia

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## **SAE** *Pottery Stove*

- ✍ **New design...new commodity**
- ✍ **Two cooking potholes, a bit different in operational**
- ✍ **Bigger and heavier than traditional Pottery stove**
- ✍ **More expensive**

# Traditional

## Pottery Stove (Single Pothole)

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✍ Production

✍ Marketing

# Traditional

## Stove Production

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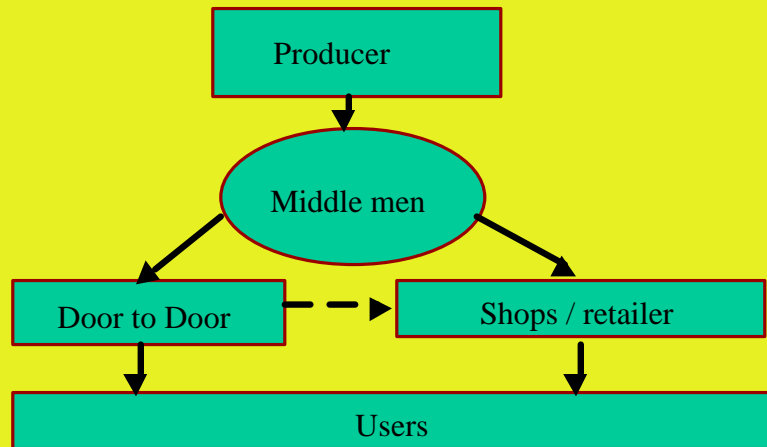
**Family based:**

- ✍ Men collect and mixing clay + firing
- ✍ Women throwing pottery wheel + drying

**Production capacity is low**  
**No Standard**

- ✍ Dimension
- ✍ Quality of material (clay)

## Traditional Pottery Stove Marketing



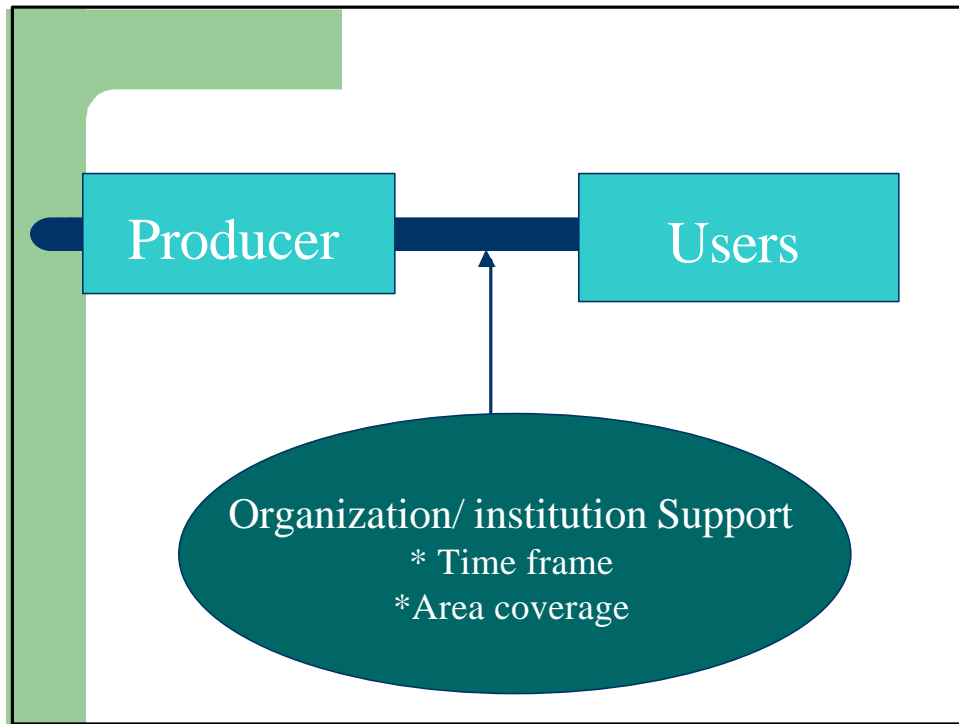
**Producer (pottery artisan)**

**Middle men**

**Users**

***Price Sensitive***

**Not in the position to take  
financial risk**



## Yayasan Dian Desa

3 years Project period

Set up the Production in 2 pottery village,  
Kasongan and Pagutan

Open the market in Jogjakarta Area

# Production

Change the system, from Family based to Centralized  
in order to Standardized the Quality

Centralized	Teaming up	Book keeping	Pricing
Working space		Record:	Overhead
Clay mixing machine	pot shaping: 2	Material used	Prod.Cost
Drying racks & working table	assembling: 4	Fuel	Profit
Kiln	preparation: 2	Transportation	Selling price
Tools		Stove production	
		Suppliers and Middle men	
		Expenditure & revenue	

# Marketing

Maximally used the existing channel

## Middle men

Selling door to door  
Big area coverage  
Routine / Continuos

Active

## Shops

Waiting for customers  
Area coverage : Local  
Strategic location

Passive

## Program for Middle men

Special gathering : Convey the information about the new stove, its superiority, price and arrangement for long term business relationship with them.

T-shirt for those who willing to try

Bonus system : Free 1 stove for every 10 stove they sell

1 month can sell 50 stoves, free vacuum flask or stainless steel food container.

3 months continuously can sell 50 stove/month, free radio.

6 months continuously sell 50 stoves/month, free bicycle.

Guarantee of full replacement for each stove broken during transport.

## Program for Shops

✍ Poster

✍ T-shirt

## Program for Users

Promotion and demonstration in the village women & family welfare meeting

Credit scheme for member of women & family welfare

## Other Promotional materials

Comics for children

Advertising in radio station

## Results:

End users buy stove at Real cost

Middle men play important role in dissemination,  
at minimum cost

Producer can concentrate on their production ,  
maintain its quality and price.

At the end of year three, the project is completely  
withdraw and the business is running at its own