

## **CHAPTER II**

### **COMPANY PROFILE OF "ADES" BASED DRINKING WATER (AMDK)**

#### **2.1 History of the AMDK product "ADES"**

ADES is a brand of bottled drinking water (AMDK) that is widely known in Indonesia and is produced by PT Ades Waters Indonesia Tbk. This company was originally founded under the name PT Alfindo Putrasetia in 1985 with business activities in the production and distribution of bottled drinking water. Along with the company's development, its corporate identity underwent several changes until in 2004 it officially changed its name to PT Ades Waters Indonesia Tbk. The name change is part of the company's transformation which aims to strengthen its business position in the national AMDK industry while adapting to changes in ownership structure and business development strategy.

The transformation occurred in 2004 when Water Partners Bottling S.A. (WPB), a joint venture between Nestlé S.A. and Refreshment Product Services (a wholly owned subsidiary of The Coca-Cola Company), acquired a majority stake in the Company, changing its name to PT AdeS Waters Indonesia Tbk. During this ownership period, Nestlé S.A. and The Coca-Cola Company launched AdeS bottled water with new packaging and Nestlé Pure Life. This move strengthened the company's competitiveness through product innovation, quality improvement, and expanded market reach in the bottled water industry.

In 2010, the company again changed its corporate identity by changing its name from PT Ades Waters Indonesia Tbk to PT Akasha Wira International Tbk.

This name change was made to avoid overlapping identities between the company name and its product brands, as the company had expanded its business portfolio to encompass a variety of products and was no longer solely focused on bottled water. Nevertheless, the company continues to operate in the bottled drinking water (AMDK) industry, including producing and marketing products under the ADES brand, a trademark owned by The Coca-Cola Company.

PT Akasha Wira International Tbk operates two bottled drinking water (AMDK) production facilities strategically located to support smooth production and distribution across Indonesia. The first plant is located at Jalan Raya Tapos Km. 1, Kranji Village, Ciriung Village, Cibinong District, Bogor Regency, West Java Province, while the second plant is located at Jalan Raya Surabaya–Malang Km. 59, Sengonagung Village, Purwosari District, Pasuruan Regency, East Java Province. The presence of these two production facilities allows the company to reach markets in both western and eastern Indonesia more effectively, while also supporting the efficiency of production, distribution, and meeting consumer demand for bottled drinking water products.

## **2.2 Vision and Mission of PT Akasha Wira International Tbk**

The vision and mission are strategic foundations that serve as guidelines for the company in carrying out its operational activities and directing the achievement of long-term goals. The vision reflects the ideal state the company aspires to achieve in the future, while the mission explains the commitments, strategies, and steps taken to realize this vision. As a company operating in the consumer products sector, PT Akasha Wira International Tbk uses its vision and mission as a guideline for

creating quality products, increasing customer satisfaction, and building sustainable competitiveness.

PT Akasha Wira International Tbk's vision is: "Delivering the World's Best Solutions to Improve the Quality of Life of Our Consumers." This vision demonstrates the company's commitment to providing products and services that add value to people's lives through innovation and internationally recognized quality standards. To realize this vision, the company has established a mission: "Building Strong Brands That Provide the Best Consumer Solutions Through the Best People, Culture, and Systems." Through this mission, PT Akasha Wira International Tbk strives to develop superior human resources, build a positive work culture, and implement an effective management system to produce quality brands and provide sustainable customer satisfaction.

### **2.3 Core Values of PT Akasha Wira International Tbk**

The company's core values are the basic principles that guide all company personnel in conducting business activities, making decisions, and building relationships with various stakeholders. These values play a crucial role in shaping a positive organizational culture, enhancing employee professionalism, and creating consistent behavior aligned with the company's vision and mission. For PT Akasha Wira International Tbk, the implementation of core values aims not only to improve organizational performance but also to build trust with consumers, business partners, and the community through responsible and sustainable business practices.

PT Akasha Wira International Tbk has established five core values as the foundation for its business operations, namely:

1. Integrity: Acting appropriately in accordance with applicable ethics, morals, and laws.

This value serves as the foundation for all employees to carry out their duties honestly, transparently, and professionally, thereby building trust with consumers, business partners, and other stakeholders.

2. Cooperation: Working together to achieve common goals

Through this value, the company encourages effective communication, mutual respect, and synergy among employees and work units to increase organizational productivity and effectiveness.

3. Responsibility: Contributing to realizing shared commitments

This value emphasizes the importance of each individual carrying out their duties and responsibilities with full dedication, discipline, and responsibility for every decision and work result.

4. Innovation: Enthusiasm for challenging existing practices to improve work methods.

This value encourages the company to continuously develop creative ideas, improve product quality, and implement continuous improvements to meet consumer needs and the changing business environment.

## 5. Excellence: Striving to provide excellence in all actions

This value reflects the company's commitment to achieving high quality standards, continuously improving performance, and providing added value to customers, business partners, and all stakeholders.

### **2.4 Respondent Identity**

Respondent identity describes the demographic characteristics used to determine the profile of the individuals sampled in the study. Presenting respondent characteristics aims to provide a description of the respondents' backgrounds to help understand the sample's representativeness of the study population. In this study, respondents' identities were grouped based on several characteristics, namely age, gender, city or residence, education level, occupation, and income level. This grouping is expected to provide a more comprehensive picture of respondent characteristics and serve as a basis for interpreting the results of the research analysis in the following section.

#### **2.4.1 Respondent Identity by Age**

Grouping respondents by age aims to determine the age distribution of ADES bottled water consumers sampled in the study. Each age group has different characteristics, needs, and preferences when selecting and consuming bottled water. Therefore, analysis by age can provide an overview of the consumer segments that dominate ADES bottled water use and serve as a basis for understanding the characteristics of the study respondents.

**Table 2. 1 Respondents by Age**

| <b>No</b> | <b>Age</b>  | <b>Frequency</b> | <b>Percentage</b> |
|-----------|-------------|------------------|-------------------|
| 1         | 17–25 years | 126              | 42%               |
| 2         | 26–35 years | 38               | 12,7%             |
| 3         | 36–45 years | 67               | 22,3%             |
| 4         | 46–55 years | 57               | 19%               |
| 5         | >55 years   | 11               | 3,7%              |
| Total     |             | 300              | 100%              |

Based on Table 2.1, the characteristics of the study respondents are dominated by the productive age group, with the largest percentage reaching 42% of the total 300 respondents, while the remainder are spread across other age groups. This distribution indicates that the majority of Ades bottled water consumers in this study come from groups with high mobility and busy activities, thus tending to require drinking water products that are practical, easy to obtain, and support daily hydration needs. Furthermore, the representation of respondents from various age groups indicates that Ades bottled water products are not only in demand by one particular segment, but are consumed by people of all ages. This indicates that Ades has a fairly wide market reach with a good level of acceptance among various consumer groups.

#### **2.4.2 Respondent Identity by Gender**

Grouping respondents by gender aims to determine the distribution of male and female respondents in the study sample. This characteristic is important to provide an overview of the respondent composition and to ensure that the study involves participation from both genders, so that the results obtained can more representatively reflect the characteristics of Ades bottled water consumers.

**Table 2. 2 Respondents by Gender**

| No | Gender | Frequency | Percentage |
|----|--------|-----------|------------|
| 1  | Male   | 153       | 51%        |
| 2  | Female | 147       | 49%        |
|    | Total  | 300       | 100%       |

Based on Table 2.2, the composition of respondents by gender is relatively balanced, with 153 male respondents (51%) and 147 female respondents (49%). This distribution indicates that Ades bottled water products are used by consumers of both genders in almost equal proportions. This condition indicates that the need for bottled drinking water is universal and is not predominantly influenced by gender differences, so that Ades has equal appeal to both male and female consumers.

#### **2.4.3 Respondent Identity by City/Domicile**

Grouping respondents by city or domicile aims to determine the distribution of the residential areas of the respondents sampled in the study. Information on respondents' domiciles is important for providing an overview of the geographic scope of the study and identifying the regions with the highest prevalence of Ades bottled water product use.

**Table 2. 3 Respondents by City/ Domicile**

| No | City/ Domicile       | Frequency | Percentage |
|----|----------------------|-----------|------------|
| 1  | West Java            | 88        | 29,3%      |
| 2  | Central Java         | 67        | 22,3%      |
| 3  | East Java            | 68        | 22,7%      |
| 4  | DKI Jakarta          | 33        | 11,0%      |
| 5  | Banten               | 27        | 9,0%       |
| 6  | Other Cities/Regions | 17        | 5,7%       |
|    | Total                | 300       | 100%       |

Based on Table 2.3, it is known that the research respondents came from various cities and regions in Indonesia, with the majority of respondents residing in West Java at 29.3%, followed by East Java at 22.7% and Central Java at 22.3%. Meanwhile, respondents from DKI Jakarta and Banten accounted for 11.0% and 9.0%, respectively, while the remaining 5.7% came from various other cities or regions. This distribution indicates that this research has a fairly broad geographic coverage, with the majority of respondents coming from Java. This condition indicates that ADES AMDK products have reached various regions and have a good level of acceptance in several major provinces in Indonesia, so that the characteristics of the respondents obtained are representative enough to describe consumer perceptions of the product.

#### **2.4.4 Respondent Identity By Education**

Grouping respondents by education level aims to determine the educational background of the consumers sampled in the study. Education level is a demographic characteristic that can influence how individuals obtain information, understand product quality, and make purchasing decisions. Therefore, the distribution of respondents' education levels is important to provide a picture of the characteristics of Ades bottled water consumers based on their highest level of education.

**Table 2. 4 Respondents by Last Education**

| <b>No</b> | <b>Education</b>                                        | <b>Frequency</b> | <b>Percentage</b> |
|-----------|---------------------------------------------------------|------------------|-------------------|
| 1         | Elementary School/equivalent                            | -                | -                 |
| 2         | Junior High School/equivalent                           | 7                | 2,3%              |
| 3         | Senior High School/Vocational<br>High School/equivalent | 88               | 29,3%             |
| 4         | Diploma (D1–D4)                                         | 45               | 15%               |
| 5         | Bachelor's Degree (S1)                                  | 138              | 46%               |
| 6         | Postgraduate Degree (S2/S3)                             | 22               | 7,3%              |
|           | Total                                                   | 300              | 100%              |

Based on Table 2.4, the majority of respondents held a Bachelor's degree (S1) at 46%, while the remaining respondents were spread across secondary and postgraduate levels. This distribution indicates that most respondents had a relatively high level of education. This indicates that respondents tend to have good abilities in obtaining, understanding, and evaluating information about Ades bottled water products. Therefore, the perceptions and assessments provided in this study are expected to be more objective and based on rational considerations in the purchasing decision-making process.

#### **2.4.5 Respondent Identity Based on Occupation**

Grouping respondents based on occupation aims to determine the professional background of the respondents in the study sample. Occupation is a demographic characteristic that can influence a person's activity level, needs, purchasing power, and consumption patterns for bottled water products. Therefore, information regarding respondents' occupations is necessary to provide an overview of the characteristics of ADES bottled water consumers based on their profession.

**Table 2. 5 Respondents by Occupation**

| <b>No</b> | <b>Occupations</b>                     | <b>Frequency</b> | <b>Percentage</b> |
|-----------|----------------------------------------|------------------|-------------------|
| 1         | Student                                | 155              | 51,7%             |
| 2         | Civil Servant<br>(Government Employee) | 46               | 15,3%             |
| 3         | Private Sector Employee                | 12               | 4%                |
| 4         | Entrepreneur                           | 57               | 19%               |
| 5         | Homemaker                              | 16               | 5,3%              |
| 6         | Freelancer                             | 14               | 4,7%              |
| 8         | Other                                  | -                | -                 |
|           | Total                                  | 300              | 100%              |

Based on Table 2.5, the majority of respondents are students (51.7%), while the remaining respondents come from various professions, such as entrepreneurs, civil servants, private employees, housewives, and freelancers. This distribution indicates that this study is dominated by respondents in the productive age group with high levels of activity. This condition indicates that ADES bottled water products are widely consumed by individuals with high mobility and who require practical drinking water products to support their daily activities. In addition, the involvement of respondents from various types of jobs shows that ADES AMDK products have a fairly wide consumer reach and are used by various levels of society.

#### **2.4.6 Respondent Identity Based on Income**

Grouping respondents based on income aims to determine the level of economic capacity of the respondents in the study sample. Income characteristics are important for analysis because they can be related to purchasing power, consumption patterns, and consumer considerations in choosing bottled water products.

**Table 2. 6 Respondents by Income**

| <b>No</b> | <b>Income</b>             | <b>Frequency</b> | <b>Percentage</b> |
|-----------|---------------------------|------------------|-------------------|
| 1         | No Income                 | 13               | 4,3%              |
| 2         | < Rp2.000.000             | 12               | 4%                |
| 3         | Rp2.000.001–Rp5.000.000   | 72               | 24%               |
| 4         | Rp5.000.001–Rp8. 000.000  | 154              | 51,3%             |
| 5         | Rp8.000.001–Rp11. 000.000 | 42               | 14%               |
| 6         | ≥ Rp11.000.001            | 7                | 2,3               |
| Total     |                           | 300              | 100%              |

Based on Table 2.6, it is known that the majority of respondents are in the middle-income group, with the largest percentage reaching 51.3%. This distribution indicates that the majority of ADES bottled water consumers in this study come from groups with relatively stable economic capabilities. This condition indicates that ADES bottled water products have good reach among middle-income consumers, as bottled water is a daily necessity with a relatively high consumption rate, influenced not only by income but also by the need for quality, safety, and easy access to the product.