

indo.com

RajaCraft.com:
Deploying the Internet
for SMEs to Reach Out
to the World

Aug 2003

RajaCraft.com
online marketplace

indo.com: since 1995...

Leading Internet travel and technology company in Indonesia

- Travel Portals**
 - Inbound portal into Indonesia: www.indo.com, and domestic travel portal: www.paketrupiah.com with real time inventory and transactions with over 300 hotels in Indonesia
- Tech Solutions & Services**
 - Internet and mobile-based technology solutions and services: E-ticketing, CRM (Contact Management), Loyalty Point, Campaign Management), Mobile Travel, Mobile Quiz
- RajaCraft**
 - Online community & marketplace for Indonesian arts & crafts products: www.rajacraft.com, with real time inventory and transactions with almost 300 vendors

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www.indo.com: our main portal

BALI & INDONESIA ON THE NET

Should I still travel to BALI?

Find a HOTEL IN BALI

VACATIONCENTRAL

Willa Kawati
an ideal lodging
no rent and
rent in Bali

Camang Kawati
Bali's delectable
Banyar Temple

Largest international publication about Indonesia, with monthly:

- 24m hits
- 2.5m page views
- 400,000 readers
- Thousands of room nights of bookings
- Hotel testimonials: indo.com owns 70-80% market share
- Main market from US, UK, AU, JP, DE, SG, MY

www.paketrupiah.com: for Indonesians & expats

Supported by hundreds of hotels in Indonesia

The travel channel of all leading portals in Indonesia

PAKET

SAKUN

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About RajaCraft

- RajaCraft is an Internet crafts and technology company, offering an online marketplace of crafts products in Indonesia
- For buyers, RajaCraft's helps:
 - > *Locating the right products*
 - > *Connecting with the right suppliers*
 - > *Monitoring the production process*
 - > *As well as assisting the fulfillment and payment process.*
- For vendors, RajaCraft brings the global market into a meeting place with pre-qualified buyers.

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CORE Trading Products

A. Furniture


1. *Antique Repro*
2. *Garden Furniture*

B. Home Accents

1. *Incense*
2. *Ceramic & Pottery*

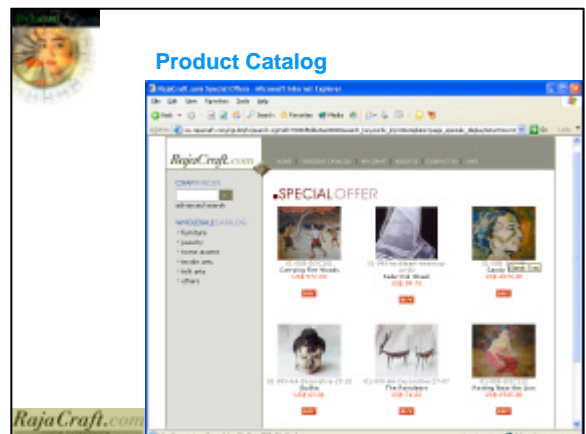
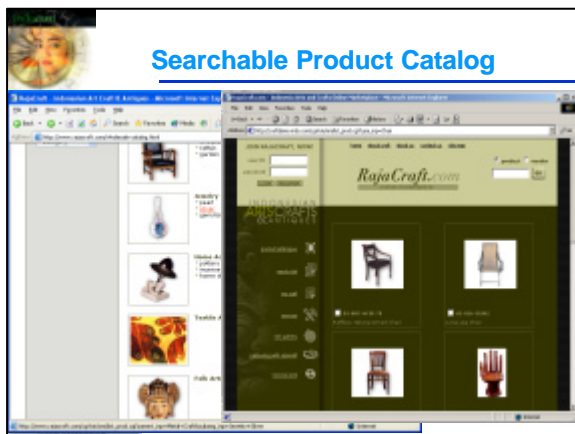
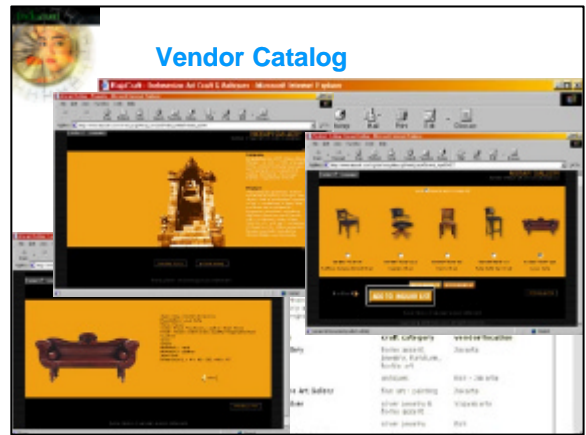


Furniture



Home Accent

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Member Listing

| ID | Username | Password | Email | Address |
|----|----------|----------|---------------------|--------------|
| 1 | admin | admin | admin@rajacraft.com | Jl. Raya ... |
| 2 | user | user | user@rajacraft.com | Jl. Raya ... |
| 3 | ... | ... | ... | ... |

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Inquiry Processing

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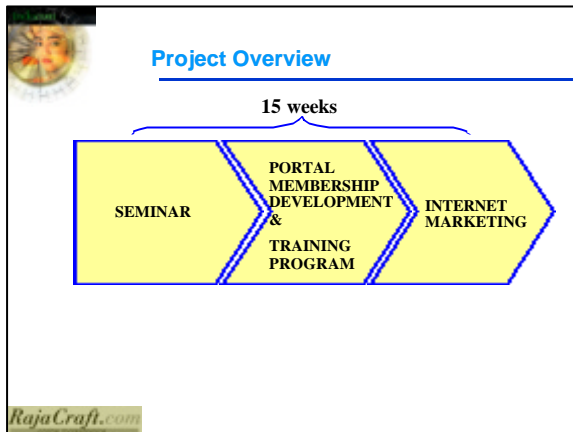
Online to Offline Marketplace: Kemang Street Festivals

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Deploying the Internet to help SMEs in Bali during Bali Recovery

Supported fully by USAID
 200 SMEs done + 200 in progress
Training, Internet Deployment, and Internet Marketing
 Support effort for Bali Recovery by reaching out to buyers who are reluctant to come to Indonesia today

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- Educational Seminar**
- The Seminar is successful in educating and in generating actions from these SMEs about the prospect of using the Internet to reach out and market their arts & crafts products while walk-in buyers are not present because of the situation today.
 - 75 SMEs immediately signed up for the promotion packages, and over 25% signed up for advanced packages, beyond the package subsidized by USAID.
 - RajaCraft.com has also screened an additional 125 SMEs for a total of 200 SMEs to be promoted on RajaCraft.com portal
 - Survey of Participants indicate a very satisfied audience, who believe that Internet can help them in promoting their business for export.
- RajaCraft.com

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- Seminar: Impact & Lessons**
- RajaCraft.com instills a strong consciousness on the importance of the Internet for current and future business amongst Indonesian arts & crafts SME owners in Bali. Driven by Bali bombing incident that decreased their business volume significantly they need to make an immediate decision on promoting their products in order to keep their existing customers and approach new potential market worldwide.
 - The fact that 26% out of who signed-up interested on advanced Internet promotion services is showing their conscious of the importance of the Internet for their current and future business
- RajaCraft.com

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- Seminar: Lesson Learned**
- The seminar survey forms are also indicating their strong interest on the Internet for business and their willingness to inform and ask other SME owners to join the online marketplace immediately.
 - This USAID project on helping arts & crafts SMEs adopt Internet technology and join the online marketplace is a much needed catalyst to invite the SMEs to experiment and tap into the Internet to overcome the adverse business conditions they are facing.
 - As a seeding project, the seminar has reached the goal to stress the importance of the Internet for business as the answer for arts & crafts SMEs in Bali after Bali bombing incident.
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Seminar Photos

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Seminar Photos

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Portal Membership Development


- RajaCraft's team does the following:
 - > *Material collection, including photo-taking, company profile and detailed products information*
 - > *Photo-editing*
 - > *Writing & editing Company profile*
 - > *Products database preparation*
 - > *Creative design for each SMEs' virtual showroom*
 - > *Technical development & web site uploading*

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Portal Membership Development: Lessons Learned

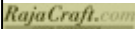

- As expected, these SMEs are not ready with marketing collaterals:
 - > *Only 3 SMEs are ready with photos of their products*
 - > *Our team has to conduct photo-taking sessions for 197 SMEs indicating that even with a screening process to determine SMEs readiness for the project completion, RajaCraft.com has to be ready with the lack of promotional materials*
- However, their eagerness and willingness to participate is quite strong, enabling us to do photo taking sessions very rapidly, 6 to 8 companies per day.
 - > *Team members are invited to dine along with the family owners, and returned home with small presents*
- These SMEs sense of togetherness is quite high
 - > *Some request their SME friends be also included in the Project*

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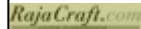
Training Program

- The training is aimed to enable the SMEs to participate actively in the operations of the online marketplace
- Training material is provided for each SME containing basic Internet knowledge, the use of Internet for business, electronic marketing and how to do, and some suggestions to maximize the use of Internet for their business.

Notable Training Moments

- You've Got Mail!
 - > An SME owner who has yet seen an email
 - > Laughed at by the rest of the class
 - > RajaCraft.com showed and taught him how to open a Yahoo mail account
 - > He was showing off and sending off email to his friends
- I want my E-Training!
 - > Nine SMEs from the hometown of one of RajaCraft.com staff, asked to have training on the week of Nyepi, a Holy day for Hindu, when Bali is usually closed for a week.
 - > Our staff did so during his Nyepi vacation.




Training Session Photos





Internet Marketing: Search Engine & Electronic Newsletters

- Promotion of RajaCraft.com's new members through global search engines / portals
- RajaCraft's team is also regularly promoting each SME through electronic newsletters that have been sent to potential buyers worldwide every week.
- These newsletters have been proven as a useful marketing tools that increase buyer's attention for specific product offer in accordance to buyer's interest.



Internet Marketing Performance Measurement

- Observing all the necessary paths to and beginning of transactions
 - Hits & page views: are there people coming and browsing through the sites of these Bali SMEs? – **RESULT: 100% increase**
 - Product views: are they looking at the products being offered? – **RESULT: 50% increase**
 - Seriousness: are they interested in inquiring about the products they see? – **RESULT: 150% increase**
 - Communications: have they sent their inquiries and have they replied to our answers? – **RESULT: 130% increase in inquiries, with 175% increase in total values of the inquiries**
 - Transactions: have they decided to buy something? – **RESULT: A number of transactions completed, a few Purchase Orders processed**

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Bottom Line Results: Shipped Goods & Serious Trading Pipeline

- In 14 weeks since mid April 2003, we have received an average of 18 serious inquiries per week, totaling 250 inquiries until Aug 1, 2003.
- The trading pipeline created by these inquiries are quite substantial:
 - Value of ALL inquiries: ~USD 707,000
 - Value of PRE-ORDERS: ~USD 149,000
 - Value of ORDERS: ~USD 3,000
 - Value of SHIPPED GOODS: ~USD 1,400



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Concrete transaction: Made Wianta's painting

From: Stockton, Debby
Sent: Thursday, June 05, 2003 3:00 PM
Subject: RE: Wianta, Red Sun.jpg

Olivia,

Thank you for locating more works Made Wianta. I am interested in purchasing Red Sun. Can you give dimensions? Is 1350 USD your lowest price?

Thanks!
Debby Stockton



From: Stockton, Debby
To: Yovi, Olivia
Sent: Monday, July 07, 2003 8:25 PM
Subject: RE: Wianta, Red Sun.jpg

Olivia,

I received the painting last week and I just love it! Thank you so much for all your help. Please let me know when more of Made Wianta's work is available. Thanks!!
Debby

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Another transaction: from World Disney

From: Clare Gee
To: www.rajacraft.com
Sent: Tuesday, July 29, 2003 9:53 PM
Subject: I would like to place an order for Walt Disney World

Dear Yovi,

I am a buyer for the Walt Disney Company and work with Patty Dunne. She had sent an inquiry on many of your products and I would like to place an order for the following: I would like to pay with our company Visa credit card. I did look at the RajaCraft website, but did not find instructions on how to place an order.

| Item | Style# | Sizing | Price | Quantity | Color | Content | Total Cost |
|----------------------|---------------|--------|---------|----------|--------|-----------|--------------|
| Kabaya | 02109KTBK | Small | \$50.00 | 4 | Yellow | 100% silk | \$200 |
| Kabaya | 02109KTBK | Medium | \$50.00 | 4 | Yellow | 100% silk | \$200 |
| Kabaya | 02109KTBK | Large | \$50.00 | 4 | Yellow | 100% silk | \$200 |
| Batik | | | | 12 | | | \$600 |
| Paxalongsan02-2408P3 | 200L x 100Wcm | | \$4.00 | 4 | | 100% silk | \$16 |
| Paxalongsan02-2408P4 | 200L x 100Wcm | | \$4.00 | 4 | | 100% silk | \$16 |
| Banyumas | 02-072-05 | | \$4.50 | 4 | Rayon | | \$18 |
| | | | | 4 | | | \$18 |
| TOTAL | | | | | | | \$668 |

Please contact me at www.rajacraft.com to let me know how to order these and pay with the credit card. We will need these items as quickly as possible. Thank you very much.

Clare Gee
Product Buyer
Walt Disney World

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One big transaction coming: 70000 pieces of Pandanus box

From: lyier@XXXX.com
Sent: Saturday, July 26, 2003 1:14 AM
To: info@rajacraft.com
Subject: Fw: Quotation of boxes

Dear Sir, good morning,

We are a spanish company and we are very interested to know if you can to made boxes like the picture
If yes, we would need asap price for 70.000 pcs (I think that this box is made with palm leaf material), the same model like my picture attached with cover.
The outside size of box is: 19 x 16 x 7 cm.
Please don't forget send me the packing and the delivery time. Tks .

Awaiting your news, thank you very much for all.
Best regards,
Julian Bravo.
28050 MADRID (Spain)



From: lyier@XXXX.com
Sent: Monday, August 18, 2003 4:14 PM
Subject: Re: urgent

Dear Yovi,

I need to know if you have made the samples. Send me the pictures by email asap. If all is ok, you can send me the samples by courier: TNT EXPRESS. Our number costumer is 94XXX. But I need to see the pictures firstly.

Please confirm me the packing and the port of shipment.
Julian Bravo.
28050 MADRID (Spain)

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Assisting SMEs to reach buyers?

RajaCraft.com can replicate what we have done for arts & crafts SMEs in Bali! For other SMEs in other regions or countries.

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Internet Deployment for SMEs

- RajaCraft.com will conduct Seminars with highly regarded and qualified Speakers, communicating relevant and best practices yet very practical information about deploying the Internet to reach domestic and international markets
- RajaCraft.com will deploy our portal and technology to quickly bring the target SMEs to the Internet marketplace
- RajaCraft.com will conduct training to enable the SMEs to begin using the Internet for their business
- RajaCraft.com will conduct Internet marketing program to promote their products to the domestic and international prospective buyers

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Interested?

- Please contact: Henry Situmeang
- Email: henry@indo.com
- Tel: 021 766-6364
- HP: 0812 917-5116
- Office: Jalan Abdul Majid Kav 41B, Cipete Selatan, Jakarta Selatan 12410

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**END OF
PRESENTATION**