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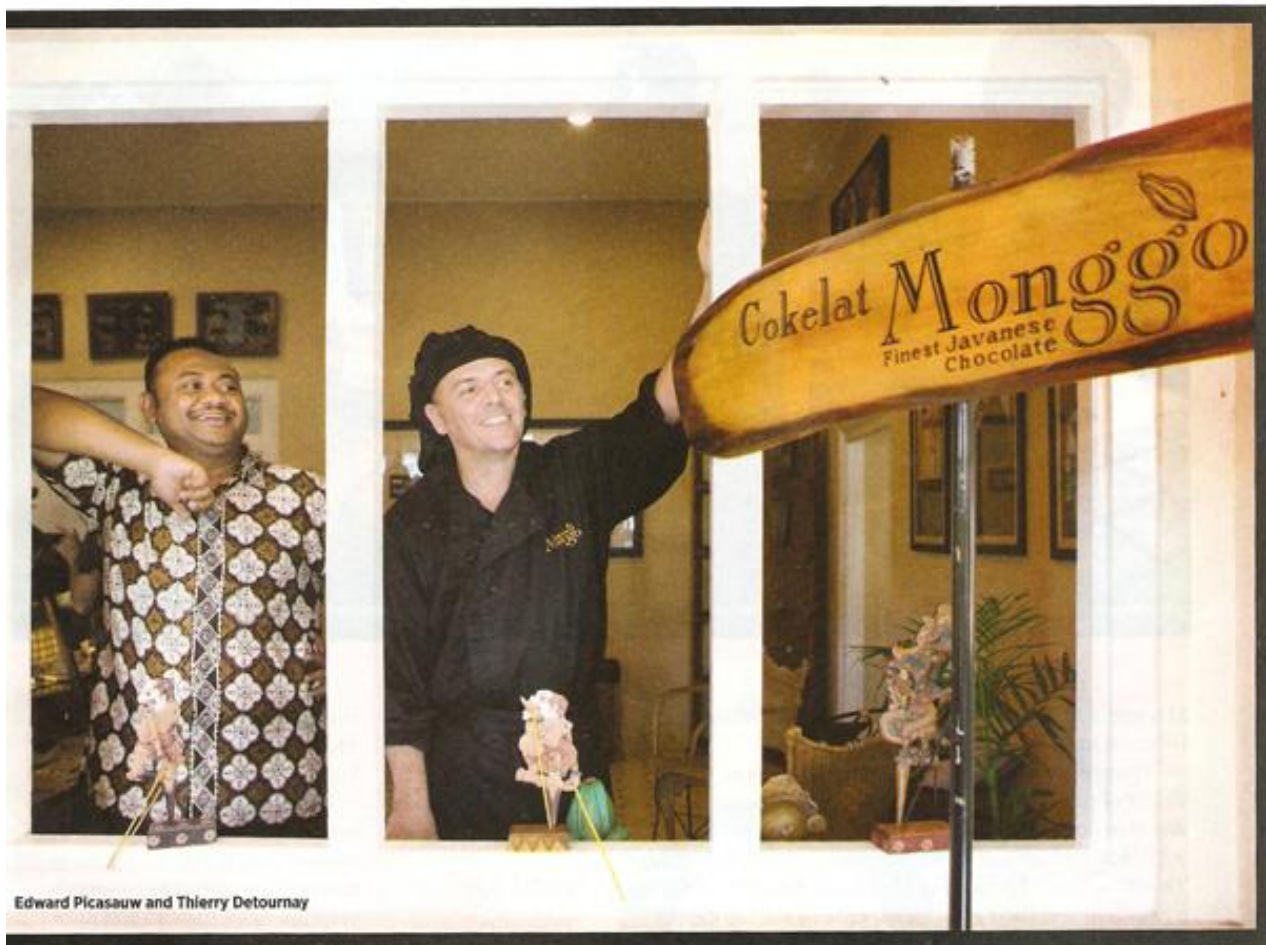
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Edward Picasauw and Thierry Detournay

Monggo Please

In search of great chocolate, Belgian Thierry Detournay created his own high quality Monggo chocolate.

BY BLAIR HERMAN

Europeans, especially the Swiss and Belgians, are known for loving great chocolate. Indonesia has long been a major cocoa producer—producing 16% of the world's output. When Belgian Thierry Detournay, 45, first arrived in Yogyakarta to work as a lecturer in Gadjah Mada university in 2001, he found that local chocolate, while plentiful, didn't satisfy his palate. "With all this cocoa I couldn't find any good chocolate," says Thierry.

So Thierry made his own. An amateur cook back home, he learned to make chocolate mostly through trial and error using whatever ingredients he could find. At first he made them himself, and sold them off his pink Vespa on weekends at the university and a local church. His Indonesian friends had never tasted anything like it before and urged him to go into business. So began Chocolate



Production is still done by hand.



The packaging features Javanese wayang puppets, along with other motifs.

Monggo, a high-quality chocolate that fuses Western and Indonesian tastes.

There were some fits and starts. A retail store that Thierry opened failed. The original name, Cacaomania, was abandoned for being too generic. After partnering with local Indonesian Edward Picasaw, known as “Eddy,” Thierry set up PT Anugerah Mulia in 2005. At Rp 5 million a year, rent was their greatest expense so startup capital was “nothing” as Thierry puts it. The name Monggo comes from the Javanese word for “please.” Along with traditional styles such as pralines and caramel, Monggo expanded to a range of local flavors including durian, chili and ginger. For Ramadan and Idul Fitri, it produces a seasonal chocolate with dates and cashews.

As incomes rise, Indonesians are developing a taste for fine chocolate. Perceptions are changing too, as chocolate makers tout chocolate’s antioxidants and other healthy ingredients.

Chocolate confectionery sales in Indonesia reached Rp 6.4 trillion in 2010, up from Rp 5 trillion in 2007 and projected to increase another 20% to Rp 7.7 trillion in 2012, according research firm Euromonitor International. This cake is divided up between Petra Foods Ltd, makers of the country’s most popular *Silver Queen* brand, at 44.2% market share in 2009 and PT Mayora Indah Tbk at 12.6%, with big international firms like Cadbury, Hershey, Kraft and Nestlé fighting over the rest. Marketing and pricing

The name Monggo comes from the Javanese word for “please.”

the brand as a premium product, Monggo goes up against some big competitors.

With less brand power or advertising than these firms, Monggo nevertheless hit Rp 5.5 billion in revenues in 2010. The company employs more than 80 and puts out more than 12,000 bars a year in different shapes and flavors. Production is still done by hand—at the store in Yogyakarta,

customers can watch from behind a glass window as Thierry and his staff work in the kitchen, shelling cashew nuts, stirring the chocolate in big pots, pouring it into molds and even wrapping each bar using recycled paper. Thierry has made Yogyakarta his home, learning Indonesian and marrying an Indonesian wife.

One strategy that helps Thierry and Eddy compete is promoting the chocolate as a souvenir product with packaging featuring traditional Javanese wayang puppets, among other Indonesian motifs. Joseph Chuang, executive director of Petra Foods, agrees that this strategy is working for Monggo: “The concept of Monggo is very good. It’s not just the chocolate, it’s the concept.” Yet even promoting the chocolate to the tourist market, the local market is the biggest, with 80% of sales in Indonesia. In 2007, Monggo began distribution through minimarkets then added big

chains such as Carrefour and Hero.

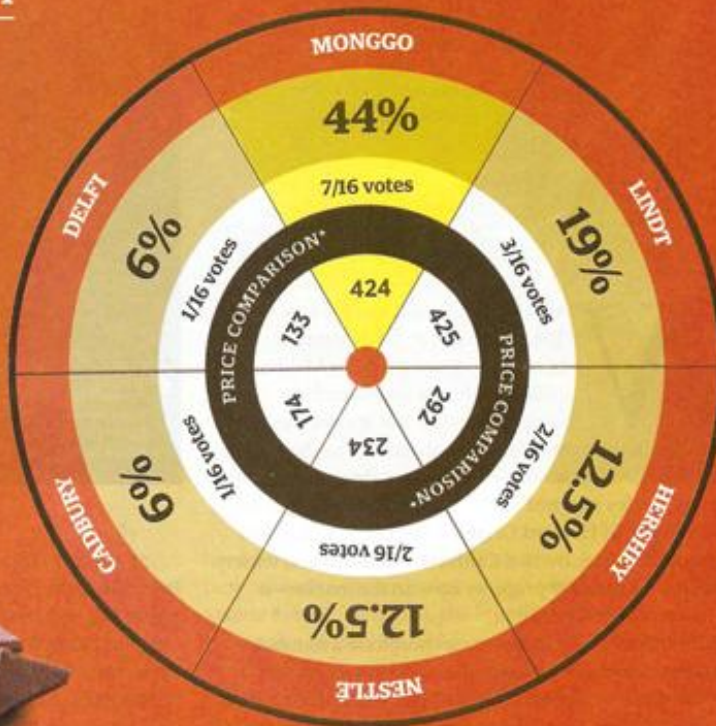
Soon Thierry realized these outlets presented a challenge. Large supermarkets did not give Monggo any special handling and some stores lacked air conditioning. As Monggo doesn't use anti-melting agents or preservatives, its shelf life is only six months compared to most other chocolates that last over a year. Thierry recalls visiting Jakarta and seeing melted bars on shelves and decided to take a step back saying, "We have to work on the quality of the product first and then the rest might come, but we cannot go too fast." Today Thierry distributes only to outlets that give Monggo proper handling. He added a distribution team in Jakarta and still focuses distribution mainly in Java and Bali.

From the beginning Thierry's main focus has been on quality and using only traditional ingredients such as cocoa butter, condensed milk and sugar. Most international brands use what Thierry calls "hybrid" chocolate, replacing cocoa butter with vegetable fat and sweetener.

Monggo has expansion plans to include new flavors such as nutmeg, mango and other Indonesian spices and to international markets such as Singapore and Australia. As for his original goal—finding some good chocolate—Thierry seems satisfied: "I am eating this chocolate every day, my daughter is eating this chocolate every day. And why should I give her something that is not good? If some day this company goes bankrupt at least I have good chocolate. ☺"

WORD OF MOUTH

Forbes Indonesia decided to put Monggo to an informal taste test. We bought five competing brands, split between milk and dark chocolate, and also divided between four imported and two local brands (including Monggo). We then removed the packaging to make it harder to identify, although it was impossible to completely remove the brand, as some had the names embedded in the bars. Staff were invited to try the chocolate and rank it according to various factors such as aroma, appearance and, of course, taste. Monggo did surprisingly well. Tabulating the 16 votes for overall favorite among the six, Monggo emerged the winner, with nearly half the votes.



(In rupiah / gram)

** Price from Kem Chicks in Pacific Place in late July.*