



Developing Business Model for Food-Small Medium Enterprise Using Business Model Canvas (Case Study : Bolu Kemojo Insan Sukses)

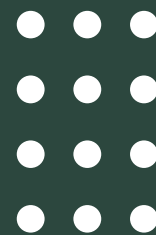
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Introduction



1.1 Research Background

The food and beverage industry contributed the fifth largest growth rate compared to other processing industries to Riau's GDP in 2019 by 5.49%.

The growth of the food and beverage industry has the potential to continue to be developed. This also provides opportunities for business development resulting from:

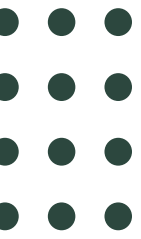


Increasing
population
growth of Riau



Riau the
Homeland of
Melayu

Research Background



Tight
competition in
the food and
beverage
industry

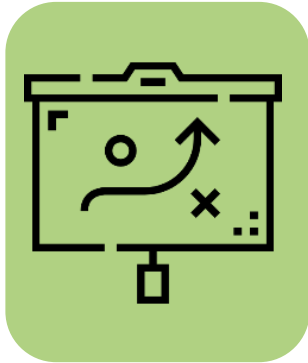
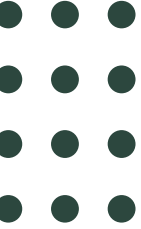


Focusing great
attention on
business model



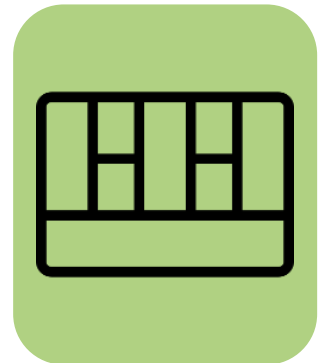
Insan Sukses is
a culinary
business
(producers and
sellers of bolu
kemojo)

Research Background



Insan Sukses must determine a future business strategy design based on current business conditions and constraints.

Implementation of BMC at Insan Sukses can find out the actual condition of the current business model and provide innovations going forward.



Research Framework



02 Research Framework

Mapping Current Business Model

Identifying and describing the current business model of Insan Sukses based on the results of interviews with the owner, distributing customer perception questionnaires and conducting direct observation (triangulation of sources) into the nine elements of block:

1. *Key Partnership*
2. *Key Activities*
3. *Key Resources*
4. *Value Proposition*
5. *Customer Relationship*
6. *Channels*
7. *Customer Segments*
8. *Cost Structure*
9. *Revenue Streams*

1

Evaluating Current Business Model

SWOT Analysis

Summarizing the nine elements of the BMC block into four strategic business variables (value proposition, cost and revenue, infrastructure, and customer relationship) and analyzing the company's four strategic business variables into two environmental conditions (internal and external environment)

The Input Stage

1. Internal Factor Evaluation (IFE) matrix
2. External Factor Evaluation (EFE) matrix



The Matching Stage

1. Internal-External(IE) Matrix
2. Strength Weakness Opportunities Threatness (SWOT) Matrix



The Decision Stage

Quantitative Strategic Planning Matrix (QSPM)

2

New Business Model Depiction

New business model of Insan Sukses developing based on the results of selected strategic priorities and will be depicted on the proposed Business Model Canvas

3

Research Methodology



03 Research Methodology

3.1

TYPE OF RESEARCH

Qualitative method based on case studies

3.2

RESEARCH SUBJECT

Subject of this research is Insan Sukses located on Jalan Pemuda Gang Purwo Number 19, Tampan, Pekanbaru

3.3

SOURCES OF DATA

- — Primary data: Result of in-depth interviews on business conditions, customer perception questionnaires, SWOT and QSPM questionnaires
- — Secondary Data: Riau's 2019 GDP, the population increase in Riau, inflation rate, businesses like Insan Sukses

3.4

INTERVIEWEES DETERMINATION TECHNIQUE

- Nonprobability sampling technique ->
Purposive sampling
- — In-depth interview: Owner Insan Sukses
 - — Perception Questionnaire: 50 customers
 - — SWOT & QSPM questionnaire: Owner, manager, and salespeople of Insan Sukses



Result & Discussion

Mapping Current Business Model

Business Model Canvas

Designed for:

Insan Sukses

Designed by:

Nilda, Akbar, and Ikhwan

Date:

01/02/2021

Version:

0

Key Partnerships	Key Activities	Value Propositions	Customer Relationships	Customer Segments
1. Buyer supplier relationship: <ol style="list-style-type: none"> Toko Andika Jaya Toko Citra Gudang Asian UD Santan Pasar Kodim Toko Hidup Jaya 2. Strategic alliance between non competitors <ol style="list-style-type: none"> CV Berkah Andalas Marketplace (Gojek dan Grab) Retailer (14 supermarkets and gift shops at Pekanbaru) 	1. Purchase and storage of raw materials for kemojo cake 2. Production process 3. Packaging 4. Sales	1. Always tasty 2. Fair quality 3. Reasonable price 4. Local product which is a typical and traditional food from Pekanbaru City	1. Personal assistance 2. Cocreation 3. Prioritizes the guarantee of healthy products 4. Promo delivery for purchases with a minimum of 10 products	1. Individual buyers (residents of Pekanbaru City and tourist) 2. Wholesale buyers (retail partners)
	Key Resources <ol style="list-style-type: none"> Human resources Intellectual resources <ol style="list-style-type: none"> Recipes Brands Physical Resources <ol style="list-style-type: none"> Production tools Building Sales facilities 		Channels The marketing channel is world of mouth Direct sales channel: <ol style="list-style-type: none"> Personal sales at Insan Sukses outlet Sales through a contact person Sales through the marketplace (Gojek dan Grab) Indirect sales channel: <ol style="list-style-type: none"> Sales through retailer partner (Supermarkets and gift shops at Pekanbaru) 	
Cost Structure		Revenue Streams		
1. Fixed Cost (employee wages and production costs) 2. Variable Cost (the cost of purchasing packaging and the cost of raw materials)		1. Sale of assets in the form of kemojo cake products 2. Pricing based on survey, the possibility of product returns, production and operational costs		

Evaluating Current Business Model



Environmental Analysis:

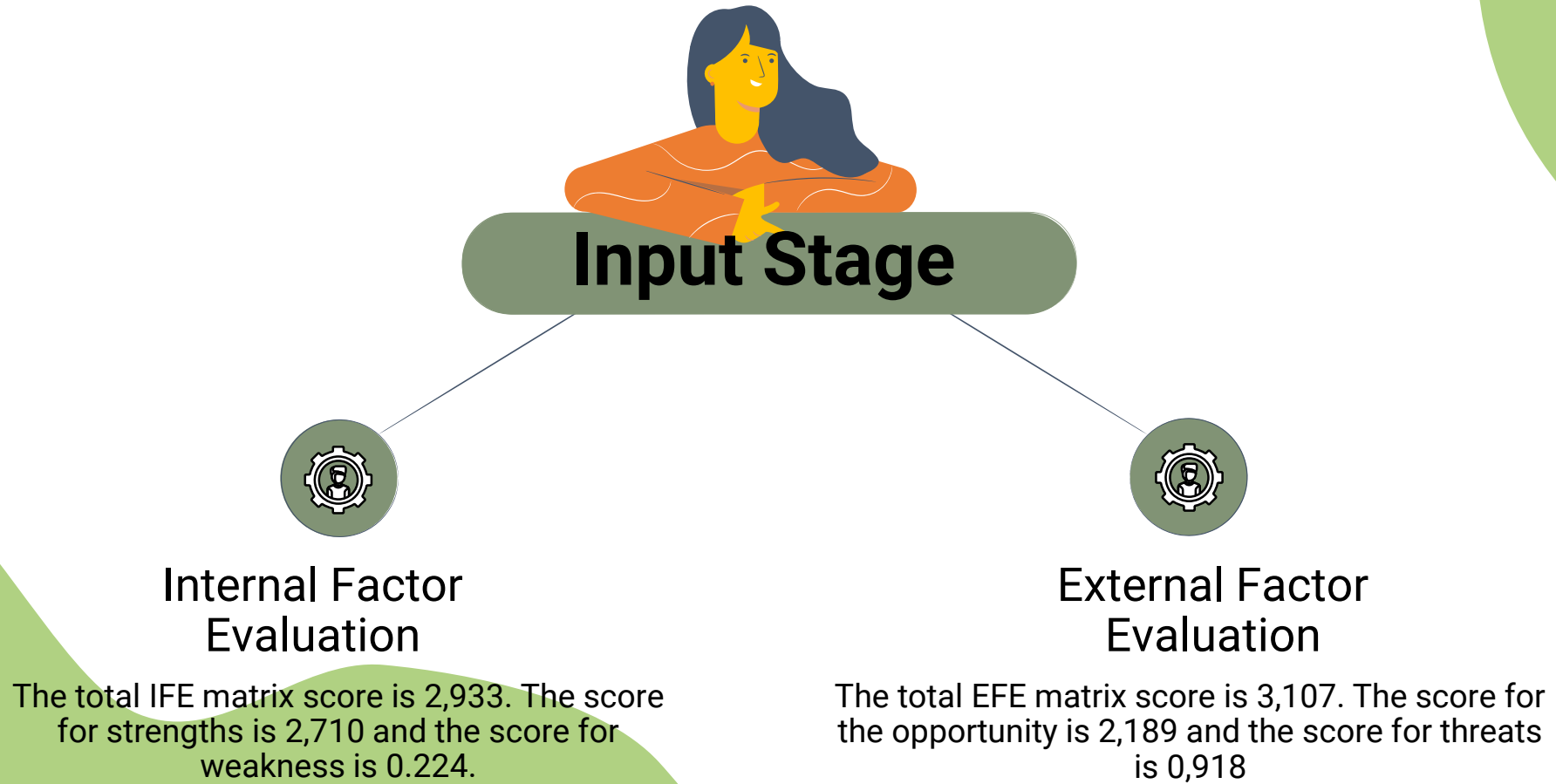
Consisted of the internal environment (strengths & weaknesses) and the external environment (opportunities & threats) regarding to 4 strategic business variables (costs & revenues, infrastructure, value proposition, and customer relationships)



Strategy Design:

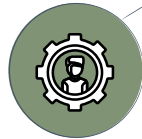
- ✓ The Input Stage
- ✓ The Matching Stage
- ✓ The Decision Stage

4.2.1





Matching Stage



Internal-External Matrix

IE matrix was used to position Insan Sukses into a matrix consisting of nine cells. Based on the IFE and EFE values, the company was in the position of cell II. The strategies that can be used are strategies to grow and build.



SWOT Matrix

SWOT matrix was used to develop the strategy of Insan Sukses. This matrix is considered as a matching tool from strengths to opportunities and threats, as well as from weaknesses to opportunities and threats.



IE Matrix

INTERNAL-EXTERNAL MATRIX OF INSAN SUKSES

IFE SCORE =	2,933
EFE SCORE=	3,107

THE EFE TOTAL WEIGHTED SCORES

HIGH(3.0 TO 4.0)

MEDIUM(2.0 TO 2.99)

LOW(1.0 TO 1.99)

THE IFE TOTAL WEIGHTED SCORES

STRONG(3.0 TO 4.0) AVERAGE(2.0 TO 2.99) WEAK(1.0 TO 1.99)

4	3	2
I	II	III
IV	V	VI
VII	VIII	IX
1		

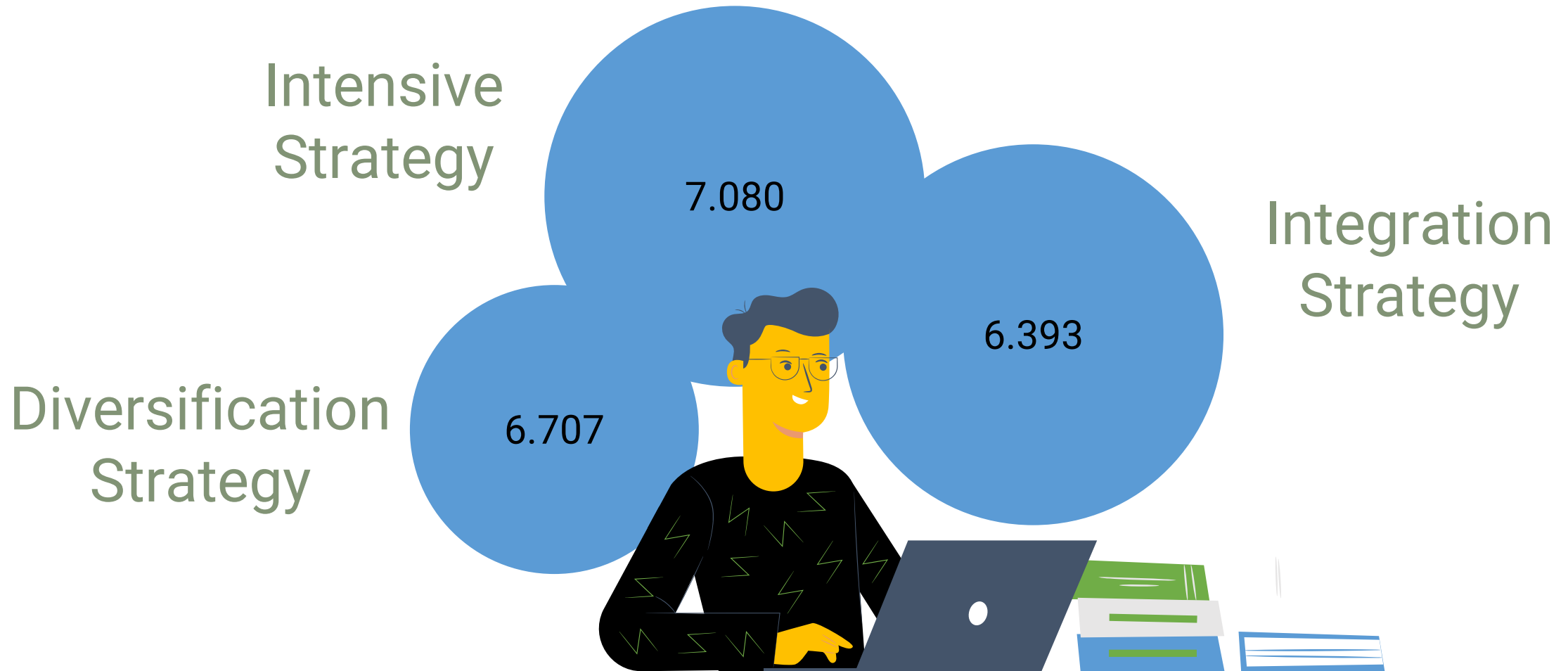
Matrix Types	Strategy	Information/Indicator	Strategy Types
IE Matrix	Market Development	Improve the business management system	Intensive Strategy
	Product Development	Adding varieties of the kemojo cake flavors	Intensive Strategy
	Forward Integration	Cooperate with an expedition team	Integration Strategy
	Horizontal Integration	Establish cooperation with competitors to form a community	Integration Strategy
SWOT Matrix	S-O	Increase production capacity	Intensive Strategy
		Maintaining product quality to support smart food safety	Intensive Strategy
		Increase cooperation with retailers and marketplace	Intensive Strategy
		Customer care services and daily information	Intensive Strategy
		Established a new outlet in the Pekanbaru area	Intensive Strategy
		Expanding the marketing area	Intensive Strategy
		Providing tourism educational facilities relate to special traditional food products that are produced	Intensive Strategy
	S-T	Provide attractive promos and unique discounts based on Segmenting, Targeting, and Positioning (STP)	Intensive Strategy
		Issuing Research and Development (RnD) costs on variable costs to improve the skills of personnel working	Intensive Strategy
		Maintain good relationships with suppliers	Intensive Strategy
		Increase the number of employees	Intensive Strategy
		Improve the form of packaging to enhance the product image	Intensive Strategy
		Creating community customers and membership cards	Intensive Strategy
	W-O	Improving the flow of revenue that diversified to create a source of new revenue	Diversification Strategy
		Maximizing the use of technology information in implementing the smart supply chain	Intensive Strategy
	W-T	Implementing a system of ordering and paying products in advance	Intensive Strategy



Decision Stage

Alternative strategies in the previous stage were classified and the priority strategy was then calculated using the QSPM matrix. This matrix will objectively produce priority strategies from all existing alternative strategies.

QSPM Calculation



Developing New Business Model

Business Model Canvas

Designed for:

Insan Sukses

Designed by:

Nilda, Akbar, and Ikhwan

Date:

02/02/2021

Version:

1

Key Partnerships	Key Activities	Value Propositions	Customer Relationships	Customer Segments
1. Buyer supplier relationship: <ol style="list-style-type: none"> Toko Andika Jaya Toko Citra Gudang Asian UD Santan Pasar Kodim Toko Hidup Jaya * Maintain good relationships with suppliers	1. Purchase and storage of raw materials for kemojo cake 2. Production process 3. Packaging 4. Sales * Increase production capacity * Expanding the marketing area * Maximizing the use of technology information in implementing the smart supply chain	1. Always tasty 2. Fair quality 3. Reasonable price 4. Local product which is a typical and traditional food from Pekanbaru City * Adding varieties of the <i>bolu kemojo</i> flavors * Maintaining product quality to support smart food safety * Improve the form of packaging to enhance the product image	1. Personal assistance 2. Cocreation 3. Prioritizes the guarantee of healthy products 4. Promo delivery for purchases with a minimum of 10 products * Customer care services and daily information * Providing tourism educational facilities relate to special traditional food products that are produced * Provide attractive promos and unique discounts based on STP * Creating community customers and membership cards	1. Individual buyers (residents of Pekanbaru City and tourist) 2. Wholesale buyers (retail partners)
2. Strategic alliance between non competitors <ol style="list-style-type: none"> CV Berkah Andalas Marketplace (Gojek dan Grab) Retailer (14 supermarkets and gift shops at Pekanbaru) * Increase cooperation with retailers and marketplaces	Key Resources <ol style="list-style-type: none"> Human resources Intellectual resources <ol style="list-style-type: none"> Recipes Brands Physical Resources <ol style="list-style-type: none"> Production tools Building Sales facilities * Improve the business management system * Increase the number of employees		Channels The marketing channel is word of mouth Direct sales channel: <ol style="list-style-type: none"> Personal sales at Insan Sukses outlet Sales through a contact person Sales through the marketplace (Gojek dan Grab) Indirect sales channel: <ol style="list-style-type: none"> Sales through retailer partner (Supermarkets and gift shops at Pekanbaru) * Established a new outlet in the Pekanbaru area	
Cost Structure		Revenue Streams		
1. Fixed Cost (employee wages and production costs) 2. Variable Cost (the cost of purchasing packaging and the cost of raw materials) * Issuing RnD costs on variable cost to improve the skills of personnel working		1. Sale of assets in the form of kemojo cake products 2. Pricing based on survey, the possibility of product returns, production and operational costs * Implementing a system of ordering and paying products in advance		

Conclusion



05 Conclusion

The new business model was obtained by adding an intensive strategy to the 8 elements of the BMC block for Insan Sukses

- **Value proposition**
- **Channel**
- **Customer relationship**
- **Revenue stream**
- **Key resources**
- **Key activities**
- **Key partnership**
- **Cost structure**

THANK YOU

