

# Business Development Strategy With Business Model Canvas Approach At Pakdhe Mie Chicken Shop- Cimanggis, Depok

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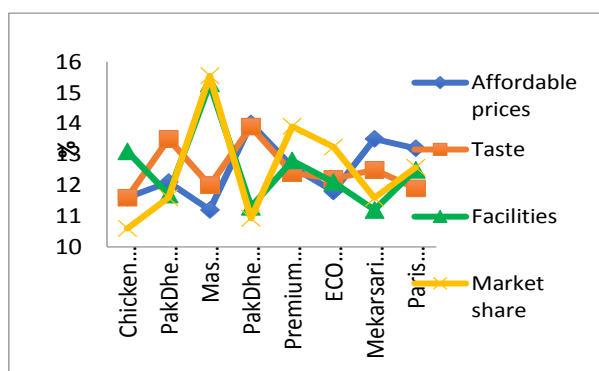
**Abstract:** In the growing times, the tight competition of Kedai Mie Ayam PakDhe with all its competitors demands professional management performance and full knowledge of its business in order to evaluate and determine competitive strategies. Kedai Mie Ayam PakDhe has the lowest percentage among its competitors in terms of store facilities and market share and has a high percentage in terms of taste and affordable prices compared to its competitors. This long-standing company needs to develop a better business strategy to improve its business. This study aims to determine the design of a new business model as a form of business development strategy in Kedai Mie Ayam with a Business Model Canvas approach. This study uses qualitative methods while formulating strategies by distributing questionnaires and then analyzing them using Business Model Canvas with each building block also analyzed with IFE & EFE Matrix, IE Matrix, SWOT Matrix, SWOT Analysis and Business Model Canvas. The results of the study have found that the strongest elements in this store are value propositions and key partnerships, while for the weakest elements are customer segments and channels. The result of the analysis of the SWOT Matrix and Business Model Canvas is the Kedai Mie Ayam PakDhe must read more about market movements and product placement and can maximize the use of information media, internet and social media, adding value to products, creating sustainable customer relationships, key activities involving technology, and product innovation while maintaining affordable prices.

**Index Terms:** Business Model Canvas, Business Strategy, PakDhe Mie Chicken Shop, SWOT analysis

## 1 INTRODUCTION

ONE of the strategies carried out by the government in sustaining economic development is empowering and growing Micro, Small and Medium Enterprises (MSMEs) as the basis for populist economic development. History has shown that MSMEs in Indonesia still exist and develop despite the economic crisis. But on the other hand, MSMEs also face problems, namely limited working capital, low quality and technology. Perm other dimensions related to MSMEs are linkages with unclear business prospects and planning, and the lack of vision and mission. This happens because generally MSMEs are income income which is increasing income. The culinary business that develops at this time can not only be used for the comfort of family, friends, relatives and business relations. The quality of service that is very important in marketing products today can be used well on the market. PakDhe Mie Chicken Shop is a chicken noodle shop that was founded in 2014. The beginning of this shop started with a mobile cart. But along with the development of this business, chicken noodles are getting better. But with the establishment of this shop, the competition in the culinary business becomes more competitive, to maintain its existence a business strategy is needed to be more open to win the hearts of consumers.

Kedai Mie Ayam PakDhe has the highest percentage among its competitors in the price and taste categories. There is the same type of menu variation, the same quality, competitive price range and not much different service, making consumers switch to another Chicken Noodle Shop. There is a tendency among the public to buy and consume chicken noodle menus by looking at the location of the store, parking lot, and facilities in the space provided by the shop. In the era of increasingly advanced technology, Pak Mie Chicken Noodle Store also does not yet provide delivery services based on online applications which will certainly make it easier for consumers to enjoy PakDhe's various chicken noodle menus. From the background of the problem in this research, we will study more about the right business strategy to develop the culinary business that PakDhe Mie Chicken runs through the Business Model Canvas approach. The development of visualization application for business models has been carried out by Osterwalder and Pigneur (2012) in the form of business model canvas. The use of a business model canvas can provide an overview of the company's business model and inter-block relationships in a more attractive way. Business Model Canvas also helps companies to recognize what is the company's value proposition, as well as how to build and run key activities and key resources in creating value propositions and getting revenue streams, understanding how products and services offered by companies can be well communicated to consumers up to to consumers for consumption. The Business Model Canvas can not only be used to photograph the company's current business model, but it can also be used as a tool to propose new business model designs. The Business Model Canvas method is used in this study because Business Model Canvas is a one-page visual tool that allows start-ups to stay focused on value creation, no longer waste time on dozens of pages in determining business development strategies.



**Figure 1** Comparison of Mie Ayam Store MekarSari area, Cimanggis Depok

## 2. LITERATURE REVIEW

Business Model Canvas (BMC) is one of the strategic tools used to describe a business model and describes the rationale for how organizations create, deliver, and capture value.

Business Generation Models are more popularly known as Business Model Canvas is a tool to help us see more accurately the way the business is or are going to live. The Business Model Canvas is described through nine basic building blocks that show the logic of how the company intends to make money. These nine blocks cover four main areas of business, namely customers, supply, infrastructure, and financial feasibility. Stages in compiling a business model into 9 separate blocks consisting of:

- Customer Segments describe a group of people or different organizations that the company wants to reach or serve.
- Value Propositions describe a combination of products and services that create value for specific customer segments.
- Channels describe how a company communicates with its customer segments and reaches them to provide a proportion of value.
- Customer relationships are the types of relationships that want to be woven with customers from specific market segments.
- Revenue Streams are income received by companies from each market segment.
- Key resources describe the most important assets needed so that a business model can function.
- Key activities are the most important actions that the company must take in order to operate successfully.
- Key partnerships are the main partners in business, such as suppliers, so that business models can work.
- Cost structure is the cost components used so that the organization or company can run in accordance with its business model.

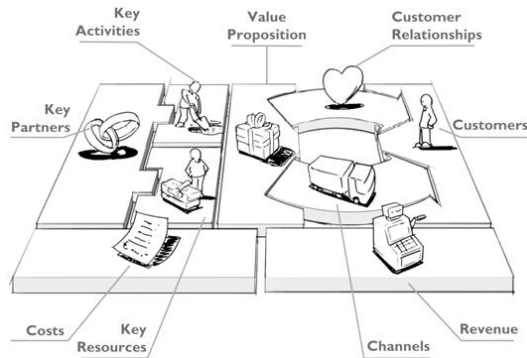


Figure 2. Desain Business Model Canvas

### 3. RESEARCH METHODOLOGY

The research method is a method or method that contains clear stages that are arranged systematically in the research process. The aim is so that research can be conducted more directed so that research can be achieved and facilitate the analysis of existing problems.

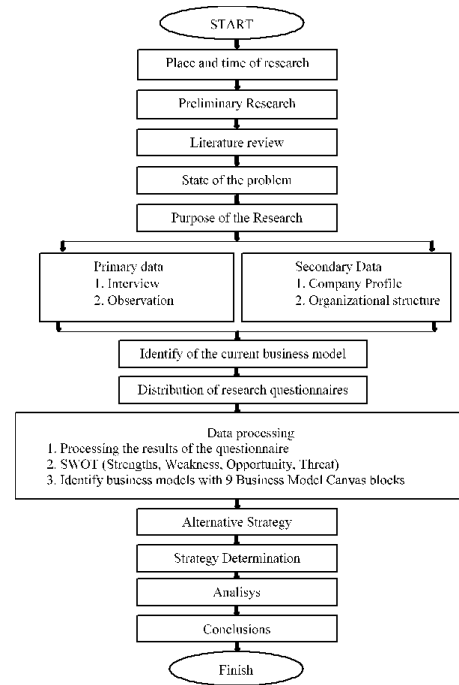


Figure 3. Flowchart Metode Penelitian

### 4. RESULTS AND DISCUSSION

Based on the processing of questionnaire data then the SWOT results diagram is obtained as follows.

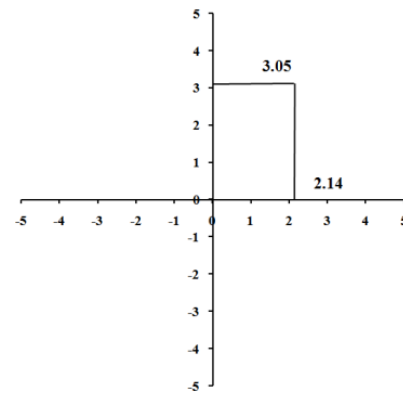


Figure 4. SWOT diagram

From this analysis, it can be seen that PakDhe Chicken Noodle Shop is in quadrant 1, which is a very favorable situation because PakDhe Mie Chicken Shop has the opportunity and strength to be able to take advantage of the opportunities. The right strategy to be applied in this condition is to support an aggressive growth policy (Growth Oriented Strategy). Kedai Mie Ayam PakDhe can also carry out strategies such as market development, services and innovation. To find out the position of PakDhe Chicken Noodle Shop among its competitors it can be done with an analysis that compares the results of internal and external environmental analysis that can be seen in the table below.

**Table 1. Internal-Eksternal (IE) Matriks**

	4.0	3.48	Kuat	3.0	2.0	1.0
Tinggi	Pertumbuhan melalui integrasi vertikal		Pertumbuhan melalui integrasi horizontal		Penciutan melalui <i>turn around</i>	
3.0	Stabilitas		Pertumbuhan melalui integrasi horizontal		Penciutan	
2.81						
Mengah						
2.0	Pertumbuhan melalui diversifikasi konsentrik		Pertumbuhan melalui diversifikasi konglomerat		Likuidasi/Bangkrut	
Rendah						
1.0						

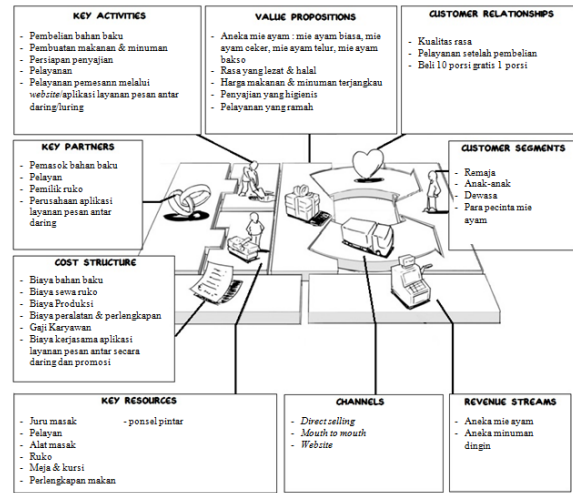
Based on these factors, the IFAS score of 3.48 and EFAS was 2.81 so that PakDhe Chicken Noodle Shop was in a position of stability. At this position Mie Ayam PakDhe applies a new strategy without changing the direction of the established strategy. To be able to make an effective and successful alternative strategy, you can use the SWOT matrix as a reference in decision making, as shown in the SWOT matrix table below.

**Table 2. Alternatif Strategi pada Matriks SWOT**

IFAS	<b>Strength (S)</b>	<b>Weakness (W)</b>
	<ol style="list-style-type: none"> <li>Cita rasa mie ayam yang lezat</li> <li>Tersedia 4 macam mie ayam (mie ayam biasa, mie ayam ceker, mie ayam bakso, mie ayam telur)</li> <li>Harga yang terjangkau untuk menu mie ayam dan aneka minuman</li> <li>Lokasi kedai strategis</li> <li>Pelayanan yang ramah dan memuaskan</li> <li>Menu makanan dan minuman yang halal</li> <li>Ruang makan yang bersih</li> <li>Penghitungan administrasi akurat</li> </ol>	<ol style="list-style-type: none"> <li>Belum tersedia layanan pesan antar (berbasis aplikasi daring maupun secara luring)</li> <li>Tidak tersedia parkir yang luas untuk kendaraan roda 4</li> <li>Bangunan kedai yang sempit</li> <li>Tidak ada makanan pendamping</li> </ol>
EFAS	<b>Opportunities (O)</b>	<b>Strategi WO</b>
	<ol style="list-style-type: none"> <li>Menghasilkan pendapatan yang berulang</li> <li>Perubahan pola dan gaya hidup masyarakat</li> <li>Pertumbuhan jumlah penduduk wilayah Meksari, Cimanggis Depok</li> <li>Peningkatan pendapatan dan daya beli masyarakat Meksari, Cimanggis Depok</li> <li>Perkembangan kemajuan teknologi</li> </ol>	<ol style="list-style-type: none"> <li>Melakukan berbagai promosi yang menarik untuk meningkatkan jumlah pelanggan</li> <li>Menambah fasilitas layanan yang berbasis teknologi terbaru</li> </ol>
	<b>Threats (T)</b>	<b>Strategi WT</b>
	<ol style="list-style-type: none"> <li>Tingkat persaingan dalam industri kuliner tinggi</li> <li>Banyaknya produk substitusi</li> <li>Kekuatan tawar menawar konsumen tinggi</li> <li>Kekuatan tawar menawar pemasok tinggi</li> </ol>	<ol style="list-style-type: none"> <li>Melakukan kerja sama dengan pemasok</li> </ol>
	<b>Strategi SO</b>	
	<ol style="list-style-type: none"> <li>Melakukan inovasi baru</li> </ol>	

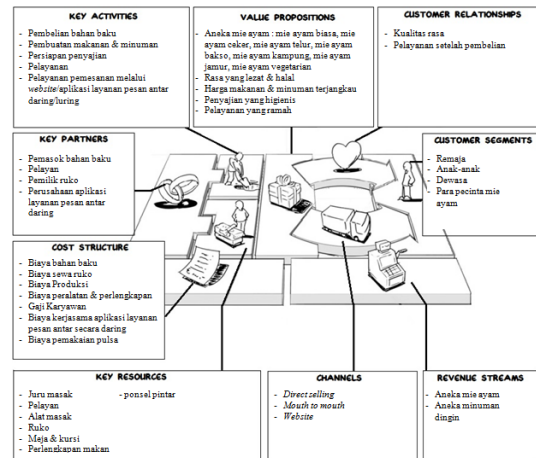
Based on the results of identification and analysis of factors of internal and external environmental conditions, several strategic alternatives have been obtained using Business Model Canvas.

1. SO Strategy, Perform various attractive promotions to increase the number of customers. This strategy is made by utilizing all the power to seize and take advantage of opportunities as much as possible.



**Figure 5. Business Model Canvas strategi SO**

2. ST Strategy, Make new innovations to increase the number of customers. This strategy was created by utilizing all the strengths to capture market share and avoid the possibility of the elimination of the chicken noodle business due to the high competition.



**Figure 6. Business Model Canvas strategi ST**

3. WO strategy, adding technology-based service facilities to increase the number of customers. This strategy is aimed at improving or fixing the weaknesses of a company so that it can take advantage of or take advantage of existing opportunities.

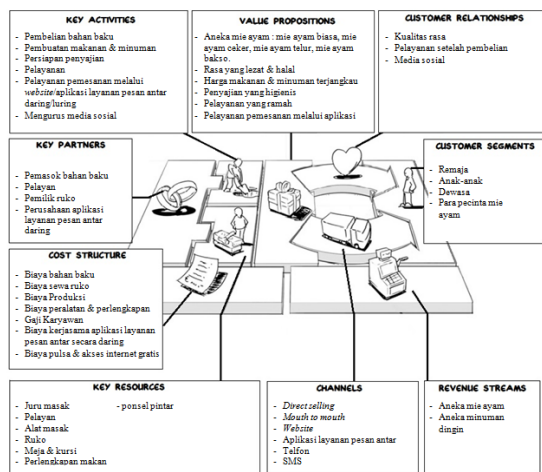


Figure 7. Business Model Canvas strategi WO

4. WT Strategy, Working together to increase revenue. The WT strategy is created by reducing internal weaknesses and avoiding existing external threats.

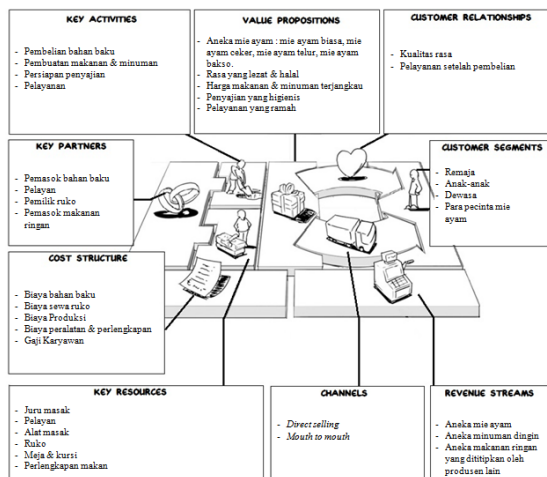


Figure 8. Business Model Canvas strategi WT

Each strategy made aims to achieve the goals to be achieved. Achieving goals using this strategy has an impact on changes in PakDhe Mie Mie Chicken both internally and externally. The strategy for developing future business in PakDhe Mie Ayam is a combination of the strategies of SO, ST, WO and WT where it aims to optimize the power and take advantage of the opportunities. Today's business development strategy at Kedai Mie Ayam PakDhe is carried out by SWOT analysis which is used to identify various factors systematically to formulate the company's strategy because each company has strengths and weaknesses in the functional area of the business. In the prototype of the nine blocks of the Business Model Canvas the proposed strategy can be explained as follows.

**a. Customer Segment**

The strength at customer segment in PakDhe chicken noodle shop includes all groups of children, teenagers, adults and chicken noodle lovers from the lower, middle and upper classes, especially for the Mekarsari region, Cimanggis Depok. While the weakness is the possibility of customers being able to move to other stores according to the customer's

area outside Mekarsari, Cimanggis Depok. Opportunities at PakDhe Chicken Noodle Shop, which can serve customers outside the Mekarsari region, Cimanggis Depok by using an online and offline delivery service. The weakness is that if the competitor's store is able to offer cheaper prices and offer innovation in terms of messaging services between the possibility of customers will move to another store.

**b. Value Propositions**

The strength of the added value obtained by being a customer of PakDhe Chicken Noodle Shop is that there are four kinds of chicken noodle menus, namely ordinary chicken noodles, chicken meatball noodles, cork chicken noodles and chicken egg noodles at affordable prices, namely the price range of IDR 11,000 to IDR 15,000. Besides having good taste, PakDhe's chicken noodles are also halal. PakDhe Kedai Mie Ayam also provides a variety of cold drinks including ice tea, orange ice and bottled mineral water. With affordable food and beverage prices, Mie Ayam PakDhe has a hygienic presentation and customer friendly service. Apart from that there are 10 promotional purchase promotions that will get 1 portion of chicken noodles for free. The weakness of PakDhe Chicken Noodle Shop is that it is only available from the menu of ordinary chicken noodles, chicken checker noodles and chicken egg noodles. Opportunities at PakDhe Chicken Noodle Shop are the addition of a more unique chicken noodle menu that can attract customer interest such as kampung chicken noodles, mushroom chicken noodles and vegetarian chicken noodles. The threat is if the competitor's store offers a cheaper price or a better value than PakDhe Chicken Noodle Shop.

**c. Channel**

Strength in PakDhe Chicken Noodle Shop uses direct and indirect media. The direct media used is service / sales directly coming to the location of PakDhe Mie Mie Ayam. Indirect media used is customer recommendations to relatives or closest associates. The weakness in PakDhe Chicken Noodle Shop is that there is no website available to view / order the menu at PakDhe Chicken Noodle Shop. Opportunities at PakDhe Chicken Noodle Shop, namely Kedai Mie Ayam, PakDhe can create a website that contains shops, menus, prices and reviews of customers who have become customers of PakDhe Mie Mie Ayam. The threat is that if the competitor's store has a website that will reduce the market share of PakDhe Mie Mie Ayam.

**d. Customer Relationship**

Strength in Chicken Noodle Shop PakDhe always maintains the taste in every menu of chicken noodles available so that customers make repeat orders. Kedai Mie Ayam PakDhe also establishes good relationships with customers by providing good and friendly service so that customers feel satisfied. Weaknesses at PakDhe Chicken Noodle Shop are currently not well known outside the Mekarsari region, Cimanggis Depok. Opportunities that exist in PakDhe Chicken Noodle Shop, which can serve orders for events such as parties, social gathering, etc. and hold a purchase promotion of 10 portions, 1 free portion. As for the threats to PakDhe Chicken Noodle Shop there is no threat that can worsen customer relations.

**e. Revenue Stream**

The income strength of PakDhe Mie Mie Chicken comes from the sale of various chicken noodles and various cold drinks sold directly at the store. While the income weakness of PakDhe Mie Mie Chicken is income that is not yet stable and not fully predictable because it depends on how many customers come every day. Opportunities at PakDhe Chicken Noodle Shop, which can increase income by adding suppliers of chicken noodle complementary foods such as various crackers and snacks without any production costs from PakDhe Chicken Noodle Shop (consignment system). The threat is competition from other chicken noodle shops that will always be there.

**f. Key Partnership**

The Power of PakDhe Kedai Mie Ayam is having key partners, as well as having suppliers who supply the raw materials needed to meet the menu needs of chicken and cold drinks, cooks, servants who serve customers and rental owners of PakDhe Chicken Noodle Shop. As for the weaknesses owned by PakDhe Mie Ayam, which is not yet cooperating with an internet-based delivery service application provider, which would make it easier for customers to enjoy the menus provided by PakDhe Kedai Mie Ayam. Opportunities that exist in PakDhe Mie Ayam Store are cooperation with companies that provide internet-based delivery services (online) and suppliers of various kinds of complementary food for chicken noodles (crackers, snacks, etc.) with a consignment system. The threat to PakDhe Chicken Noodle Shop is the unavailability of the delivery service application application, which enables customers to switch to other stores that provide delivery message service applications which of course makes it easier for customers to enjoy PakDhe Kedai Mie menu variety.

**g. Key Activities**

The strength of the activities carried out by PakDhe Kedai Mie Ayam in carrying out its business are purchasing raw materials from fresh chicken to spices, producing chicken noodles, selling chicken noodles, selling cold drinks and preparing preparation to serve customers well. Kedai Mie Ayam PakDhe always maintains a consistent taste to always serve a delicious menu of chicken noodles for its customers. Whereas there are no weaknesses. Opportunities at PakDhe Chicken Noodle Shop are the opportunity to serve chicken noodle orders for various events and purchases through the delivery service. The threat is not there yet.

**h. Key Resources**

Strengths in key resources, namely the need for resources in PakDhe Chicken Noodle Shop can be predicted because it has a supplier of fixed raw materials, personnel who can assist in the process of making chicken noodles and have complete and suitable equipment to use. The disadvantages are that the menus offered by PakDhe Chicken Noodle Shop can be copied by competitor stores. Opportunities in PakDhe Chicken Noodle Shop are the possibility to get suppliers at cheaper prices without reducing the quality of raw materials. Whereas the threat currently does not yet exist in the supply of raw materials and the quality of resources of Kedai Mie Ayam PakDhe.

**i. Cost Structure**

The Power of PakDhe Mie Mie Kedai is a predictable cost requirement for maintenance needs of equipment and facilities, production activities, rental places, and employee wages. Weaknesses in PakDhe Chicken Noodle Shop are uncertain raw material purchase costs. The opportunity for PakDhe Mie Mie Chicken is to reduce the cost of maintenance and facilities if it cooperates with an internet-based delivery service provider company because customers will enjoy PakDhe's chicken noodle menu without having to eat at the tavern. Whereas the threat will be the addition of credit fees and the cost of collaborating with internet-based delivery service providers.

Based on the SWOT analysis, the proposed improvements for Business Model Canvas PakDhe Chicken Noodle Shop in the future are:

**a. Customer Segment**

In the upcoming Business Model Canvas, customer segments can be developed outside the Mekarsari region with the help of messaging services between internet-based applications so as to expand the market share of PakDhe Mie Mie Ayam.

**b. Value Propositions**

In the upcoming Business Model Canvas, the value propositions offered by Kedai Mie Ayam PakDhe serve an additional menu of chicken noodles which were originally only ordinary chicken noodles, chicken baso noodles, ceker chicken noodles, and chicken egg noodles then added chicken noodle menus, chicken mushroom noodles and vegetarian chicken noodles so they can reach a larger market share. In addition, the provision of delivery messaging services with internet-based applications to meet customer needs in enjoying the menu at PakDhe Chicken Noodle Shop.

**c. Channel**

Customers who want to enjoy the Mie Mie Ayam PakDhe menu can order directly through the delivery message service application with an internet-based application. In addition, PakDhe Mie Ayam Kedai will also use social media and websites to increase awareness of old and new customers regarding menu information and facilitate marketing of PakDhe Chicken Noodle Shop.

**d. Customer Relationship**

To keep existing customers to remain loyal customers and to encourage customers to buy more menus offered by PakDhe Chicken Noodle Shop, a free 10 portion purchase system is held. Besides that, Kedai Mie Ayam PakDhe also serves ordering menus for parties, social gathering etc. As for new customers PakDhe Mie Ayam Store can see websites that can be accessed by the entire community.

**e. Revenue Stream**

Aside from selling various chicken noodle and beverage menus, PakDhe Mie Ayam is also able to increase revenue streams through selling complementary foods (crackers and snacks) obtained from suppliers of various complementary foods without increasing production costs PakDhe Chicken Noodle Shop (consignment system).

#### f. Key Partnership

Addition of business partners needs to be done by PakDhe Mie Ayam Store to run new business improvements. Kedai Mie Ayam PakDhe needs to collaborate with internet-based delivery service provider application companies and suppliers of various crackers / snacks to add to their business partners.

#### g. Key Activities

Key activities of PakDhe Mie Mie Ayam on the new Business Model Canvas include production and networking activities. Production activities carried out starting from the purchase of raw materials ranging from fresh chicken to spices, to produce various menus of chicken noodles. While networking activities include ordering services through the application of internet-based messaging services and marketing through social media / websites.

#### h. Key Resources

The resources needed by Kedai Mie Ayam PakDhe are raw material suppliers, personnel who can assist in the production process of chicken noodles, servants, cooking utensils, shop houses, tables and chairs, dining utensils and smart phones to support networking activities.

#### i. Cost Structure

The costs required by PakDhe Chicken Noodle Shop consist of fixed and non-fixed costs. Fixed costs include shop rental fees and employee salaries. Whereas for non-fixed costs include the cost of purchasing raw materials, production costs, equipment and equipment costs, credit costs and the cost of cooperation with an internet-based messaging service provider.

### 5. CONCLUSION

Based on observations, processing and data analysis, conclusions are obtained as follows:

1. Of the nine elements of Business Model Canvas in PakDhe Chicken Noodle Shop, the strongest element is the value propositions element because of the value offered by PakDhe Chicken Noodle Shop that has fulfilled the customer's main needs. The next element is key partnerships because the relationship between the PakDhe Ayam Mie party and its business partners is well established. Whereas for the weakest element is customer segment where the market share of PakDhe Chicken Noodle Shop only covers the area around Mekarsari. The next weakest element is the channel where PakDhe Mie Mie Chicken menu sales are still conventional, namely direct sales and information in mouth to mouth so that they have not maximized the sale of chicken noodle menus.
2. Future Business Model Canvas which is expected to be the right strategy in developing the business of PakDhe Chicken Noodle Shop can be seen in the following figure 9.

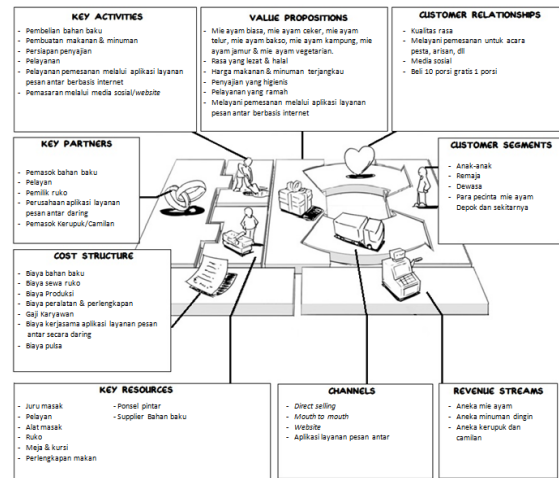


Figure 9. Business Model Canvas PakDhe Chicken Noodle Shop in the future

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