Achievement Of The Target Market Through Business Model Canvas In Small And Medium Enterprises (SMEs)

Onan M Siregar, Selwendri
Faculty of Social and Political Science,
University of Sumatera Utara, Medan, Indonesia
Email: onan@usu.ac.id

Abstract- As an SMEs industry many challenges faced by entrepreneurs in central SMEs Pasar Bengkel. Specially for the construction of the Medan - Tebing Tinggi toll road. It becomes as a special challenge for SMEs Pasar Bengkel entrepreneurs to be able to survive the business souvenirs typical Market Bengkel in Serdang Bedagai regency. The Business Canvas Model as one of the solutions for SMEs to be able to survive in reaching the target market. This study aims to support the model of Small and Medium Enterprises (SMEs), using a canvas model developed by Alexander Osterwalder. Based on the variables raised in this study and hypothesis model, this research includes descriptive research. There are nine blocks as the tools used in the customer segment which managed seems like came to shop. The quality of value proposition of selling products in mass production that can be sold or deposited to other business actors. Marketing channels could have used by social media and other as a promotional tools. Key activities that social media management can take and management of production and materials. Customer relationships concern with hospitality, interested display products and provide information about food processing to customers. The streams of revenue used by activities business to business such as partnerships has established to farmers and government, mass sales and mouth to mouth as a marketing strategies. The main resources such as raw materials, equipment, and technology utilization balanced by cost structure of product processing, wages, packaging, and equipment maintenance.

Keywords: Business Model Canvas, Business Model, Small and Medium Enterprises (SMEs)

INTRODUCTION

One of the challenges faced by companies about developed business and increase competitiveness about internal capacity of the organization in various aspects of management and human resources. To achieve high-performance organization, every part is in the company should be able to function effectively. The challenging business competition intensifies the character of current and future leaders for the optimal business ideas. The ideas were brilliant and innovative business could have come from anywhere and anyone, with the components of employee involvement in the shooting-related business processes provide an opportunity to generate ideas for a comprehensive and better. In addition, holders of leadership in business organizations are expected to understand the implementation process mapping in an effective organization, understand the methods reduction of wastework business processes through the implementation of a model of Quality, Cost, Delivery (QCD), understand the standardization and implementation of continuous improvement process (CIP) concept. Understanding the application of the quality management system (QMS) in management have a greater insight into business processes.

Judging from some SMEs located in North Sumatra, from 33 regency just a few who have built central SMEs, including SMEs, owned central Serdang Bedagai where members of the organization committee consist of the craftsmen, suppliers, manufacturers souvenirs workshop.

The importance of the central SMEs role is to achieve the right target market for accelerated.

Examples of SMEs to attract other similar businesses in innovating against its products.
MATERIALS AND METHODS

Business Model Canvas is a tool designed to build and explore a business idea. A tool developed by Alexander Osterwalder and his colleagues is a visual tool one page consists of nine boxes that shows how to think about how company could have generated money.

Map of empathy with a visual tool helps us to be able to create customer profiles very easy and simple. Map of empathy is very important because many companies invested heavily in market research, although at the time of designing products, services, and business models often ignore the customer's perspective. A good business model will avoid by mistakes

Another definition of the business model is "A business model describes the rationale of how an organization creates, delivers, and captures value." (Alexander Osterwalder and Yves Pigneur, 2012: 14).

According to Alexander Osterwalder and Yves Pigneur in his book Business Model Generation, there are nine basic building blocks of a business model that shows how to think about how a company earns money, combined the ninth block called Business Model Canvas (BMC). A Ninth of the block covers four main areas of the business, namely customers, supply, infrastructure, and financial viability (Alexander Osterwalder and Yves Pigneur, 2012: 15)

Empathy Map

With this tool, we can find a business model for more powerful because of the guides. Such us the design of a better value proposition, a more convenient way to reach customers, and better customer relations (Osterwalder and Pigneur, 2012: 131).

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definitions</th>
<th>Dimensions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Map of Empathy</td>
<td>Thinking tools that</td>
<td>1. What did he see?</td>
</tr>
</tbody>
</table>

Table Questions Map Empathy

<table>
<thead>
<tr>
<th>What did she see?</th>
<th>- What seems to?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explain what the customer sees in its environment</td>
<td>- Who surrounds it?</td>
</tr>
<tr>
<td>- What are the problems encountered?</td>
<td>- Who are his friends?</td>
</tr>
<tr>
<td>- What did he hear?</td>
<td>- What do his friends say?</td>
</tr>
</tbody>
</table>

Population and Sample

Researchers used a quantitative research methods as a backup method. The sample population of this study was 110 people who include the criteria have been specified in the theory of triangulation of researchers.
Explain how the environment affects the customer SPOUSE?

- Where influential media channels?
- Where influential media channels?

What is well thought out and felt? (Think & Feel?)

Trying to unravel what was in the minds of customers

- What is important for him (he does not say openly)?
- Imagine his emotions. What is driving it?
- What can make it up at night?
- Try to describe dreams and aspirations.

What is said and done? (say and do?)

Imagine what might be said to be a customer, or how they behave

- What attitude?
- What can I say to others?

Is Hurt perceived customer? (Pain?)

- Is the biggest frustration?
- Fear about the risk?

Any customer acquisition? (Gain?)

- What want to accomplish?
- How does he measure success?

(Alexander Osterwalder and Yves Pigneur, 2012: 131)

1. Questionnaire
2. Hypotheses
3. Indicators
4. Empathy Map

<table>
<thead>
<tr>
<th>Map</th>
<th>Empathy Question</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>What did she see?</td>
<td>1. Still needs to finalize business character to distinguish from the competitors. 2. Many of products offered</td>
<td></td>
</tr>
<tr>
<td>What did he hear?</td>
<td>1. Packaging attractive to consumers about affordable price. 2. Products/sample products exist on all social media.</td>
<td></td>
</tr>
</tbody>
</table>

3. Information can be obtained via the Internet.
4. New production with various variant flavors and types of souvenirs are growing.
5. An affordable price compared to similar businesses

What he thinks and feels? (Think & Feel)

1. Customers want to get a souvenir to take home with easy and inexpensive.
2. Customers want products that are tasty and inexpensive durable and easily qualified.
3. Customers want to get a warranty.

What is said and done? (Say and do)

1. Customers will share the experience of shopping for by the people around them.

Hurt what he feels? (Pain)

1. Customer worried souvenirs brought unwell and not durable.

What to get? (Gain)

1. Customers will be satisfied with the services and excellent service when shopping with adequate facilities.

RESULTS AND DISCUSSION

SMEs Condition Repair Market Current

Table Merchant Sales Transactions Per-Day

<table>
<thead>
<tr>
<th>No.</th>
<th>Sales Rupiah Range</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rp 0 to Rp 100,000,-</td>
<td>41.4%</td>
</tr>
<tr>
<td>2</td>
<td>Rp 101,000 to Rp 500,000,</td>
<td>47.5%</td>
</tr>
<tr>
<td>3</td>
<td>above Rp 500,000,-</td>
<td>11.1%</td>
</tr>
</tbody>
</table>

Data processed researchers
If the condition taken midline average sales transaction of Rp 500,000, - multiplied by the number 120 the merchant then obtained figures of money that revolve around the Market Workshop Rp 26,345,000, - per day. The numbers are quite fantastic for home-based entrepreneurship. No wonder that in the mid-1990s the Government of Deli Serdang founded the Center for Industrial Promotion and Tourism Deli Serdang (at that time this region has not bloomed into Serdang Bedagai) in this Workshop Market location. Unfortunately, agencies set up with billions of rupiah is not working now.

*Multiply effect* caused by the presence of this workshop Markets are emerging inter-city transport buses, inter-district, even between provinces on Sumatra island and makes Markets Workshop as a place to break (stops for a break).

### Indicators Table Map Empathy

<table>
<thead>
<tr>
<th>No</th>
<th>Empathy Map Questions</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Business communities</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>What did she see?</td>
<td>➢ The development of a business gift is not as attractive turned over from the first because of road</td>
</tr>
<tr>
<td></td>
<td>Observer</td>
<td>➢ The businesses are less effective in the development of creations which attract the attention of consumers</td>
</tr>
<tr>
<td></td>
<td>Customer</td>
<td>➢ Merchandise sold monotonously, and just that is it</td>
</tr>
</tbody>
</table>

| 2  | What’s in the hearing? | ➢ Widening the road will affect an area of our merchandise opened toll road terrain very cliff desired not notice fate of businesses |
|    |                        | ➢ The businesses began to worry about government policies that would widen the road and was not considered his fate |
|    |                        | ➢ Souvenir sold are processed some household quality and quality goods merchandise already beginning to be noticed by the owner of the business |

| 3  | What is thinking and feeling? (Thin) | ➢ Taking goods from processing other people’ th future, businesses must have special characteristics |
|    |                                        | ➢ Central by-by many popping up and not just in the market |
| 4 | What is said and done? (Say and do) | ➢ Provide service in the form of free snacks and drinks to sober drivers. The tourist bus which was carrying passengers. | ➢ Amenities such as seating and tables, parking area into one of the characteristics mentioned company bases by the business operators and bus drivers. | ➢ Arrangement of a reason to stop looking for a souvenir. Prices were low into customer interests. |
| 5 | What is sacrificed? (Pain) | ➢ The turnover of diminishing this makes some SMEs lid. ➢ Processing dodolo originaly do every day (only 2 or 3 times a week). | ➢ Conditions are not favorable from the construction of the motorcycle. | ➢ Losses on road congestion make customers stop by even if only to buy a soft drink. |

The number of buyers who have been active central role SMEs have a positive impact members.

Advances in Social Science, Education and Humanities Research, volume 136

525
way of employing workers to cook daily rely more costly on than having workers cook special but taste obtained tend to be similar. Special
doing so tend to be more costly on than having workers cook special but taste obtained tend to be similar. Special

employi


the

➢ E

➢ R

➢ P

➢ C

➢ A

➢ M

➢ S

➢ N

➢ T

➢ STS

➢ SS

➢ S

➢ N

➢ TS

➢ STS

Figure Chart Percentage of Respondents

Results show that there are some consumers’ desire to understood by the customer. Also, road conditions across Sumatra (Medan-TebingTinggi) build a toll road and pass through another workshop market, makes businesses lose some customers. It makes researchers create a business model with the canvas model for classifying consumer desires, channel, quality of service, product quality and price, as well as the achievement objectives. Where the future of this business model can help entrepreneurs in the SMEs market central workshop regain customers by grouping the blocks that are in the business model of canvas which can be based on a map of empathy and triangulation of data with mixed method research. Then the researchers drew some perceive could have used as recommendations for businesses, particularly SMEs workshop market as as areas researchers.
Figure Business Model Canvas

Recommendations

<table>
<thead>
<tr>
<th>KP</th>
<th>KA</th>
<th>VP</th>
<th>CR</th>
<th>CS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members SME centers Government</td>
<td>business management processes by websites and etc.</td>
<td>Mass Production Economic</td>
<td>Activities country, city, provincial the event, other events</td>
<td>Passing Customers who accidently come for shopping</td>
</tr>
<tr>
<td>KR Technology and machinery Labor cook creative</td>
<td>flavors awake Arrangement products we re neat and clean</td>
<td>CH Business web &amp; social media Distributor</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C $ house production of human resources creative

R $ Cost of business to business
Cost of business to customer

Source: processed researchers

CONCLUSION

Conclusion

1. SMEs market workshop using techniques *business of mouth* of mouth as a marketing strategy. This method gives a different flavor with its competitors or namely process popularity. Competitive price and excellent service made customers feel satisfied and well served. Despite the market is one of the central workshop SMEs community that has been known for a long time and is one of pride owned SMEs centers North Sumatra government.

2. Business Model Canvas was applied by design of business strategy SMEs which simply the application of existing theory and the analysis of empathy map to facilitate formulating the right business strategy to operations based on the empirical fact that there was a field. Business strategy which could have based on existing data requires management accounting, and marketing with clear and structured, because each SMEs has the financial management of different and not only sell the finished product such as a drink/food fast food, but also food Rigan processed as a different materials. Where all raw materials come from local farmers and some businesses, grow their own sets forth the required raw materials such as cassava and bananas. Based the policy, the production cost can be reduced, and the price of goods can be adjusted to market conditions. Besides that there are only a few stores/shops are called bases, that stores/shops which have ample parking spaces and have a break and usually here several tourist bus drivers or other large vehicle stopped to rest. As well as for bus drivers carrying passengers will be given preferential treatment from the owners in the form of free drinks and discounts more than 50% of each snack in outlet/store. The right business strategy to support the success of the business.

3. Location SME market workshop in the area of cross-Sumatra road was not always favorable. Especially since the holding Pembangunan Meda Tebing Tinggi toll road which will be fewer vehicles passing through this highway. Also, the policy will be extended highway will cut through comprehensive Sumatrastore/shop owned businesses. The absence of special attention will center on market turnover of this workshop makes many outlets/stores that choose to shut. Although the congestion occurs during the construction and congestion due to
holidays and big days does not make business owners get a high turnover. There are many potential customers who only see it, and there is also only a drop for buy soft drinks for the road. This condition is inversely proportional to the first. Where through research every day no less than Rp.50.000.000, - turnover occurs. Besides the creativity of businesses are considered very poor and do not understand needs and wants consumers. While central SMEs have been formed long before.

REFERENCES

Source Book:
Sugiyono, 2002, the *Administration Research Methods*,Bandung, Alfabeta.

Web.
http://portalukm.com/siklus-usaha/membangun-usaha/sentra/.0.18.tanggal%20tanggal%202011%202%20desember
https://www.mediakalla.co.id/karyawan-mt-dibekali-konsep-bisnis-model-kanvas/