Analysis of Performance Improvement on PT. Distribusi Air Santri (PT. DAS) Using Business Model Canvas

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Abstract—Since 1975, the drinking habits of the Indonesian people began to change from being merely boiling water from tap to bottled water (AMDK), thus encouraging drinking water producers to continue branch out in market share. In 2013, the market share of AMDK industry was Rp 22.51T and there were around 500 competing AMDK companies, PT. Distribusi Air Santri (PT. DAS) is a company engaged in the distribution of “Air Mineral Santri” brand which located in Surabaya. This company aims to increase the market in Surabaya by 10% or sell 142,000 items / month. So to achieve company goals, company need to develop business models and plan business strategies using Business Model Canvas (BMC). In the BMC analysis, an analysis of environmental conditions was carried out using the 7sMcKinsey method, External Scanning and porter strength analysis. And validation is needed so that BMCs are made accurately and precisely with the help of a SWOT analysis.

Keywords—Business Model Canvas, SWOT Analysis.

I. INTRODUCTION

THE Bottled Drinking Industry in Indonesia (AMDK) began to develop since 1973, the Indonesian people began to change the habit of consuming water from boiled water to bottled drinking water (AMDK), which encouraged the producers of bottled drinking water to develop. According to the Indonesian Bottled Drinking Water Association (ASPADIN), in 2013, AMDK’s market value was IDR 22.51 trillion and this industry will continue to grow 11.1% every year. This provides an opportunity for drinking water producers to compete in the bottled water market (AMDK).

Table 1 explains the assumptions of the needs and potential market of the AMDK in Surabaya. According to DISPENDUKCAPIL, in January 2019 the population of the city of Surabaya reached 3 million people. Meanwhile according to ASPADIN, 60% of Indonesian people consume bottled drinking water. If it is assumed that the price of 1 liter of water is IDR 1,000, the potential market of AMDK in Surabaya is IDR 27,000,000,000 / month. If the price per item is IDR 20,000. So the need for bottled water in Surabaya is 1,350,000 items / month. That is can be seen at Table 2.

PT. Distribusi Air Mineral (PT.DAS) is the main distributor of AMDK Air Mineral Santri in Surabaya. AMDK Air Mineral Santri is mineral water that uses natural raw materials taken from Umbulan’s water springs, producing a large enough water discharge so that it’s guaranteed quality, clarity, freshness and stability of mineral content. Raw materials are processed with Carbon Filter, Sand Filter, then sterilized using Technology Water Treatment (TWT) which is adjusted to the Indonesian National Standard (SNI) with ultraviolet light and ozone (O3).

Sales of AMDK Air Mineral Santri in 2019 are 60,000 items/month, or about 4.5% Air Santri controls the AMDK market in Surabaya. This company plan to increase sales in 2020 by controlling AMDK’s market in Surabaya by 10% or selling 142,000 items/month.

The company needs to plan business strategies to achieve company goals, one of the solution is plan a business model that consists of various elements that can describe the strategy, goals, structure, technology, processes, value for customers so that companies can compete well in the business market. The business model helps to describe all sources of competitive advantage possessed by an organization that distinguishes it from company positioning of products in the same industry. In addition, the business model is also a value chain structure, creating value by defining a series of activities ranging from raw materials to raw materials to the final customer, where the specified value is added to the overall activity. Figure 1 describe the sales of of AMDK Air Mineral Santri by PT. DAS per year.

In this study, the research conducted to analyze the business model using Business Model Canvas (BMC)
alongside with SWOT Analysis. The Business Model Canvas is a business model that develops a business unit and has 9 components, each component can be the first step to determine where the company develops its business model business. An effective way to evaluate company business models is to combine the classic SWOT analysis with the business model canvas. The objectives of the research to develop business models using the Business Model Canvas approach with the help of a SWOT analysis.

II. METHOD

Data collection and processing in this chapter is obtained from the results of field observations and interviews with managers and employees. The results of the company's condition analysis are managed in the form of 7's Mckinsey analysis, external scanning and five forces porter model. 7's Mckinsey is a framework for analyzing how effective an organization is to achieve organizational goals which described through 7 elements namely strategy, structure, system, shared values, skills, style and staff. In the analysis of 7's Mckinsey in this research, the most emphasized thing by the company is to increase product sales and disseminate the brand "AMDK Air Mineral Santri" so that it is better known to the public.
In the external analysis for environmental scanning there are several components contained that function to analyze the condition of the company with external parties, namely natural environment, technology, external stakeholders, socio culture. In addition for external analysis, porter's five force model method is used to analyze companies on developing business strategies in the market. According to Porter, there are 5 things that determine the level of competition and product attractiveness in the Market, namely Threat of New Entrants, Bargaining Power of Suppliers, Bargaining Power of Consumer, Threat of Substitute Products and Rivalry within the Industry.

In the Business Model Canvas analysis at PT. DAS is carried out discussions and interviews with managers and employees from various divisions who act as respondents to define the business model canvas that is currently used by companies. The Business Model Canvas consists of 9 components, there is key partners, key activities, key resources, value proposition, customer relationships, channels, customer segments, cost structure, revenue stream.

SWOT analysis is shown by mapping the components of strengths, opportunities, weaknesses and threats of a company. In making a good SWOT analysis, the company must be as objective as possible to assess the company but also through consumer testimonials. SWOT analysis is performed on every element in the Business Model Canvas analysis which aims to perfect the business model owned by the company. For detail can see Figure 2 about method.

### III. RESULT

#### A. Analysis of 7’s Mckinsey

Analysis of 7’s Mckinsey can be seen at Table 3, where explain about definition of a attribute and analysis result about the attribute.

#### B. Analysis of external scanning

Analysis of external scanning can be seen at Table 4, where explain about definition of a attribute and analysis result about the attribute.

#### C. Analysis of Porter’s five forces model

Analysis of Porter’s five forces model can be seen at Table 5, where explain about definition of a attribute and analysis result about the attribute.

1) **Analysis of Business Model Canvas**

Business Model Canvas can be seen in Figure 3. For explain about it can be read in below.
Table 6. Analysis SWOT

| Attribute | BMC | Strength (S) | Weakness (W) | Opportunity (O) | Threat (T) |
|-----------|-----|--------------|--------------|-----------------|------------|
| Key Partners | Have and establish good relationships with company partners | consumers, retailers and agents, tend to want lower product prices with maximum service | Current partners can help expand the network | Opportunities to expand cooperation with potential companies | Partners who are not satisfied with PT. DAS can end collaboration |
| Key Activities | The factory works very professionally, the number of products and the time is always right | The product is damaged due to the shipping or storage process | The existence of technology and information media make it easy in business matters | Marketing teams tend to wait for the ball rather than picking up the ball about prospective agents, retailers, or new partners |
| Key Resources | The number of human resources owned by the company is sufficient for operational activities Strategic warehouse location | Lack of HR depletes operational work (1 warehouse only has 1 admin) | The company has the opportunity to add resources in the form of HR and vehicles because adding resources provides convenience and fluency in work | The marketing team makes more use of online marketing, can be a threat the company cannot develop optimally in the market |
| Value Proposition | Distributing professionally Fast delivery Product quality is guaranteed Satisfy customers as needed | The product is still new so the proportion of values is not widely known | Products have a chance to sell in the market because of guaranteed product quality and good service | Substitution products and products from competing brands |
| Customer Relationships | Has many programs that can establish good relationships with old customers and add new customers | - | Opportunities to work with customers create an event that enhances the relationship between the company and regular customers | If the company's products or services are not satisfactory, customers can switch to other brands |
| Channels | There is a media to increase relationships with customer Owned channels have not been able to reach new customers | The development of information technology and media facilitates the dissemination of information | Competitors may take the similar steps |
| Customer Segments | Products can be offered to various types of customers because of universal products and guaranteed quality Some customers who are used to using other brands, do not want to use other brands | Opportunities to expand the network by maximizing the marketing team | Customer segment can be reduced if the competitor company maximizes the value proposition, channels and key resources |
| Cost Structure | Efficient and good financial management Changes in operational costs | - | Unforeseen costs |
| Revenue Stream | Have a sustainable source of income from your collaboration with customers Only has one source of income (Santri's AMDK sales) Includes new products that do not have affordable prices | Opportunity to sell other types of products, such as the Santri AMDK merchandise Opportunities to expand cooperation with more other large companies | Competition with other bottled water products |

1. Key Partners: Other parties who work with companies to achieve company goals
2. Key Activities: The main activities undertaken by the company are key to the success of the company
3. Key Resources: Resources owned by the company or elements in the company that play a role in achieving company goals.
4. Value Proposition: The proportion of the value of a product that is the reason consumers use the product (quality, price, brand, design, service, guarantee, ease of access, etc.).
5. Customer Relationships: Steps or programs owned by the company to establish good relationships with customers to retain old customers and get new customers.
6. Channels: The media used to communicate, convey values and establish relationships with customers.
7. Customer Segments: Mapping customer segments or grouping customers according to the value offered by the company.
8. Cost Structure: Details of all costs used by the company for company activities. All costs to be incurred by the company have been calculated beforehand.
9. Revenue Stream: Revenues earned by the company from the company's key activities.

2) Analysis SWOT

For the analysis of SWOT, each variable of business model canvas is being analyze with SWOT criteria that is strength, weakness, opportunity and threat. Analysis SWOT can see in Table 6.
3) SWOT Matrix Analysis

In this step, analyze the power between internal and external component of company, strength and weakness variable for internal, while opportunity and threat variable for external. As described at Table 7 and Table 8.

4) New Business Model Canvas

New Business Model Canvas can be seen in Table 9. This section explains about new business model canvas at this case.

IV. CONCLUSION

Utilizing partners to expand the network to various new partners and collaborate with other companies. Adding other sources of income aside from selling Air Mineral Santri. Routinely provide punishment and reward to employees to increase employee motivation. The company should focus on attracting and selling products to agents and retailers. Distribute small consumer purchases to agents and retailers.

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