Achievement of The Target Market Through Business Model Canvas in Small and Medium Enterprises (Smes)

Onan M Siregar & Selwendri

Faculty of Social and Political Sciences, University of Sumatera Utara, Indonesia

*Coresponding Email: onan@usu.ac.id

Abstract

As a SME industry many challenges faced by entrepreneurs in central SMEs Pasar Bengkel to remain able to survive. The construction of the Medan - Tebing Tinggi toll road becomes a challenge for SMEs Pasar Bengkel entrepreneurs to remain able to survive in the business souvenirs typical Market Bengkel in Serdang Bedagai regency. For that apply 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. Based on the nine blocks as the tools used in the customer segment is the customer that must be managed is the customer who accidentally came to shop, the value proposition of selling quality products in mass production that can be sold or deposited to other business actors. Marketing channels using social media and other promotional tools. Customer relationships with respect to hospitality, display products and provide food processing information to customers. In revenue streams using business to business activities; mass sales and do mouth to mouth marketing strategies. The main resources use various sources such as raw materials, equipment and technology utilization. Key activities that social media management can take and management of production and materials. Partnership is done to farmers and government. Pay attention to the cost structure of product processing, wages, packaging and equipment maintenance.
Keywords: BMC, Business Model, SMEs

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INTRODUCTION

One of the challenges faced by companies in developing business and increase its competitiveness is to increase the 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. In addition, the challenging business competition intensifies, it takes the character of current and future leaders that rich business ideas are brilliant. The ideas were brilliant and innovative business can come from anywhere and anyone, so that all 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 approach* and *business 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 and 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 Bedagai Serdang where members of the organization committee consists of the craftsmen, suppliers, manufacturers souvenirs workshop. The importance of the role of a central SMEs in achieving the right target market for accelerated development of the community economy needs cooperation of all sectors, both pmerintah or own businesses. Therefore, need to set up examples of SMEs to attract other similar businesses in berinofasi against its products.

RESEARCH METHODS

Business Model Canvas is a *tool* or a tool designed to build and explore a business idea. 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 a company generates money.

Map of empathy itself is a visual tool that helps us to be able to create customer profiles in a way that is 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 design will avoid mistakes like this.

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).

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). Ninth of the block covers four main areas of the business, namely customers, supply, infrastructure, and financial viability (Alexander Osterwalder and Yves Pigneur, 2012)

Empathy Map
With this tool we can find a business
model that is more powerful because guide the design of a better value proposition, a more convenient way to reach customers, and better customer relations (Osterwalder and Pigneur, 2012).
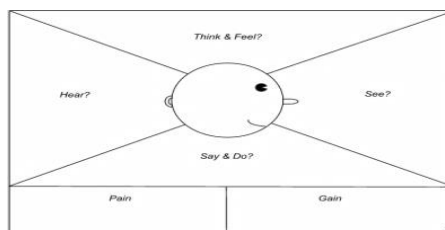
Variabel Operational Table

Variable	Definitions	Dimensions:
Map of Empathy	A thinking tools that help you go beyond the demographic characteristics of the customer and develop a better understanding of the environment, behavior, concerns, and aspirations.	What did he see?*(See?)* What did she hear?*(Hear?)* What really thinking and feeling?*(Think& feel?)* What is said and done?*(Sayand do?)* Smarting what is perceived customer?*(Pain?)* Any customer acquisition?*(Gain?)*

Source: Data processed researchers

Population and Sample

Researchers using quantitative research methods as a backup method of research methods, so that the sample population of this study were 110 people in which the criteria have been specified in the theory of triangulation of researchers specify the data collection techniques triangulation.

Image: Map of Empathy

(Alexander Osterwalder and Yves Pigneur, 2012: 130)

Table Questions Map Empathy

What did she see?(See?) Explain what the customer sees in its environment	- What seems to? - Who surrounds it? - Who are his friends? - What are the problems encountered?
What did she hear?(Hear?) Explain how the environment affects the customer	-what his friends say? SPOUSE? -where influential media channels? -where influential media channels?
What is really well thought out and dirasaknnya?*(Think& Feel?)* Trying to unravel what was in the minds of customers	What is really 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?*(Sayand*Do?) Imagine what might be said to be a customer, or how they behave	- What attitude? - What can I say to others?
Hurt is perceived customer?(Pain?)	- Is the biggest frustration? - Risk what they fear?
Any customer acquisition?(Gain?)	- What really want to accomplish? - How does he measure success?

(Alexander Osterwalder and Yves Pigneur, 2012: 131)

Questionnaire
Hypotheses Indicators Empathy Map

Map EmpathyQuestion	Indicators
What did she see?(See)	still needs to finalize its business character to distinguish it from its competitors. Many of the products offered
What he heard?*(Hear)*	Packaging attractive to consumers at an affordable price. Products / *sample* products exist in all social*media.* Information can be obtained via the Internet. New production with various farian flavors and types of souvenirs is growing. An affordable price compared to similar businesses
What he thinks and feels?*(Think&*feel)	Customers want to get a souvenir to take home with easy and inexpensive. Customers want products that are tasty and inexpensive durable and easily qualified. Customers want to get a warranty.
What is said and done?*(Sayand*do)	Customers will share the experience of shopping for by the people around him.
Hurt what he feels?(Pain)	Customer worried souvenirs brought unwell and not durable.
What to get?(Gain)	Customers will be satisfied tubs and excellent service when shopping with adequate facilities.

RESEARCH AND RESULT

SMEs Condition Repair Market Current
Table Merchant Sales Transactions Per-Day

No.	Sales Rupiah Range	Percentage (%)
1	Rp 0 to Rp 100,000, -	41.4%
2	Rp 101.000 to Rp 500.000,	47.5%
3	above Rp 500,000 -	11.1%

Data processed researchers

If taken midline average sales transaction of Rp 500,000, - multiplied by the number 120 the merchant then obtained figures of money that revolves 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 that are very nice and set up with billions of rupiah is now not working.

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

Indicators Table Map Empathy

No	Empathy Map Questions	Indicators		
		Business communities	Observer	Customer
1	What did she see?(See)	The development of a business gift is not as attractive Turnover is currently down from the first because of road construction	The businesses are less effective in the development of berkresi which attract the attention of consumers Service supplied to your customers is less fulfilling, certi parking lots and so on Konsemen began actively choose souvenirs are more attractive in terms of packaging	merchandise sold monotonous and just that's it
2	What's in the hearing?(Hear)	Widening the road will affect an area of our merchandise Opening toll road terrain very cliff deemed 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 homehousehold Quality and qualitygoods dagangna already beginning to be noticed by the owner of the business
3	What is thinking and feeling?(Think and feel)	Taking goods from processing other people's households is more advantageous in terms of production cost savings because it uses a system of debt and paid in	the future, businesses must have special characteristics that differentiate it from the central by-others Cleanliness of road dust must be considered with others because of the location of merchandise which is located alongside the turnpike Sumatran	Central by-by many bermuncuan and not just dipasa workshop only prices are relatively different from poduk same confusing your customer will be worth the price of a product yng result has only one subscription only when often buy on the market Joinery
4	What is said and done?(Sayand do)	provide *service* in the form of free snacks and drinks sober for drivers 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 tourism increase the number of buyers who have been active central role SMEs have a positive impact members	neat arrangement of a reason to stop looking for a souvenir prices were cheap into customer interests
5	What is sacrificed?(Pain)	The turnover of diminishing this makes some SMEs lid Processing dodol originally dilakukkan every day now only 2 or 3 times a week Conditions are not favorable from the construction of the motorway Employing workers cook daily rely more costly than having workers cook special but taste obtained tend to be similar	existing SME Centers should review the condition and whereabouts of the SME market in order to return the star workshop	Losses on road congestion make customers stop by even if only to buy a soft drink just
6	What to get?(Gain)	Reduction of the store employees do to cover operational raw material in the can from the local population into own advantage to be able to control the price of goods and the amount of production that was issued	with the central-center for SMEs this would lead to the independence of the local economy and utilization of natural resources that the maximum commodities processed products derived from ingredients like home-grown by local people	Prices are cheap with the quality assurance of sufficient quality variant of processed snacks unique past that back dijajalkan be of interest to purchase

Source: Data processed researchers

Figure Indicators Map Empathy
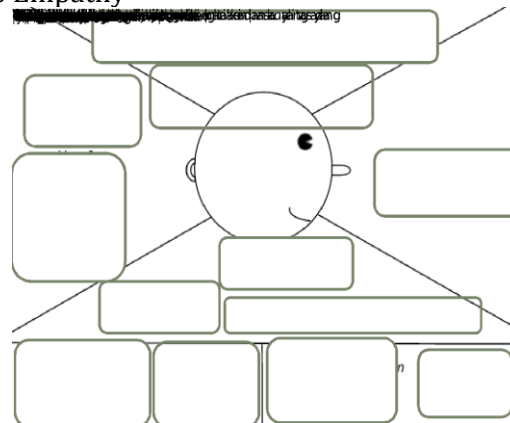
Source: Data processed researchers

on empathy map above indicators can be confirmed that customers expect something more that they feel about the services implemented by most operators. In other words, the customer wants a new innovation of the service system contained in the sellers at this time aimed at improving the quality of customer satisfaction and the convenience of a service. Innovation is an idea, practice or object / objects are recognized and accepted as a new thing by any person or group to be adopted.

With a look of empathy map indicator analysis results derived from informants triangulation, researchers see there is a need that is still a few businesses will be aware of those needs. New systems that will be implemented will be an innovation as a form of development in the culinary world, which according to pemerhatisekarang many people prefer to shop *online* if you want to buy a product that has the look more attractive packaging although the quality can be categorized together.

Figure *Chart* Percentage of Respondents Around the Questionnaire
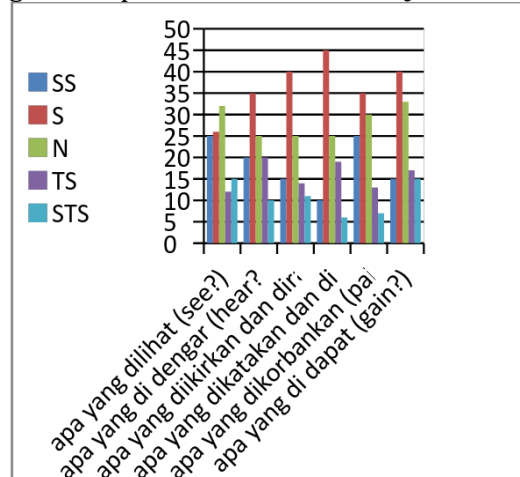
Source: Data processed research

results above show that there are some consumers' desire to be complex to be understood by the customer. In addition, road conditions across Sumatran Sumatran 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 business system for classifying consumer desires, *channel,*quality of service, product quality and price, as well as the achievement of other objectives. Where the future of this business model can help entrepreneurs in the SME 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 perceived can be used as recommendations for businesses, particularly SMEs workshop market as research areas researchers.

Figure Business Model Canvas Recommendations

KP	KA	VP	CR	CS
Members SME centers Government	business management pengelolahan website & sosmed	Mass Production Economical flavors awake Arrangement products were neat and clean	Activities county, city, provincial event, other events	*Elanggan passing Customers who accidentally come for shopping*
	KR technology and machinery Labor cook creative		CH business web & social media Distributor	
C $ house production of human resources creative		R $ Cost of *business to business* Cost of *business to customer*		

CONCLUSION

SME market workshop using techniques *business of mouth* in marketing their products to be in the know people. This method is generally must put a different flavor with its competitors, could in a short time or later in the process popularity. Competitive price and excellent service so that customers feel satisfied and well served. Not in spite of that, the market is one of the central workshop SME community that has been known for a long time and is one of pride owned SME centers pemerintas northern Sumatra. Business Model Canvas is applied in the design of business strategy MSE is 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 is a field. Business strategy which can be based on existing data requires management accounting and marketing are clear and structured, this is because each SME has the financial management of different andnot only sell the finished product alone or in the form of a drink / food fast fast food, but also food Rigan processed as well coming from 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. Under the policy 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. Location SME market workshop in the area of cross-Sumatra road was not always favorable. Especially since the holding pembangnan Meda Tebing Tinggi toll road which will be fewer vehicles passing through this highway. In addition, the policy will be extended highway will cut through comprehensive Sumatran store / 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 ntuk 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 keinginaa consumers. While central SMEs have been formed long before.

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