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GROUP ASSIGNMENT

BUSINESS MODEL CANVAS

PREPARED FOR

DR NOR ZAWANI MAMAT@IBRAHIM

PREPARED BY

MUHAMMAD ANAS BIN ZAMZURI (2020959399)

FARAH NAJIHA BINTI MD JUHARI (2020952815)

ROHZAIANA BINTI ZAINAL (2019475668)

FATIN SYAHIRAH BINTI SAAT (2020965917)



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EXECUTIVE SUMMARY

This assignment's purpose is stated in terms of BMC's purpose. The objective at sight is to make it clear that BMC is a page dedicated to the most critical aspects of our startup. The BMC is also straightforward and concise. The business model is a plan that identifies our company at its inception and later helps us build it. It allows us to communicate easily with our team, investors, partners, and even staff in order to achieve our goals.

BMC also highlights the client's expectations. A business model's canvas forces you to think beyond your product. The business becomes evident when you imagine how you'll sell your product, what resources you'll require, and which consumer groups you'll be able to serve. Last but not least, the BMC informs us on how to minimize the risk of failure. The business model canvas assists you in completing the processes necessary to bring your idea to market. This shows the effectiveness of the BMC in forcing us to find and produce a solution in preventing us from continuing to receive failure that can dishearten us in the business world.

1. INTRODUCTION

1.1 Business Background

Sambal Goreng Ikan Bilis is a manufacturing product under Sambal Yummy by STU Enterprise. The name was ✓ chosen in conjunction with the name of our own product which is Sambal Goreng Ikan Bilis to make the public know clearly about what we produce from our company. The company was established on 17 February 2020 and located at No 1, Persiaran Batu Nilam 1/Ks6, Bandar Bukit Tinggi, 41200 Klang, Selangor.

Furthermore, to find out more, our mission is to produce Sambal Goreng Ikan Bilis that are the product of choice for someone with a career that is single or married, middle or low-income people and not to be missed also for sambal fans in our country. This is because our vision is to be a well-known and successful producer and entrepreneur of Sambal Goreng Ikan Bilis in Malaysia and also internationally. This is because we can promote our country's food to foreign countries. ✓

Our Sambal Goreng Ikan Bilis products is a durable product that can be used in various recipes or food variations. Sambal Goreng really 'hit' the throat of Malaysians. It is suitable as an appetizer to eat as an example of an appetizer to eat with rice, porridge, bread, or something else. Not only that, but it can also make a flavor enhancer for those who like spicy food. Our product is also suitable for travel anywhere because it is dry, there is no worry if it is spilled on luggage.

1.2 Purpose of Business Model Canvas Preparation

Many of the businesses and entrepreneurs have used Business Model Canvas (BMC). This is because it is the best method to help traders understand the business model in a continuous and structured way. There are nine components in Business Model Canvas (BMC) which are customer segments, value propositions, customer

relationships, channels, key resources, revenue streams, key partnerships, key resources, and cost structure.

Not only that, it is able to identify and act on areas that can be improved. It also shows a clear way to build an organizational innovation strategy. There are some purposes of our business model canvas preparation. Among its purposes is to help us stay focused on key building blocks to save our time and succeed. This helps us monitor progress in various important elements of our business.

Besides that, the purpose is to ensure the basic components of our business model have been considered to ensure we have addressed them all. This also gives us a basis to consider future changes to our business model. Moreover, BMC is kind of a very useful method which is to summarize a business plan on one page.

1.3 Target Customer's Problem

In all every business conducted, will definitely have its own target customers, as well as our Sambal Goreng Ikan Bilis business. The target customers for our business are career people, middle-income individuals, and sambal enthusiasts. However, each of these target customers will inevitably have its own problems. One of them is faced by the career people which is that of their time management. This career does not matter who is single or married. This is because they are too busy with their careers so that sometimes they come back late and also sometimes they don't have time to cook at home after returning from work due to fatigue.

In addition, in this era of the high cost of living, middle-income individuals will certainly experience some difficulties with financial matters. This includes finances related to food costs. Therefore, they need to take prudent steps for savings. Furthermore, sambal fans in our country, Malaysia, will definitely want to always have long-lasting sambal in their kitchen storage. This will cause their demand for this sambal to be high.

1.4 Problem Solution

Every problem will definitely have a solution, like the problems faced by the target customers that have been identified before there is also a solution that is with our products. The first is for career people who are busy with their work that there is no time to cook, our products can help deal with this problem. Our durable Sambal Goreng Ikan Bilis products that can be stored in the kitchen can help them to have something to eat even if it is not cooked. They also don't always have to buy food outside. ✓

Furthermore, our products can also help middle-income individuals. The high cost of living will definitely have an impact on the middle and low-income groups. This includes the cost of food. Therefore, our products can help them to save more on food costs. As you know, our durable products definitely have a long life without being damaged. So, this will help them to be more frugal in food expenses as they can use our products as breakfast to be eaten with bread and so on

Not only that, our products can be good news to those ✓ who are fans of sambal in our country. Their demand and desire to always have sambal goreng can be fulfilled. Our long-lasting products can make them always have storage of sambal goreng in their kitchen and not only that, they can ✓ also carry it once with them in their luggage when traveling.

1.5 SWOT Analysis

<p>STRENGTH</p> <ol style="list-style-type: none"> 1. Locally made products that are increasingly known to the public. ✓ 2. Has a strategic location. ✓ 3. The price of the product sold is affordable. ✓ 	<p>WEAKNESS</p> <ol style="list-style-type: none"> 1. The product is not sold in stores or supermarkets. ✓ 2. The product is only focused on the sale of Sambal Goreng Ikan Bilis only. ✓ 3. Lack of staff. ✓
<p>OPPORTUNITIES</p> <ol style="list-style-type: none"> 1. Promoting the product through social media has made the public recognize our product. 2. Gain the trust of the general public regarding the product from testimonials done to customers. 3. Have the opportunity to promote the product internationally. ✓ 	<p>THREATS</p> <ol style="list-style-type: none"> 1. Fierce competition with other local competitors that sell sambal goreng . 2. Price competition among other competitors. ✓

SWOT Analysis can help to develop well, to overcome the shortcomings we have, to minimize risk, and also give the best chance of success. SWOT Analysis is a useful but easy method to analyze the organization's strengths, weaknesses, opportunities, and threats.

The strength of our products is we manufacture local products that are increasingly known to the public. This Sambal Goreng Ikan Bilis product has become increasingly known to the public and is becoming an attraction. Other than that, our business has a strategic location in Klang. In Selangor, the main city apart

from Shah Alam is Klang. Therefore, having a strategic location has helped our business to grow and be better known. This is different from these two competitors namely Sambal Goreng Mama and Sambal Garing Dapur Asli whose business is located outside the city. Our business also offers affordable product prices. All types of income levels will be able to afford it meanwhile Sambal Garing Dapur Asli has a slightly higher price than us. ✓

Furthermore, every business will inevitably have weaknesses. The weaknesses of our business are our products are not sold in any store or supermarket as we only sell online while the Sambal Garing Dapur Asli sells their products in stores and also online but Sambal Goreng Mama also sells online by taking orders. Next, the products we produce only focus on Sambal Goreng Ikan Bilis, we do not sell other food products meanwhile the other two competitors are also the same, only focus on one product release only. Also, the weakness is the business has a shortage of staff to prepare the products. ✓

Besides that, the opportunity for our Sambal Goreng Ikan Bilis is promoting the product through social media like Facebook and Instagram. This way, the public will be able to recognize the products we sell. Sambal Goreng Mama and Sambal Garing Dapur Asli also promote their products through social media. Next, gain the trust of the general public regarding the product from testimonials done to customers. This testimonial can be done through social media. Also, through social media, we also have the opportunity to promote our products internationally. ✓

Lastly, in business, there will definitely be threats as well. The threat of our business is fierce competition with other local competitors that are also selling the same product which is sambal goreng. For example, Sambal Goreng Mama and Sambal Goreng Dapur Asli are strong competitors to our business because they also sell the same product that is sambal goreng. Other than that, price competition among other competitors. The customer will choose a cheaper price to buy. In other words, cheap prices will be more of a customer's concern. Competitors who try to change prices to be cheap will create competition and threats. ✓

BUSINESS PROPOSAL

VALUE PROPOSITION

Nowadays with fairly rapid development, everyone is busy in the pursuit of worldly pleasures. It doesn't matter if you are pursuing a career, a job, wealth, popularity, or whatever. This situation not only involves men but also women. Therefore, this has caused the community out there to have no time to do their own daily activities including cooking. This problem is not only faced by single members but also involves those who are already married.

To overcome the problem, customers desperately need food that is readily available, durable, and can be used for a variety of things. Therefore, our company manufactures or offers food products that can satisfy the needs and solve the following problems. This is said because Sambal Goreng Ikan Bilis products can be used in various recipes or food variations. For example, it can be used as a stir-fry to be eaten with eggs or rice or can be eaten directly with bread. So this Sambal Goreng Ikan Bilis can be eaten from the breakfast menu to the evening menu. The important thing is, this product can do a variety of recipes, so it can avoid customer boredom. Furthermore, this product is durable, so customers can store it in the right place like the refrigerator to prevent it from being damaged.

CUSTOMER SEGMENT

Demographics is an analysis encompassing a community or group determined by certain criteria such as education, citizenship, ethnicity, and others. In this case, this product is more focused on career, middle-income individuals, and sambal enthusiasts. The first situation. Those who have a career of course do not have much time to cook either for themselves or their family. For those who can afford it, it is possible to buy directly from the restaurant. But there are individuals who have a regular career and have enough salary for basic necessities, they think it is necessary to save. So not every time they will buy food in restaurants.

In the second situation, ordinary working people such as factory workers, shops, supermarkets, shopping malls, and many more certainly have a modest salary. With today's very

high cost of living either in the village or the city, it will force people to be more frugal due to the many more needs that have to be borne with the modest salary. Therefore, Sambal Ikan Bilis Goreng which is a product that can be used in various menus is introduced to the group in the 2 situations. Finally, we are aware that Malaysians are very famous for spicy food. Those who are fans of all types of sambal are one of the sales targets of this product.

CHANNEL

In today's world, much progress has been made in various aspects. As a result of this progress, it has helped many entrepreneurs in developing their businesses.

For Sambal Goreng Ikan Bilis products, promotional activities aimed at disseminating or making the public aware of its existence, the promotion will be made through social media only. In this case, our company will create a Facebook account, Instagram to be used as a product promotion platform. For example, through this application, the company will make posts related to the type of product produced, the advantages of the product, how to purchase, how to interact with customers, and more. Furthermore, through such applications as well, various videos that are able to attract customers to the product will be broadcast. It is clear that, because nowadays, almost everyone uses this platform, it is very helpful in the process of introducing our products.

For the product sales process, here are the methods used for the product sales process. The company will make sales through online platforms such as Lazada, Shopee, and purchases via Facebook and Instagram. This is because most people now prefer to make purchases online because it does not require more energy or spending. In addition, companies can also create job opportunities online, because it will create an agent or drop ship for product sales whether they have their own store or online sales. Other than that, we also distribute our products to retailers.

CUSTOMER RELATIONSHIP

Customer relationship is meaning, how a company builds relationships with customers and how they increase customers. Here's how we practice

Customers are “king in business” or as we always hear “customers are always right.” These two slogans illustrate the importance of customers to a business. Therefore, listening to feedback from customers is one of the methods that we always apply to attract customers and also at the same time act to improve the quality of Sambal Goreng Ikan Bilis products. In this way, the company will gain the trust of customers when customers know our company cares about every feedback given by them. For example, we will create a feedback form after purchase, or cast a vote on a social site to determine which products get the most attention from customers. Furthermore, in this way our company is able to establish relationships with customers even if only through the realm of social media. Clearly, the way we are going to use this is one of the effective methods. This is evidenced by the research we do on other people’s businesses.

Secondly, we will make sure to follow up with the customer so that the customer does not run away. This way will gain loyal customers and they will help spread the product to others. We are aware that the most powerful marketing is the spread from one customer to another. That is why here, we do some research to grow our customer base. This is an example of a method that we obtained from other companies and tried to practice in our company, AWB branding in EasyParcel. Where customers can place a banner or text on their Airwaybill. For these features, merchants can place promo codes, find agents, inform about referral programs, upcoming mega sales, or others. This can indirectly help them strengthen their branding.

REVENUE STREAM

In the business model canvas, there is an aspect that touches on the profitability of a company which is known as Revenue Stream. In BMC, revenue is related to how a business makes a profit through a value proposition.

In our company to make a profit through the product Sambal Goreng Ikan Bilis, the first of course through the sale of the product. In this case, profits are obtained through the sale of products from social media such as Facebook, Instagram, agents, and registered dropships. Next, online shoppers of course need POS or Delivery services, and COD. and our company will charge for each such service according to the distance of the area and the weight of the goods.

Next, we also get a transaction fee. It is from agent commissions where agents who manage to sell our products will get a commission for each of the products that are purchased from them.

KEY ACTIVITIES

The activities that our company is engaged in for the purpose of making a profit are the key activities. It is an activity that our company needs to do in order to deliver our value proposition to our customers.

Marketing, designing, and producing products are some of the key activities that are used. We use promotional activities for our products at specific occasions and times to generate demand from customers. While selling our products, we make sure to take note of customer's feedback and critiques to discover their needs and also to improve our products. By listening to customers, we can also develop a solution for certain problems and become close with our customers as it can guarantee regular customers to buy our products.

We also provide training for our agents in order to improve their selling skills and to help them improve their self-confidence. Meanwhile, we also use media platforms such as websites and media social to promote our product. Our website will be regularly updated for new information and promotion regarding our company and products. Furthermore, we also manage the delivery of our products to customers and the payment process.

KEY RESOURCES

Key resources are an important item and asset that are needed to create a value proposition, to deliver the products to customers, and service its customer segment. As a business needs tangible and also intangible resources, key resources are the most important thing for a business to work.

Resources are important to a company as it is the main asset to our business. Our company's key resources are the staff and employees which include supervisors and workers who work on packaging our product, delivering and all the production teams. Employees and people who work at companies are one of the main resources of our company as they contribute in the production, main idea and things that are related to the starter of our company.

Next is physical resources such as equipment, inventory, distribution network, and building. Equipment and inventory that are needed in producing our product such as packaging items and machines. Vehicles are also needed for delivery and distribution purposes. We also use distribution networks such as retailers, distributors, agents and also use the internet as distribution networks.

Other than that, we have our own recipe for our product Sambal Goreng Ikan Bilis that is different from other brands. Next, financial resources which are also important to our company. As we are producing Sambal Goreng Ikan Bilis as our main products, we need financial resources in terms of cash.

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KEY PARTNER

It is a relationship that the company has with other entities such as governmental, supplier, or manufacturer. It is a major need of partners to help companies in an area where the company can't take care of and help with business model work.

The most important thing that is needed in producing Sambal Goreng Ikan Bilis is the supplier. Supplier of raw material from the wholesaler for production of Sambal Goreng Ikan Bilis and also for the packaging items. For distribution, our key partners include the delivery team, shipping companies such as EasyParcel, and retail. We also distribute our products at shops. Partners are important as they will help our business grow. For example, we cannot deliver our products to customers who live in different states or live far from our delivery point using our delivery team. Hence, we need to use a shipping company to deliver our products around Malaysia safely.

As for retail, other than delivery, customers can easily get or acquire our product from any nearest retail store from their place. The suppliers that provide us with raw material in producing our products are important as they are the key factor that keeps our company alive. If we did not get a supplier for our raw material, it would be hard to produce our products and even if the packaging item also did not have a supplier, it would absolutely be delaying the production of our products.

COST STRUCTURE

The cost structure is the cost that the company uses through its operations. It includes employee salary, building, cost activities, maintenance, and other costs that are related to the operation of the company.

The cost structure for ~~our~~ company is the payroll expenses of employees, workers, and also delivery teams. Workers need to be paid and for the delivery team, the cost of maintenance for their vehicle and patrol are also included. Other than that, the cost for advertising and website development. Fixed costs such as rent and overhead. Our company is using the building for production and we need to pay fixed costs such as rent, electricity, water, and other overhead costs.

Cost for manufacturing, setting up our official website, hiring employees, and marketing are examples of the cost structure. ~~Hiring~~ Hiring an employee needs extra cost as it is depending on how many employees are needed and how much we can provide them for how many employees. As for production cost, we buy materials for our products and also machines used in producing our products. Furthermore, it also included the cost of advertisement. Brochure, poster, banner, and also online advertisement through social media and online websites.

CONCLUSION

In conclusion, BMC exposes us to a higher level of business knowledge. The exposure we received has opened our eyes to exploring a business world that turns out to be wider than we thought. As discussed, each problem presented has its own solution. BMC is one of the ways in discussing the solution to each problem faced and also explains each segment and elements that should be the basic material to each business to be run.

Based on this proposal, we also learned to identify what needs to be refined for each action to be taken after reaching a consensus. Apart from getting to know the customers' needs through to consumer business, the online advertisement will be a yardstick for the proceeds to be received. Establishing a business wasn't as simple as it seemed. We need to take notes on how the product that we will sell can help and satisfy consumer's needs. Also how are the products able to compete with other competitors. Searching for an opportunity, looking out from threats and overcoming our business's weakness. ✓

As our company produce Sambal Goreng Ikan Bilis, we need make a plan for how we will get our revenue, who is our partners, the channel we will use to promote and distribute our product, our target customers and how to keep connecting with customers and also the cost for all of the production and company. ✓

Appendices



