



**CASE STUDY: COMPANY ANALYSIS** 

## **KOPIB40.MANTIN**

PRINCIPLES OF ENTREPRENEURSHIP (ENT530): CASE STUDY

FACULTY & PROGRAMME: FACULTY OF ACCOUNTANCY (ACC220)

SEMESTER & GROUP : 4 (MAC2204B)

PROJECT TITLE : CASE STUDY ( KOPIB40.MANTIN)

LECTURER'S NAME : MADAM SITI NAZIRAH BINTI OMAR

## PREPARED BY:

NO	NAME	MATRIC NUMBER
1.	INTAN ELIYANA BINTI AZMAN	2020601652
2.	NUR AININ SOFIYA BINTI MOHD HIDER	2020828362
3.	NURUL IZZATI BINTI NORDIN	2020489904
4.	SITI NUR AZLINDAWATI BINTI MD ZAIN	2021106869

#### **ACKNOWLEDGEMENT**

First of all, we would like to thank God as finally we were able to finish our group project that has been given by the Principles of Entrepreneurship lecturer to us. We were very thankful for being able to complete this group project within the given period. This group project had been done with all afford by group members even though a little bit of a problem happened among us while doing this task. Fortunately, all the difficulties can be settled down and we were able to adapt appropriately and wisely.

Great thanks to my lecturer, Madam Siti Nazirah binti Omar because without her guide in giving briefing and teaching, our group project cannot be completed appropriately like this. She always gives us support and guides us on how to do our task and provides guidance on what is needed and needless to complete a quality group project.

On the other hand, big thanks also to our parents who gave us much encouragement to complete this group project. Lastly, thanks to our beloved friend that always sticks together and also works hard to produce a good group project with all affordance and responsibility. Hope that all the effort will give a lot of benefits to us and also give us good results to get good marks. Lastly, as a result of completing this assignment, we will be more understanding about the topics that are covered in this group project.

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### **EXECUTIVE SUMMARY**

A case study is done on small businesses to provide more opportunities for students to learn about entrepreneurship. Hence, we did a case study on KOPIB40.MANTIN. The business is a family owned-business that was founded on 24 January 2022 by Encik Izzul Islam bin Mohammad Rahim and her wife Puan Fatin Farhana bte A Razak. The business is located at Mantin, Negeri Sembilan. KOPIB40MANTIN is a business in the category of food and beverage industry where the owner sells iced coffee and iced chocolate with their own special ingredient and recipe.

The name of KOPIB40.MANTIN was created when he went to a small restaurant namely Medan Selera B40 at Rembau, Negeri Sembilan, and aligned with the trend of coffee during the Movement Control Order (MCO) where there is a viral type of coffee home made which is called dalgona coffee, so the owner combined with restaurant name, trend coffee and location of his business. Moreover, the owner put the word B40 to encourage his potential customer to feel interested to buy the beverage because the price is affordable. The owner also has the motto or tagline for his business which is "Citarasa Kayangan, Harga Marhein" that tells all people that the beverages have their own special taste but with cheap price. We had prior discussion and requested for an interview with Encik Izzul Islam bin Mohammad Rahim through online on google met. We interviewed Encik Izzul Islam bin Mohammad Rahim on the evening of 10 April 2022. Through the interview, we gathered information regarding the business to make this case study possible and completed successfully.

The information was compiled and we constructed a business model canvas (BMC) which consists of customer segments, value proposition, distribution channel, customer relationship, revenue stream, key activities, key resources, key partners, and cost structure. We also learn about the flaws through the interview of KOPIB40.MANTIN. The business has no worker, no delivery services, weak advertising and less variety flavour of beverage. Therefore, we figured out solutions for the business to overcome the problems, in hopes that it could help KOPIB40.MANTIN for its business growth. The solutions that we proposed such as hiring workers, making delivery services or delivery available in delivery applications, make more variety of beverage and banners advertising to ensure more people know about KOPIB40.MANTIN.

#### 1.0 INTRODUCTION

### 1.1 BACKGROUND STUDY

Principles of Entrepreneurship (ENT530) is a course that has been introduced to the students of Bachelor in Accountancy (Hons). This course has introduced the students about the entrepreneurship world that is handled by a person called entrepreneur. It explains the perspective of entrepreneurs setting up their business by taking some risk with the hope they will get a high profit. Moreover, according to this entrepreneurship field, it has made the students more understanding about the business that is not easy to build up, maintain the progress and in the same time need to prepare physically and mentally to face the problems through the business.

Relying on this course, the students are needed to do some interviews with any small medium entrepreneurship that requires the student to find and understand about the nature of business and also their current problems and make some relevant suggestions or solutions to help the entrepreneur. Besides, armed with some knowledge in this course, we need to apply the knowledge to analyze the real situation of business owned by the entrepreneur, solve the existing problems of the business successfully, and make a conclusion to this case study.

Regarding this case study, we have chosen a small business which is involved in a type of business of sole proprietorship which is known as KOPIB40.MANTIN that is located in Mantin, Negeri Sembilan. KOPIB40.MANTIN is involved in selling a variety of beverages. This business has been set as our choice to study more closely and in depth since this business managed by Encik Izzul Islam bin Mohammad Rahim is a new business set up on January this year. We decided to do some research of his business and interview the owner by ourselves to get more information about his business, especially regarding the challenges he has been facing to strive for his business until today. We honored to give Encik Izzul Islam our best suggestion in helping the owner more successfully in the future and recommend some solution in solving the problems have been faced by the owner through his business that can be improved with the best.

#### 1.2 PURPOSE OF STUDY

Students of Bachelor of Accountancy (Hons) who are currently taking the course of Principles of Entrepreneurship (ENT530), the students are required to do one of the assessments which is to prepare and write the case study based on the business or company that has been chosen. The purposes of this case study are the students need to do the interview session to get more information and data about their business information in the way to understanding the business environment, to identify any existing problems and suggest the best solution and market strategy to ensure the entrepreneur can improve their business and have better performance. According to this case study, it will help the students how the business can maintain be the one of business that accepted by their target customers and how the entrepreneur handle with other requirement to ensure their business can be legally run smoothly.

Furthermore, the students who are compulsory to take this course of ENT530 which is Principles of Entrepreneurship, the students will be feel gratefully since regarding on this case study that have managed by the students, they will more be understanding in the way to create the business plan canvas that have been needed by all business in this world to guide them to ensure the business will be a great business. Moreover, the students are also able to understand about the environment of business that is full of expected and unexpected problems that will happen to the business. The students also will have the opportunity to learn how to be strong and successful entrepreneurs that have a high confidence to take the risks of the business they run and have a strong mentality to accept if the entrepreneur will face loss more than get high profit.

Lastly, throughout the period of completing this case study, it will help the student with exposing students to ways to think critically in the way to find a relevant solution to solve the problems that happen in the business environment. The students will think widely in terms of the advantages and disadvantages of the solution that have been made to the entrepreneur to improve their business to be great and successful in the future. Regarding this too, the students are able to create their own opportunities to build their own business and be an entrepreneur in the future with all the knowledge that have been obtained throughout this case study. This case study will encourage the students to feel interested about the entrepreneurship world and attract them to join in the entrepreneurship industry after completing their degree.

## 2.0 COMPANY INFORMATION

## 2.1 BUSINESS BACKGROUND

Company's name	KOPIB40.MANTIN
Address Pr11-02-02 Pulai Ria 11 Jalan UTL 9 Bandar Teknologi Lagenda, 71700, Mantin, Negeri Sembilan	
Industry of Business Food and Beverage Industry	
Company's Owner	Izzul Islam bin Mohammad Rahim
Business Contact	019-3500403
Business Contact Number	019-3500403
Year Established	2022

Table 2.1.1: Business Information

KOPIB40.MANTIN is a family business. The business was developed in November 2021 before it was officially opened in January 2022. The owner is Izzul Islam bin Mohammad Rahim. The shop is located at Pr11-02-02 Pulai Ria 11 Jalan UTL 9 Bandar Universiti Teknologi Lagenda, 71700, Mantin, Negeri Sembilan. The business started with a capital of RM1,000 from the owner's own savings for two main products. During the Movement Control command due to COVID-19, there were many people trending things they would do at home. This has sparked the owner's idea to open a business of selling an iced coffee and iced chocolate business as they were popular in the market trend at that time.

Basically, the price range for the products are between RM 3 to RM 6, depending on the types of drinks and the size of the cup. The customers also may choose their own toppings according to their taste. The owner would get the stocks of raw materials from the wholesale market and grocery store nearby.

Currently, KOPIB40.MANTIN has no workers yet, as the owner is still able to manage the shop by himself. In future, as they were planning to expand their branches at other places, only then will they consider adding workers.

## 2.2 ORGANIZATIONAL STRUCTURE

Organizational structure is the method by which work flows through an organization. It allows groups to work together within their individual functions to manage tasks. It is also defined as a system that outlines how certain activities are directed in order to achieve the goals of an organization. Currently, there is only the owner and his wife as the founder and co-founder.



Encik Izzul Islam bin Mohammad Rahim



Puan Fatin Farhana bte A Razak

Figure 2.2.1: Organizational structure of KOPIB40.MANTIN

#### 2.3 PRODUCTS/SERVICES

KOPIB40.MANTIN sells a variety of products. Mainly, they only sell iced chocolate and iced coffee. However, several family members would also leave their products such as frozen foods. Cold beverages, cookies and snacks are also available for sale. As KOPIB40.MANTIN is a quite newly opened business, therefore, they do not have the delivery services to the customers' places yet. All the customers usually come directly to their shop to buy the products.

The owner of the shop would buy the ingredients needed for the iced coffee and iced chocolate such as cocoa powder, coffee powder, ice cube, whipped cream, condensed milk and varieties of toppings from suppliers all by himself. He also makes it at the shop by himself upon receiving the order from the customer in order to maintain its taste. In the future, the owner does plan to add new products and to expand his business by opening branches in other places.

Most of the customers are from the neighborhood. As the shop is located at a strategic spot, it also attracts people passing by the main road.

Below are the products available at KOPIB40.MANTIN:





Figure 2.3.1: Products available at KOPIB40.MANTIN

### 2.4 BUSINESS, MARKETING, OPERATIONAL STRATEGY

#### 2.4.1 BUSINESS STRATEGY

Business strategy presents an action plan to achieve the organization's vision and set goals. In addition, to guide the decision -making process to improve the financial stability of the company in a competitive market. Simply, a business strategy is a clear set of plans, actions and goals that outline how a business will compete in a particular market or markets with a product or number of products or services. This is are KOPIB40.MANTIN business strategy:

### 1. Target Customer

The target market can be broadly categorized according to age range, location, income and lifestyle. Many other demographics can be considered. Their standard of living, hobbies, interests, and careers, can all be considered.

KOPIB40.MANTIN's target market is mainly students, car wash's customers, chocolate and coffee lovers. This is because they know that iced chocolate is a favorite of many people, especially students, while iced coffee is very popular with adults. The target market can be broadly categorized according to age range, location, income and lifestyle. Many other demographics can be considered. Their standard of living, hobbies, interests, and careers, can all be considered. KOPIB40.MANTIN achieves higher sales revenue when they are able to identify potential customers who have the purchasing power to buy the products they sell.

### 2. Maintaining product's quality and taste

Perspectives that need to be considered when evaluating product quality and taste are such as customer perspective, manufacturing perspective, product and value based perspective as well as transcendental perspective, which sees the value of a product in relation to its cost.

KOPIB40.MANTIN's always maintain the quality and taste of their products so that existing customers as well as new customers love their products. They are very concerned about the taste and quality of the product as it influences the success of the company and helps establish its reputation in the customer market. This is because when they create high quality products that continue to meet customer demand, it can

result in fewer production costs and increased revenue. The quality and taste of their products is not only important to customers to meet the needs in the market, but also to satisfy consumers who expect the product to be in line as they see in the advertisement.

### 3. <u>Customer Retention</u>

KOPIB40.MANTIN always strives to retain their customers and is focused on the buyer's relationship with their existing customers. The goal is to increase customer loyalty to their brand. They will provide the best services to all customers who come, especially the existing customers so as to be able to please and give a perfect experience to them. Loyal customers are more likely to convey their best experiences to their friends and family. Through this strategy, more people can find out that this business has gotten great feedback from other customers. This may also make them ambassadors when their loyal customers spread the news between their own circles of influence.

#### 2.4.2 MARKETING STRATEGY

A marketing strategy is a company's plan to reach potential customers and turn them into customers of their products or services. The marketing strategy contains the company's value proposition, key brand messaging, data on target customers demographics and other high level elements. The "4P's" of marketing which is product, price, place and promotion are included in a comprehensive marketing plan. A strong marketing strategy should focus on the firm's value proposition, which tells customers about the company's stance, how it works and why they should do business with it. These are the 4P's of marketing strategies used by KOPIB40.MANTIN for their business:

#### 1. Product

The simple meaning is that a product is an item offered for sales and should be able to meet the needs of existing users. KOPIB40.MANTIN current product is just iced coffee and iced chocolate because this business just opened this year which is in January 2022. They sell it in 3 options which are plastic, cup and premium (same cup but with full topping). Although iced coffee and iced chocolate are very commonly sold everywhere, they always make sure their product looks more attractive and different from others, so that it can make buyers think they need it and this can generate new demand. Other than that, they also sell frozen food from suppliers such as Keropok Lekor, Sate Ikan, Karipap Ikan, Ropa, Popia Satar, Pulut Lepa, Donut Pandan and Bom Ikan. And soon, they will be releasing their new product which is iced green tea.

## 2. Price

KOPIB40.MANTIN sells their product at a reasonable price which many can afford and the price is lower than other competitors. They sell both flavours at RM 3 for the plastic, RM 4 for the cup and RM 6 for the cup with topping. Along with their objective which is that everyone can taste their product at a cheap price but it tastes good same as an expensive brand. This indirectly can result in more customers. Although the price is relatively cheap and gives a slightly low profit, when many people buy and support, it can help their business continue to strive.

## 3. Place

The KOPIB40.MANTIN always bear in mind that the marketing is about setting the right product at the right price, place, and time. When a corporation makes location

selections, they try to figure out where they should sell a product and how to make it to get into the market. As we know, all businessmen's main purpose is to show their products or services to the customers who are most likely interested in their products. Therefore, KOPIB40.MANTIN expand their strategies in marketing by placing their business at Bandar Universiti Teknologi Lagenda, Mantin, Negeri Sembilan which one of the most strategic locations for their business as the propensity to get a regular or big customers in total is greater. In certain situations, product placement can go into the act of inserting a product on short films, online websites, or television broadcasts to gain views and attention from a good customer. KOPIB40.MANTIN uses online platforms such as Instagram, Facebook, and TikTok to promote their products by reason if they do not have any physical store yet.

### 4. Promotion

The main purpose in promoting products and services is to show customers the reason why they need a product and why they should spend a given price for it. Examples of promotion are advertising and promotional strategy. The advertising and promotional strategy that are being used by KOPIB40.MANTIN is through social media which are Instagram, Facebook, and TikTok. They believe that social media can attract more customers that have the same niche especially when they are advertising and promoting it through Facebook or Instagram's posting or stories. By doing so, the majority of customers can easily access the details of the products at their fingertips. Each touch point must be supported by this own business so that together they can attain more customers and achieve sales targets.

## 2.4.3 OPERATIONAL STRATEGY

KOPIB40.MANTIN only has two workers , the owner and his wife as the managing director and operating director. KOPIB40.MANTIN opens at 11.30am – 6pm every day. There are no other workers so the owner's wife helps the owner, Encik Izzul Islam, to set up and preparing foods and drinks. The operational strategy of KOPIB40.MANTIN is designed to maximize the efficiency of the production and minimize the cost of products. Based on Encik Izzul Islam statements, every day the amount of cup for making coffee is 50 pieces compared to plastics. It is because the menu always got a higher request among the customers. Besides, cooperation

between the owner and his wife also plays an important role in order to make the business flow smoothly and trouble-free. KOPIB40.MANTIN will ensure the customers' satisfaction is always on par with their expectations because the customers are directly buying from the booth or kiosk. By doing so, the customers can straightforwardly share their feedback to the owner. To expand the business to higher levels of success, KOPIB40.MANTIN have made research to add a new product. They will introduce their new product to the market very soon.

#### 2.5 FINANCIAL ACHIEVEMENT

KOPIB40.MANTIN is a new business involved in the food and beverage industry (F&B). The business started with the capital amount of RM 1,000 by the owner himself from his own savings. The owner successfully provides a delicious beverage to his customers and gets positive feedback since there are a few sellers that sell the same product which is a blended beverage. Furthermore, even though when he started the business, our country was still in the phase of pandemic, the owner did not give up on opening his business every day even though he knows he will not achieve a target sale per day. The owner still finds a way to ensure he will get a high profit every day to ensure he can roll the business capital and survive to pay other operating expenses. Fortunately, his business was well received by his potential customers. The financial achievement has been made by the business from the first day it started the business until now almost achieved a total sale around RM5,000 and above.

#### 3.0 COMPONENTS OF BUSINESS MODEL CANVAS

## **3.1 CUSTOMER SEGMENTS**

Customer segments are the range of customers targeted by a company to promote and sell their products and services. The customer segment includes buyers, potential buyers and also all parties who decide to buy. A customer's segmentation can help make business strategy more effective. Below are the customer segments of KOPIB40.MANTIN:

## 1. All people

There are also customers consisting of nurses, firefighters, teachers and others. The location of their shop which is on the side of the main road and has a large space for parking can indirectly attract people to buy at their shop. Usually people will stop for a while to buy something to drink before going to work or before going home.

### 2. Students

KOPIB40.MANTIN targets students as their main potential customers because there are schools close to their store. Usually students often stop at a nearby store to buy something to eat or drink before returning home or while waiting to be picked up by their parents. Most of them are very fond of iced chocolate and moreover school time usually ends at noon and this will encourage them to find something fresh and cold to drink. From this, it also can encourage their family members to buy the same thing.

## 3. Car Wash's Customer

Customers from car wash services are also one of the most profitable markets. This is because the location of their store is next to the car wash. So, all the customers from there will come to buy drinks while waiting for their vehicles to be cleaned. Not only that, even car wash workers also often come to buy drinks from their shop. Indirectly this strategic store location increases their daily sales because it is the only beverage store that is close to the car wash.

#### 3.2 VALUE PROPOSITION

Value proposition is the good points of a product or service of the company that makes customers want to buy from them. Value propositions can be presented as business or marketing statements used by companies to summarize why consumers should buy a product or use a service. This statement, if spoken in an interesting way, convinces potential consumers that a particular product or service offered by the company will add more value or better solve the problem for them than other similar offerings. Below are the value proposition of KOPIB40.MANTIN:

## 1. High Quality

Making a blended drink is not difficult but to get a good taste and texture requires great expertise. Kopib40.mantin still provides iced chocolate and iced coffee with good taste and high quality even at cheap prices. They use quality ingredients to produce their products to ensure a good taste and always ensure that the ingredients used are still new and guaranteed clean. They are very concerned about product quality as it influences the success of the company, influences the customer demand and helps establish its reputation in the customer market.

### 2. Affordable Price

The price of the products they sell is a bit cheap when compared to the taste. KOPIB40.MANTIN often gets praise and good feedback from their customers because of the delicious taste of their products and the taste as desired by many people. Not only that, also many feedback they have got have mentioned about the affordable price of their products. The prices of their products are also lower than nearby competitors and this indirectly increases the demand from customers.

#### 3.3 DISTRIBUTION CHANNEL

KOPIB40.MANTIN has used channels Facebook (FB), Instagram (IG), and TikTok to increase their sales volume and brand in order to maintain a good relationship with their customers. Nowadays, FB, IG and TikTok are the most popular platforms in Malaysia. This business prefers to use these platforms because it can easily post about its business in detail. For example,

business profile, business photos or short advertisement videos. Besides, these platforms also have special features for business purposes which can turn into business accounts. Customers can easily find out more about the business such as the location of the shop or website if they have one. For FB and IG, it provides location, phone number and emails. Sometimes sellers have no time to reply to their customers as soon as possible, so the customers can directly visit Instagram profiles and search about their product and prices of the products. If the customer is interested in buying the products, they can personally message the seller the quantity that they want in advance.

#### 3.4 CUSTOMER RELATIONSHIP

Customer relationship exists to describe how a company creates and maintains a good connection with customers. In KOPIB40.MANTIN, the owner himself will do an engagement with the customer about the product. He uses the Instagram platform to communicate and interact with customers if they have any feedback or problems related to the products. This type of customer relationship exists with virtual communication. KOPIB40.MANTIN believes that even though the communication is not face-to-face, it still can give them extra insights into their customers' problems. In order to ensure the survival and success in any business, the company needs to identify the best type of customer relationship that they want to create with their customer such as Instagram.

#### 3.5 REVENUE STREAM

This revenue streams a component whereby the business earns profit or generates revenue. Below is revenue stream of KOPIB40.MANTIN:

## 1. <u>Transaction based revenue</u>

KOPIB40.MANTIN generates their revenue stream from iced coffee and iced chocolate sales activities. These beverages are the main product at KOPIB40.MANTIN. KOPIB40.MANTN of the customer segment continuously buys their product that makes the business get a higher profit every day. Other than that, KOPIB40.MANTIN also sells

other side products of frozen food such as keropok lekor gete, sate ikan locking etc. that helps owner earn more profit.

#### 3.6 KEY ACTIVITIES

Key activities are the key things that you need to do in order to deliver your value propositions to customers. it is important so that the business can operate successfully. Below are the key activities of KOPIB40.MANTIN:

#### 1. <u>Production-services</u>

The production process of KOPIB40.MANTIN started with the owner preparing all the things needed for the product. The owner will make sure that iced cubes are enough, all the toppings needed are arranged, and other necessaries like cups, plastics, raw ingredients to make the products such as cocoa powder, coffee, condensed milk, chocolate sauce and whipped cream are readily available on the table. After the business hour, the owner will calculate the balance of the stocks so that by the next morning all will be readily done. This is important so that there will be no problem with lack of ingredients during the sales.

## 2. Marketing

Marketing is another important part in doing business. Without marketing, people would not know about the products and there would be no income. KOPIB40.MANTIN uses social media to promote their business products. Also, the site shop that is located near to the school and the main road indirectly does the marketing strategy, and that leads to many customers. Besides that, people will also be attracted by Kopib40.Mantin's products that sell a high quality product with low price which is quite rare especially during this COVID-19 movement control order.

#### 3.7 KEY RESOURCES

The most important key required to make a business model implemented is key resources. These are the most significant assets in these resources that allow a business to generate and offer a value proposition to influence markets, sustain relations with customer segments, and get revenues. Below are the key resources of KOPIB40.MANTIN:

### 1. Physical resources

These physical resources can be referred to as physical assets to the business such as building, vehicles, machines etc. KOPIB40.MANTIN physical resources can be mentioned to the tools that are used by the owner to make his daily sales of beverages such as a blender machine to blend the ice cubes and another raw material used by the owner to implement his business everyday.

## 2. Human resources

These human resources are also the important things in key resources of KOPIB40.MANTIN referring to the experience and creativity of the owner of business. The owner of KOPIB40.MANTIN uses his experience and creativity in making the beverages to ensure his customers feel the specialties of his product.

### 3. <u>Intellectual resources</u>

Intellectual resources are one of the important components to have an excellent model. These resources can be referred to the business of their brand, patents, copyrights, etc. According to this KOPIB40.MANTIN their brand is KOPI B40 "Citarasa Kayangan, Harga Marhein", so in this way the customer can know the beverages price is affordable and the taste would be delicious.

## 4. Financial resources

Financial resources can be referred to cash, credit, stock etc that to ensure the owner of business can set up a good business. Since this KOPIB40.MANTIN was just set up by only one person, these financial resources are wholly handled by the owner of KOPIB40.MANTIN.

#### 3.8 KEY PARTNERS

Key partners are also the main part in business which contributes to a relationship between our business and another business. This is to guarantee our business model will be implemented successfully. Moreover, these key partners are the most significant things that are associated with our business supply chain. Below are the key partners to KOPIB40.MANTIN:

## 1. Supermarkets

KOPIB40.MANTIN always stores the ingredients such as evaporated milk, liquid milk, straw, plastic and plastic cups to prepare the water mixture and pack the water from all supermarkets near the business premises which are in the Mantin area. This is because, if the business runs out of stock while running the business, the owner does not have to go far to get the stock.

## 2. Bakery shop

Bakery shops around Mantin are also key partners to KOPIB40.MANTIN. Owners always get ingredients such as crushed Oreo, chocolate syrup, caramel sauce, cocoa powder, whipped cream, beaded sprinkles, almonds, hazelnuts and other by-products.

## 3. Coffee powder supplier

Coffee powder suppliers are also important key partners to KOPIB40.MANTIN. Since coffee is the main drink at KOPIB40.MANTIN, the owner wants to give a special taste to his customers. The owner of KOPIB40.MANTIN always gets a stock of coffee powder that is specially made in the district in the state of Kedah. Owners always restock coffee powder in large quantities so that the coffee raid stock is not cut off in the long run.

### 4. Uwais Mini Mart

Uwais Mini Market is the nearby key partner relationship to KOPIB40.MANTIN. This is because the business premises of KOPIB40.MANTIN is next to the mini market. In the successful preparation of beverages such as mixing water and blending the ice, KOPIB40.MANTIN needs electricity and water suppliers to businesses to facilitate the sale of their beverages. Moreover, Uwais Mini Mart is also a key partner to KOPIB40.MANTIN to get ice cubes.

#### 3.9 COST STRUCTURE

Cost structure can be defined as the aggregate of the various types of costs, fixed and variable, that make up a business' overall expenses. Cost structure is usually used by companies or businesses to set pricing and discover areas where expenses can be minimized. Below are the cost structure of KOPIB40.MANTIN:

## 1. Cost of raw material used

The main and the most important costs needed by KOPIB40.MANTIN is the cost of raw materials. In order to maintain the quality of the products, the owner made sure that the ingredients used are high-quality products and therefore, it will surely cost the owner. Examples of raw materials used by KOPIB40.MANTIN include ice cubes, coffee powder, cocoa powder, varieties of toppings, condensed milk, chocolate sauce and whipped cream. Not only that, tools used like blenders, cups, and plastics are also needed.

### 2. Utilities cost

KOPIB40.MANTIN frequently used electronic gadgets such as blender, lamp and fan during their operation time. Therefore, Kopib40.Mantin needed to bear the electricity bill monthly. Other than that, KOPIB40.MANTIN also uses water that they also needed to pay for the water bill.

## 3. Site rental cost

The site rental cost is paid monthly so that KOPIB40.MANTIN are able to sell their products legally without any problems in case that there will be an inspection.

## **BUSINESS MODEL CANVAS SUMMARY**

KEY PARTNERS	KEY ACTIVITIES	VALUE PROPOSITIONS	CUSTOMER RELATIONSHIPS	CUSTOMER SEGMENTS
Supermarkets	Production-services	High Quality	Personal	All people
Bakery shop	Marketing	Affordable Price		Students
Coffee powder supplier				Car Wash's Customer
Uwais Mini Mart				
	KEY RESOURCES		CHANNELS	
	Physical resources		Facebook	
	Human resources		Instagram	
	Intellectual resources		TikTok	
	Financial resources			
COST STRUCTURE			REVENUE STREAMS	
Cost of raw material used			Transaction based revenu	ue
Utilities cost				
Site rental cost				

Table 3.1: KOPIB40.MANTIN Business Model Canvas

#### 4.0 FINDINGS AND DISCUSSION

#### 4.1 MAJOR PROBLEMS AND SOLUTION

Every business in this world would face problems throughout the run of the business even small or big problems. Based on our findings and discussion, we found that KOPIB40.MANTIN is currently facing a few major problems and almost all the problems happen due to the fact that KOPIB40.MANTIN is newly in the industry starting in the earlier month of this year. Below are the major problems and the solutions regarding to KOPIB40.MANTIN:

## 1. No delivery services

Nowadays, people use delivery services to deliver not only things, but also foods. It works best for people who are lazy to go outside but still want to buy things, people who want to avoid contact with other people and people who do not have time to go to the store by themselves. When they are too lazy to go outside, they would usually just order and then the things ordered would be delivered right in front of their home. People find that it is easier and convenient to use delivery services, especially during this COVID-19 that people should always watch their contact with others. Since KOPIB40.MANTIN is new to the industry and there are no delivery services available will make the business getting hard to get a higher profit and sale in the same the business might lose their potential customers especially that away from the business premise that truly want to buy the beverages but has certain obstacles to buy directly.

## **Solution 1**: Make delivery service

In our opinion, one of the best solutions to ensure KOPIB40.MANTIN can maintain and add more the number of the potential customer with the owner can make the delivery service that the business need to find and hire a few runners especially whose have the transportation to deliver the beverage to the customer either surrounding or away from the business premise area. Even though the business will spend more money to pay the salary of the runner, it will increase the sales target of the business per day.

### **Solution 2**: Enable delivery product available in delivery applications

As we know nowadays people have more influence to order their food or beverages from the delivery applications such as Grabfood, Foodpanda, Lalamove, Shopeefood, Tapaufood, Bungkusuit, etc. Most of the people do not like to waste their time by waiting for a long time for a long queue at the business premises and do not like to be in crowded places. Hence, the owner can take some action by enabling delivery products available in delivery applications. IN this way it is easier for the customer to have choices either to pay with cash upon the delivery or online banking or credit and debit cards. Relying on this solution, KOPIB40.MANTIN would bring more customers not only from the shop, but also through the orders online and therefore, this will raise income to KOPIB40.MANTIN.

## 2. Only the owner does all works

Most of the businesses in our country are currently usually handled by one person which is the owner who handles all things in the business by themself. This might give an opportunity to the owner of the business to save all the profit and not spend more on other expenses such as worker's salary. Besides, when the owner only does all the work at one time, they also give full control of the business to the owner such as deciding when to open and close the shop, can manage the money themself etc. Unfortunately, when the business is managed only by the owner to do all the work, it will have some weaknesses to the business especially when an unexpected situation happens at the time the business. For example, the situation at the peak time when the customers that go out for their lunch saw the KOPIB40.MANTIN, so the owner cannot expect there are just three or four people coming to the shop. At that time there might be an increase in the number of customers, so the owner cannot manage to prepare all orders by one person only. Regarding these problems, when the business does not have any worker to help the owner, this will decrease the customer satisfaction of the business product.

#### **Solution 1 :** Hire workers

The best way to overcome the above problems is the business need to hire workers in order to lessen the owner's burden in handling the business by himself only. By hiring workers, the owner can divide the segregation of work to the workers such as preparing the ingredients, setting up the shop, taking orders from customers and serving them. This way will ensure the business will run

smoothly without any problems. Moreover, by having workers, the business might receive a high amount of good compliments from the customers because of the systematic progress of the business. Despite the good or hired workers, there will be flaws such as the business needing to pay the salary to the workers but the owner will strive to have a balance and good finances that will ensure the business can pay salary to workers.

## Solution 2: Limitation of operation hours

Another best solution if the business cannot afford to hire workers, the owner can limit the operation hours such as from 11.00 am until 5.00 pm and close the shop every Friday. Usually KOPIB40.MANTIN opens his business every day from 11.00 am until 6.00 pm. By doing this, the owner can avoid being stressed and not interested in continuing the business anymore because of not having a good rest and doing all work by one person only. The owner can improve his effectiveness of the business and skill at the same time while still getting profit even though there is limitation of operation hours.

## 3. <u>Limitation flavour of beverages</u>

During the interview session, we analyzed that KOPIB40.MANTIN only sold two types of flavour of the beverage which are ice chocolate and ice coffee. The problem is KOPIB40.MANTIN has limited flavour of the beverage that will turn off the customer from buying the business product if there are customers who do not drink either chocolate or coffee but they already stop by at the shop. As we know there will be a competitor near the business premise that sells the same beverage but has more type of flavour, so this will decrease the percentage chance to attract the customer to buy KOPIB40.MANTIN.

#### **Solution**: Make more variety flavour of beverage

The solution to overcome the problem above is may be the owner can make more variety of beverages to give other customers chance who do not drink chocolate or coffee to feel the handmade by the owner of KOPIB40.MANTIN. Moreover, the owner may be can added new flavour every four or five months, this will more attract the people to follow about the latest product of KOPIB40.MANTIN and they will not hesitate to try because they know the

delicious and unique taste of the beverage made by the owner of KOPIB40.MANTIN. Hence, the owner can improve the performance of the business successfully.

### 4. Lack of platform promote the product

We identify that KOPIB40.MANTIN just uses social media such as Instagram, Facebook and Tiktok as the platform to promote the product to customers. The problem is the business lacks a platform to promote the product since we know on social media there will be followers that follow our updates everyday of the latest information. If the business social media does not have more followers, so the percentage of the potential customer to know about the business product is low. Moreover, the owner frequently updates the interesting information on social media. So, due to the lack, the business cannot spread the information to all people, especially customers who do not have social media. Hence KOPIB40.MANTIN cannot have many new customers if the business just depends on social media.

## **Solution**: Banner advertising at different places

Our solution is to encourage the owner to do an advertisement such as hang an interesting banner about information of the product of KOPIB40.MANTIN at different places such as the main road, supermarket, housing area, etc. This way will attract the customers from different places, especially those who do not live surrounding the business premise to come directly to the shop to buy and taste by themselves the beverage that has a special ingredient and recipe made by the owner. Moreover, if the owner does this solution, the business will add their customer segments and make the customer become a regular customer and also can raise the business income. Even though the owner needs to spend more money on the banner as advertisement and follow the procedure to hang the banner, the business will receive the advantages by doing that because we know there are a lot of competitors out there that sell the same products.

# 4.2 ADVANTAGES AND DISADVANTAGES OF THE SOLUTIONS

Below are the summary of the solutions and advantages and disadvantages:

SOLUTIONS	ADVANTAGES	DISADVANTAGES
Make delivery service	The owner can get more potential customers from other places. The business can increase its sales every day. This solution gives an opportunity to the customer who wants to buy the beverage but there is no transport or does not have time to feel the beverage. Moreover, the business will be able to get more feedback from many customers even if they do not come directly to the business premise.	The owner needs to find a few runners that have transportation that are willing to send the order to the customer, especially if the customer is away from the business district. Other than that, the owner pays the salary or the runner when doing the delivery service.
Enable delivery product available in delivery applications	The owner can easily get more orders from customers through the delivery application. The owner can set up the vouchers if they buy more than 5 cups or else. This will encourage the customer to repeat their order. Other than that, the business also can get feedback from the customer through the application and can boost the name of business to all peoples who open the delivery application.	The owner needs to spend more money to enable the product available for delivery in the delivery applications. Other than that, when there are a lot of orders coming in from the delivery application at the same time, the business might not maintain the effectiveness in making the beverage since the runner needs to deliver the product in the appropriate time given in the delivery

		application, if not the customer will cancel the order.
Hire workers	The business will run smoothly and the workers can help the owner to prepare the ingredients, set up the tent, etc. This will decrease the burden of the owner and can avoid the owner doing the preparation unsystematically. The worker also can help the owners to care for the business if the owner has some emergency things to do.	The owner needs to spend on other expenses which is paying salary to the workers. Other than that, in making the best beverages, the owner needs to train the workers before they can prepare the beverages. This training will take some time to ensure the worker is expertised the same as the owner.
Limitation of operation hours	The owner of the business can avoid being stressed and restless in managing the business since the owner opens his business every day. The business can close their business, go back home and prepare for the next day early. The owner can get enough rest before facing the hectic day for the next day's operation.	The owner will get the profit lower than usual since the business set a target of cups of the beverages everyday that is 50 pieces of cup per day. After the limitation of operation hours, maybe the business can reach 30-40 pieces of cup per day. Other than that, there will be a risk that the business will decrease the number of their potential market since maybe some of the customers want to buy the beverage only have time to buy at the time the shop is already closed.

Make more variety flavour	The business can attract more	When the owner makes more
	potential customers when there	variety of flavour, the cost of
	is no limit flavour of beverage,	making the products will
	especially if the customer does	increase than usual. The
	not drink chocolate or coffee but	owner needs to find another
	they still want to buy your	supplier of stock of the raw
	product. This will help the	material. The new flavour will
	business add their target	not meet customer
	customers.	expectation if the owner adds
		another flavour too fast since
		every new flavour the owner
		needs takes a long time to do
		the Research &
		Development (R&D) to
		ensure the flavour has their
		own specialties of taste.
Banner advertising at	The owner can add his potential	The banner may be lost due
different places	customers by attracting them	to strong wind or damaged by
	with interesting banner	others. Other than that, the
	advertising that is full of	owner needs to spend money
	information. The owner may	on advertising expenses to
	hang the banner surrounding the	ensure the banner can attract
	area that has always been the	the people. It will be a risk of
	main route of the people such as	the people just reading the
	at the pole at the road etc.	information of the banner and
		forgetting.

Table 4.2.1 : Table of advantages and disadvantages of solutions

#### **5.0 CONCLUSION**

As the conclusion, we can summarize that Encik Izzul Islam who is the owner of KOPIB40.MANTIN is a successfull entrepreneur because he success to build up his own business to get name in the industry by taking risks that involving with a lot of money at initial. It can be proven that, KOPIB40.MANTIN can maintain until now even though there are a lot of weaknesses or problems throughout the business. We believe that the owner has been looking for the solution to solve all the problems to ensure the business can run smoothly. We suggest some of the best solutions to the KOPIB40.MANTIN since during the interview session and make the business model canvas (BMC) we analyze and identify the existing problems of the business. By giving the solutions we already analyze the advantages and disadvantages of the solution if the owner does some action of the solutions, but we believe that the percentage of advantages is higher than the disadvantages. For example, our first suggestion of a solution is that the owner needs to hire workers. We believe that by having a worker, the business can run more smoothly if there is an unexpected situation where there are a lot of customers, the worker can help to lessen the burden's owner managing the business.

Lastly, we can conclude that , even though there are a thousand problems faced by the owner of the business who is the entrepreneur, they will face all problems smoothly if they have a strong mentality and physically to maintain their progress of business. Even though KOPIB40.MANTIN currently has no workers, the owners still continue his business to ensure his business will grow successfully in the future and have a stable financial to hire workers that the owner can pay their salary. At the same time, the owner also can expand his business with a new branch of his business. By completing this case study, we gratefully have a chance to know more about the real situation of the business environment that is handled by the entrepreneur and hope that we also can apply all this knowledge in the future when we involve ourselves in the entrepreneurship world or business field.

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## 7.0 APPENDICES



Figure 7.1 : Company's logo



Figure 7.2 : Encik Izzul Islam bin Mohammad Rahim



Figure 7.3 : Puan Fatin Farhana bte A Razak

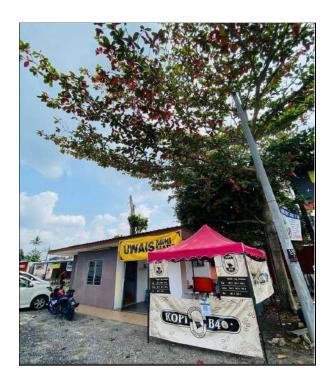


Figure 7.4: Location of KOPIB40.MANTIN

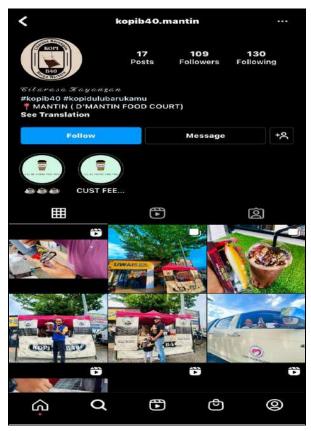


Figure 7.5: Instagram account of KOPIB40.MANTIN

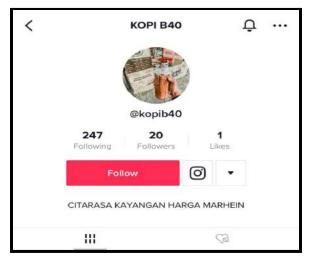


Figure 7.6: Tiktok account of KOPIB40.MANTIN



Figure 7.7: Ice coffee and ice chocolate in cup and plastic



Figure 7.8: Customer of KOPIB40.MANTIN



Figure 7.9 : Interview session with Encik Izzul Islam bin Mohammad Rahim