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**BUSINESS MODEL CANVAS
SmartPen**

PRINCIPLES OF ENTREPRENEURSHIP (ENT530) : BUSINESS MODEL CANVAS

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PROJECT TITLE: BUSINESS MODEL CANVAS GUIDELINE

LECTURER'S NAME: DR. NOR ZAWANI BINTI MAMAT@IBRAHIM

STUDENT'S NAME:

MUHAMMAD AZRI BIN AZMI	2020960095
MUHAMMAD AIZAT BIN YUSRI	2020988271
MUHAMMAD ZIKRI HAKIM BIN ZAKARIA	2020968263
MUHAMMAD HAZRIL AQIM BIN MOHD HAZEMAN	2020987877

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Executive Summary

Background of the Company

Our company has practiced as a private limited company in producing smart pen products. We also will be managed by a General Manager, Marketing Manager, Operation Manager and Finance Manager. Our company is located in Puncak Alam, Selangor.

Date of Establishment of Company

We have registered our business on 21 November 2018.

Business Concept

Our company is very concerned about the idea of smart pen. We will be selling and supplying various types of smart pens that benefit all of the smart pen users.

Marketing potential/Target Market

Our actual target customers are college students, lecturers and industries. The printer can be used as an industrial printer due to its strong point being substrate printing. It can be used by businesses for fabric and textile printing.

Competitive Advantage

Our company will be offering various types of smart pens with a reasonable price at a high quality of products in hope that all of our target customers will be able to buy this product.



1. INTRODUCTION

- OVERVIEW OF THE PRODUCT IN SHORT:

Have you ever come across the term "Smart Pen"? According to study and observation, only a tiny percentage of individuals are aware that this smart pen was invented. As a student, a pen is critical in our everyday lives. We utilise pens to jot down notes, complete lessons, and exams, among other things. Since humans began writing with goose feathers, then progressed to cartridges and finally to the basic ball pen, the manner people wrote has evolved significantly. It is now possible to purchase a pen with additional features and helpful functions.

As for our product, we choose to create SmartPen. SmartPen is not your typical pen. We created additional unique characteristics that set it apart from other pens, allowing customers to use it with confidence. Among the features we created are a USB drive, a laser pointer, and a lamp. The SmartPen is an enhancement product created by adjusting or modifying the traditional pen, which has just one function: to write down notes.

- COMPANY BACKGROUND

The company was established under the name of Writeway Sdn Bhd in 2018. This company is located in Puncak Alam, Selangor. The address is No 55, Persiaran Raja Muda, Seksyen 15, 40200 Puncak Alam, Selangor. This company is a private limited company with four parties holding significant positions. The company is conducted by general manager and followed by three positions which are marketing manager, operational manager and financial manager. Our company provides smart pen products which are very up-to-date in the market.

- THE PURPOSE OF BMC PREPARATION

Business Model Canvas (BMC) is a strategic tool for managing a business idea and concept fast and simply. BMC may demonstrate clearly our company idea on a piece of paper which enables us to visualise the business model, discover problems, and test and can assist us carefully to develop the concept for the companies or the other way round. BMC generally produces via the brainstorming of a team or group of individuals focusing on testing alternatives

for the company concept and finding new combinations in which the idea is sketched and built section by section. The visual chart consisting of a value offer, client segment, channel, customer connection, sales flows, key resources, key activities, key partners and cost structure is generally a 'nine element' graph.

The BMC report on our invention, SmartPen, may be used as a business plan. The objective is to consider factors other than spreadsheets, market research, and financial forecasts. It's worth noting that, although the BMC's primary objective is to create the basis for the business model, it may also aid in the enhancement of our company as it develops. There are many benefits of using BMC for our new concept product, including the following: I have a clear picture of what our business model really is, and I can also eliminate non-essential tasks. Additionally, by using BMC, I am able to explicitly stack our concept into an organised format. In other words, it may provide me with a holistic picture of the business concept, making it simpler for our firm to execute the project of creating the SmartPen product. ✓

- ORGANIZATIONAL CHART



- PROBLEM STATEMENT

As young entrepreneurs, we are concerned about the customer's problems in having just a common pen. There are an example of a typical issues faced by customer before they having smartpen as a solution: ✓

- Problem of missing information stated in a lecture class or company meeting

Solution: With our smartpen, users or customers can record when they want to do so. Our smartpen has built-in capacities with ✓ 2GB,4GB also 8GB memory that facilitate users to record audio in a period of time.

- Problem with poor understanding of a new word or sentence

Solution: Our smartpen can translate the words or sentences that users want to. Our smartpen can function as a portable dictionary to users. Therefore, students or users don't have to always bring a dictionary anywhere. ✓

- Worry about missed notes during classes or meetings.

Solution: Our smartpen also has a ✓ common use which it can use to write notes. If users worry about missing some words or notes during that time, they can simply tap anywhere in the notes and this smartpen will play back what has been said in that time.

- Problem misplaced lecture notes or meeting notes.

Solution: SmartPen by our company can convert or move the data from what has been written to other devices such as smartphones. So, users no need to worry if they misplaced their notes because the data has been saved in the device and their smartphones safely. ✓

- SWOT ANALYSIS

No.	Name of Competitors	Strengths	Weaknesses
1	Livescribe	Strong distribution network – Over the years, Livescribe has built a reliable distribution network that can reach majority of its potential market by opening a lot of branch all over the world ✓	The product is marketed at a higher cost and could be highlighted as above the average market. ✓
2	Wacom	The product is offered with a variety of built in features to accommodate ✓	If there's a faulty in the device it has to be taken to the main headquarters to be fixed or posted by mail, as the current technicians might not know how to repair certain device ✓
3	Writeway	Provides versatile usage for different jobs, and different ink cartridges to support the activity. ✓	Negative first impression by the public, such as performance, price, location and quality of the product. ✓

No.	Name of Competitors	Opportunity	Threats
1	Livescribe	The new technology ✓	Brand loyalty between popular market holders and its user friendliness.
2	Wacom	The cartridges use ink that is non-toxic and environmental friendly. ✓	The limited operational hours on a fully charged battery.
3	Writeway	Reduces human effort and to improve accuracy. ✓	The device can be misused by certain people to produce unwanted images.

2. BUSINESS PROPOSAL

Business Model Canvas (BMC)

Key Partners	Key Activities	Customer Relationships	Customer Segments	Value Proposition
<ul style="list-style-type: none"> -Supplier for raw component/materials -Research and development partner -Marketing partner 	<ul style="list-style-type: none"> -Marketing -Research and Development -Product manufacturing -selling and delivering the product -Networking 	<ul style="list-style-type: none"> -Membership discount -Promotion to the loyal Customer and retailer -Call center/Personal Assistant -Communities of SmartPen 	<ul style="list-style-type: none"> -Targeted Customer (Student, lecturer, businessman) -Potential age (21 years old- 50 years old) -Gender (Both male and female) -Potential customer (Educational and business) 	<ul style="list-style-type: none"> -Newness to the existing classical product -Simple and easy to use while maintaining the effective performance of the product. -Aesthetic element on the design of the SmartPen -Affordable price for the targeting customer
	<p>Key Resources</p> <ul style="list-style-type: none"> -Integrity and quality worker -Facility to manufacture the product -Patent or copyright of the product 	<p>Channels</p> <ul style="list-style-type: none"> -Channel to raise awareness of the product by advertising -Channel to purchase the product -Channel to deliver the product -Channel to evaluate the product after sale. 		
<p>Cost Structure</p> <ul style="list-style-type: none"> -Cost-driven structure -marketing cost, salary cost, rent,materials/component cost (Cost Structure) 		<p>Revenue Streams</p> <ul style="list-style-type: none"> -Retail profit/Product sales -Additional sales 		

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Explanation of BMC

Customer Segment

The section of the customer segment where it describes the groupings of individuals or organisations you want to contact or service is called the customer segment. To stay afloat, any business requires lucrative clients. I can decide what our consumer segment will be, who our customers are, and how they feel about the product using the business model canvas.

a) Target Market

This customer's target market includes university students, lecturers, and maybe businessmen.

b) Potential age for targeted customer

Beginning at the age of a university student of about 21 years old and ending at the age of a senior lecturer of around 50 years old.

c) Gender targeted market

It may be used by both men and women.

d) Potential customer needs

As long as there are presenting activities involved, the product might be useful in both educational and corporate settings.

Value Propositions

The value proposition is the section that is most compelling about the proposal of our goods, such as why should the target customer buy SmartPen, what value does the product provide to the customer, and what problem does SmartPen solve in comparison to other comparable products. There are various value propositions that may be found for the SmartPen. ✓

a) Newness to the existing product

In comparison to the original classic pen, which was designed only for jotting down notes, I have included additional instructional functions. One of the most recent additions to our product is a laser pointer, which is typically used as an eye-catching gadget during presentations. Furthermore, the SmartPen has a USB drive for storing documents, which is quite beneficial for both students and professionals. The capacity of the USB-drive on SmartPen varies depending on the pricing (8 GB, 16 GB, 32GB). ✓

b) Simple, easy to use and effective product performance

Despite the fact that SmartPen has a lot of features, it is easy to use. The twisted form of the product pen is available. You'll never have to worry about losing or breaking a pen cap with a twisted ballpoint pen. These twisted qualities are also appropriate for our smartpen's physical form, which includes both electronic and non-electronic components. The product offers a rechargeable battery for the electrical portion (laser pointer and illumination) of SmartPen, which is powered by a USB connection. ✓

c) Aesthetic element on the design of SmartPen

In order to create a beautiful visual or excellent first impression about our product, I am focusing an aesthetic aspect into SmartPen product design for new product development. These aesthetic designs will influence how people think and feel about the product, as well as how much enjoyment we get from it. ✓

d) Affordable price

Despite the SmartPen's many functions and an aesthetic design that radiates elegance and luxury, the SmartPen's pricing is still reasonable to the target user in terms of function.

Channels

In BMC, a channel segment describes how our product may reach a certain consumer segment and fulfil the value proposition. It is critical for everyone in the organisation to understand which communication route is the most effective. I've split each channel to ensure that our product reaches our intended audience ✓

a) Channel to raise awareness

This channel is the initial step in our company's efforts to raise targeted customer awareness of our product. One of our options for this product is product advertising. Using social media platforms such as Facebook and Instagram to their maximum potential. It's possible that our target consumer is aware that this product is accessible and ready to buy. ✓

b) Channel to purchase the product

This channel is used when a consumer is interested in our goods and is ready to purchase it. Some of the channels I employed included online purchasing the SmartPen, and our goods were accessible at online retailers like Shoppe and Lazada. The second option is for the interested customer to visit our company's website and make a purchase. ✓

c) Channel to deliver the product

This channel is for how our goods will be delivered to our client; I would want to use a courier such as Pos Laju or another similar delivery firm. Furthermore, our merchant, who may be referred to as our product distributor, sells our products directly on the shop floor. ✓

d) Channel to evaluate after sale

This channel is dedicated to how our customers rate or provide comments on the product. Whether it's on our website or through the company's phone centre. our firm also employs a customer service representative who instructs new customers on how to correctly use the SmartPen. ✓

Customer Relationship

The BMC has nine components, one of which is the customer relationship. This section discusses the company's connection with the consumer before, during, and after the purchase of the product. This segment is critical because current customers who are pleased with our products or services may become advocates for new customers.

a) Membership discount

Customers who applied to become members of the firm would receive a discount. The merchant who acts as our goods distributor is also a member of the club.

b) Promotion to the loyal customer

Our firm offers a discount or incentive to repeat customers who purchase the goods.

c) Call center/Personal Assistant

May be of assistance to the customer if the SmartPen is used properly, providing an immediate response to the client's inquiry.

d) Communities of SmartPen

Creating communities of customers who use the SmartPen so that they may stay up to speed on any new updates or product information from the firm.

Revenue Stream

The revenue stream refers to how much money or profit our firm makes from this product. One of the primary income streams for the SmartPen is on:

a) Retail profit/sale of a product

Each SmartPen device sold is considered a cash profit, excluding additional costs such as operational and acquisition costs.

b) Additional sale

Because the SmartPen is made up of both electronics (laser pointer, flashlight, USB drive) and non-electronics (replaceable ink), each part is accessible separately in the event that the device malfunctions or breaks.

Key Resource

Key resources are necessary to provide value to customers; they are also regarded assets to a company that are required to continue and support the organisation. Human, financial, physical, and other resources are examples of important resources. Some of the most important resources for this firm are:

a) Worker integrity and quality

A positive attitude worker is required to maintain the product meeting the customer's expectations. The individual must also be well trained and possess the necessary skills. Furthermore, an employee must have a feeling of integrity in order to avoid potential commercial dishonesty. ✓

b) The ability to manufacture the product

The firm also has a manufacturing facility where the SmartPen is manufactured, installed, and repaired. To put it another way, this capability is critical to the smooth operation of the firm. ✓

c) The product's patent or copyright

The copyright or patent granted to SmartPen allows the firm to prevent others from duplicating, producing, selling, or importing the innovation without authorization. our firm also receives protection for a set amount of time, keeping competitors at a distance. ✓

Key Activities

The most critical actions in delivering the company's value proposition are called key activities. What are the key activities required to realise the SmartPen value proposition? In order to produce our product, it is important to have a complete understanding of our company's key actions, as well as what key activities the product's channel needs and what key activities the targeted customer connection necessitates.

a. Marketing

Marketing is the first stage in our essential operations in order to reach our targeted customers, since marketing functions begin with recognising consumer requirements and conclude with meeting those demands. Marketing may also be defined as the process of acquiring and evaluating market data. Planning for the market and developing a strategy. Marketing tasks may include assisting in product creation and development.

b. Research and Development

Research and development may be carried out after obtaining and evaluating market data in order to satisfy both the firm and the client. Each company's research and development is typically respected when it comes to product design and function.

c. Product Manufacturing

As the finished product, the SmartPen is manufactured and designed by our employees at our facilities. Typically, product production follows marketing and R&D.

d. Selling and Delivering The Products

When the product is ready and buyers are interested in purchasing it, the firm must sell and deliver it. We utilise the store as a product distributor and the courier as a delivery service for the goods to reach the customer or consumer in our firm.

e. Networking

Connection is also crucial for a company's day-to-day operations, such as raw material supply and delivery services, as well as finding the appropriate partner for research and development.

Finding the correct partner for research and development is a critical component for our firm to grow its networking.

Key Partners

Our firm is involved in the relationship between commercial, governmental, non-government, or non-targeted customer organisations in order to assist our business model function and improve operations and decrease risk. The following are some of our company's main partners:

a. Supplier For Raw Component

In order for our firm to focus on other tasks such as the production process, the component supplier alliance must be properly picked. The production process will run more smoothly as a result.

b. Research and Development Partner

Our firm has been attempting to collaborate with government agencies in order to improve product production, design, and functionality.

c. Marketing partner

Our firm has formed a joint venture with other vendors to provide an online platform for customers to purchase products, similar to Lazada or Shoppe.

Cost Structure

This last part outlines all of the costs and expenses that the firm will incur while running its operations. This section also decided whether or not the project could move forward or be shelved. Cost-driven and value-driven cost structures are the two most common types of cost structures. Because our target consumer is a student who does not have a lot of money, our product falls into the cost-driven category. Cost-driven is a cost structure that focuses on lowering the costs of a product or service to the greatest extent feasible. When doing this company, there are several cost characteristics to consider.

a. Fixed Cost

The rent of the facilities manufacturer and the compensation of the employee or worker are two examples of this expense.

b. Variable Cost

The cost of a raw component or raw materials is determined by economic considerations. Marketing costs are another example of a variable expense.



3. CONCLUSION

In conclusion, it was useful to all of us in this company strategy. We were able to design and execute a business in detail even though we were up against various sorts of opponents or competitors. By completing this study, we acquired a lot of fresh experiences on how to run the business, as well as the operation and what a firm must go through to become successful. Furthermore, we have learned about the hazards we will encounter and how to overcome them. We were able to meet our budget thanks to the patience and hard effort demonstrated by all of our employees. This project also helps to enhance our entrepreneurship skills because we learnt on how to be creative and innovative in producing or marketing our products. We hope that our business will progress smoothly in the present as well as in the future. Our target is that we want to achieve high profit and reduce risks in the involvement of this business even though there are many rivals. Luckily, with the good cooperation among all the subordinates we managed to compete with those rivals and improvise any problems that occur in our company.

We also hope that with our dedication and hard work, we will achieve our mission to become the favorite choice for all children and parents. Before that, we should also show our effectiveness in doing our job and making sure that our products will be easy to reach to our target customers. We will provide full responsibility and commitment, there is no doubt that we will achieve all these things. We are also encouraged to take any chance that directly or indirectly in order to increase our company performance in the future undertakings.

4. APPENDICES

