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TEKNOLOGI  
MARA

**BUSINESS MODEL CANVAS**

**PRINCIPLES OF ENTREPRENEURSHIP (ENT530)**

**FACULTY OF BUSINESS AND MANAGEMENT**

**BACHELOR OF BUSINESS ADMINISTRATIONS (HONS)**

**TRANSPORT (BA247)**

94

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## EXECUTIVE SUMMARY

Doolivery Food Sdn. Bhd. was founded in 2018 by Ahmad Fadhil who has created an online food ordering and delivery service that aims to provide convenience to hungry customers by offering the exceptional delivery service. Our mission is to help everyone to have greater access to food and improved quality of life by using technology.

Moreover, Doolivery Food is a unique and comprehensive service for food delivery. For convenience's sake, several restaurants and fast-food establishments do not offer delivery. Our organisation aspires to fill a void in the market that has been overlooked thus far. We want to gather and expeditiously deliver customer orders from established businesses. We also intend to grow the business to include items from grocery stores, although our primary focus at the moment is on food.

From the day we launched, we've strived to get people closer to the things that matter to them. And now, we are more devoted than ever to providing a pathway to connecting people with what matters to them. You can make an order for delivery with Doolivery Food, and we will pick up the food from the restaurant and deliver it to you.

In addition, we also believe in the concept of customer loyalty and giving back, as our loyalty programme ensures that customers are rewarded in exchange for their consistent and constant support, which has kept us afloat and drove us to greater heights. Anyone may use the smartphone app or the website to find out where the closest restaurants are, and then get whatever they choose and we will deliver to you. We believe that food is a pleasure, and that ordering food should be a quick and enjoyable process.

## INTRODUCTION

### 1.1 Company Background



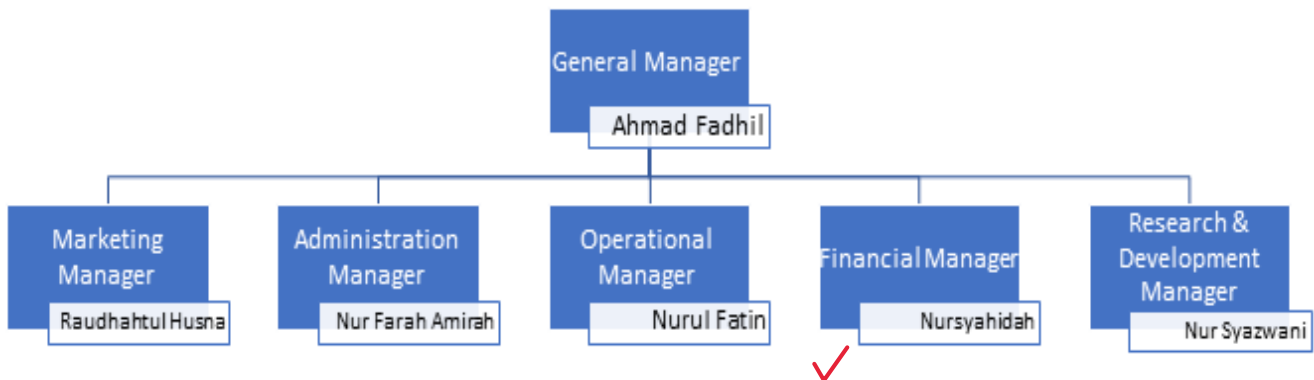
Doolivery Food Sdn. Bhd. was established on March 13, 2018, and is run by Ahmad Fadhil Bin Ahmad Izdihar. It is located in the heart of the city center which is at Bukit Bintang, Kuala Lumpur. Doolivery Food is a food delivery service that offers delicious food from local restaurants right to customers' doorsteps. In addition, it delivers food not only in urban areas, but also in rural areas.



<b>Business Name</b>	Doolivery Food Sdn. Bhd.
<b>Mission</b>	To help everyone to have greater access to food and improved quality of life by using technology.
<b>Vision</b>	To deliver high-quality food to our customers and to ensure that we deliver the best service Malaysia has ever seen.
<b>Address</b>	200, Bukit Bintang St, Kuala Lumpur, 55100 Kuala Lumpur, Federal Territory of Kuala Lumpur.
<b>Business Main Activity</b>	Online food ordering and delivery service that aims to provide convenience to customers.
<b>Email</b>	dooliveryfood@email.com
<b>Website</b>	DooliveryFood.com.my
<b>Phone Number</b>	+60360491406
<b>Business Entity</b>	Private Limited Company
<b>Commencement Date</b>	13 March 2018



## Organizational Chart



**Figure 1 : Organizational Chart of Doolivery Food Sdn. Bhd**

Ahmad Fadhil is the business's owner and General Manager who will instruct employees and plan activities necessary to run the business. A general manager is expected to maximise efficiency and profits while overseeing a company's or division's overall operations. As for the Marketing Manager, Raudhah is responsible for the promotion and placement of a brand, as well as the company's products and services. In addition, marketing managers are hired to increase client retention and brand exposure through the development of marketing campaigns. Furthermore, Nur Farah Amirah, who is in charge of being an Administration Manager, works to manage and distribute information inside an office. This typically includes answering phones, taking memos, and maintaining files. Moreover, Nurul Fatin who is in charge of overseeing activities related to the production of goods and services for the Operational Manager. Their direct responsibilities include overseeing the operation process, which includes design, planning, control, performance improvement, and operation strategy. As the Financial Manager, Syahidah is responsible for the organization's finances. She will provide financial reports, direct investment operations, and build strategies and plans for our organization's long-term financial goals. Lastly, Nur Syazwani, the Research and Development Manager, is in charge of keeping a business competitive by giving market insights and producing new services or products or upgrading existing ones as needed. The Research and Development department is mostly responsible for the company's future growth.



## **1.2 The Purpose of Business Model Canvas (BMC) Preparation**

The Business Model Canvas (BMC) is a strategic management tool used to define and express a business idea or concept quickly and easily. It is a one-page document that goes over the key features of a business or product, outlining an idea in a logical manner. Every business needs BMC in order to swiftly sketch a picture of what the idea comprises. Furthermore, the main purpose we use BMC is because it allows our organization to have an understanding of business and go through the process of connecting the concept and how to turn it into a business. Besides, it provides everyone with a clear picture of what the business will most likely be.

Business Model Canvas includes nine elements which are customer segments, value propositions, channels, customer relationships, revenue streams, key activities, key resources, key partnerships and cost structure. All of these elements are important for conducting a business. By transforming into these business elements, we can identify and act on which areas might be improved.

The BMC demonstrates an easier method of comprehending the various core elements of a business. BMC assists us in documenting our business journey so that it can be easily modified as we go. Thus, we can identify and address areas for improvement, such as identifying several factors that contribute to the quality of the customer relationship and focusing on the target market and customer preferences. Additionally, it identifies distinct paths upon which to build our organizational strategy.



### 1.3 Problem Statement

Food delivery businesses have seen an increase in demand as a result of the COVID-19 pandemic, which has resulted in more individuals being forced to stay at home as restricted by the government for Movement Control Order (MCO). Customers are resorting to delivery services to indulge themselves during the days of social-distance, since we are unable to dine-in any restaurants as of now (Dublin, 2020). Hence, that is one of the problems that the customers are having.

Moreover, some of their problems are when they have a long day and simply want to go home but there is no food to eat at their home at that moment. They will tend to feel tired of doing dishes and cooking after a busy day. Especially when they live alone rather than cooking for themselves. Therefore, it is easier for them by only stopping by for a pick up or having their food delivered right in front of their house.

Other than that, currently most families are now working from home and online distance learning. They tend to have tight schedules with an infant in the family to take care of, thus, they have no time to prepare a proper meal for the family. In that situation, a complex application would not be a help as they need a quicker time to make an order with the fastest time to deliver. Also, customers hoping for a variety of restaurants to choose from that can rely on one specific application only (Hirschberg et al., 2016).

Furthermore, customers who did not have any vehicles to travel on made it harder to go buy their favourite food or beverages. Even when you are sick and home alone, you could not drive or walk much, which needs someone to deliver your meal. Nowadays, many people could not go out as some of them had to self quarantine due to COVID-19 pandemic but they need to refill their groceries therefore, it is needed for someone to buy it for them. Nevertheless, we heard many complaints that food delivery companies do not cover rural areas where some of the shops are quite far from them.

## 1.4 Opportunity Recognition

It is possible to expand food delivery services to a new set of businesses and consumers by using new delivery methods. By the new delivery players they can increase the overall market instead of directly competing with the aggregators. During this COVID-19 outbreak, it has a positive impact on food delivery services that 58% of people ordered food on food delivery apps in Malaysia (Muller, 2021).

- Online food delivery platform

Our services can help people in this situation where they can order their favourite food via online delivery platforms within a few clicks. Can pick from any restaurants and groceries that are available on our platforms for those who could not go out from their houses. Contactless delivery is an option for them to let the delivery riders put their orders at their doorsteps during this pandemic. Customer demands are taken into account according to their wants and needs with customized food items and GPS tracking eases the process of delivery. An opportunity for merchants to boost their sales especially during this pandemic by using our delivery services and advertise for them.

- Self pickup or delivery

Customers can access to the applications to place an order whenever they like in a convenient way. They could order in advance and pick up later or request for a delivery. They could choose to pay directly online transfer or cash. In offering some vouchers it encourages the customer to purchase more food online by our services.

- Available in new residential and rural areas

Our services are offered in new residential and rural areas especially with shops that are far from some areas. Many other food delivery companies could not cover rural areas and took a longer time to be available in new residential areas thus giving us a chance to serve them. In hiring more riders familiar in certain areas it would be easier for them to make deliveries without time consuming searching customer's houses.

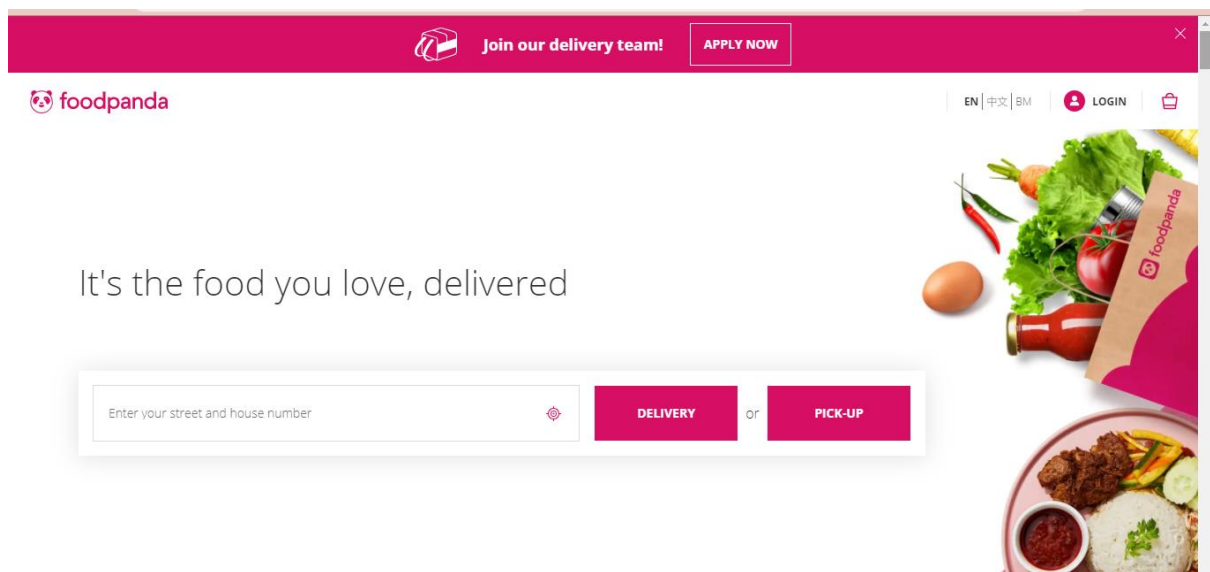
## 1.5 SWOT Analysis

### Doolivery Food Sdn. Bhd SWOT Analysis

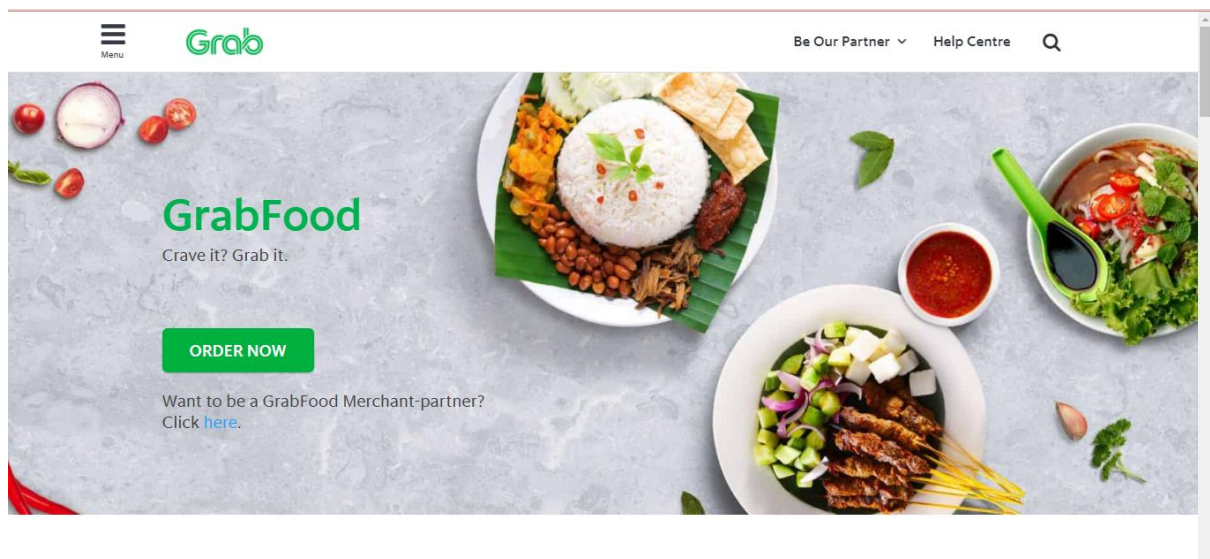
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>● Offer a wide range of covered areas including rural areas ✓</li> <li>● User friendly mobile app ✓</li> <li>● Low merchants charges ✓</li> <li>● Partnered with thousands of restaurants ✓</li> </ul>	<ul style="list-style-type: none"> <li>● Weak brand awareness ✓</li> <li>● Not having sufficient number of drivers for making delivery ✓</li> <li>● Limited capital ✓</li> <li>● Lack of digital marketing strategy ✓</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>● Movement Control Order (MCO) increase ordering food online ✓</li> <li>● Improved customer service ✓</li> <li>● Partnership with restaurants and small business ✓</li> <li>● Enhance business throughout the country for a larger population ✓</li> <li>● New option delivery for groceries and necessities ✓</li> </ul>	<ul style="list-style-type: none"> <li>● There are competitors highly known in the food delivery service ✓</li> <li>● Highly dependant on technology ✓</li> <li>● Greater rivals may invest more money in marketing and other initiatives ✓</li> <li>● Economic downturn ✓</li> <li>● Drivers or merchants mistakes reflect the firm ✓</li> </ul>

Doolivery Food, a business engaged in the growth phase, as a newcomer's marketing has become a big challenge to us. Doolivery Food has been operating about 3 years yet many individuals never heard or did not know much about our company. We are good in demographic research, gather analysis of data and have a high number of partnerships with recognized restaurants. Therefore, enables the business to attract and reach consumers through greater knowledge of their requirements and needs with all the information. The marketing approach of Doolivery Food is to save customers time and swiftly fulfill their needs. ✓

## 1.6 Competitors: Foodpanda and Grab Food



**Figure 2 : The Foodpanda website**



**Figure 3 : The Grabfood Website**

Foodpanda and Grabfood are highly known in the food delivery services as they have been operating for quite some time already. However, availability for covered areas for Foodpanda and Grab Food are limited as customers may only place orders from restaurants within their zone up to 15km-20km. Meanwhile our Doolivery Food has set for a wider distance that can offer a variety choices of restaurants for our customers to choose.

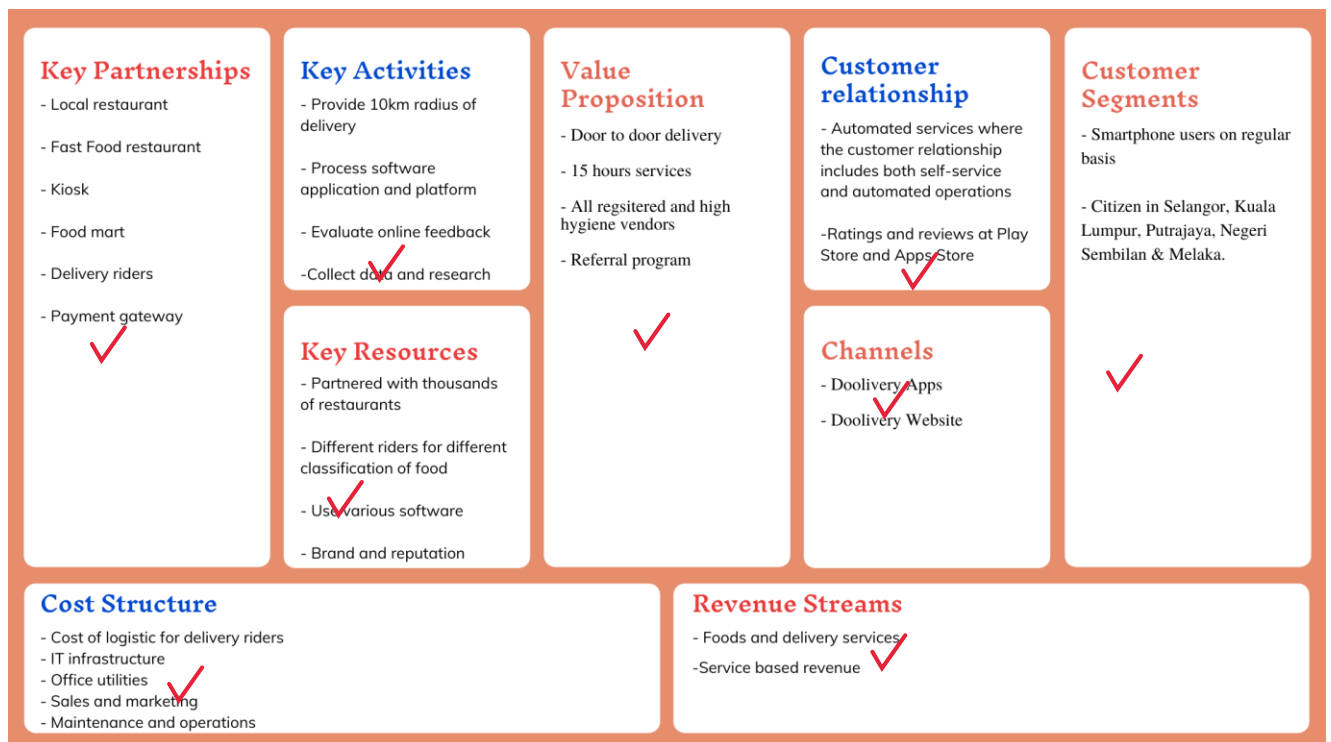
Moreover, Foodpanda and Grab Food could not cover certain parts such as in rural areas or new residential areas in town (Darbinyan, 2021). Hence, we take this as an opportunity to research and expand those areas for our services.

Many have heard of Foodpanda and Grab Food due to their vast advertising in social media and televisions thus, improve their brand awareness. However, Doolivery Food could not invest more in digital marketing like their competitors yet, due to limited capital which needs time to earn people trust. As Doolivery Food has an user friendly mobile app it makes customers easier to understand especially for new users. Foodpanda app features also an user friendly that is why a lot of customers prefer Foodpanda rather than Grab Food. Grab Food mobile app combined with Grab Car and other features makes some customers a bit confusing to use.

Nevertheless, we take the lowest charges from merchants as high as 8% only including the payment gateway charges. Foodpanda will take 10% of commission fee charges under its food ordering business and 20% if Foodpanda does home delivery (India Filings, 2020). In the meantime, Grab Food service fee up to 30%, subject to discussion, self-pickup with 15% and no charges for SME online shop in Grab Food or 10% for non-SME (Grab, 2021). With the lowest charges offered by Doolivery Food, we can attract new merchants to join our platform. As a result, this will indirectly promote our platform by our partnerships towards their customers by using our food delivery services and increase our brand awareness.



## 2.0 BUSINESS PROPOSAL



### 2.1 Customer Segments

The groupings of individuals or organisations you want to contact or service are referred to as customer segments. To stay competitive, any business requires profitable clients.

Our main customer segment is our vendors. In order to run a food delivery company, we also have to create a good relationship with our vendors which is the shop, market, restaurants and cafes. They are not selling foods on our platform but also boost the performance of our platform to customers. If the vendors have strong brand identity, it's a big chance to boost our platform sales since customers will look for a platform that can bring their favourite food to them easily.

For customers, we are basically target for a few groups of customers. We are also planning to cover rural areas that might have difficulty in reaching their favourite food or necessity. As we can see for now, not many food deliveries are covering rural areas because of the charge and service fees. But, in order to counter this issue, we are planning to provide incentives for rural areas groups of customers so that they can enjoy everything they need.

Our customer target will be office workers and students that have food delivery apps, and we will start the delivery services on a few state (Kuala Lumpur, Selangor, Putrajaya, Negeri Sembilan & Melaka) as a benchmark for our services so that we can improve our services before started in another state.

## **2.2 Value Propositions**

A value proposition is an improvement, service, or feature designed to attract customers to a company or product. It's what makes customers choose one organization over another. Keep in mind that as you acquire additional data from client interviews, your value propositions may alter.

The values that our company provides are basically different and unique from other food delivery companies. We provide services that will be delivered to your door or even office desks, 15 hours service starts from 8am until 10pm everyday, high quality and trusted products which we collaborate with all registered vendors (halal and non-halal) and take care of their hygiene status, voucher code for referral program and birthday special voucher. As we said before on the customer segment, we also provide services at rural areas with incentive programs that might not be pricey or over charged.

## **2.3 Channels**

The method a business connects with its pre-identified service users and delivers the value propositions it has to offer is through distribution channels. As a result, they are important to the consumer experience.

The most diversified are channels, and various channels are frequently utilised for different consumer categories.

As a result, the business will use channels to reach out and connect with its customers. In a nutshell, it's the link between the firm and the general audience. It's critical to find the proper distribution channels to reach clients so that your value offer can be heard. Our channels are basically on Doolivery apps that can be found on Play Store and Apps Store, and Doolivery website.

In our research, we found that it's more user friendly for customers to connect with us through apps. They just need to install our apps on their phone, tablet or desktop to use our services. Our website can be used for vendor registration so it will make it easier to fill in the form and upload documents. We are planning to build an application that has user friendly and useful features that can be understood easily for all ages.

## **2.4 Customer Relationships**

At Doolivery Food, we value our customers by interacting with the customer through their journey because it will heavily impact our customer experience. Customers may have certain expectations for the kind of connections we should form with them. As a result, thinking about what they may want and how to effectively apply them might be beneficial for our services too.

We do offer automated services where the customer relationship includes both self-service and automated operations. These methods can be used to identify specific customers and offer information about their orders or transactions. Automated services can also be built to simulate a personal relationship, resulting in great and efficient customer service.

While there are ratings and reviews at Play Store and Apps Store for Doolivery apps where customers can rate and give us feedback through their journey. This also allows us to learn more about our customers' experiences and possibly assist each other's problems, and provide businesses with a better insight. We are also available almost 24 hours a day, seven days a week, so we can provide highly personalized service.

## **2.5 Revenue Streams**

Doolivery earns revenue from our food services. Our revenue is derived by providing service to customers and calculated based on foods and delivery fees. The revenue earned from each of Doolivery Food customer segments can be mapped out using revenue streams. Costs are subtracted from revenues generated by our customer segments to reach this figure.

Multiple revenue streams can be acquired from a single consumer segment if the value propositions are accurately evaluated. Our service typically charges customers for the use of the apps at this level of revenue.

Hence, we will probably charge a customer for using our food delivery services and the charges are according to the amount of food and distance between restaurant and customer house.

## **2.6 Key Activities**

The key activity is a set of actions taken by Doolivery to run its business daily. The key activities that our company offers includes food delivery services which focus on a 10km radius to maintain efficiency and effectiveness of delivery. We also process and maintain the software application and platform as we wanted to ensure a smooth order process and delivery operation for every customer. That is because, here at Doolivery, we wanted every customer to feel satisfied with our services.

Moreover, our company always manages and takes note of the customer comments and feedback via the online software, with this evaluation will help us determine problems, and help us in achieving solutions which will then improve our customer's experience. Other than that, our company also focuses on collecting data and research on new branches and delivery options, this is because we wanted to increase the delivery options and range especially outside of urban areas, which will then give us more ability to serve various locations of customers.

## **2.7 Key Resources**

The key resource of our company includes our delivery effectiveness which is a result of proper evaluation on delivery person distribution which helps cover huge numbers of customers in high population areas. We also have partnered with thousands of restaurants including local and fast food restaurants, which increases the options of food and beverages for our customers, depending on their location. Our company also has different riders for different classification of food, for example, in Malaysia where there is halal and non-halal foods which we really take into matters as our customers come from various backgrounds and diversity.

Moreover, our company also provides various software features including, search engine, filtering options, and customizable methods of payments, which help our customer to easily secure their order based on their preference. Lastly, our key resources come from our brands and reputation, as we have received good feedback and service repetition from our customers.

## 2.8 Key Partnerships

The key partnership is referring to the good relationship between the Doolivery Food and other parties that will aid in the success of the business strategy, and these could be the company's ties with its suppliers, manufacturers as well as business partners. These kinds of alliances that most of the companies have, including our company the Doolivery Food, will help the business prosper in areas where it would be inefficient for us to do on our own. This collaboration with those involved will help our company to implement the service that we offer to the customers. The Doolivery Food has non-competitive strategic partnerships with many local restaurants and fast-food restaurants as well as kiosks where we have no direct industrial competitors, we shall collaborate in ways that benefit both of us. Apart from that, we also have ties with food marts that are usually available at gas stations or supermarkets like Tesco and Econsave. The customer will make an order through two platforms which are Doolivery apps and Doolivery website and it will be sent by the rider and delivered according to the registered address.

Besides, Doolivery food also has a partnership with delivery riders assigned to deliver orders to customers. This relationship is very important to ensure the continuity of our business since delivery is our main service. Furthermore, we have expanded our network by partnering with payment gateways where merchants utilise this technology by an e-commerce provider that allows e-business and online shops to process debit or credit card payments from customers. These are lists of payment gateway that Doolivery collaborated with such as MasterCard, Visa, PayPal, Molpay and FPX.

There are many benefits of payment gateway which makes it easy for checkout as this feature makes online shopping as simple as possible. Besides that, payment gateways help to process payment more quickly, connect to a shopping cart and accept a variety of payment methods. To protect the welfare of our delivery riders, Doolivery has provided insurance policies in collaboration with several insurance agencies such as AIA and Takaful where this plan is very important as they are prone to accidents.



## 2.9 Cost Structure

Cost structure refers to all fees and expenses that our company, Doolivery Food will incur in running the business. This is a critical phase in the process since it will assist our team and management determine the next step should be taken along the process.

As for the cost structure, there are some of the expenses incurred by Doolivery which are the cost of logistics for delivery riders, IT infrastructure, office utilities, sales and marketing as well as maintenance and operations. Our riders will be paid according to the delivery trip made within a day and the payment is based daily. In addition to the cost of IT infrastructure, we must bear a huge cost to ensure that the operations run smoothly, this includes telecommunication service and application platform. Other than that, are common costs incurred involving the office operation.

## CONCLUSION



In conclusion, Doolivery Food Sdn. Bhd. prepared the Business Model Canvas to reflect on our business model in a systematic way so that we can focus on it segment by segment. This also means that we can begin with a brain dump, filling in the parts that come to mind first, and then focus on the gaps in the segments. The elements listed will assist us in brainstorming and comparing different versions and concepts from existing businesses.

The Business Model Canvas consists of 9 elements where every element assists us in understanding a business model in a critical analysis. Using this canvas, teach us more about Doolivery customers, what value propositions are supplied through which channels, and how the company makes money.

Our customer segment is divided into 2 which are vendors and customers from rural areas. While the value propositions of Doolivery are different and unique from other competitors. We create value by offering high quality and trusted products which we only collaborate with halal vendors and take care of their hygiene status, and varieties of voucher.

Next elements, we build an application and website for Doolivery as our channels to sell and deliver the food. For the customer relationship, we do offer automated services and accept ratings and reviews to integrate our business.

Moreover, revenue streams contribute to the overall Doolivery revenues from the value propositions. Key activities refer to actions taken by Doolivery to run business daily, while key resources are the main resources that are important for this business.

Furthermore, key partnerships give an advantage to Doolivery by expanding and collaborating with other businesses. Finally, cost structure. It is about the most cost in this business that is linked to revenue. We may find the business model canvas to better understand our own or a competitor's business model like Foodpanda and Grab Food.

We hope that Doolivery can help to ensure the smooth running of people's daily life at an affordable price rate and best experience. Our company not only wants to gather all the best business on one platform but also we want customers to explore more local foods easier for daily life, special occasions or surprise for their loved ones. The new features and improvements that we bring in Doolivery are different from our competitors in many aspects that we put our customer as our priority.



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