

CHAPTER 1

INTRODUCTION

1.1 Background

Currently, there are many fields of business that are in demand by all groups, from parents to young people. Along with the development of the times and technology, business in Indonesia is growing and sophisticated every year. Now businesses can not only be found offline, but businesses are also available online through various marketplaces (Tokopedia, Shopee, Lazada, etc.) and through social media (Facebook, Instagram, WhatsApp, etc.). Online business makes it easy for customers to get or order these products with efficient time and performance.

Today's increasingly rapid and sophisticated business development causes entrepreneurs to continue to compete so that their products are not out of date and not less competitive. Not only competing in selling products at relatively cheap prices and efficient places, but also many new products that appear more trending or following the developments of this increasingly sophisticated era. In addition, there are also many products that are almost similar in type and use of these products, this triggers business people to continue to be innovative in developing their business so that their business remains sustainable. So entrepreneurs must continue to monitor new competitors and keep abreast of the times that are growing every year.

A sustainable business, of course, has a strategy for business development. According to Iruthayasamy (2020) in the book title "Understanding Business Strategy" says that sales promotion is a strategy, laying off workers to cut costs is a strategy, introducing new products is a strategy, corporate restructuring is a strategy, business change and innovation is a strategy, etc. So, a strategy in business development must present a unique value proposition that is not only different from competitors but also sustainable. Strategy is not about being better

than the competition, but also offering something unique and of value to customers.

According to Sitorus and Utami (2017), strategy is a long-term plan prepared by a company by maximizing resources in order to achieve the company's ultimate goal. An organization or company needs to develop a strategy for the development of its company in order to be able to continue to survive and develop in the future. Strategy is needed to think about how later not how. And what should be done by the company for business development in the long term.

Cake and bakery is one of the culinary businesses that are in great demand by parents and young people around the world. The cake and bakery business is also one of the business fields that are in great demand by entrepreneurs. This is because the cake and bakery business is one of the business fields that has opportunities and is easy to market. Moreover, various kinds of cake preparations, be it birthday cakes, wedding cakes, bread with various flavors, unique donuts, all of which are in great demand by all circles of small children, young, to parents. Because all people can consume these foods.

According to Baumassepe (2017), every business should have its own model based on the existing industry. An understanding of how a business model is an absolute requirement that must be done by an entrepreneur before developing his business. For entrepreneurs who already have a business, it is important for him to immediately know his current business model and need to develop it continuously to adapt to changes in the business environment for long-term profitability. Business models simplify complex business realities into basic elements that are easy to create. In general, people are familiar with the "business plan" or feasibility study before starting a business. However, the "business plan" is made in great detail even though there are still many unproven assumptions.

Now the presence of the Business Model Canvas (BMC) concept popularized by Osterwalder helps entrepreneurs understand their business plans in a simple way. Business Model Canvas is a business modeling tool that is now very popular in the world of entrepreneurship because of its ability to describe the core elements of a business more easily on a single canvas. In addition, the

advantage of BMC is that it is easy to change business models quickly and see the implications of changing one element to other business elements.

According to Hamali (2016) SWOT analysis is an analysis of strengths, weaknesses, opportunities, and threats. SWOT analysis is a systematic identification of organizational strengths and weaknesses as well as environmental opportunities and threats outside the strategy that presents the best combination of the four. The company can determine the strategy after knowing the strengths, weaknesses, opportunities and threats, namely by utilizing its strengths to take advantage of existing opportunities, while minimizing or overcoming its weaknesses to avoid existing threats.

In Bengkalis Regency there are more than 100 businesses engaged in the bakery sector. The emergence of the bakery business makes competition in the bakery business world even tighter. So that the business needs a business model that can make the business survive, namely by using a business model canvas. Nii Kuchten Bakery Bengkalis is a bakery located in the Bengkalis sub-district which has an outlet located at JL. Pramuka, Bengkalis which was founded in 2020, which is engaged in the culinary field. However, over time, sales at Nii Kuchten Bakery decreased due to higher raw materials and many competitors in the same culinary field, so Nii Kuchten Bakery needed a new business development strategy so that the business would not lose competitiveness and survive and could increase company profits. Therefore, this paper seeks to provide input on business development strategies which are expected to be used as input for the development of Nii Kuchten Bakery Bengkalis.

Based on the background described above, this study will examine further about **“Business Development Strategy of Nii Kuchten Bakery Bengkalis Using Business Model Canvas and SWOT Analysis”**.

1.2 Formulation of the Problem

Based on the study discussed from the background described above, the formulation of the problem can be obtained as follows:

1. What is the current description of Nii Kuchen Bakery's business model through the Business Model Canvas approach?
2. How to design a business model as an appropriate and recommended form of business development strategy to be implemented at Nii Kutchen Bakery Bengkalis using the Business Model Canvas approach?

1.3 Purpose of the Study

Based on the existing problems, the objectives of this research are as follows:

1. To find out the current business model of Nii Kuchen Bakery through the business model canvas.
2. Designing a new business model for Nii Kuchen Bakery Bengkalis based on the Business Model Canvas approach and to find out alternative business development strategy for Nii Kutchen Bakery Bengkalis through a SWOT analysis of each element of the Business Model Canvas.

1.4 Significance of the Study

Each research is carried out in order to obtain useful benefits for all parties concerned. The benefits that are expected by the author in conducting this research are as follows:

1. For the Authors
Become a valuable experience for researchers in order to improve the knowledge gained during lectures.
2. For the Nii Kuchen Bakery Bengkalis Actors
The results of this study are expected to provide input or consideration for Nii Kutchen Bakery Actors, related to business development strategy through the Business Model Canvas approach.

3. For Others

This study provides insight to people who have cake and bread businesses to find out what strategies can be applied in developing their business using Business Model Canvas.

1.5 Scope and Limitation of the Problem

Every research basically has research limitations, this is to provide clarity of scope so that the results obtained will be easy to see and clear directions. Besides the limitations of the research, it is used so that the reader does not misperceive this research. This research only analysis business development strategy of Nii Kutchen Bakery Bengkalis Using Business Model Canvas and SWOT Analysis.

1.6 Writing System

The systematics writing of this research refers to the Guidelines for Writing the Final Project as follows:

CHAPTER 1 : INTRODUCTION

In CHAPTER 1 explains the background of the problem, the formulation of the problem, the study objectives, the benefits of the study, the scope of the study and the limitations of the problem as well as the systematic writing of reports.

CHAPTER 2 : LITERATURE REVIEW

In CHAPTER 2 describes the literature review and the basis of the previous theory that will be used in the completion of the study.

CHAPTER 3 : STUDY METHOD AND PROCESS

IN CHAPTER 3 will explain the implementation plan, starting from the location, time and object of study, types and sources of data, data analysis methods, types of study, study schedule and budget.

CHAPTER 4 : RESULTS AND DISCUSSION

In this chapter 4 will explain the results and discussion of study.

CHAPTER 5 : CONCLUSIONS AND SUGGESTIONS

In this chapter 5 will explain the conclusions and suggestions of the study carried out.

WRITER BIOGRAPY

REFERENCES