

THE ROLE OF IMPLEMENTING KEY ACTIVITIES IN THE BUSINESS PLAN MODEL CANVAS FOR SALES OF RISOL ENDUL IN MEDAN CITY

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Abstract: The purpose of this study is to show that the implementation of the main components of the Business Model Canvas (BMC) has successfully increased sales of Risol Endul products in Medan City. This study uses a qualitative methodology that collects data through in-depth interviews. Four respondents, consisting of business actors and related parties in the management of the Risol Endul business, were the respondents. This study aims to show how the implementation of essential elements of the Business Model Canvas (BMC) increases sales of Risol Endul products in Medan City. This study collected data through in-depth interviews. The four people who answered were business actors and related parties in the management of the Risol Endul business. The implementation of key activities not only increases efficiency, but also provides business actors with clear guidance to face market challenges. Therefore, this study shows that the Business Model Canvas through key activities is a very important strategic tool to help small and medium businesses (such as Risol Endul) achieve sustainable success.

Keywords: Business Model Canvas (BMC,) Key Activities, Business Strategy

Introduction

One of the important strategic steps in running a business is business planning. Business Model Canvas (BMC) is one of the most commonly used tools for developing effective business plans. BMC consists of nine main elements that help business owners map every aspect of the business thoroughly, one of which is Key Activities. These elements are very important in determining the main activities that must be carried out so that the business can run optimally and produce value for customers.

Companies must have an effective strategy to survive and thrive amidst increasingly tight business competition, especially in the small and medium enterprise (SME) sector. One of the methods widely used to design a systematic business strategy is the Business Model Canvas (BMC). BMC is a tool designed to map and manage the important elements in a company's business model. By using BMC, business actors can more easily understand and optimize the resources, processes, and interactions that exist in their business, making it easier for them to achieve long-term goals. Business Plan Model Canvas (BMC) is a strategic tool for designing, assessing, and managing business models. Key Activities, which are the core activities that a business must perform to create value, reach customers, and generate revenue, are essential components of BMC. Key Activities are essential for Risol Endul's sales business in Medan City to ensure smooth operations, product innovation, and customer satisfaction.

Risol has great potential to attract market attention because it is a popular snack for many people. This is especially true for products that are made in an innovative and

different way . Risol Endul's business can maximize its competitive advantage by understanding and implementing important activities effectively. This business is expected to meet the needs by developing unique recipes, digital marketing strategies, and effective distribution management.

Primary activities, are the most important components of BMC. Primary activities show what the company must do to provide value to customers, maintain customer relationships, and ensure that the business operates efficiently and effectively. Culinary businesses, such as Risol Endul Kota Medan, involve various primary activities, including production, distribution, marketing, and customer service to support sales and customer satisfaction.

As one of the growing MSME businesses in Medan City, Risol Endul must identify and manage key activities effectively to improve operational efficiency and increase sales potential. Businesses can improve their products and services and face competitive market challenges by implementing the right critical activities. Therefore, it is very important for Risol Endul's UMKM to understand how to implement important activities in the Canvas business model.

This study aims to learn more about the main activities carried out by Risol Endul during the production, marketing, and distribution of their products in Medan City through the application of Key Activities in the Business Model Canvas. Businesses can find new ways to increase efficiency, reduce costs, and make customers happier. Ultimately, this will help increase sales and the overall success of the company.

This study also aims to provide practical advice for other SME entrepreneurs who want to optimize their core operations with the BMC approach. It is expected that the results will provide useful insights for small and medium enterprises in creating more effective business strategies, facing market dynamics, and achieving sustainable success.

This study is expected to increase understanding of how important activities help business planning and provide new insights for small and medium enterprises (SMEs) in the culinary sector, especially in Medan City.

Literature Review

Business Model Canvas (BMC) is a business model consisting of 9 blocks of business activity areas, which aims to map out strategies to build a strong business, in order to win the competition and be successful in the long term. This BMC is characterized by 9 model blocks which, when combined, will become one business entity, namely: customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, cost structure (Yusuf et al., 2020) .

Key Activities play a crucial role in the Business Model Canvas because they are the operational basis that enables businesses to create value and achieve strategic goals. The main function of Key Activities is to ensure that the products or services offered can meet customer needs and expectations through processes such as innovation, high-quality production, and continuous development. In addition, Key Activities also help improve operational efficiency by managing core processes in a structured manner, so that businesses can reduce resource waste, speed up workflows, and increase productivity.

In terms of marketing and customer service, Key Activities function to maintain good relationships with customers, create trust, and build loyalty through relevant programs. On the other hand, Key Activities also support the achievement of sustainable income by ensuring that all business operations run effectively and provide maximum economic value. Thus, Key Activities become an important instrument in supporting the development of differentiation strategies, adaptation to market dynamics, cost efficiency, and long-term growth for a business.

Key Activities is one of the main components in the Business Model Canvas (BMC) which includes important activities that must be carried out by a business to create a value proposition, reach customers, maintain customer relationships, and generate revenue. Key Activities describes the main processes, actions, and operations needed to run a business model successfully. This component helps businesses focus on core activities that really have a direct impact on the sustainability and growth of the business.

While management skills are essential to creating a picture of the future of the business, the strength of the strategy designed and created is then tested when customers are considered during the business model creation process. During the strategy creation process, customer opinions are used to validate the results of the business model to be used. Furthermore, the success of strategic management tools is proven when the business is operational and the value proposition is tested by its customers. Every business model that has been created depends on the awareness of people's preferences in the market. It is shown that using the methodology helps in determining the components that make up the business model canvas and the level required to develop a company strategy.

This study aims to provide a theoretical basis that supports the main ideas about important activities in the Business Model Canvas (BMC). It also aims to explain how BMC components can be applied to the culinary industry, especially in SMEs such as Risol Endul in Medan City. To understand how BMC, critical activities, and sales growth are related, this review will discuss several important concepts.

Business Model Canvas (BMC), is a visual approach used to design and describe business models. BMC consists of nine main interconnected components, namely: (1) Customer Segments, (2) Value Propositions, (3) Channels, (4) Customer Relationships, (5) Revenue Streams, (6) Key Resources, (7) Key Activities, (8) Key Partnerships, and (9) Cost Structure. BMC helps businesses find the critical components in their business and see how each component works to create value. For SMEs, this is very important because it can help them design and manage effective business models, reduce risk, and increase their competitiveness in the market.

One of the components of BMC is Key Activities, which shows the important things that must be done by a company to provide a value proposition, meet customer needs, and run business operations well. To achieve business success, companies must do what, according to Osterwalder and Pigneur (2010). Production, problem solving, customer relationship management, marketing, and distribution of products or services are some examples of these key operations.

In Risol Endul, key activities can include things like supply chain management, providing high-quality raw materials, efficient production processes, and marketing and promotional activities aimed at increasing customer awareness and product sales. These activities must be carried out regularly to ensure that the company can meet customer expectations and remain competitive in the market.

Small and medium enterprises (SMEs), which often face resource constraints, are very interested in implementing key activities in BMC. According to Prajogo (2016), SMEs must concentrate on managing key activities that can affect their productivity and competitiveness. In this case, implementing the right key activities will help SMEs like Risol Endul optimize various aspects of their operations, from production to marketing.

In addition, research has shown that SMEs that carefully design and manage their critical activities can improve operational productivity, improve product quality, and customer satisfaction. For example, a study conducted by Hsiao (2017) found that SMEs that integrate their core business into structured business processes tend to experience higher growth rates and survive longer in the market.

Keeping good track of important activities can help your business run smoothly and increase sales. According to Kotler and Keller (2016), effective marketing activities, such as good customer relationship management and selecting the right distribution channels, can help increase product visibility and attract more customers. Culinary businesses like Risol Endul use key strategies such as promotion, product quality management, and efficient distribution to attract customers and increase sales.

Medan, one of the big cities in Indonesia, has a very potential market for various businesses, including the culinary industry. However, tight competition from local and international companies makes businesses face significant challenges. Therefore, it is very important to apply the Business Model Canvas, especially Key Activities, to find activities that can improve the efficiency and competitiveness of culinary businesses such as Risol Endul.

A study conducted by Suryani and Hidayati (2018) showed that a good understanding of the business model, which includes key activities, can help small and medium businesses in Medan City to improve performance and adapt to changing market requirements.

From the literature review that has been presented, it can be concluded that the implementation of Key Activities in the Business Model Canvas has a very important role in managing a business more effectively, especially for SMEs such as Risol Endul in Medan City. Through proper identification and management of key activities, SMEs can increase operational efficiency, improve product quality, and optimize marketing strategies that ultimately contribute to increased sales and business sustainability .

Method

This study uses a descriptive qualitative approach to identify and analyze the application of Key Activities in the Business Model Canvas (BMC) in the Risol Endul business in Medan City. This approach is designed to provide an in-depth understanding of the management of key activities and their impact on business performance. This research uses a case study design that focuses on an in-depth exploration of the specific application of BMC in this business context.

Data were collected through in-depth interviews with business owners, operational staff, and related partners to understand the production, marketing, distribution, and customer service processes. In addition, direct observation of operational processes was conducted, including interactions with customers and distribution management. Documentation from various sources, such as sales reports, financial records, and promotional materials, were also used to support the research data.

This study begins by identifying the main activities implemented in Risol Endul's business, such as production, marketing, distribution, and customer service. Furthermore, business process mapping is carried out to find efficiencies and challenges in each main activity, followed by an evaluation of its impact on increasing sales, operational efficiency, and customer satisfaction. Based on the results of this evaluation, strategic recommendations are prepared to optimize existing main activities.

Data analysis was conducted descriptively qualitatively through a data reduction process to select relevant information, presenting data in the form of narratives and process diagrams, and drawing conclusions by comparing field findings with BMC theory. Data validation was conducted through triangulation by comparing the results of interviews, observations, and documentation to ensure the accuracy of the information. This method is designed to provide in-depth insights and practical recommendations for Risol Endul business development.

Results and Discussion

For the sale of Risol Endul in Medan City, the method of implementing Key Activities in the Business Model Canvas (BMC) begins by determining the main activities needed to run a business well. These main activities include financial management, customer service, distribution, marketing, and risol production. The first step is to determine the most important operations for each part of the company. Next, resources such as human resources, raw materials, and funds are needed to run these operations.

Business process mapping is also needed to ensure that each important task runs efficiently. The goal is to create an orderly flow of activities, identify challenges, and determine who is responsible for each task. This process helps organize all the actions that need to be done from production to distribution.



Figure 1 Risol Endul Products Medan City

The use of technology increases operational efficiency. Digital payment systems can speed up transactions, both offline and online, and expand market reach by implementing inventory management systems and digital marketing platforms. Once the main task is completed, monitoring and evaluation comes in. This is done by setting performance indicators, or KPIs, to track the progress of each effort. This evaluation helps determine whether each critical task is functioning well or needs improvement.

Evaluation must also be done to maintain the continuity and growth of the company. Optimizing production, improving customer service, or expanding distribution channels are some examples of this improvement process. This method can be used to implement important activities in the BMC to ensure that the Risol Endul business runs smoothly, efficiently, and grows.

This activity of determining key activities is the basis for achieving the company's goals. The role and importance of determining key activities in the risol business are as follows:

1. Consistent and Quality Risol Endul Production: Production is one of the important activities in the Risol Endul sales business. All aspects of making risol are included in this activity, from the selection of raw materials to the processing process. Product quality and consistency are very important in the food business to win the competition in the market. Business owners can ensure that the risol products produced are not only delicious but also safe and of high quality by having a clear focus on the production process. A strict quality control process in the production process can prevent products from being damaged or not meeting the standards that have been set. In addition, innovating in product development, such as creating new variants of risol, is also an important activity that can increase the income of bidders.

2. Effective Marketing to Reach a Wider Market: One of the most important activities is marketing. For Risol Endul, successful marketing allows this product to be widely known in Medan City. Well-planned marketing activities will increase sales and make the product easier to find by customers.

The use of social media, discounts, and direct-to-consumer advertising are some of the marketing approaches that should be implemented. In today's internet age, utilizing web platforms such as Instagram or Facebook can be a very effective method of reaching a larger audience. In addition, product success in the market is supported by strong branding, such as attractive and consistent packaging design.

3. Proper Distribution to Ensure Products Reach Customers: Distribution is another important activity that helps the risol business run smoothly. Distribution must be done properly to ensure the products reach the hands of customers in good condition. Managing logistics is part of the job. This includes choosing the right shipping method and working with shipping providers.

For businesses that sell goods directly in stores or outlets, it is very important to choose the right location to attract customers. Cooperating with resellers or restaurants can also expand distribution reach and open up new market opportunities.

4. Proper Financial Management to Ensure Business Continuity: Successful financial management relies heavily on critical activities such as budget planning and efficient resource management. Risole businesses must avoid waste in terms of raw materials, production, marketing, and distribution. A thorough budget planning will help the company survive and thrive in the long run. In addition, good financial management is essential to avoid financial problems that can disrupt operations, such as debt repayment problems or lack of capital.

5. Satisfactory Customer Service to Increase Loyalty: Apart from making and delivering the risol, providing good customer service is one of the important tasks to keep in mind. A successful business is not only about selling goods, but also the way they relate to their customers.

Addressing customer complaints, providing quick responses, and implementing loyalty programs can build long-term relationships with customers. Programs such as discounts or rewards for customers who frequently purchase products can increase customer satisfaction and loyalty, which in turn will result in increased sales.

6. Operational Efficiency and Business Innovation: Implementing Key Activities in BMC improves operational efficiency. Businesses can avoid duplicate work or waste of resources by organizing each key activity, such as production, marketing, distribution, and finance. Teams can work faster and more productively with well-organized tasks.

To remain competitive in a dynamic market, Risol Endul's business must continue to innovate in its various key activities. This can differentiate a business from competitors with product innovation or new marketing methods.

Conclusion

The implementation of the "Key Activities" component in the Business Model Canvas (BMC) has proven to be successful in increasing sales and operational efficiency of the Risol Endul business in Medan City. Through the management of key activities such as quality production, effective marketing, organized distribution, good financial management, and satisfactory customer service, this business is able to face market challenges better and increase its competitiveness. This strategy is also relevant for other small and medium enterprises (SMEs) that want to achieve long-term sustainability and growth.

Customer loyalty is a customer's commitment to continue using a particular company's products or services in the long term, even in the midst of intense competition. This loyalty is reflected in the behavior of customers who routinely make repeat purchases, try other products from the same company, recommend products to others, and their resistance to the temptation to switch to competitors' products. In a business context, customer loyalty is key to a company's success because it can increase profits at a lower cost than acquiring new customers. Factors that influence this loyalty include product quality, service quality, product innovation, and company reputation. Therefore, building and maintaining customer loyalty is a strategic effort that requires a long-term, mutually beneficial relationship between the company and its customers.

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