# IMPLEMENTATION OF THE KLIK QUICK APPLICATION AS A SERVICE DELIVERY ORDER SYSTEM TO CREATE VALUE PROPOSITIONS ON THE BUSINESS MODEL CANVAS (CASE STUDY IN KEDAI LANBAU)

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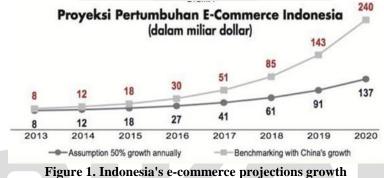
#### Abstract

The phenomenon of the development of online shopping in Indonesia which is enlivened with various types of products, online shopping activities are beginning to increase in the Indonesian community. A large number of startup pops up every year and its users are very fast in Indonesia. One of them gave birth to PT. Klik Quick Indonesia, which is engaged in order systems in collaboration with Kedai Lanbau. The purpose of this study is to examine the delivery order system applied in Klik Quick is able to create a value proposition of the business model canvas in Kedai Lanbau. This study used qualitative research methods. The technique of collecting data is done through observation, interviews, and documentation. Interviews were conducted on 3 informants at PT. Klik Quick Indonesia and Kedai Lanbau also documentation, data obtained from the media and directly by the author. This study focuses on the value proposition of the business model canvas which consists of 11 dimensions in its application. This research can be used by the Klik Quick application as a review of the process of creating value propositions on the canvas business model in Kedai Lanbau.

Keywords : business model canvas, value proposition, delivery order system

## 1. Introduction

The development of the digital era is happening can support the progress of business activities in Indonesia. The phenomenon of the development of online shopping in Indonesia which is enlivened with various types of products, online shopping activities are beginning to increase in the Indonesian community. Seeing this phenomenon, business people see a huge opportunity to develop more businesses to get the desired benefits. This can be seen from the growth of e-commerce in Indonesia which is presented as follows:



Source : Indonesian Internet Service Provider Association (2018)

Referring to figure 1, it seems clear that the development of the internet-based e-commerce business has experienced a significant increase from year to year. A large number of startup pops up every year and its users are very fast in Indonesia. One of them gave birth to PT. Klik Quick Indonesia, which is engaged in order systems in collaboration with Kedai Lanbau. The Klik Quick application focuses on remote areas starting from the Tasikmalaya area. Since it was founded in 2015, Klik Quick has a problem in its introduction process because it is only starting to be recognized in 2017 in the Tasikmalaya area. The Klik Quick application makes a focus change which is to become an food delivery system. In the Tasikmalaya area, there is a restaurant that has long been established namely Kedai Lanbau. Although Kedai Lanbau has long been established in the Tasikmalaya area, revenue only relies on customers who come directly.

By relying solely on customers who come directly, the sales revenue of Kedai Lanbau depends on the situation of the customers themselves. The sales of Kedai Lanbau were unstable, the decline and increase were not in line with expectations. Seeing this situation, Kedai Lanbau collaboration with the Klik Quick application as a delivery order system. During the collaboration in 2018, the income of Kedai Lanbau began to increase in addition to customers who came directly but there was revenue from the food delivery service ordered through the Klik Quick application.

## 2. Literature Review/Material and Processed/Design

## 2.1. Literature Review

#### 2.1.1. Enterpreneurship

According to Suryana (2008), entrepreneurship is creative and innovative abilities that are used as the basis, tips, and resources to look for opportunities to succeed. Creativity is the ability to create new ideas by combining, changing, or reconstructing old ideas. "While innovation is the application of the discovery of a new production process or the introduction of a new product. "An attitude to create something new and valuable for yourself and others. Entrepreneurship is not only about seeking personal gain but also must have a social value". The understanding of entrepreneurship is an application of innovation and creativity in creating new products. Every person must change the old ideas that conventionally become more modern by having a high social value and remain sensitive to the opportunities that exist to create a product or business.

# 2.1.2. Digital Enterpreneurship

The theory of Hull et al. (2007), "digital entrepreneurship is a sub-category of entrepreneurship in which some or all of what will become physical in traditional organizations has been digitized. Digital entrepreneurs face many differences compared to traditional entrepreneurs. The agent leverages digital technology and seeks and acts on these opportunities within the marketplace in effect increasing efficiency by moving the economy closer to the technological frontier.

#### 2.1.3. Business Model Canvas

A business model illustrates the rationale for an organization that creates, gives and captures the value of nine blocks of a business model are components as a practical and effective innovation technique that makes a company able to compete by having a value that can be seeded. Nine blocks from the business model are customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structures. (Osterwalder and Pigneur, 2010: 14). Based on the understanding of Business Model Canvas from various sources, it can be concluded that business model canvas is nine business strategies for companies to find, maintain and maintain regular customers and always innovate new to create new things so that the company is long-lived. Business model canvas element (Osterwalder & Pigneur, 2010) as follows :

1) Customer Segment

Customer Segment is a customer, one of the keys to business success.

2) Value Proposition

The value proposition is to create different consumer segment values by combining the elements needed by each segment.

3) Channel

Channels are customer touch points that play an important role in the customer experience.

4) Customer Relationship

Customer relationship is an element in which a company establishes a bond with its customers.

5) Revenue Stream

Revenue streams are the flow of income that an organization or company receives from each customer segment.

6) Key Resources

Key Resources (key factors) describe important assets/resources that shape the company's business model.

7) Key Activities

A key activity is a key activity in running the company's business model to create products and services.

8) Key Partnership

The company can make alliance partnerships with key partners to optimize business, minimize risk, and have higher competitiveness than its competitors.

 Cost Structure Costs can be calculated properly after the company can determine resource costs, main activities and partnership costs.

#### 2.1.4. Value Proposition

A value proposition is to create different consumer segment values by combining the elements needed by each segment. Values can be quantitative, such as price or qualitative, such as customer design and experience. (Osterwalder & Pigneur, 2010, p.23). The value proposition is a series of benefits that companies offer to the customer to meet needs. The value of an intangible value with an offer. Offer can

be a combination of product, service, information, and experience. (Kotler and Keller, 2012, p.10). Dimension of Value Proposition as follows :

- 1) Newness
- 2) Performance
- 3) Customization
- 4) Getting the job done
- 5) Design
- 6) Brand/Status
- 7) Price
- 8) Cost Reduction
- 9) Risk Reduction
- 10) Accessibility
- 11) Convenience/Usabiliy

#### 2.1.5. Delivery Order System

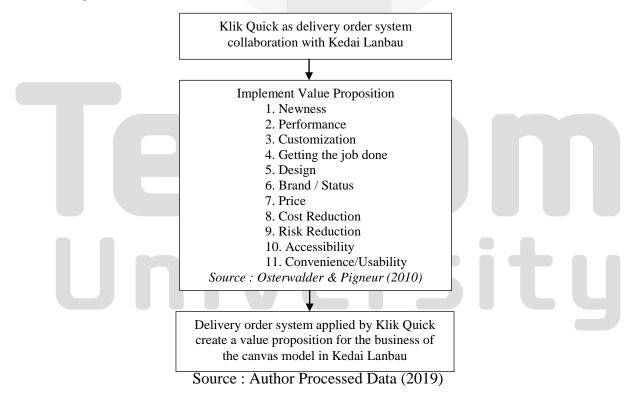
Delivery order system is where meals are delivered at home of the person who orders the meals". Sudhir Andrews (2009) but according to Kaye Chon dan Thomas A. Maier (2010). "Delivery service is where prepared food is brought to the customer's home". Delivery service relies heavily on telephone orders, with an increasing number of restaurants accepting delivery order via the internet." Regina S. Barbaran dan Joseph F. Durocher (2010). The writer concludes that the notion of delivery order is an activity and service where customers order products provided by producers using communication media via telephone or internet then ordered products will be delivered to the destination of customers ordering without customers needing to come and meet directly with the seller/producer.

#### **2.1.6.** Service Science

Service science is short for Service Science, Management, Engineering, and Design, also known as SSMED. It began as a 'call to action,' focusing academics, businesses, and governments on the need for research and education in areas related to service (Chesbrough, 2004). After all, the service sector (as traditionally measured) has grown to be the largest share of gross domestic product and employment for all major industrialized countries (Spohrer and Maglio, 2008). There are four main fields as the focus of service science: business strategy, business process, human resources, and fundamental technology.

## 2.2. Conceptual Framework

The following is a framework of thinking from researchers that can be described in the research thinking flowchart as follows :



#### 2.3. Research Method

This study uses qualitative methods, according to the processed data, describes qualitative research is a research procedure that produces descriptive data in the form of written or oral words from people and observable behavior. The authors use a qualitative research method by directly obtaining data through interviews and observation first so as to obtain descriptive data to draw conclusions. The following variables are described and used in this study is a Value Proposition.

#### 2.4. Data Collection and Data Analysis Technique

Data collection techniques in this study are observation, interview, documentation, and triangulation. After getting the data obtained in this study, then the next step is to process the collected data by analyzing data, describing data, and draw conclusions. To analyze this data using qualitative data analysis techniques, because the data obtained is a collection of information. Activities in analyzing qualitative data include data reduction, data display, and conclusion drawing.

#### 3. Result and Discussion

#### 3.1. Characteristics of Respondents

In this study, interviews were conducted with three speakers who will provide an overview of the delivery order system applied in Klik Quick to create a value proposition for the business model canvas in Kedai Lanbau. The two resource persons are as follows:

I I I I I I I I I I I I I I I I I I I		
1)	Name	: Muhammad Fajar Dwi, ST
	Place of birth	: Ciamis, 2 December 1994
	Age	: 24 years old
	Phone Number	: 083827823293
	Email	: <u>mfajar.dwi@gmail.com</u>
	Last education	: Bachelor of Informatics Engineering
	Position	: Manager of Branch Partner Klik Quick
2)	Name	: Nazar Lipur Nugraha, SE
	Place of birth	: Tasikmalaya, September 5, 1991
	Age	: 27 years old
	Phone Number	: 085223978089
	Email	: <u>zarlipur@yahoo.co.id</u>
	Last education	: Bachelor of Management
	Position	: Head of Business Partner Klik Quick
3)	Name	: dr. Khilda Fauziyah
	Place of birth	: Tasikmalaya, 19 August, 1993
	Age	: 23 years old
	Phone Number	: 081320002474
	Email	: <u>khilda.fauziyah@gmail.com</u>
	Last education	: Medical Degree
	Position	: Owner of Kedai Lanbau

## 3.2. Research Results

#### 3.2.1. Newness

Newness has not been implemented by PT. Klik Quick Indonesia in its application as a delivery order system in Kedai Lanbau, which has not yet optimized cooperation with branch partners. This is due to the development of branch partners continues to be carried out in the last 3 months but still does not have products that are not yet on the market and are unique and still follow their competitors. based on the results of interviews regarding Newness, it can be concluded that PT. Klik Quick Indonesia has not fully been able to maximize the application of the newness dimension in the canvas business model in Kedai Lanbau. And the newness dimension of the Klik Quick application has not had a significant effect on sales from the Kedai Lanbau.

## 3.2.2. Performance

The performance of the Klik Quick application that was owned to be applied to the business model canvas in Kedai Lanbau. Klik Quick also implements a program to create value on the elements of performance through improving the performance of Klik Quick applications, giving each employee an individual role and providing targets for each employee to achieve company goals. Then based on the results of interviews regarding performance, it can be concluded that PT. Klik Quick Indonesia has made every effort to implement the performance dimension in the canvas business model Kedai Lanbau. But things were different about performance application Klik Quick in Kedai Lanbau that these dimensions did not have much influence on sales from Kedai Lanbau.

#### **3.2.3.** Customization

The customization of the Klik Quick application that was owned to be applied to the business model canvas in Kedai Lanbau. PT. Klik Quick Indonesia only focused on food service even though had tried fashion, service and even grocery stores. In carrying out customization of PT. Klik Quick Indonesia also provides services to help customers purchasing ability by providing standard operating procedures to rider partners. Then based on the results of interviews regarding customization, it can be concluded that PT. Klik Quick Indonesia has tried customization with targeted market segments. However, this contradicts with the customization dimension of the Klik Quick application has not yet fully influenced the sales from Kedai Lanbau.

## 3.2.4. Getting the job done

The complaint was mostly due to lack of rider partners in the field so that consumers had difficulty getting existing services. PT. Klik Quick Indonesia always continues to strive to find rider partners join as rider partners to success delivery food for customers Kedai Lanbau. PT Klik Quick Indonesia already has a way to run the dimensions of getting the job done for the customers in Kedai Lanbau. Then based on the results of interviews regarding getting the job done, it can be concluded that PT. Klik Quick Indonesia has already trying to run the dimensions of getting the job done in business model canvas in Kedai Lanbau. This agrees with the dimension of getting the job done has not yet been affected by sales from the Kedai Lanbau.

#### 3.2.5. Design

That the application of design to the Klik Quick application is simple and practical so that it is easily understood by consumers. The design is an important element that must be measured. The appearance of the design influences because consumers' desires are security and comfort. That needs to be taken into account by PT. Klik Quick which follows designed the appearance of the Klik Quick application that will be used by consumers from Kedai Lanbau. The results of the interview that the application users of Klik Quick who ordered food and drinks from Kedai Lanbau did not have much influence on their sales of Kedai Lanbau.

#### 3.2.6. Brand/Status

The Klik Quick application is definitely done with a logo that has a large 'Q' symbol that is easily remembered by consumers and the approach is more to the tag line, where our company's tag line is "market place for Then based on the results of interviews regarding brand/status, it can be concluded that PT. Klik Quick Indonesia has tried to give the brand concept to every customer from Kedai Lanbau. food local areas". In addition to this, PT. Klik Quick Indonesia to do branding by using rider partners. The opinion that the Klik Quick application has not created a brand / status that is expected to have an effect on sales from Kedai Lanbau.

#### 3.2.7. Price

In the Klik Quick application the price of food is determined by the merchant as Then based on the results of interviews regarding price, it can be concluded that PT. Klik Quick Indonesia has tried to provide different concepts in terms of price to merchants and customers.well as in Kedai Lanbau, regardless of the price set by Kedai Lanbau will be stated in this application. The price dimension did not have a good influence on sales from Kedai Lanbau.

#### 3.2.8. Cost Reduction

That consumers who want to order food from Kedai Lanbau are given the practicality of ordering and payment and it does not take long to get their food orders. Then based on the results of interviews regarding price, it can be concluded that PT. Klik Quick Indonesia has tried to provide benefits in cost reduction from the side of Kedai Lanbau and customers who order food through the Klik Quick application. The cost reduction effect had not affected the sales of the Kedai Lanbau.

## 3.2.9. Risk Reduction

PT. Klik Quick Indonesia has a division that has respective duties and responsibilities as well as standard operating procedures in carrying out their activities so as to minimize the risks that may occur during operational activities. That the company will make emergency response and immediately run the best solution that has been decided by the company's management in order to overcome the loss of control that occurs. Then based on the results of interviews regarding risk reduction, it can be concluded that PT. Klik Quick Indonesia has provided services in risk reduction in operational activities as a delivery order system from Kedai Lanbau.

#### 3.2.10. Accessibility

The Klik Quick application that is easily accessible for Android and iOs users and also the ease of payment of food ordered through the application also affects consumers' interest in ordering food from Kedai Lanbau. The easier products/services used will be increasingly in demand by consumers. Then based on the results of interviews with N2 regarding accessibility, it can be concluded that PT. Klik Quick

Indonesia has different ways of accessing and applying to merchants and customers who will order food from Kedai Lanbau. The accessibility dimensions provided by the Klik Quick application have not yet affected the sales of the Kedai Lanbau.

## 3.2.11. Convenience/Usability

PT. Klik Quick Indonesia strives to provide comfort with the vehicles used by rider partners, there are separate standards where no smoking, must wear a jacket, helmet. The products consumed but also the services/services provided. Each individual has its own criteria to measure the comfort of a product/service provided. Then based on the results of interviews with N2 regarding accessibility, it can be concluded that PT. Klik Quick Indonesia has provides a lot of convenience/usability in the business model canvas at Kedai Lanbau. The convenience / usability dimensions of the Klik Quick application offered to customers to sales from Kedai Lanbau.

## 4. Conclusions and Recommendations

#### 4.1. Conclusions

The conclusions from the implementation of the research are Klik Quick Application as a service delivery order to create value propositions on the business model canvas in Kedai Lanbau as follows:

1) Newness

The newness has not been implemented by PT. Klik Quick Indonesia in its application as a delivery order system in Kedai Lanbau, which has not yet optimized cooperation with branch partners.

2) Performance

Klik Quick also implements a program to create value on the elements of performance through improving the performance of Klik Quick applications.

3) Customization

PT. Klik Quick Indonesia only focused on food service even though had tried fashion, service and even grocery stores and in carrying out customization.

4) Getting the job done

PT. Klik Quick Indonesia always continues to strive to find rider partners join as rider partners to success delivery food for customers Kedai Lanbau because the complaint was mostly due to lack of rider partners in the field.

5) Design

The application of design to the Klik Quick application is simple and practical so that it is easily understood by consumers.

6) Brand/Status

Klik Quick application is definitely done with a logo that has a large 'Q' symbol and the approach more to the tag line is "market place for food local areas". And also do branding by using rider partners.

7) Price

The Klik Quick application the price of food is determined by the merchant as well as in Kedai Lanbau regardless of the price set by Kedai Lanbau will be stated in this application.

8) Cost Reduction

That consumer who wants to order food using Klik Quick application from Kedai Lanbau are given the practicality of ordering and payment and it does not take long to get their food orders.

9) Risk Reduction

PT. Klik Quick Indonesia has a division that has respective duties and responsibilities to minimize the risks that may occur during operational activities and will make an emergency response and immediately run the best solution in order to overcome the loss of control that occurs.

10) Accessibility

Klik Quick application that is easily accessible for Android and iOs users and also the ease of payment of food ordered through the application also affects consumers' interest in ordering food from Kedai Lanbau.

11) Convenience/Usability

PT. Klik Quick Indonesia strives to provide comfort with the vehicles used by rider partners, there are separate standards where no smoking, must wear a jacket, helmet.

There are 11 dimensions applied in the application Klik Quick as a delivery order system that works in collaboration with Kedai Lanbau. But in the process, these 11 dimensions have not been able to create a value proposition in Kedai Lanbau because Kedai Lanbau has not yet felt a significant influence on the sale of food and beverages at Kedai Lanbau.

#### 4.2. Recommendations

The recommendations in this research as follows :

- 1) The further research can add a wider application of business model canvas such as customer segment, channel, customer relationship, and others that have not been examined in this research.
- 2) The further research on the problems found at PT. Klik Quick Indonesia is like a problem in difficulty in finding a rider partner so that it can overcome these problems.
- 3) PT. Klik Quick Indonesia is expected to have the ability to overcome the problems for looking rider partners and looking for differences in new service products .
- 4) PT. Klik Quick Indonesia expected that can work with other parties such as the government or the other stakeholder in developing service products.

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