SUMMARY

KARTIKA AMALIA SILALAHI. Business Model Analysis in Agribusiness Division of Bank Rakyat Indonesia (BRI) using Canvas Business Model. Supervised by BUNASOR SANIM and SETIADI DJOHAR.

National banking sector is now faced the economic environment that is complex and very volatile. Indonesian economy is affected by the pressure of global crude oil prices that continue to rise and the sluggish of export market to the European countries. Meanwhile in the financial sector, the world is still shrouded by the threat of the negative impact of the financial crisis in European countries, especially in Greece, Spain, Italy and other countries which are still not getting the complete escape from the crisis. This leads to the weakening of world economic growth, from about 3.9 percent in 2010 to 3.8 percent in 2011 and only 3.3 percent in 2012. The economy of developed countries are also at risk of recession so that the countries with strong economic growth such as India and China will increasingly feel the impact. The consequence is that there will be a ripple effect from the economic slowdown of the two giants in Asian economic.

By the time the world economy was hit by the crisis, it turns agricultural sector proved to be the national economic buffer. Experience in multi-dimensional crisis of 1997-1998 has shown that the agricultural sector is very strategic as turbulence reducer and a savior for the national economy.

Bank Rakyat Indonesia, as one of the state-owned bank, in their business activities must be able to carry out its function as an intermediary institution. In its function as a collector of public funds that have excess funds, then the bank will earn some interest based income.

BRI’s credit development is currently focusing on the financing of small medium enterprises (SMEs) and large business loans that are preferred for state owned enterprises (SOEs) and private sectors, especially agribusiness, and infrastructure sectors - other productive sectors (energy, oil and gas, telecommunication). This is in accordance with the corporate plan of BRI that its business focus is on SME segment by 80 percent and sectorally focused funding by 40 percent in the agribusiness sector.

Global competition demands BRI to be more competitive in the face of competition in the provision of credit, including credit in the agricultural sector. One way that can be used in order to explore the potential of Agribusiness Division in order to beat the competition is to have the right business model.

Based on the results of the research in identifying elements of the existing business model in the Agribusiness Division of BRI, it is known that the elements of customer segmentations of BRI's Agribusiness Division is companies or corporations in the field of agribusiness with the types of industries such as palm oil, sugar, poultry, etc. Value proposition offered by BRI Agribusiness Division is excellent service and credit services that embraces the concept of "closed system financing" that is comprehensive from the upstream to downstream (service excellence) and has a wide network (accessibility). Customer relationships of the Agribusiness Division at this time is dedicated personal assistance, which means
that the services performed by the human resources of the Division Agribusiness BRI, in this case is account officer, act as a financial service provider and professional business advisor to the debtor. Channels in the Agribusiness Division of BRI in delivering the value propositions are the entire human resources as the marketing representatives. The main revenue streams of Agribusiness Division BRI is from fee-based income and interest-based income. The key resources are its human resources, information technology and the extensive network which they have. Key activities performed on BRI Agribusiness Division is currently operating services to extend credit to a company or corporation in the field of agribusiness. Key partnerships are comprised of internal party Credit Administration Division of BRI and BRI Credit Risk Analysis Division, while the external part of the business consists of consulting firms and law partner. Cost structures or the structure of the main cost is the cost of education and human resources peatihan, the cost of the visit (monitoring) and the cost of the promotion as well.

Improvements to the business model does not occur in all the elements of the business model of Agribusiness Division of BRI. There are several elements such as customer segmentations, key activities and revenue streams that are already bound by the rules and regulations that exist so it can not be changed. On customer segmentations, additional types of commodities that currently still have a little portion of the portfolio in Agribusiness Division BRI such as the fishing industry. Value propositions can be added to the "fully integrated financing" and product and service customization. Channels, gets the addition of co-operation with the Division of Marketing Communications BRI. Customer relationships, can be added to create a community and automatic service. Key resources, make improvements in the quality of primary resources such as increasing the number of qualified account officers and the addition of the concept of business process that is fast, effective and efficient. Key activities, can be added the activity of market intelligence. Key partnerships, can be added the cooperation with the Division of Marketing Communication and cooperation with agribusiness incubator. Cost structures, activity for the reduction of training costs by holding the banking education institution and certification for banking institutions.

Key words: agribusiness, business model, canvas business model, Bank Rakyat Indonesia