SUMMARY


Waste is a material that no longer used and discharged into nature. Plastic is a variety of waste that has not been handled mostly cause the environmental problems. The plastic waste should not simply handling by easily and quickly disposed, but also must give added value and benefit. Waste should be seen as a resources that can be processed and have economic value as well as being a profitable business. One of the company that took this opportunity is CV. Majestic Buana Group (MBG), located in Bekasi, West Java. This company has processed waste of plastic bottles into plastic mill using the company's own innovation machine. In these conditions, MBG is possible to increase the capacity through business development to capture the availability of raw materials (plastic waste), which continuously grow along with the population increase, lifestyle, and change of consumption pattern. That capability can be used as a basis for the company's business development. One of the MBG laxity to conduct business development is do not have a blue print or a business model as a framework and foundation for the strategic business development.

This study aims to: 1) mapping the MBG business model based on Business Model Canvas (BMC), 2) analyzing the internal and external factors business, 3) evaluating 9 elements of the business model, and 4) designing the business models development using the Blue Ocean Strategy perspective. The study was conducted by descriptive method. The data used were primary data and secondary data. Data collected through observation, interviews, questionnaires and literature review. Sampling was done by non-probability sampling with purposive technique. The respondents were internal (MBG management) and external (experts) with the background as the practitioners and academicians/researchers.

The results showed MBG has four sub-groups: 1) Majestic Buana Cipta Cemerlang which focuses on the processing of plastic bottles to be plastic mill, 2) Majestic Buana Cipta Kreasi focuses on the manufacture of machinery, 3) Majestic Buana Cipta Gunas focuses on manufacturing head-broom, and 4) Majestic Buana Mitra Selaras focuses on customer services. MBG has a direction of development knowledge transfer of plastic waste recycling business to society so they also can be success in the plastic waste recycling business. In the future, the company also wants to give 90% of profit to the employees. Overall, MBG revenue trends in 2006-2015 showed an increase despite fluctuations. In 2015, the revenues decreased by 0.03% from the previous year due to the instability of the selling price of plastic mill as the result of global economic downturn so the company had to hold sales.

The MBG business model mapping shows 1) the value propositions a) in plastic mill products are cleanliness and purity, b) in machinery products are the design and performance of the machine, lifetime warranty, free training, market guarantee and image/integrity of the company, and 3) in the product head-broom are purity of raw materials and design, 2) customer segments which are being
targeted by a) the plastic mill are traders, exporters and end users, while b) the machine includes individual consumers, government institutions and private companies, and c) in the products head-broom is broom manufacturer, 3) customer relationships are undertaken include personal services and communities, 4) channels used are direct selling and the news, 5) key activities are the production, services and marketing, 6) key resources needed are physical resources, human resources and intellectual resources, 7) key partners are a supplier of plastic bottles and engine partners, 8) cost structure includes the purchasing of the raw materials, production processes and employees' salaries, 9) revenue streams generated from the sale of products (plastics mill, machinery and head-broom). Based on this business model mapping, the MBG business pattern is unbundling. This business pattern is seen from the three types of businesses that are fundamentally different but integrated each other, that are customer relationships, product innovation and business infrastructure.

Internal factors that affect the business model MBG consists of 4, are 1) the products, affected by the quality, quantity, raw materials, production processes and human resources, 2) customer interface that is influenced by distance, personal ties and information media, 3) infrastructure management considered the most important for MBG is influenced by the existence of human resources skills, number, motivation and reward system (reward) and 4) financial aspect that is influenced by the selling price. The external factors that affect the business model MBG are 28.48% of market power, 25.82% of the power industry, 24.93% of the key trends and 20.77% macro-economic forces.

The rules which were used to develop the MBG business model are the development direction of the company, the evaluation results of nine elements of the business model, environmental analysis, and the used business model pattern. Under these rules, the development of prioritized elements on the key resources, key partners and value propositions. They can be developed gradually and continuously. The 1st business model development can be done through the key resources which appropriate with the company direction to do knowledge transfer to the society. The strategy used is by increasing the capacity of owner through the creation of books and become a speaker at the seminar/training business. The 2nd basic development through key resources is the result of SWOT evaluation that showed major weaknesses and needs to be anticipated by creating a partnership with the waste plastics center. The 3rd development through value propositions are also based on the SWOT evaluation results that shows major strength and great opportunity that should be used to strengthen the business model, by using company expertise to create the machines design of household scale.

Keywords: plastic recycling, business model canvas, blue ocean strategy