AHMAD ARIEF WICAKSONO. The Business Model Analysis Of PT XYZ With Business Model Canvas Approach. Supervised by RIZAL SYARIEF and ONO SUPARNO.

XYZ group is a multinational experienced company that carries out several domestic infrastructure projects as well as the overseas. A huge opportunity and the project value of electrical energy system in Indonesia makes XYZ group, through PT XYZ, execute its various developments of business. Its first business development is to expand the construction of power plant as a main contractor; to enhance selling of its core business on supporting equipments product of oil and gas. The second is investing electrical energy sector as the independent power producer based on renewable energy. PT XYZ then should identify, evaluate, formulate strategic alternatives and determine strategic priorities of development so that obtaining the most appropriate business model as the step to repair and to complete nowadays business model. Some problems faced by PT XYZ are how business model is implemented nowadays by using business model canvas approach, how to formulate strategic alternative for developing business, and how to determine strategic priority in each developing business for inventing the appropriate business model. The goal of this research are to identify business model which has been implemented nowadays by using business model canvas approach, to formulate strategic alternative for developing business, and to determine strategic priority in each developing business for inventing the appropriate business model of PT XYZ.

The method used to identify the business model nowadays of PT XYZ was using business model canvas approach. The next step is formulating strategic alternative for developing business, resulted from matrix: Strength, Weakness, Opportunities, Threats (SWOT) based on nine elements of business model canvas. The result of the formulation of the strategic alternative then needs to be analyzed by using pairwise comparison method in order to determine strategic priority of each business development of PT XYZ.

The result of identifying nine elements of business model canvas of PT XYZ nowadays was done by using observation and focus group discussion followed by internal-expert. Customer segments consisted of oil and gas company, either the state-owned company or the private one, contractor of Engineering, Procurement, Construction (EPC) and Independent Power Producer (IPP). Value propositions were a market leader of pumping unit product, experienced on supporting equipments product of oil and gas more than 25 years, the location of the factory is easy to reach, having complete factory and infrastructure facilities and able to give time product guarantee of 1.5 x standard period. Having three branch offices, full of facilities for working service and maintenance in Pekanbaru, Balikpapan, and Makassar, even having 11 exclusive agents scattered in all over Indonesia as the channels of distribution. Customer relationships have been done through customer loyalty program and customer community development every year. The revenue stream comes from selling of supporting equipments product of oil and gas, job services including engineering design, service and maintenance, fabrication, steel construction, and also the
progress of the construction of power plant (83 MW). Key resources consisted of human resources, factory facilities, branch offices, and credit facilities from banks. Key activities consisted of production activities, service and maintenance, and site construction on the project location. Key partners consisted of supplier, subcontractor, exclusive agent, banks. Cost structure consisted of production, marketing, site construction, investment and development cost.

The result of interview with internal-expert and weight to pairwise comparison method use software expert choice 2000, there were three elements of business model canvas as the priority for first developing business of PT XYZ: key resources weight 0.252, key activities weight 0.240 and key partners weight 0.231. The priorities for second developing business of PT XYZ were key partners weight 0.225, customer segments weight 0.217 and key resources weight 0.215.

In the first business development of PT XYZ, the strategic priority of key resources were recruiting professional and experienced (local or expatriate) human resources who are expert in power plant and right issue of stock for empowering capital structures. The strategic priorities of key activities were empowering project management department and forming risk management department followed by tasks, responsibilities, and authorities in accordance with the needs and characters of power plant project. The strategic priorities of key partners were using the reliable and the experienced consultant in the process of planning and executing project as well as working together with the strategic partners (joint operation).

In the second business development of PT XYZ, the strategic priorities of the element of key partners were working out a closer cooperative program with producers of Crude Palm Oil (CPO) company and the territorial government, and working together with strategic partners on the scheme of joint operation in investing biomasses and biogases power plant. The strategic customer segment was making PT PLN (Persero) as the target of the main customers in preparing electrical energy of biomasses and biogases. The strategic priorities of key resources were making subsidiary company which prepares electrical energy of biomasses and biogases, and to recruit professional and experienced human resources in biomasses and biogases power plant.

Key words: business model canvas, pairwise comparison, SWOT