

FEASIBILITY STUDY OF BUSINESS DEVELOPMENT PT NUSAPATI PRATAMA WITH LEAN STARTUP

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ABSTRACT

Along with the increasing number of motor vehicles, it also increased the number lubricant needs represent an opportunity for vehicle engine lubricants company in Indonesia, PT. Nusapati Pratama. In this regard, the purpose of this study is to prepare a feasibility study on the business development of PT. Primary Nusapati particularly on vehicle servicing workshop as a lubricant distribution channel.

This study uses a questionnaire tools and empathy map to determine customer needs. The validation process performed by the Validation Board to find a solution right business from the perspective of the customer to find the best solution. Based on the feasibility study on the aspects of the market, marketing, technology and operations, resources and partners, that the planned servicing workshop feasible to build. In particular on financial aspects, a score Internal Rate of Return (IRR) of 11.5%, Net Present Value (NPV) of Rp.340 million, Profitability Index (PI) with a value of 1.99, and a Payback Period (PP) on the business plan the workshop will be built will generate a profit after three year and one month. These indicates that business is viable.

Key words: Empathy Map, Lean Startup, Validation Board, Business Model Canvas

1. INTRODUCTION

1.1. Background

Cars are one of the important means of land transport at the present time. Having a car for most communities at the moment like a basic thing which can help them in their activities, especially in the work.

There were an increase in the number of automobiles in Indonesia from 2006 to 2011 is 80,200,781 units. Along with that, it is directly proportional to the increasing need of lubricating car.

The number of market demand for lubricants as well as a growing number of businesses in the Lubricants business makes the competition between each distributor is getting higher and based on the SWOT analysis, the strength (Strength) of the

company is to have adequate production capability, has a nation wide distribution network, offering strength and specifications that suit the needs of the market, have a recommendation from the engine producer. Opportunities (Opportunities) owned by the company is the production of the automotive industry continues to increase, it is just a few a brand that playing at high end market. Based on these, it can be concluded that the chances PT Pratama's Nusapati Scope Lubricant Oil products market is widely open.

1.2 Problem

PT Nusapati Pratama is in the process of developing the sale of branded lubricants (Scope Lubricant). By continuing to educate the market and verifying the performance of the engine oil, PT. Primary Nusapati take

part in the competition lubricant sales in Indonesia.

Based on the increase in the number of motor vehicle sales in Indonesia, the company's short-term strategy and SWOT analysis, PT Nusapati Pratama can take advantage of this opportunity to do the development on sales and distribution in Jakarta.

This research is carried out to identifying the needs of customers in the use of the service car servicing garage, designing a business model canvas car servicing workshop for PT Nusapati Pratama, determine the feasibility of business development projects PT Nusapati Pratama and determining total investment of car servicing garage business to be built.

2. THEORETICAL BACKGROUND

According to Cashmere & Jakfar (2012), it is certain that the establishment of a business or project would provide a variety of benefits or advantages, especially for business owners. In addition, profits and other benefits can also be picked by the various parties in the presence of a business. For example for the wider community, both directly involved in the project as well as those living nearby businesses, including government.

Emory Cooper (1999) states that there are at least four core components of a questionnaire that is required to measure the level of satisfaction. Subject, which the individual or organization that conducts research. Appeal, which is the request of the researcher to the respondents to participate actively filling and objective questions or statements provided. Instructions on filling in questionnaires that are easy to understand and not biased. Questions or statements along with a fill in the answers.

When we want to create the viewpoint of the customer based business model assumptions made, we can use Empathy map which is a tool developed by a

company of visual thinking named XPLANE that can provide it. This tool, can also be called a "simple customer profile maker". The initial stage is to create empathy map raises segment might want to be served by using business models. This was followed by making demographics like what is seen by customers, what customers think, what is heard by the customer, and what was said and done by the customer.

Lean Startup process reduces waste by increasing the frequency of contact with the customer, so that testing can be done and avoid incorrect market assumptions as early as possible. The definition of the concept of lean startup which is a method to minimize the risk in building a business, especially by way of relying iteration (step repetition) of your product to the market to get quality feedback as soon as possible and as often as possible on the market.

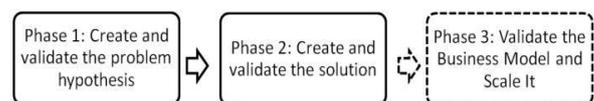


Figure 1. Basic concept of Lean Startup

Validation Board is a tool of Lean Startup method or tool used to measure the invalidity of a measurement of a study or survey. Validation Board is useful to support the Business Model Canvas method, this method is useful for measuring the wishes of customers or customer problems.

Business Model Canvas is a logical business model overview of how an organization creates, delivers, and captures value (Osterwalder, 2010). Canvas business model is split into nine key components, then separated again become a component of the right (creative side) and the left (logical side). Just like the human brain. The nine components are as follows (sorted from right to left).

According to Dr. Husein Umar (2009), Aspects assessed in a feasibility study covering the legal aspects of business, market and marketing aspects, financial aspects, technical aspects / opera-sional,

management and organization, economic and social aspects, as well as aspects of environmental impact. To assess all these aspects need to set up some sort of a team consisting of people from various fields of expertise.

In this research will be carried out a feasibility study based on market aspects, marketing, technology and operations aspects, aspects of the management of resources and partners, and financial aspects.

3. RESEARCH METHOD

Research object of this research is the car workshop services, in this case the questionnaire was distributed in three workshops that have population of cars around the workshop were very high and also the workshops is the workshop of the best in this area.

Sampling was conducted using random sampling techniques (nonprobability samples) with the type of method used is a convenience sampling method, where respondents intended deemed to have represented the target population that is considered sufficient to provide preliminary information representative.

The questionnaire was divided into two parts: the first part, the characteristics of the respondent. This section includes: gender, age, education, past employment, income, and the old subscription. While the second part is the level of interest that are designed based on the concept of SERVQUAL (Service Quality), developed by Parasuraman, Zeithaml, and Berry (1990).

Then, Empathy Map distributed to 50 respondents with direct interviews with respondents. Having analyzed all the statements of 50 respondents by four aspect of the Emphaty Map, then produced the next problem statement concluded to be an overall problem statement.

Next stage is used Validation Board to translate the results of the questionnaire and

empathy map that can solve the problem of respondents and customers which is would be support formulation of Business Model Canvas.

Finally feasibility study based on the business model canvas has been built with several aspects, that is: customer segment, value proposition, customer relationship, channel, key activities, key resource, key partner, cost structure and revenue stream.

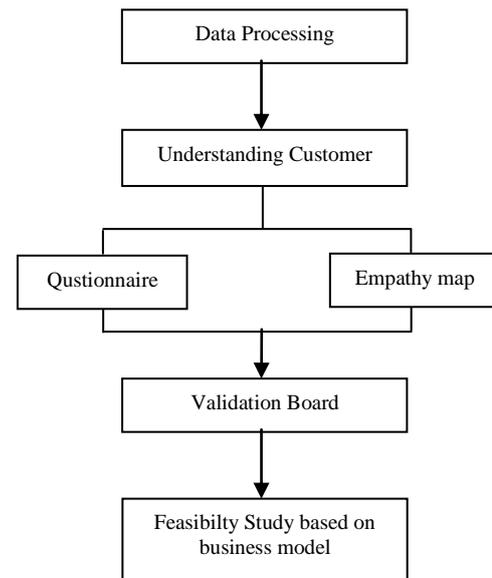


Figure 2. Methodology of Research

4. RESULT AND DISCUSSION

Determining attribute of necessity begin from doing preliminary questionnaire which is aimed to obtain information and to know the attributes expected of customer needs. By conducting interviews with the company, attributes the results obtained 8 according to the company is important in doing business. Through the deployment of a blank questionnaire to 100 visitors workshop.

Based on 10 statement attributes of level of interest, were obtained an average interest of 3.82. It shows that the manufacture of the workshop will focus its efforts in the development of the attributes that are larger than average interest. Respondents said the factors that influence in determining the selection of workshops to be used is a service that offers services for service delivery, competitive prices for vehicle

maintenance, tidiness results service / processing, there are security and confidence in the services provided, and communication both from customers to employees.

The result of the reliability test showed that the instrument for attribute has a number of reliability is very high (Cronbach's alpha = 0877) which is reliable. And result of validity test shown all indicators questionnaire considered valid attribute to be used as a measurement variable.

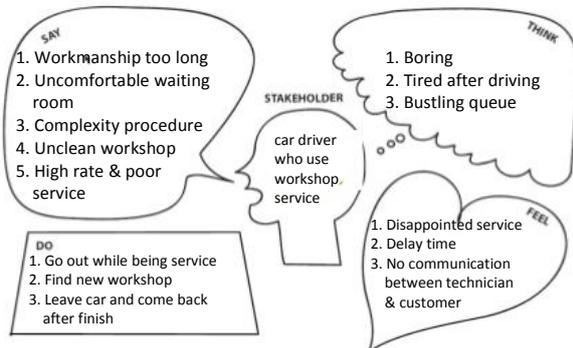


Figure 3. Result of Empathy Map

At the problem statement that is generated by Emphaty Map then concluded that "Users of motor vehicles need a faster way in the works vehicle service due to limited time to wait".

The business has a market segment of the upper middle class who have a personal vehicles and has been using service vehicles. And also vehicle owners who have used the services of a lubricant workshop but want to use it in the near future is quite large potential market.

Based on the customer who has been identified and it can be seen what the needs of the customer through the Validation Board (Figure 6, attachment), furthermore defined value in order to meet customer needs is "Car maintenance workshop with service delivery and service lounge area that can provide productivity while waiting".

The location will be used for the business workshop is the automotive area that very easy to attract riders to choose to serve their cars, then be on roadside of the highway as well as a strategic position.

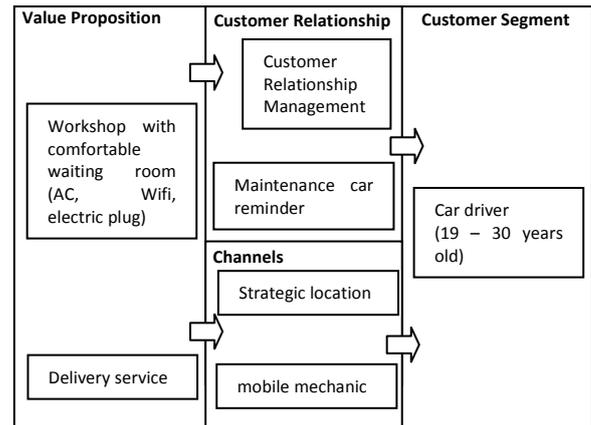


Figure 4. Workshop Customer Relation

At block Customer Relation can be implemented Customer Relationship Management system (CRM) with Call Maintenance Reminder, that is a way of workshops always in touch with the customer - the customer when the customer service time should do. If the customer is unable to serve the car, they could offer shuttle services to customer service.

There are three main activities, two main resources and three important partner from the analysis of business models that can support the workshop to be able to operate.

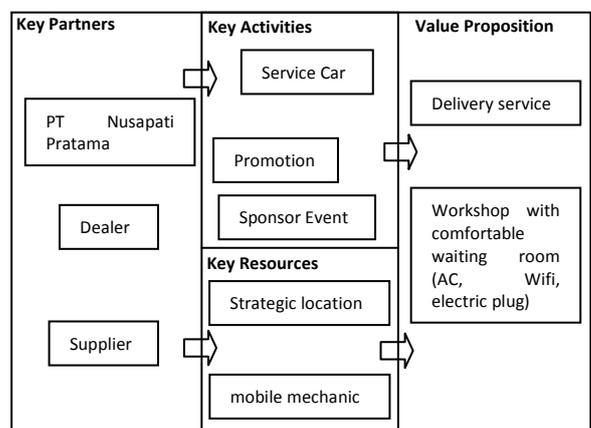


Figure 5. Key Activities, Key Resources, Key Partners

From interviews with the company, are identified a cost structure with the most important cost in running a business model PT Nusapati Pratama is Rp. 1.4 million.

The financial projections made during the next 5 years to determine the viability of the

financial aspects of the views of the variables: Net Present Value (NPV) = Rp 593 million, Internal Rate of Return (IRR) = 33.09 %, Profitability Index (PI) = 1.79, Payback Period (PP) = 3 years 1 month.

5. CONCLUSION

The first perspective of consumers is want to have vehicle servicing workshop with a lounge area which can make consumers be productive in wait, second is workshops has delivery service to consumers.

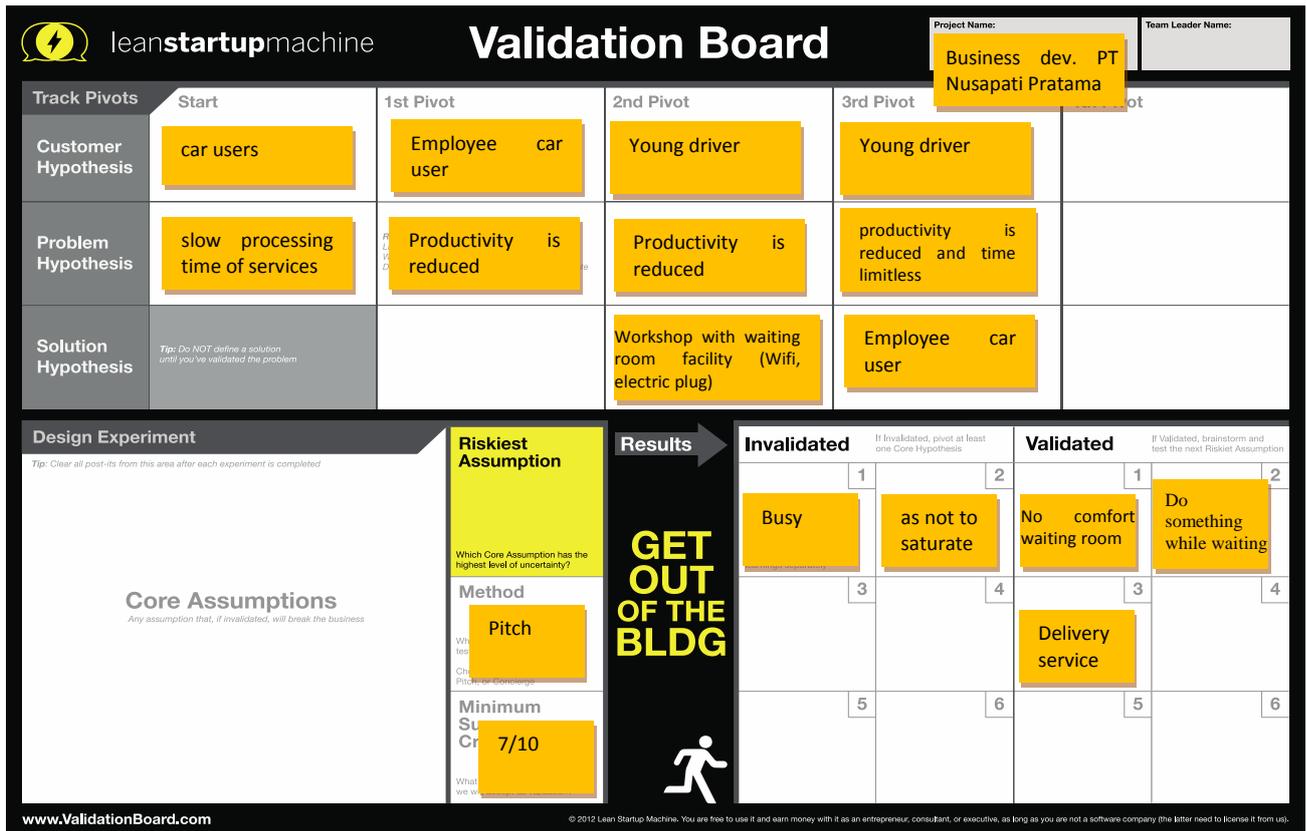
Business Model Canvas also already built for PT Nusapati Pratama. After the feasibility study based on market aspects, marketing, technology and operations aspects, aspects of resources and partners, and costs and financial feasibility aspects then the business is feasible and it cost Rp 1.4 billion.

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Figure 6. The Result of Validation Board