

OPTIMALIZATION OF MARKETING STRATEGY INNOVATION AND BUSINESS MODEL DEVELOPMENT: STUDY OF THE MAY A WATER REFILL DEPOT

Diah Ayu Sanggarwati¹⁾, Sri Lestari²⁾, Miya Dewi Suprihandari³⁾

¹Prodi Manajemen, Sekolah Tinggi Ilmu Ekonomi Mahardhika Surabaya

¹Email: diah.ayusanggarwati@stiemahardhika.ac.id

²Prodi Manajemen, Sekolah Tinggi Ilmu Ekonomi Mahardhika Surabaya

²Email: sri.lestari@stiemahardhika.ac.id

³Prodi Akuntansi, Sekolah Tinggi Ilmu Ekonomi Mahardhika Surabaya

³Email: miyadewi@stiemahardhika.ac.id

Abstract

Small and Medium Enterprises (SMEs) face a growing number of difficult business variables in the fast-paced globalization period, particularly in the face of intense competition and shifting consumer behavior brought on by technological improvements. The MAY refillable drinking water depot, situated in Surabaya, is one SME that has experienced a substantial decline in sales as a result of this rivalry. This article examines MAY Depot's marketing approach, which made use of the 7P marketing mix, SWOT analysis, and the creation of a Business Model Canvas (BMC) to identify creative solutions. This study employs a qualitative descriptive methodology to offer comprehensive insights into MAY Depot's market prospects and business issues. The end objective is to enhance the company's sustainability and competitiveness. It is anticipated that the research's conclusions will offer useful advice to companies in comparable circumstances.

Keywords: Business Model Canvas, Marketing Strategy, SWOT Analysis.

1. INTRODUCTION

Globalization has an impact on every industry, and entrepreneurs who cannot adapt will get left behind in a world of ever more complicated dynamics (Safira Darumawan & Hidayat, 2024). With the advent of the digital era, small and medium-sized enterprises (SMEs) are now confronted with a variety of intricate business difficulties. Increasingly intense rivalry, quick technical advancements, and shifting consumer behavior are a few of these difficulties (Smesta News, 2023). Furthermore, (Zulkarnain, 2024) utilizing recent technical advancements might aid in increasing manufacturing marketplaces and maximizing corporate revenue. In the meanwhile, owners can develop more effective marketing strategies by using market basket analysis with association rules to gain a deeper understanding of customer needs (Halim et al., 2019). A successful marketing plan is essential for business success. Understanding the optimum business strategy framework requires a through understanding of business models.

The goal of marketing management is to achieve long-term corporate success by increasing and preserving exchange value in the target market through a series of planned actions that include analysis, planning, implementation, and control (Sanggarwati et al., 2023). In general, marketing strategy is an approach to goal-achieving marketing (Kotler, 2021). It also has particular target market, placement, and marketing mix tactics. Every firm needs a successful marketing plan (Cacciolatti & Lee, 2016; Oyewobi et al., 2016). One of the various methods used in marketing strategies is the research done by Reynolds and Olson, which explains marketing tactics from the standpoint of the consumer. Adequate marketing strategies that align with the demands of both domestic and global markets have a significant impact on a company's performance (Saldanha et al., 2020).

The marketing mix, according to Kotler and Armstrong in (Astuti, 2022), is a useful tactic that may be applied through four key elements: goods, pricing, promotion, and location. Business actors need to use the 7P marketing mix as an evaluation phase in order to develop a more effective plan. It is crucial to put this blend into practice in order to evaluate the effectiveness of several indicators. For example, it guarantees that the implementation may be completed correctly and acts as a guide for assessing (Kotler, 2021) the marketing mix strategy's implementation (Sopang, 2021). The following are the dimensions of Kotler's 7P Marketing Mix (Dewi et al., 2021):

1. Product.

According to Philip Kotler, a product is anything that can be sold on the market in an effort to satisfy customers' requirements or wants. Put differently, a product is anything that is made available to consumers with the intention of grabbing their interest, promoting purchases, and being used or consumed in order to satisfy their requirements and expectations.

2. Price.

According to Kotler, pricing is the overall value that customers pay to receive the advantages of possessing or utilizing a good or service.

3. Promotion.

Sistaningrum, defines promotion as an endeavour or course of action undertaken by a business to draw in both current and prospective buyers of the goods it sells.

4. Place.

site refers to how items are distributed to customers in relation to the designated location—that is, the site of production.

5. Process.

A sequence of steps done with the intention of converting resources into goods and services is one definition of a process. Furthermore, the approach taken during the process has a direct bearing on how the production process's area is organized and how the product is distributed.

6. People.

Because they contribute significantly to the company's success, high-performing individuals are regarded as an organization's most valuable resource. Workers that contribute as much as possible will benefit the company and foster client loyalty and happiness.

7. Physical Evidence.

Physical evidence, also referred to as customer satisfaction factors, can have an impact on a consumer's decision to purchase and utilize the goods or services provided. The building is one piece of this tangible proof, where the attributes of the business serve as a prerequisite that offers customers more value, particularly for businesses in the service industry.

By developing and putting into practice marketing strategies and using the appropriate marketing mix technique, SMEs can boost sales. Continuous innovation is a means by which small and medium-sized businesses (SMEs) can obtain a competitive edge (Utaminingsih, 2016). Techniques like the Resource Based View (RBV) evaluate benefits by making use of the resources' assets and capabilities (David & David, 2015). Business actors need to have a comprehensive understanding of the market, including their competitors' competitive landscape, available opportunities, and their company's place in it, before they can develop and execute a successful business plan (Firdiana Nur Auliya & Sonja Andarini, 2024). It is important to comprehend an efficient work model before putting business innovation into practice. Businesses can plan more effectively and lower their risk of error by using the Business Model Canvas (BMC) (Ita et al., 2018; Rahayu et al., 2022).

The Company's Business Plan According to (Osterwalder et al., 2017), canvas offers a framework for considering how businesses create, convey, and acquire value. This model, which

consists of nine primary interconnected components, simplifies difficult business concepts and incorporates examination of both internal and external strategies (Jatiningrum et al., 2019). The canvas model is a great tool for rapidly changing or creating a new business model. It combines nine basic elements (customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structures) to simplify complex business concepts and make them easier to understand (Yulia Khoerunnisa & Indah Permatasari, 2023). Company Structure One approach that businesses can employ to assist with strategy formulation is canvas, particularly in the industrial sector (Utari, 2023). In this approach, BMC can clarify key aspects of a business. They are able to describe the sources of income for the company, expenses incurred, major tasks completed, routes for selling goods and services, and more. Furthermore, BMC is appropriate for micro enterprises since it is a simple methodology that rural micro entrepreneurs, who are typically not accustomed to employing quantitative approaches, can easily utilize and comprehend (Sangadah et al., 2021).

Business strategy management is the process of creating a plan based on the vision and mission of an organization. It serves as a roadmap for accomplishing the organization's primary goals through legal implementation. This includes deciding on the leadership structure, highlighting the objectives of the organization, and organizing the steps or efforts necessary to reach these objectives. Furthermore, identifying the target market to be addressed, the people who will be serviced, and the best way to satisfy their demands are critical components of company strategy (Safitri & Syahriza, 2022).

According to Rangkuti (2017) in (Nuryani et al., 2023), a SWOT analysis is a comprehensive method of identifying multiple elements when developing a company's strategy. The SWOT analysis illustrates the opportunities, dangers, and strengths and weaknesses of external and internal forces (Safira Darumawan & Hidayat, 2024). Its descriptive style makes subjective analysis possible. Two individuals within the same organization may have analyzed the four components from different points of view. This is typical as the goal of the SWOT analysis is to offer greater guidance rather than speed when resolving issues (Budi Hasiholan et al., 2021). The SWOT matrix is a technique for strategic decision-making that aims to minimize the company's vulnerabilities and threats while maximizing its opportunities and strengths (Affandi et al., 2022). The SWOT analysis is a strategic planning technique that evaluates many aspects of a project, business, or organization's strengths, weaknesses, opportunities, and threats that may impact the attainment of the project's overall goals (Utsalina & Primandari, 2020). The IFE and EFE matrices are calculated for this investigation using the nine BMC elements as a basis. The process of determining the advantages, disadvantages, opportunities, and dangers is done for every component. While weaknesses point to the company's shortcomings, strengths highlight its advantages. Opportunities are outside elements that the business can take advantage of, such as favorable laws and market trends. Threats, on the other hand, are outside elements like competition and laws that might make doing business more difficult for business actors (Qistiya et al., 2017).

Here, we take MAY Refill Drinking Water Depot's as the object of this research. Its internal and external factors must be categorized and examined before beginning the SWOT matrix analysis. The experts who participated in the study were asked to assess each of the elements' Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) matrices:

1. Determining the MAY Refill Drinking Water Depot's advantages, disadvantages, possibilities, and dangers in order to develop a winning marketing plan and new business models.

2. Add a significance column to make the weight calculating process easier. A scale of 1 denotes insignificance, 2 denotes significance, and 3 denotes very substantial significance, depending on the level of significance of each element (Cahyo Gumilang, 2021).
3. Determine the weight value of each component based on its level of priority. Low relevance is shown by the scores of each major factor, which range from 0.0 to 1.0 (Alam et al., 2018). Each factor's overall significance value is divided by the sum of its individual significance values. The degree of relevance of the factor is then shown by these figures.
4. Calculate the assessment rating, which is the strategic factor's size, on a Likert scale of 1 to 5, with 5 being the least essential to the most significant. Next, the respondents' evaluations are averaged to ascertain each element's rating.
5. Multiply the weight by the rating to determine each factor's score: $\text{score} = \text{weight} \times \text{rating}$. After that, add together each factor to get the final score.
6. For the IFE and EFE values obtained from, $\text{IFE} = \text{Total Strength} - \text{Total Weakness}$, while $\text{EFAS} = \text{Total Opportunities} - \text{Total Threats}$.

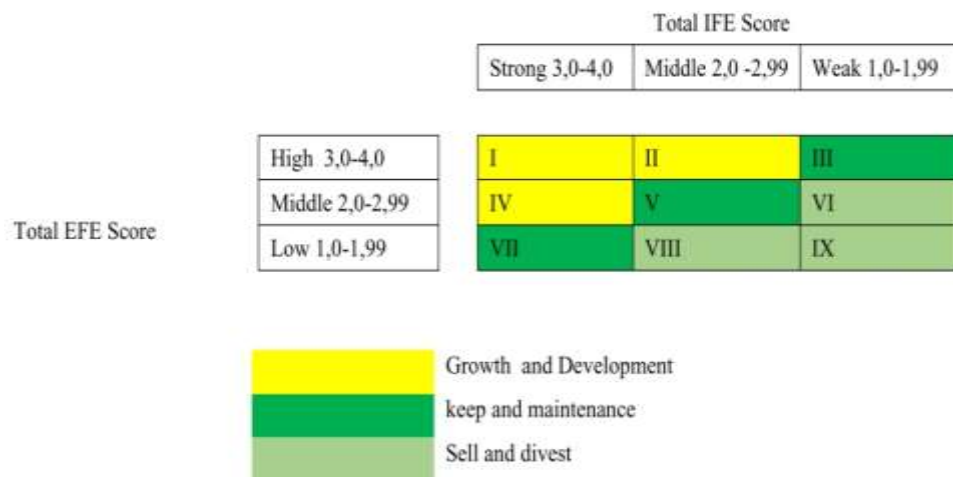


Figure 1. Internal External Matrix (Suhendah et al., 2022).

The IFE and EFE values determine the final scores for internal and external factors. The total The MAY replenish drinking water depot's location is indicated by the IFE and EFE values in the internal-external (IE) matrix, as seen in Figure 2. These quadrants are calculated by deducting the opportunity score from the threat score and the strength score from the weakness score (IFE).



Figure 2. Internal External Matrix Quadrant (Utsalina & Primandari, 2020)(Fajar et al., 2020).

The demand for efficient and practical drinking water is growing, and the refill drinking water industry has a lot of promise. But the abundance of comparable companies has led to intense competition, which has even forced the closure of a number of them. One of these is the MAY drinking water depot, which is struggling with marketing and seeing a fall in sales. It is situated in Jalan Tanah Merah Indah No. 32 Tanah Kali Kedinding, Kenjeran District, Surabaya, East Java. Thus, in order to increase sales, a strong marketing plan and company innovation are essential. to take on the obstacles of growing sales and the complexity of creating a winning marketing plan. Therefore, in the face of business competition, the MAY depot needs to implement successful business development. One issue in and of itself is the presence of price-cutting competitors. Furthermore, this threat could become a major issue for business continuity if you do not employ the appropriate business plan to counter this competition (Nuryani et al., 2023). As a result, creating the ideal business plan is crucial. This is consistent with Susilowati's view, according to which developing the appropriate business model forms the cornerstone of the company plan that is implemented to ensure optimal operation (Susilowati, 2021).

Prior research has primarily concentrated on business marketing strategies that employ SWOT analysis (Astriyani, 2023; Astuti, 2022; Fahmi et al., 2021; Rahmawati & Setiawan, 2022; Rianatullah, 2022; Safitri & Syahriza, 2022) and (Mokoginta & Mananeke, 2019) to evaluate the advantages and disadvantages of various business strategies in order to create a competitive plan. Still, there are not many studies on how SME enterprises develop using the Canvas Business Model, which also uses SWOT analysis to optimize strategy (Nuryani et al., 2023)(Indarsyah et al., 2023), particularly in the refill drinking water industry, which has its own set of peculiarities.

Because market barriers to entry are becoming more and more narrow, this study attempts to give a thorough examination of the marketing strategy that MAY drinking water depot is now using. It is anticipated that this study will also highlight the benefits and drawbacks of the employed approach in order to offer relevant suggestions for boosting sales and competitiveness. In the face of competition, it can help the business develop and survive with a strong marketing plan.

2. RESEARCH METHOD

The condition of natural things is investigated using descriptive qualitative research, which is grounded on post-positivist philosophy (Seixas et al., 2018; Sugiyono, 2021). Researchers serve as both data collectors and instruments in qualitative research. While other instruments like surveys, interviews, and directions for observation can be employed, their function is restricted to providing assistance to the primary objective of the investigator (Affandi et al., 2022). Because informants in qualitative research must match the requirements for suitability and adequacy (appropriateness) of the required data, researchers bear complete responsibility for the selection of informants. Purposive sampling is the process of selecting informants or instances that meet predetermined standards to be used as data sources in research (Dewi et al., 2021; Morgan et al., 2012).



Figure 3. Research Object MAY Drinking Water Depot.

The study's focus is the MAY drinking water depot, which is in the refill drinking water business and is located on Jl Tanah Merah Indah No. 32 Tanah Kali Kedinding in the Kenjeran District of Surabaya, East Java. Three types of informants were included in the study: regular customers who make purchases, employees, and business owners. In-depth observations of the operations at the MAY drinking water depot location will also be carried out.

The main sources of data for this research were field observations, documentation, and interviews with consumers, staff members, and the MAY drinking water depot owner. While secondary data draws from a variety of sources, such as linked business actors' data and publications, books, journals, the internet, theses, expert opinions, and the mass media.

Based on the initial business conditions, the SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis is implemented using the marketing mix analysis in this study. An overview of the dangers, opportunities, weaknesses, and strengths is intended to help in problem understanding and threat mitigation (Nuryani et al., 2023). In the meantime, the author of this study employs the Business paradigm Canvas (BMC) development paradigm, which is thought to be highly successful in enhancing proficiency and maximizing resources via SWOT analysis (Alifiyah, 2022). By applying the nine BMC blocks—Customer Segments, Value Propositions, Channels, Customer Relationship, Revenue Streams, Key Resources, Key Activities, Key Partnership, and Cost Structure—the new canvas business model that is presented here should assist the MAY refill drinking water depot in putting the required marketing strategies into practice (Amalia, 2020; Osterwalder et al., 2017).

3. RESULT AND DISCUSSION

3.1 Marketing Strategy Implemented at the MAY Refill Drinking Water Depot.

The interview's findings demonstrated that at first, the MAY refill drinking water company's only marketing strategies were word-of-mouth advertising and collaboration with surrounding retailers. However, the sales goal has not been met. Depot MAY has created a through marketing plan for refill drinking water that takes into account a number of the 7P marketing mix components, including the following:

1. Product.

Customers take into account a company's product strategy when judging if a product is high-quality and worth purchasing. Water quality is another top priority for Depot MAY's refill drinking water solutions. They make sure that the spring water they use is from the mountains. Strict filtration and sterilizing procedures are also used to keep the water safe and clean. This

benefit keeps customers loyal. Furthermore, accreditation from affiliated institutions adds value and boosts consumer trust in the Caliber of the goods being sold.

2. Price.

Because it places a higher priority on water quality than its competitors, Depot MAY replenish drinking water sets a somewhat higher price. This greater cost is reasonable, though, considering the value offered, the availability of delivery services, and the superior quality of the water. This demonstrates Depot MAY's increased emphasis on a value-based pricing approach. The idea is that, even if the profit per transaction is tiny, they make a lot of sales and a small profit, which keeps things running smoothly and the quality of the water unaffected. Every transaction requires direct payment from the consumer in order for the production process to function.

3. Place.

Place refers to the location where clients will get the merchandise. However, the MAY replenish drinking water depot is situated at Jl Tanah Merah Indah No. 32 Tanah Kali Kedinding, Kenjeran District, Surabaya, East Java, which is near the Rusunawa region and in a heavily populated residential neighbourhoods. This facility serves as a venue for product promotion in addition to being a place of production. Refillable drinking water must adhere to strict requirements of hygienic practices and cleanliness. As a result, the MAY Depot gives production-related hygiene top priority. Customers have three options for placing orders during product marketing: over the phone, in-person, or delivery services.

4. Promotion.

In order to increase sales volume, promotion is also known as the process of introducing a product to consumers so they can remember it or be reminded of it. This allows customers to recall and make additional purchases. Sales-boosting promotions include giving away one free gallon on Fridays to every family card that can be used in-store, working with other companies and retailers, and utilizing word-of-mouth marketing. Additionally, the store offers a return service for unclean or damaged gallons in addition to 5–10 Gallon lending facilities. According to the interview's findings, a number of patrons expressed satisfaction with the water's quality, saying it was excellent. According to the interview's findings, a number of consumers expressed satisfaction with the water's quality, praising it for being nice, fresh, and odourless. Indeed, those who possess instruments for measuring the water's pH. Furthermore, it is well recognized that Depot MAY water has nearly the same quality as bottled water, demonstrating the high Caliber of replenish drinking water. The program demonstrates its adaptability and dedication to creating enduring relationships with clients.

5. People.

The MAY replenish drinking water depot has a customer-first approach to its business model. Good customer service can leave a good image and satisfy customers, which in turn encourages them to come back. Employees must be able to communicate effectively in order for customers to feel free to offer feedback and ask questions. In order to keep clients from moving to competitors, it is critical to respond to criticism well. From the moment consumers purchase water to the time of delivery, MAY Depot staff members are crucial to delivering the finest possible service. According to the findings of the interview, MAY Depot has a number of expectations for customer service, including being on time during business hours, being courteous and honest, and being readily available to serve customers. All of these factors contribute to keeping a favourable impression of the company in the minds of its clients.

6. Process.

The MAY refill water depot's production and distribution procedures are made to guarantee the product's quality and cleanliness throughout the entire process. Upholding quality standards

mostly depends on having a stringent inspection and cleaning procedure in place before the product is distributed to customers. The owner was interviewed regarding the water utilized, and the findings of that interview indicated that placing an order for water from CV Tirta Giri, a clean water provider, is the first step. Water from Claket Village's mountain springs in Mojokerto's Pacet District is available for IDR 400,000 per tank. Following collection, the water is moved to a reservoir for purification. It needs to be well cleaned before filling to guarantee that the gallons utilized stay clean on the inside as well as the outside. Items that are prepared to be delivered to the marketing platform and, after the procedure is finished, sold in different stores. Because there is a cost difference between the two options, the customer's choice to have items delivered to their location or pick them up in person has a significant impact on the price in the marketing business. Cleaning is another thing that the MAY replenish drinking water depot takes very seriously. from the quantity of gallons used, the cleanliness of the water before to usage, and the quality of the water supplied.

7. Physical Evidence.

Physical proof may pique the attention of buyers in purchasing the products. Marketing plays a critical role as a supporting facility for the MAY replenish drinking water depot. because they are able to supply goods in accordance with what customers want. The owner's interviews revealed that the MAY Depot offers gallon lending capabilities and delivery services, which not only facilitate customer convenience but also help small businesses by ensuring stock availability. Through this strategy, it is able to differentiate itself from competitors and fortify its position in the market.

3.2 Business Model Canvas (BMC) of MAY Refill Drinking Water Depot in the Early Stage.

The MAY Depot canvas business model as of right now is based on the findings of interviews conducted utilizing the earlier 7P marketing mix indicators:

(1) Key Partners	(2) Key Activities	(3) Value Propositions	(4) Customer Relationships	(5) Customer Segments
1. Clean water supplier 2. Distributor of gallons and supporting equipment 3. Water filling machine technician 4. Local government for permits and regulations 5. Delivery service provider	1. Drinking water filling and distribution 2. Water quality supervision and equipment maintenance 3. Promotion and marketing of services 4. Customer relationship management	1. Clean and hygienic drinking water 2. Affordable price 3. Fast and on-time delivery 4. Easily accessible gallon refill service	1. Responsive customer service 2. Loyalty programs and discounts for repeat customers 3. Direct interaction in-store and social media 4. Technical support and after-sales service	1. Households around the business area 2. Small shops and restaurants 3. Local offices and institutions 4. Health-conscious customers
	(6) Key Resources		(7) Channels	
	1. Water filling machine and equipment 2. Quality clean water source 3. Skilled employees 4. Distribution and delivery network 5. Operating capital		1. Physical store 2. Direct delivery to customers' homes 3. Marketing through social media and local advertising 4. Collaboration with neighborhood stalls or grocery stores	
(8) Cost Structure		(9) Revenue Streams		
1. Water purchase and treatment costs 2. Premises rental and utility costs 3. Machinery procurement and maintenance costs 4. Employee salary 5. Promotion and marketing costs		1. Sales of refillable drinking water 2. Rental of gallons and equipment 3. Paid delivery service 4. Sales of related products, such as dispensers		

Figure 4. Current Business Model Canvas of MAY Refill Drinking Water Depot.

Important aspects can be recognized using SWOT analysis as a strategy for creating marketing strategies at MAY Refill Drinking Water Depot based on the examination of interview findings utilizing the preceding 7P marketing mix indicators. SWOT analysis and the IFE and

EFE matrices are closely related. EFE is made up of opportunity and threat components, whereas IFE is made up of components related to strength and weakness.

A business's development is greatly influenced by both internal and external influences, which stakeholders view as crucial elements of the business environment. By evaluating internal elements such as management, marketing, finance, production and operations, research and development (R&D), and information systems, they carry out business environment analysis. Conversely, management, information systems, and research and development are all included in the examination of the external environment. Nine BMC elements are the source of IFE-EFE analysis. Based on the findings of this assessment, the IFE-EFE matrix—which comprises strengths, weaknesses, opportunities, and threats—is computed and combined. The findings of the respondent analysis are displayed in Tables 1 and 2. An EFE score of 3.02 and an IFE score of 3.15 are displayed in Tables 1 and 2. Cell I displays the business's current status and is indicative of its growth and development, as indicated by the mapping on the IE matrix (Figure 6). Companies in this position face fast market expansion and enjoy a significant competitive advantage. Among the tactics that might be employed are concentric diversification, horizontal integration, product development, market penetration, and market development (Suhendah et al., 2022). The business environment in quadrant I is depicted in (Figure 7). These circumstances suggest that there are more opportunities than dangers and that corporate strengths predominate over shortcomings.

Table 1. IFE Analysis of MAY Refillable Drinking Water Depot.

INTERNAL FACTORS	SIGNIFICANT LEVEL	WEIGHT	RATING	SCORE
STRENGTHS				
1. Water quality is maintained with advanced filtration process.	3	0.078	5	0.388
2. Competitive price compared to bottled water.	3	0.078	4	0.310
3. Strategic and easily accessible business location	3	0.078	4.5	0.349
4. Direct promotion to the surrounding community through brochures and social media.	2.9	0.075	3.5	0.262
5. Experienced operations and service team	2.8	0.072	4.5	0.326
6. Fast and hygienic water filling process.	3	0.078	4.5	0.349
7. Clean and professional storage facilities.	2.9	0.075	4.5	0.337
TOTAL STRENGTHS				2.32
WEAKNESS				
1. Limited product variants	2.8	0.072	2	0.145
2. Low margin profit due to price competition	3	0.078	2.5	0.194
3. Dependent on congested locations for sales volume.	2.5	0.065	2.5	0.161
4. Lack of maximum use of digital marketing.	2.9	0.075	1	0.075
5. Limited manpower who are experts in digital marketing.	2.9	0.075	1	0.075
6. Dependence on technicians for machine maintenance.	2	0.052	2	0.103
7. Equipment that may look simple or less advanced.	2	0.052	1.5	0.078
TOTAL WEAKNESS				0.83
TOTAL		38.7	1.00	3.15
TOTAL STRENGTHS & WEAKNESS				1.49

Table 2. EFE Analysis of MAY Refillable Drinking Water Depot.

EXTERNAL FACTORS	SIGNIFICANT LEVEL	WEIGHT	RATING	SCORE
OPPORTUNITIES				
1. Development of new products such as oxygenated water or infused water.	3	0.072	4.5	0.326
2. Improve margins by offering premium services	3	0.072	4	0.290
3. Expand into other territories with a partnership or franchise model.	2.7	0.065	4.5	0.293
4. Use online platforms for promotion and sales.	2.9	0.070	3	0.210
5. Employee training and skill development in digital marketing.	2.8	0.068	3.5	0.237
6. Automating the filling process for efficiency.	3	0.072	5	0.362
7. Upgrading store appearance and branding to attract customers.	3	0.072	4.5	0.326
TOTAL OPPORTUNITIES				2.04
THREATS				
1. The emergence of new competitors with more advanced technology.	3	0.072	2	0.145
2. Price reductions by competitors that may reduce profit margins	3	0.072	2	0.145
3. Increased cost of renting a strategic location.	3	0.072	2.5	0.181
4. Aggressive marketing campaigns by major competitors.	3	0.072	1.5	0.109
5. Loss of key employees to competitors.	3	0.072	1.5	0.109
6. Disruption of the water supply chain.	3	0.072	2	0.145
7. Improved sanitation standards requiring large investments.	3	0.072	2	0.145
TOTAL THREATS				0.98
TOTAL				3.02
TOTAL OPPORTUNITIES & THREATS				1.07

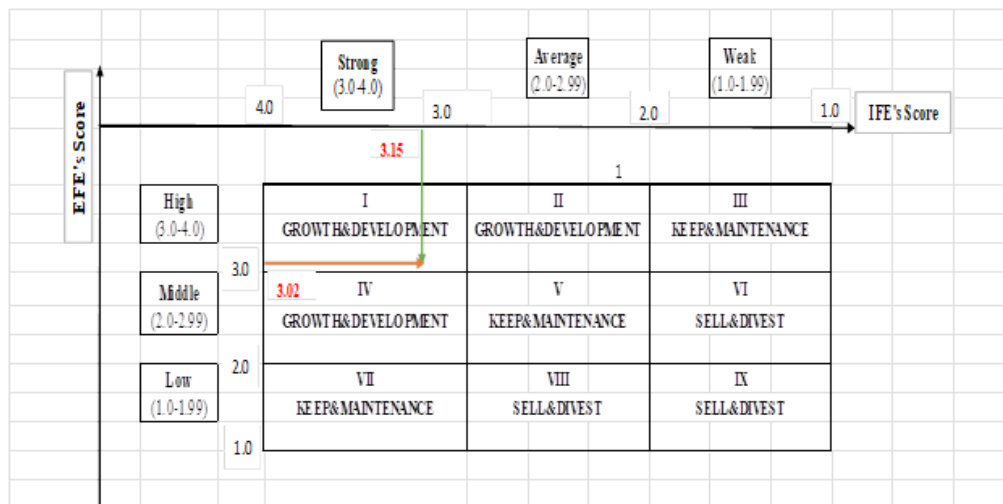


Figure 5. Depot MAY Business Position on the IE Matrix.

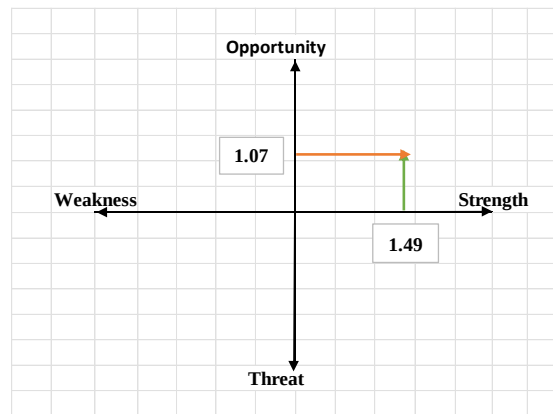


Figure 6. Depot MAY Business Position in the IE Matrix Quadrant.

The MAY replenish drinking water depot firm can enhance its competency and optimize its resources by implementing various recommended strategies, as determined by the SWOT analysis. These strategies include:

1. Product diversification is the introduction of new product variations that target distinct market segments, such infused or oxygenated water.
2. Geographic Expansion: Using a franchise or partnership model to enter new markets and increase geographic reach.
3. Optimizing social media and e-commerce platforms for sales, promotions, and customer interactions is known as digital service improvement.
4. Automation and Efficiency: By automating the water filling and packaging process, new technology can be adopted to increase operational efficiency.
5. Branding and Modernization: Giving the store a more polished, clean look through modern branding helps boost client confidence.
6. Employee Development: To increase teamwork and competitiveness, concentrate on providing employees with training in digital marketing and customer service.

By putting this plan into practice, the new canvas business model should assist the refill drinking water industry in overcoming competition and sustaining growth through ongoing innovation.

3.3 Business Model Canvas (BMC) of MAY Refill Drinking Water Depot in the Final Stage.

The next phase is to develop changes to the nine-element Business Model Canvas after completing the first mapping of the canvas, analyzing the data using SWOT, IFE, and EFE diagrams, and suggesting strategies for each aspect. Nine components make up the newly created Business Model Canvas as a result of this approach. The table below displays new strategy recommendations for each element.

(1) Key Partners	(2) Key Activities	(3) Value Propositions	(4) Customer Relationships	(5) Customer Segments
1. Technology Partners: Engage technology providers for water bottling automation and maintenance to help modernize and streamline processes. 2. Distribution Partners: Expanding the distribution network through partnerships with warung, grocery stores and delivery service providers. 3. Innovative Product Providers: Work with suppliers to develop new products, such as oxygenated water or infused water. 4. Digital marketing partners: Use agencies or freelancers to enhance digital marketing strategies..	1. Product development: Product diversification with oxygenated and infused water options. 2. Operational process modernization: Implementation of technology to automate the bottling process and routine machine maintenance. 3. Strengthen digital marketing: Optimizing marketing through social media, e-commerce and loyalty programs. 4. Expansion and Partnerships: Explore new markets through partnership or franchise models..	1. Quality Assured: Clean, safe and quality assured drinking water with additional innovative product options. 2. Competitive Price: Competitively priced refill services while adding value through premium services. 3. Ease of access: Provide fast and accessible top-up and delivery services through physical stores and online platforms. 4. Better customer experience: Prompt, professional service supported by modern technology for customer convenience.	1. Digital Interaction: Increase interaction through online platforms, applications and social media. 2. Premium Customer Service: Provide personalized and responsive customer service with loyalty programs. 3. Data-driven feedback: Collect and analyze customer data to continuously improve services.	1. Premium segment: Customers looking for high quality drinking water with innovative flavors. 2. Households and offices: Key markets that require daily delivery of drinking water. 3. Digital savvy customers: Consumers who are comfortable with online transactions and digital marketing.
(6) Key Resources		(7) Channels		
1. Technology Resources: Automated machinery, water quality monitoring systems, and digital infrastructure for marketing. 2. Human Resources: Employees with advanced digital marketing and operational skills. 3. Distribution Network: A network of distributors and physical stores to reach more customers. 4. Capital for innovation: Capital to invest in product development and technology.		1. Online Channels: Marketing and selling through websites, social media, and e-commerce. 2. Physical Stores and Partnerships: Physical stores, booths, and local partners as points of sale and distribution. 3. Delivery Service: Direct home delivery service through logistics partners.		
(8) Cost Structure		(9) Revenue Streams		
1. Technology investment: Cost of automation, purchase of advanced equipment and monitoring systems. 2. Product development costs: R&D for innovative and diversified products. 3. Marketing costs: Digital marketing campaigns, loyalty programs and branding. 4. Operational costs: Equipment maintenance, facility rent, utilities, and employee salaries.		1. Sales of innovative products: Revenues from the sale of oxygenated water, infused water and other premium varieties. 2. Refill and Delivery Service: Refillable bottled water with fee-based delivery service options. 3. Loyalty and Membership Program: Generate additional revenue through premium membership programs with exclusive perks.		

Figure 7. Business Model Canvas of MAY Refill Drinking Water Depot Final Proposal.

MAY Refill Drinking Water Depot can: by putting this new Business Model Canvas idea into practice:

1. Leverage Strengths and Opportunities:
 - a. Offer creative variations of your products to draw in new market niches.
 - b. Utilize technology to raise service standards and operational effectiveness so that clients receive greater value.
2. Overcome Weaknesses:
 - a. Boost online sales channels and delivery services to lessen reliance on key sites.
 - b. Boost collaboration abilities in digital marketing to maximize promotions and expand your consumer base.
3. Facing Threats:
 - a. Enhancing the brand and updating the store's aesthetic to set it apart from rivals.
 - b. Preserving a competitive edge by keeping up with product innovations and enhancing customer support to fight with potential new rivals.

This plan should help the MAY replenish drinking water depot become more adept at making the most of its current resources and help it contend with the fierce competition in the market.

4. CONCLUSION

Drawing from the SWOT analysis and the final recommendations of the Business Model Canvas (BMC) for SMEs specialising in refill drinking water, the MAY Depot is deemed to have a solid foundation due to its premium product offerings, competitive pricing, and advantageous location. Nonetheless, the company has excellent prospects for growth through the use of digital marketing, geographical expansion, and product diversification. However, there are internal

issues that need to be addressed in addition to the external ones. Examples of these include the limited selection of products and the ineffectiveness of digital marketing tactics. But it takes a strategic approach to deal with emerging competitors that use more sophisticated technologies and price pressure.

The study's suggestions comprise a number of actions, such as: (1) Product diversification, which involves developing new product iterations like infused or oxygenated water to appeal to various market niches and raise added value. Product diversity can provide customers additional options and less reliance on a single kind of product. (2) Digital Marketing Optimization: Increasing market reach by combining digital marketing techniques such as social media, websites, and e-commerce. Businesses may connect with more customers and reach a larger audience thanks to digital marketing. The third strategy is Operational Process Modernization, which entails installing a more advanced water quality monitoring system and using automation technology in the water filling and packaging process. Modernization has the potential to boost productivity, cut expenses associated with operations, and preserve constant product quality. (4) Enhancing Store Appearance and Branding: modernizing the store's front and enhancing its logo with a more sleek and polished style. Strong branding and an appealing appearance may win over customers' trust and set a company apart from rivals. (5) Human Resource Development and Training: Offering specialized instruction to staff members in the areas of operations, customer support, and digital marketing. Employees with knowledge and skill can improve customer service and make a company more competitive. (6) Geographic Expansion: While upholding operational and quality standards, think about using franchise or partnership models to grow to new areas. This growth has the potential to boost earnings and solidify the company's position in a larger market. It is envisaged that by putting these suggestions into practice, the MAY replenish drinking water depot will be better equipped to seize chances, strengthen internal organizational dynamics, and handle threats from rivals. This strategy will boost market competitiveness and encourage the growth of company innovation.

REFERENCE

- Affandi, A., Savitri, C., Faddila, S. P., Fakultas Ekonomi, M., Bisnis, D., Buana, U., & Karawang, P. (2022). SWOT ANALYSIS OF CIRCLE MOTOCLEAN MOTORCYCLE WASHING BUSINESS BANDUNG. *Jurnal Ekonomi*, 11(01). <http://ejournal.seaninstitute.or.id/index.php/Ekonomi>
- Alam, K., Erdiaw-Kwasie, M. O., Shahiduzzaman, M., & Ryan, B. (2018). Assessing Regional Digital Competence: Digital Futures and Strategic Planning Implications. *Journal of Rural Studies*, 60, 60–69. <https://doi.org/https://10.1016/j.jrurstud.2018.02.009>
- Alifiyah, N. (2022). A Strategy Business Development Strategy Through The Canvas Model Artwork House AL-FALAH Ploso Mojo. *Mabny: Journal of Sharia Management and Business*, 2(01), 201–211. <https://doi.org/https://10.19105/mabny.v2i01.5176>
- Amalia, S. N. (2020). Kenalan Yuk, Sama Business Model Canvas! In F. H. Athaya & P. A. Nugroho (Eds.), *Rintisan (Startup, Talenta Digital, Inovasi)* (Vol. 3). Kominfo.
- Astriyani, R. (2023). *Competitive Strategy with SWOT Analysis to Increase Sales at Mentai Rice Business*. 1(2), 58–66. <https://doi.org/https://doi.org/10.38035/sijdb.v1i2>

- Astuti, H. (2022). Evaluation of the Implementation Marketing Mix and Relationship with Business Development. In *International Journal of Innovative Science and Research Technology* (Vol. 7). <https://doi.org/https://doi.org/10.5281/zenodo.7502776>
- Budi Hasiholan, L., Amboningtyas, D., Banjarsari Barat No, J., Banyumanik, K., & Semarang, K. (2021). Role of SWOT Analysis in Improving Competitiveness in Sambal Special Stall (SS). In *Jurnal Mantik* (Vol. 4, Issue 4). <https://iocscience.org/ejournal/index.php/mantik>
- Cacciolatti, L., & Lee, S. H. (2016). Revisiting The Relationship Between Marketing Capabilities And Firm Performance: The Moderating Role Of Market Orientation, Marketing Strategy And Organisational Power. *Journal of Business Research*, 69(12), 5597–5610. <https://doi.org/https://10.1016/j.jbusres.2016.03.067>
- Cahyo Gumilang, L. (2021). ANALISIS SWOT DALAM MENENTUKAN LANGKAH STRATEGIS PEMBINAAN NARAPIDANA DI RUTAN KELAS I SURAKARTA. *YUME: Journal of Management*, 4(2), 224–234. <https://doi.org/https://10.32503/jmk>
- David, R. F., & David, R. F. (2015). *Strategic Management Concepts and Cases* (15th ed.). Pearson Education Limited.
- Dewi, P. N., Hendriyani, C., & Ramdhani, R. M. (2021). Analisis Implementatasi Strategi Bauran Pemasaran 7P Pada Usaha Bakso Wong Jowo by Tiwi. *JIP (Jurnal Industri Dan Perkotaan)*, 17(2), 6. <https://doi.org/https://10.31258/jip.17.2.6-13>
- Fahmi, Arianti, M., & Irawan, H. (2021). *Business to Business Marketing Strategy Planning for the SME Marketplace of XYZ*. <https://doi.org/https://10.2991/aer.k.210121.004>
- Fajar, A., Putra, P., & Ramadhani, F. (2020). *Strategi Pengembangan Model Bisnis Kluster Industri Tomat Krispi Daumato Berdasarkan Analisis SWOT dan BMC*. <https://doi.org/https://doi.org/10.26905/4211>
- Firdiana Nur Auliya, & Sonja Andarini. (2024). Penerapan Model Bisnis Canvas dalam Mengembangkan Bisnis UMKM Madu Yasa 22 Kota Madiun. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, 5(6). <https://doi.org/https://10.47467/elmal.v5i6.2221>
- Halim, K. K., Halim, S., & Felecia. (2019). Business Intelligence for Designing Restaurant Marketing Strategy: A Case Study. *Procedia Computer Science*, 161, 615–622. <https://doi.org/https://10.1016/j.procs.2019.11.164>.
- Indarsyah, R., Rahman, A., Putrianti, S. D., Stia, P., & Bandung, L. (2023). The Marketing Strategy Model for Eid Cookies At UMKM Ranayya Kitchen Uses The Business Model Canvas (BMC) And Swot Analysis. In *Management Studies and Entrepreneurship Journal* (Vol. 4, Issue 5). <http://journal.yrpiiku.com/index.php/msej>
- Ita, A., Ety, S., & Andi, N. (2018). *Penerapan Business Model Canvas (BMC) Untuk Mendorong Mindset Kewirausahaan di Kalangan Mahasiswa Universitas Islam Malang*. <https://e-equalsmc3.com/alex-osterwalders-business-model-canvas/>

- Jatiningrum, W. S., Astuti, F. H., Sabiq, C. S., Andika, A. L., Adityo, L. B., & Mastrisiswadi, H. (2019). Consumer Preference for Mocaf Packaging using Analytical Hierarchy Process (AHP). *Jurnal Ilmiah Teknik Industri*, 18(2), 153–160. <https://doi.org/https://10.23917/jiti.v18i2.8473>
- Kotler, P., & K. K. (2021). *Marketing Management* (15th Global Edition). Pearson Education Limited. Google Scholar
- Mokoginta, A. A., & Mananeke, L. (2019). IMPEMENTATION OF MARKETING STRATEGY USING SWOT EFFORTS TO INCREASE SALES OF INSURANCE SAVING PRODUCTS IN PT. PRUDENTIAL MANADO BRANCH. *Jorie... 4349 Jurnal EMBA*, 7(3), 4349–4357. <https://doi.org/https://doi.org/10.35794/emba.7.3.2019.25086>
- Morgan, N. A., Katsikeas, C. S., & Vorhies, D. W. (2012). Export Marketing Strategy Implementation, Export Marketing Capabilities, and Export Venture Performance. *Journal of the Academy of Marketing Science*, 40(2), 271–289. <https://doi.org/https://10.1007/s11747-011-0275-0>
- Nuryani, S., Wijaya, F., & Herlinawati, E. (2023). Callie Qudsiyyah's Business Development Strategy Uses SWOT Analysis and The Business Model Canvas. *Journal of Management Science (JMAS)*, 6(1), 30–37. www.exsys.iocspublisher.org/index.php/JMAS
- Osterwalder, A., Pigneur, Y., Clark, T., & Smith, A. (Designer). (2017). *Business Model Generation: A Handbook for Visionaries, Game Changers, And Challengers*.
- Oyewobi, L. O., Windapo, A. O., Rotimi, J. O. B., & Jimoh, R. A. (2016). Relationship Between Competitive Strategy and Construction Organisation Performance. *Management Decision*, 54(9), 2340–2366. <https://doi.org/https://10.1108/MD-01-2016-0040>
- Qistiya, O., Turgarini, D. +, & Sudono, A. (2017). STRATEGI PENGEMBANGAN BISNIS DALAM UPAYA MEINGKATKAN PENJUALAN DI CAFÉ DISTRICT 29. <https://ejournal.upi.edu/index.php/jurel/article/view/8466/5324>
- Rahayu, V. P., Astuti, R. F., Mustangin, M., & Sandy, A. T. (2022). Analisis SWOT dan Business Model Canvas (BMC) Sebagai Solusi dalam Menentukan Strategi Pengembangan Usaha Kuliner. *International Journal of Community Service Learning*, 6(1), 112–121. <https://doi.org/https://10.23887/ijcsl.v6i1.40965>
- Rahmawati, Y. D., & Setiawan, I. (2022). *Business Model Canvas dan Analisis SWOT untuk Meningkatkan Strategi Pemasaran Rumah Batik Anto Djamil*. <https://jurnal.radenfatah.ac.id/index.php/jusifo/article/view/13983/5658>
- Rianatullah, D. (2022). *INTERNATIONAL JOURNAL OF SOCIAL SERVICE AND RESEARCH ANALYSIS OF MARKETING STRATEGIES TO INCREASE SHRIMP SALES AT PT. INDOMINA LANGGENG SEJAHTERA*. <https://ijssr.ridwaninstitute.co.id/index.php/ijssr/>
- Safira Darumawan, G., & Hidayat, A. (2024). International Journal of Business and Quality Research Implementation of Marketing Strategies Using A SWOT Analysis Approach to

- Increase Sales at PT. Digital Tries Indonesia. *International Journal of Business and Quality Research*, 2(3), 139–153. <https://e-journal.citakonsultindo.or.id/index.php/IJBQR>
- Safitri, D., & Syahriza, R. (2022). ANALISIS SWOT STRATEGI PEMASARAN DALAM UPAYA MENINGKATKAN PENJUALAN PRODUK ASURANSI BRILLIANCE HASANAH SEJAHTERA PADA PT. SUNLIFE FINANCIAL SYARIAH CABANG KAPTEN JUMHANA. *JOSR: Journal of Social Research Oktober*, 1(11), 163–172. <http://https://ijsr.internationaljournallabs.com/index.php/ijsr>
- Saldanha, N., Mulye, R., & Rahman, K. (2020). A Strategic View of Celebrity Endorsements Through The Attachment Lens. *Journal of Strategic Marketing*, 28(5), 434–454. <https://doi.org/https://10.1080/0965254X.2018.1534877>
- Sangadah, H. A., Machfud, M., & Anggraeni, E. (2021). Business Model Development of a Fresh Milk Agro-Industry in Rural Areas. *Jurnal Manajemen Dan Agribisnis*. <https://doi.org/https://10.17358/jma.18.2.131>
- Sanggarwati, D. A., Hermawati, E., & Kuswandi, K. (2023). IMPACT OF BRAND IMAGE, PHYSICAL EVIDENCE, DIGITAL PROMOTION, AND PRODUCT QUALITY ON SALES OF MS GLOW PRODUCTS IN SIDOARJO. *Jurnal Manajemen*, 13(1), 78. <https://doi.org/https://10.26460/jm.v13i1.3785>
- Seixas, B. V., Smith, N., & Mitton, C. (2018). The qualitative descriptive approach in international comparative studies: Using online qualitative surveys. *International Journal of Health Policy and Management*, 7(9), 778–781. <https://doi.org/https://10.15171/ijhpm.2017.142>.
- Smesta News. (2023, May 10). *Facing Business Challenges in the Digital Era for Small and Medium Enterprises (SMEs)*. <https://smesta.kemenkopukm.go.id/news/menghadapi-tantangan-bisnis-di-era-digital-untuk-usaha-kecil-menengah-ukm>
- Sopang, F. I. (2021). Analisis Strategi Bauran Pemasaran Eceran (Retail Marketing Mix) Yang Menentukan Tingkat Kepuasan Konsumen Swalayan Maju Bersama. *Cybernetics: Journal Educational Research and Social Studies*, 1–14. <https://doi.org/https://10.51178/cjerss.v2i4.290>
- Sugiyono. (2021). *Metode Penelitian Kuantitatif Kualitatif dan R&D* (3rd ed.). Alfabeta.
- Suhendah, R., Angelina, A., Ricardo, R., & Stevansyah, N. (2022). MSME Business Management and Development with IFE-EFE Matrix. *Journal of Innovation and Community Engagement*, 3(3), 175–188. <https://doi.org/https://10.28932/ice.v3i3.4786>
- Susilowati, I. H. (2021). Pengembangan Bisnis Fashion Muslim Dengan Pendekatan Business Model Canvas (BMC). *Jurnal Perspektif*, 19(2), 113–121. <https://doi.org/https://10.31294/jp.v19i2.11183>
- Utaminingsih, A. (2016). PENGARUH ORIENTASI PASAR, INOVASI, DAN KREATIVITAS STRATEGI PEMASARAN TERHADAP KINERJA PEMASARAN PADA UKM KERAJINAN ROTAN DI DESA TELUK WETAN, WELAHAN, JEPARA. *MEDIA*

EKONOMI DAN MANAJEMEN, 31(2), 77–87.
<https://doi.org/http://dx.doi.org/10.24856/mem.v31i2.411>

- Utari, N. K. M. T. (2023). Implementation of the Business Model Canvas (BMC) and Projection of Financial Analysis as a Solution for the Continuity of Home Industry Activities. *Jurnal Ekonomi & Bisnis JAGADITHA*, 10(1), 98–103.
<https://doi.org/https://10.22225/jj.10.1.2023.98-103>
- Utsalina, D. S., & Primandari, L. A. (2020). ANALISIS SWOT DALAM PENENTUAN BOBOT KRITERIA PADA PEMILIHAN STRATEGI PEMASARAN MENGGUNAKAN ANALYTIC NETWORK PROCESS. *Antivirus: Jurnal Ilmiah Teknik Informatika*, 14(1), 51–60. <https://doi.org/https://10.35457/antivirus.v14i1.889>
- Yulia Khoerunnisa, & Indah Permatasari. (2023). Strategi Peningkatan Komitmen SDM Dan Pengembangan Bisnis Model Canvas (BMC) Kampung Madu KTH Bina Lestari Pasca Pandemi Covid-19. *Maeswara: Jurnal Riset Ilmu Manajemen Dan Kewirausahaan*, 1(3), 37–47. <https://doi.org/https://10.61132/maeswara.v1i3.57>
- Zulkarnain, R. (2024). Pentingnya Digital Marketing Sebagai Strategi Pemasaran UMKM. *ABDIKARYA: Jurnal Pengabdian Dan Pemberdayaan Masyarakat*, 5(02).
<https://doi.org/https://10.47080/abdikarya.v5i02.2938>.