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The HMPSMSTORE Business Development Experiment: An Online Merchandise and Souvenir Store of Perbanas Institute

Tifa Noer Amelia, Sherlilys Silaban & Raffi Ardani

Perbanas Institute, Jakarta, Indonesia

Email: tifanoer@perbanas.id

Abstract

HMPSMstore is a 5-star online business established by the Perbanas Institute student association that is located in Jakarta, Indonesia. This business was initiated by a dream to have a university business incubator that needed a big investment to be conducted offline. Then an idea comes as a solution, a business incubator also can be developed online and using an existing e-commerce platform that is already operated in Indonesia. The product development, supplier, distribution and design are managed by students. So they will have experience in entrepreneurship and an agile personality to face future competition after they graduate. HMPSMstore is an official online store of Perbanas Institute for commercial merchandise and souvenirs.

Keywords: student-preneur, university incubator, business development, merchandise, souvenir

1. Introduction

The product name of the business developed is HMPSMstore. HMPSM stand for *Himpunan Mahasiswa Program Studi Manajemen*. This is a student association at Perbanas Institute, a private university in Jakarta, Indonesia. Type Products sold or produced are commercial merchandise and souvenirs, officially from Perbanas Institute. Segmentation of this product market is quite large, for all ages, men and women. Even though the most frequent customers are alumni and lecturers of Perbanas Institute. From a more detailed point of view, the target market is visitors, guests, and high school graduates who apply as students, students, lecturers, alumni, business partners, staff and families of the Perbanas Institute community. Key features of the business are customized university commercial merchandise for Perbanas Institute. The marketing area is Indonesia. The innovative aspect is the merchandise and souvenirs official for Perbanas Institute, 100% profit to support the outstanding student. User experience factor that can be customized for their product request. Technical specification: high-quality product, so not unique but also useful and durable.

Related to the external support, this business has suppliers from the process when we curated the cheapest and most qualified vendor. So there is no single vendor to make the product stay unique, in good quality, and competitive price. This research describe the journey of HMPSMstore business development to achieve the goal of making profitable business, has social impact, educate student, and develop creativity.

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2. Literature Review

The idea of developing university business is possible due to technological advancement, even though in the middle of maintaining the efficiency and working performance of the management and students. To minimize huge investments in the physical store, employees, and storage, there is a solution to make product marketing run smoothly. Such as talking to customers, collecting preorders and pivoting based on customer feedback, lean startup activities to maintain performance; design a business plan which approach is to improve university performance. Entrepreneurs should engage in some lean startup activities and still write a business plan to create a sustainable business and loyal customer (Welter, Scrimpshire, Tolonen, & Obrimah, 2021). HMPSMstore still running the business to reach profit, has a social aspect, and has a mission to educate the students of Perbanas Institute.

The definition of customer loyalty here is adopted which includes the variables of purchase frequency and amount spent per order or visit. Not only that, HMPSMstore brings nuance on the business model that includes social responsibility because business specialities result a greater customer loyalty than price promotion (Kendrick, 1998). The speciality in here is focused on niche markets and running the core of online business.

Business development is examined and prepared by using the five meta-models consisting of customer-led, cost-driven, resource-led, partnership-led and price-led. This model demonstrate how changing the driver of innovation can lead to distinctly different business model prototypes. A chronological order was derived which outlined the logical sequence of activity within each model, which is not only relevant in understanding each model but also provides a framework from which new prototypes can be designed (Johnson, Wrigley, Straker, & Bucolo, 2013; Wrigley, Bucolo, & Straker, 2016).

3. Research Method

This paper describes the business development process by using the five meta model that consist of customer-led, cost-driven, resource-led, partnership-led and price-led. Five meta-models offer an accessible and provoking framework that provides a new logic for classifying, experimenting and prototyping business model designs. These five meta-models provide a tangible starting point from which a business can begin to explore different perspectives and gain insights into the internal and external capabilities of their company. From the point of view of HMPSMstore, this research fits the narrative of the research experiment on university business development.

4. Finding and Discussion

HMPSMstore is an online store initiated by the student and all the target benefits must be returned to the student. This is a commitment to educate students in developing business ideas, designing practical or useful products, and finding the business vendor that has competitive prices but the best quality. Most issues faced by university merchandise and souvenirs are not durable or useful, and the product is only used for display. So the function of memorable products and promotion is not working. The technology used is the existing e-commerce

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platforms such as Tokopedia, Google My Business, and Instagram, so students can focus on product creativity.

The business working capital is financially supported by Perbanas Institute, and the profit of the sales is 100% will be delivered to the outstanding students of Perbanas Institute in form of scholarships. So besides educating students to be creative, efficient, also motivated to be outstanding in academic and non-academic sectors. One day, when the business is profitable enough, profit will be allocated for product development as well. As long as beneficial to the student.

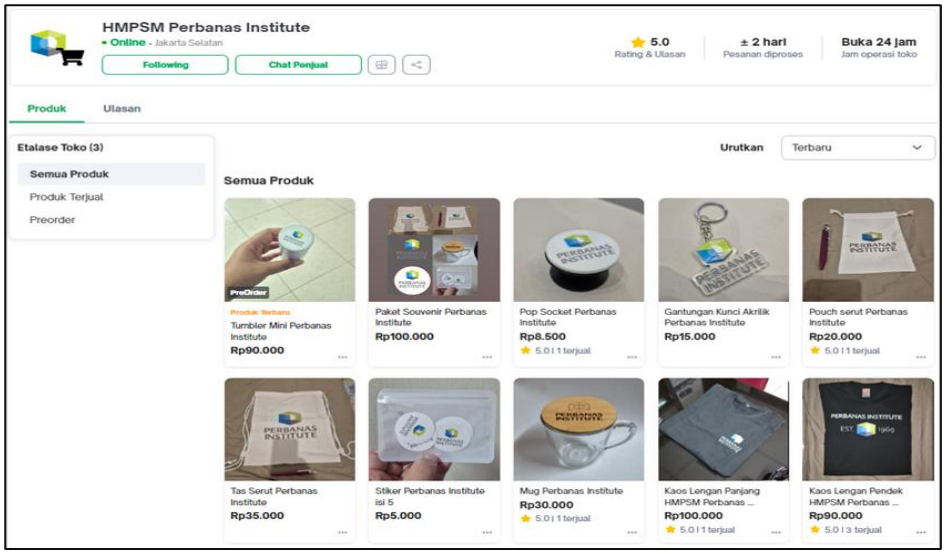


Figure 1. Product Catalog in the E-commerce, Sources: (HMPSM, 2024)

Perbanas Institute was established in 1969, which means over 55 years ago. So the number of alumni is big enough to the one of the market segments. Even the main market segment is current events held by all divisions in Perbanas Institute that require souvenirs or merchandize, The market segment comes from alumni, lecturers, active students, Perbanas Foundation members, and common customers who are welcome to purchase the product through the online platform. For example, the bookstore at the University of Chicago, or Harvard University, has customers from all over the world due to the reputation of the university. HMPSMstore also can be reached by common customers who are interested in collecting the product due to the function, design, or brand image. Figure 1 shows that the business already achieves a 5-star reputation in the online store.

The business started in February 2024 but was initiated in 2020, during pandemic covid-19 and the demand for a university that nationally and internationally accredited. One of key index performance is to prepare the university graduate that is relevant and demanded by the industry. This is one of the efforts that the Perbanas Institute to achieve in reaching the performance goals. The business development uses and starts from the closest circle of Perbanas Institute

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such as the student community, staff, faculty members, alumni, students, stakeholders (include partners and visitors), and student candidate. Figure 2 shows that the product promote of distributed internal first by using the mouth-to-mouth promotion, social media, and the faculty member or student forum.



Figure 2. Promotion Poster

The five meta models as the framework of this paper will lead the business description development that is implemented by HMPSMstore. The structure describes the product, chooses the framework, define the framework stages, see the implementation in the developed business, provide implication, and conclude the research.

Customer-led. During the transaction process, without realizing it, customer go through several considerations before finally making a consumer decision whether to buy the item or not. There are many things to consider before making a transaction, starting from personal assessments and needs, cultural and social factors, price and usability, resulting in consumer decisions in purchasing the goods or products offered. As a business person, both offline and online, understanding these factors can help develop business strategies to reach a wider range of consumer decisions in purchasing goods and increase business sales. If potential consumers have difficulty finding or accessing the platform where you sell, at some point consumers will feel lazy and prefer to look for another shop. Therefore, HMPSMstore make sure the business is easy to access and simplify the options by having durable, qualified, and useful product with mot many variation on each type.

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Cost-driven. Business costs are the amount of money a company spends to produce a product or service. Costs incurred in the production process will be recorded as expenses. Typically, expenses are paid by companies to purchase raw materials; purchase products, equipment and services needed for business operations, purchase equipment, pay for labour, and rent a business premises. In order not to experience losses, companies need to ensure prices so that the Break Even Point is reached. Costs can consist of production costs such as fixed costs and variable costs; promotional costs for advertising and strengthening exposure of the products and services offered; and administrative and general costs such as supplies, equipment, stationery, utilities, and so on. HMPSMstore has operational and production costs that are budgeted annually as part of the study program budget.

Resource-led. Resources that must be considered are financial resources that are related to money or capital to business credit. In this case, finance workers manage company funds and plan company expenses. Human resources (HR) are the key to business development because the role of humans will have an impact on the success of the company's goals. HR is also important in customer service because humans can provide solutions tailored to customer problems. Intellectual resources are a type of resource that is non-physical or intangible. For example, such as product patents, company brands, copyrights on important materials and partnerships. A company's customer data and customer knowledge are also referred to as forms of intellectual resources. Physical resources are referred to as tangible assets that a company uses to create value for its customers, such as aspects of equipment, buildings, factories, offices and other inventory. HMPSMstore finance support is from Perbanas Institute, HR support is from study program staff and student association. Intellectual resources are submitted after one year of business operation through the Directorate General of Intellectual Property - Indonesian Ministry of Law and Human Rights. Physical resources are part of the university startup lab.

Partnership-led. Partnership means parties who work together. However, as reported by Small Business, a partnership is a legal relationship formed based on an agreement by two or more people to run the same business. Partners related to the HMPSMstore supplier are convection vendors and printing companies. The creative and distribution aspect is from student associations.

Price-led. Pricing strategy is a method that companies use to determine their service or product prices. Generally, HMPSMstore will use calculations according to production costs, advertising, and labour, then add a certain percentage so that they will make a profit to support the social aspect in giving back to the student in the form of 100 of business profits are distributed to the outstanding student in form of scholarship.

5. Conclusion

Perbanas Institute is one of the oldest private institutes in Indonesia located in the middle of the dynamic capital city of Indonesia, Jakarta. This is one of the privileges of being involved in a business trend that is near the supplier, distribution company, target market, and all the resources related to the business infrastructures. So a business incubator is a must to develop in university-based idea. HMPSMstore is an online official store for Perbanas Institute merchandise and souvenirs. The business model's purpose is to make a profit and return it to

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the student welfare. Business is segmented mainly to the Perbanas Institute only, when the institution needs souvenirs and merchandise for the guests, visitors, and or exchange students. The target market seems a niche, but powerful number due to the annual spending on souvenirs and merchandise being large enough in Perbanas Institute itself. Customer-led, cost-driven, resource-led, partnership-led and price-led aspect of HMPSMstore is well prepared and supported by university and foundation. Developing a university-based business is not only implementing business theory but also practical. In the future, the business suggest to register the brand to make a strong image and legalize the business to reach sustainable and reputable business. From a research point of view, research must compare after some termin to see the business growth, monthly or annually.

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