

Received : November 31, 2022
Accepted : December 21, 2022
Published : March, 2023

Conference on Community Engagement Project
<https://journal.uib.ac.id/index.php/concept>

THRIFTED BY STEV BUSINESS MODEL DEVELOPMENT

Iwan Suhardjo¹, Stefhanie²

Universitas Internasional Batam

Email of correspondence: iwan.suhardjo@uib.ac.id, 1942081.stefhanie@uib.edu

Abstract

During the fourth digital revolution, more people prefer online shopping. Therefore, the competition between online shops are very strong. A business is established with the aim of generating profit. In order to make a large amount of profit, the process requires skills, development of brand's identity and good stakeholders inside the business. Common problem that faced by a lot of MSMEs (Micro, Small and Medium Enterprises) especially online based is the lack of skills and knowledge to make the business survive and cope through the trends that is forming on social media. Thrifted By Stev is a MSMEs based in Batam that is selling across social media as a medium for selling preloved bags founded in 2019 by Stefhanie. Thrifted By Stev is currently facing the common problem and needs to make a breakthrough. By joining the class from Young Entrepreneur Academy, Thrifted by Stev can make a breakthrough and survives the digital revolution and expand its online based business.

Keywords: *Thrifted by Stev, Micro Small Medium Enterprises, Young Entrepreneur Academy*

Introduction

In this era of digitalization, the interest of people to do shopping online instead of offline have increased drastically. Social media has been very attached to our daily life (Jurnali & Supomo, 2002; Cristiano & Yopie, 2021). Facebook is one of them and currently has 43 millions of users in Indonesia. Facebook is currently used media for selling, digital marketing and many more (Syaharullah et al., 2021). Tik-Tok is also a current phenomenon where the users have increased rapidly in Indonesia with almost 100 millions of users which is above 18 years old. These two social media is enlivening the marketing era and can be used as a tool to sell products within Batam and outside of Batam. With the feature of marketplace and shop in both Facebook and Tik-Tok, it can maximize the profit for MSMEs (Micro, Small, Medium Enterprises) (Piranda *et al.*, 2022). Let alone the rising of the pandemic Covid-19, much attentions have been drawn to the fact that Covid-19 affects MSMEs. Several studies have agreed that Covid-19 affects MSMEs in terms of generating profit. To generate profit, marketing strategies has a very important role. Thrifted by Stev is an online based shop that sells preloved bags and has operated since 2019 based in Batam, Indonesia. The bags that are sold in Thrifted by Stev has a competitive pricing with other competitors. Some of the bags are

vintage so the model is typically unique and are limited. This can be a plus point to attract collectors of bags in Indonesian market. Thrifted by Stev sales turnover is around IDR 50.000.000 per month. Despite having unique selling point, Thrifted by Stev needs to grow and apply current trending marketing strategy. Efforts to be made as a growing MSMEs is to learn marketing and skills for being an entrepreneur by joining classes from Young Entrepreneur Academy. These classes are part of “*MBKM Kewirausahaan*” that is being organized by the program of *Kampus Merdeka*. Young Entrepreneur Academy is an entrepreneur school where they apply the method of 70% practice and 30% theory. As Thrifted by Stev joins the class from Young Entrepreneur Academy, Thrifted by Stev also applies it to real life case that is being carried out every day. Utilizing the use of Facebook and Tik-Tok as a medium for marketing needs to be run with the knowledge of digital marketing using social media. This process needs good skills to raise brand awareness, marketing and how to recruit employees. Perundang-undangan Nomor 20 tahun 2008 that discusses about MSMEs that MSMEs has the goal to make growth in national economy build upon justice democracy. But, in reality owners of MSMEs within the operation has similar problems with others. Common problems that are faced by the owners of MSMEs is lack of knowledge of branding and digital marketing strategy. This problem leads to Thrifted by Stev with having no formal structure that can be used as a tool to expand its business and make decisions within the business. Young Entrepreneur Academy is the key to deliver the knowledge from professionals in entrepreneurship to the owner of Thrifted by Stev. The aim of this project is to expand Thrifted by Stev as a brand. Before Thrifted by Stev was only based solely in Facebook and had only none to simple strategy for marketing for its business. The step to expand Thrifted by Stev to Tik-Tok can increase brand awareness and leads to the goal of increasing overall profit. This strategy includes designing logo, changing personal account to professional account on Facebook, designing invoices and many more. With the growing number of users in both Facebook and Tik-Tok, it can benefit Thrifted by Stev. Below are the objectives to be achieved for this project:

1. Analyzing the current state of business that being run.
2. Designing a transaction system to branding for the online store.
3. Applying the subjects that are given by the professionals from Young Entrepreneur Academy in accordance with the business situation.
4. Increasing the turnover of the business that is being run and instilling the mindset of being an entrepreneur by combining real case study and theory as well as writer being an accounting student.

Methods

References used for this business development that is being run consists of primary data, secondary data and reference data that is obtained through the result of business analysis dan following the class that has been given. Diagnostic analysis of the business is also given to Young Entrepreneur Academy in order to find out the current situation of Thrifted by Stev and adjust the program to fit the situation of each participant of the entrepreneur class. Then followed by the assessment by Young Entrepreneur Academy’s facilitator in carrying out the tasks and projects that has been given. The MSMEs in located in Komplek Oriana Batam Centre Batam, Kepulauan Riau, Indonesia. The author first took part in the selection to participate in the program of *Kewirausahaan* from Young Entrepreneur Academy

on April 7 2022. Prior to the interview, author was directed to fill out business diagnostic provided by Young Entrepreneur Academy (YEA). After being accepted, author joined the class provided by YEA for 6 months. The class consists of 3 months of Virtual YEA and 3 months of mentorship from the professionals. During the classes, author applies it to the business that is being run. The topics that are being delivered during 3 months of Virtual YEA classes were:

- a. *Fondasi Bisnis Berkah*
- b. *FORMULA : Arti dan Aplikasi*
- c. *Pendalaman Materi & Mentoring KS-KD*
- d. *Buka Langsung Laris*
- e. *5 Cara Meningkatkan Keuntungan Usaha*
- f. *Marketing and Promotion (On/Off)*
- g. *Social Media for UMKM*
- h. *Customer Journey*
- i. *Copywriting Formula*
- j. *Rebranding*
- k. *Systemizing*
- l. *Retail Management*
- m. *Service Excellence*
- n. *Revolusi Bisnis Model*

During 3 months of mentorship from YEA, author also participate in competition held by mentors and wins the pitch deck competition. The topics that were given are:

- a. *Legal Aspect*
- b. *Business Competition BLL Formula 1 “ Bidik Pasar Potensial”*
- c. *Business Competition BLL Formula 2 “ Uji Ngangenin”*
- d. *Finance*
- e. *Business Competition BLL Formula 3 “ Kemasan Pertama Diambil”*
- f. *Effective Promotion Competition*

Below are the schedule and plan of the implementation:

Table 1.
Project Schedule

No	Date	Activities
1	7 April, 2022	Interview and filling the business diagnostic provided by YEA
2	4 June, 2022	The start of YEA Virtual class
3	15 June, 2022	Preparation for proposals and report of business development
4	5 July, 2022	Consultation with professor regarding overall process and development of the project being held
5	27 August, 2022	The start of intensive class of MBKM Kewirausahaan with YEA
6	7 October, 2022	Collecting materials of implemented from the classes being held by YEA
7	28 November, 2022	Last project given by YEA during virtual class
8	15 December, 2022	Finalization of business development report

Source: Author (2022)

Below are the budgeting for the business development:

Table 2.
Budget for Business Development

No	Activities	Volume	Unit	Price per unit	Total
1	Canva Membership	1	year	769,000	769,000
2	Logo Design Fee	1	logo	350,000	350,000
3	Internet Package	6	months	75,000	450,000
4	Facebook Ad	30	days	50,000	1,500,000
5	Tools used for Live Stream	5	pcs	150,000	750,000
6	Giveaway	2	voucher	250,000	500,000
7	Souvenir	100	pcs	5,000	500,000
8	Shipping Labels	1000	pcs	150	150,000
9	Transportation	5	times	25,000	125,000
10	Recording	1	times	50,000	50,000
				Total Budget	5,144,000

Source: Author (2022)

Result and Discussion

First of all, improving the branding can improve the buying intentions of new customers (Musay, 2013; Edi & Wati, 2022), an attractive logo is needed. It has to have the characteristics of the business itself. The logo has 3 revisions and the logo below are the final that was selected. Some considerations were made from the process of the making of this logo. The market in Facebook already knows this business as “Stefhanie Niece”, therefore this name is still used. From the logo below, author wants to highlight the impression of luxury but affordable because of the target market of the SMEs is middle to lower class. The use of sans script that has a thin characteristic adds the impression of luxury and elegance. The same logo is also used for the business expansion to Tik-Tok. The only thing added was a marbling background. Below are the final logo:

Picture 1.

Final Logo



Source: Author (2022)

Picture 2.
Tik-Tok Logo



Source: Author (2022)

1) Improvement for the product photo.

The photo of the product that is seen is an important aspect of selling items online. Good photos can attract buyers and improve the purchase interest. According to Fauzi & Lina (2021) product photo displayed have a positive effect to customer's purchase interest. Clean background, bright colour and good lighting source is the key to make a professional product photo. Here is an example of the restyled product photoshoot:

Picture 3.
Before (left) and After (right)



Source: Author (2022)

2) Increasing viewers of Live Broadcast

Selling goods via live broadcast aims to make customers feel closer to the product after seeing and hearing the seller provides the product description and wear test (Kelly & Febriyantoro, 2022). The appearance of the product, host is very important because it increases visualization and interactivity while shopping through the screen. Therefore, a plan was made that aims to increase the number of viewers for the live broadcast. Several things that have been fixed, namely:

- a. The light was too yellow because of the quality of the camera used. Camera was replaced and author bought new lighting in a form of ring light.
- b. Host didn't look presentable.
- c. Adding number of business on top of live streaming.

From the considerations above, author made improvement to increase the number of viewers. Below is the comparison between before and after adjusting some problem faces during live broadcast:

Picture 4.
Before (left) and After (right)



Source: Author (2022)

3) Customer Journey

In improving the customer experience in shopping, author adds some elements to the transaction journey. The additions include the following:

- a. During the live broadcast, admin is on standby in responding the questions from potential buyers
- b. After contacting the buyers after live broadcast, maximum payment time is given. This was inspired by online shopping malls where 2x24 hours was given to complete the payment for transactions. After 2x24 hours the order will be automatically canceled. Thrifted by Stev have added a new invoice design to provide details on what the buyer has purchased.

Picture 5.
New Invoice Design



Source: Author (2022)

- c. New design of shipping labels.

Picture 5.

New Shipping Labels

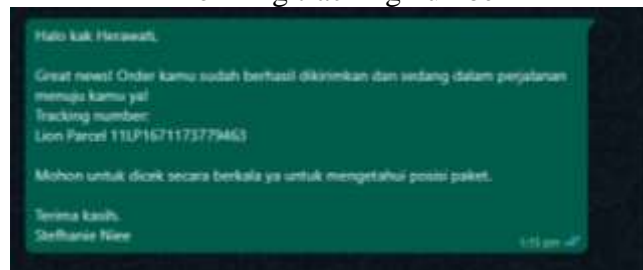


Source: Author (2022)

- d. Informing buyer after tracking number is issued.

Picture 6.

Informing tracking number



Source: Author (2022)

- 4) Implementation through Facebook

Stephanie Nee's Facebook profile originally started from the author's personal profile. So, it is very necessary to change it to professional profile. Professional profile carries numbers of additional tools dan can be used for taking decision such as insights and demographics. Order flow is created which is pinned on Stephanie's Facebook profile, this can make it easier for buyers to make purchases.

Picture 7.

Business Profile



Source: Author (2022)

Picture 8.
Pinned Post



Source: Author (2022)

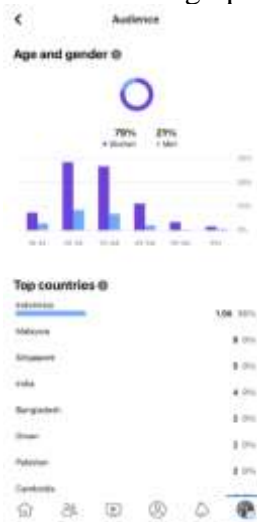
This change also has additional features such as account insights and demographic of account. This additional data will be used for marketing purposes. Below can be seen from the data that the insight has increased by 57% along with the demographics of visitors to Stephanie Niece’s Facebook page.

Picture 9.
Performance Data



Source: Author (2022)

Picture 10.
Account Demographic

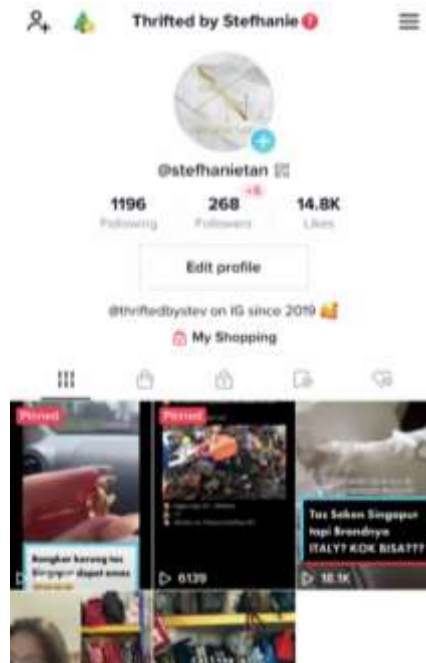


Source: Author (2022)

5) Expanding to Tik-Tok

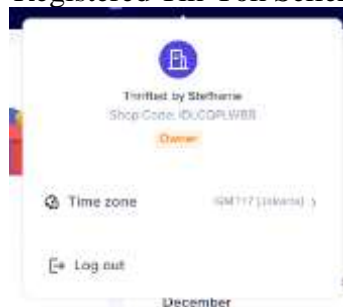
The rising of Tik-Tok during pandemic makes Tik-Tok a perfect tool for advertising and marketing. Tik-Tok itself is an application that we can post short videos. From the videos that gets a lot of likes and viewers will be directed to Facebook page to buy the products. Author also registers Thrifted by Stev to be a Tik-Tok seller to get other additional feature.

Picture 11.
Tik-Tok Account



Source: Author (2022)

Picture 12.
Registered Tik-Tok Seller

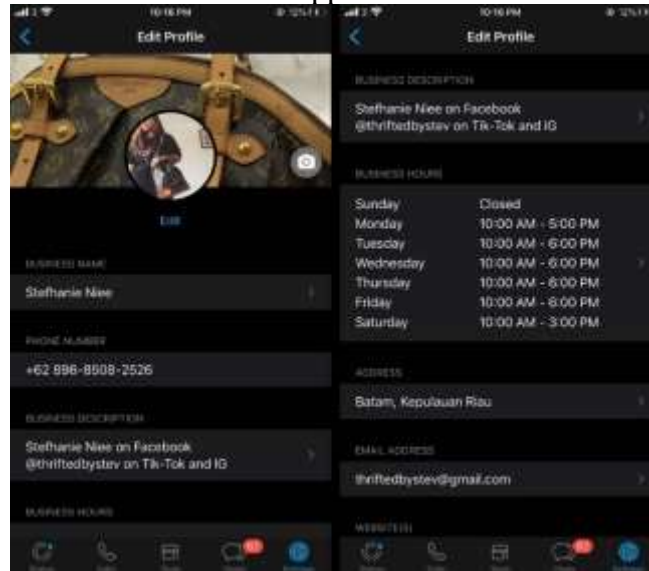


Source: Author (2022)

6) Implementation through WhatsApp

Upgrading to WhatsApp business can make it easier for customers to get latest information via WhatsApp. It includes useful new features that support the business. Here is the new face of Thrifted by Stev's WhatsApp:

Picture 13.
WhatsApp Business



Source: Author (2022)

During the classes, author gradually implements in into the business. The material provided by YEA is material that can be applied to the business being run. During the class writer gained valuable insight and knowledge from the mentors. Initially author was pessimistic whether it can be implemented because the business is a reselling business not a production of a product. However, with some adjustments, the material given can be applied to the business that is being carried out.

Conclusions

Thriftd by Stev has a big opportunity in this digitization era. In order to grow, Thriftd by Stev must be equipped with mindset and adequate skills as an entrepreneur. The entrepreneurship class held by YEA as MBKM is very helpful for author as a business owner. The knowledge author earns from university and also with the materials from entrepreneurship class as a tool to expand the business. Attending the class has made positive impact in terms of turnover and insight. The turnover of the business has increased by 47%. Author gets valuable knowledge starting from business materials to managing employee that will be used in business. Schedule of live broadcast is now structured and scheduled. On Tik-Tok author relies on organic traffic and managed to get 14.8 thousand likes, 500 thousand views and 200 followers. Insight on Facebook has increased by 57%. Recommendation to Thriftd by Stev as a business are:

- a. Keep learning more to increase knowledge about digital business.
- b. Continuing what has been done during entrepreneurship class.
- c. Deepen the knowledge gained from entrepreneurship class.
- d. Maintains relations between Thriftd by Stev with YEA facilitators and YEA Alumni.

References

- Cristiano, A., & Yopie, S. (2021). The Importance of Gender and Family Manager Education Background To CEO Founder's Moderated Company Values. *Jurnal Ekonomi Pembangunan*, 19(02), 107-121.
- Edi, E., & Wati, E. (2022). Measuring intangible asset: firm reputation. *Business: Theory and practice*, 23(2), 396-407.
- Fauzi, S., & Lina, L. F. (2021). Peran Foto Produk, Online Customer Review Dan Online Customer Rating Pada Minat Beli Konsumen Di E-Commerce. *Jurnal Muhammadiyah Manajemen Bisnis*, 2(1), 21.
<https://doi.org/10.24853/jmmb.2.1.151-156>
- Kelly, K., & Febriyantoro, M. T. (2022). Peranan Perception Of Digital Celebrities Terhadap Live-Stream Shopping Intentions. *Jurnal Ecodemica Jurnal Ekonomi Manajemen Dan Bisnis*, 6(1), 33-44.
<https://doi.org/10.31294/eco.v6i1.11766>
- Jurnali, T., & Supomo, B. (2002). Pengaruh Faktor Kesesuaian Tugas-Teknologi dan Pemanfaatan TI terhadap Kinerja Akuntan Publik. *The Indonesian Journal of Accounting Research*, 5(2).
- Musay, F. P. (2013). Brand image purchase intention. *Jurnal Administrasi Bisnis*, 2,3.
- Piranda, D. R., Sinaga, D. Z., & Putri, E. E. (2022). Online Marketing Strategy in Facebook Marketplace As a Digital Marketing Tool. *Journal of Humanities, Social Sciences and Business (Jhssb)*, 1(3), 1-8.
<https://doi.org/10.55047/jhssb.v1i2.123>
- Syahrullah, Yahya, M., & Syarif, A. (2021). Penggunaan Facebook Dalam Promosi Produk Barang Jadi. *Jurnal Piral: Jurnal Kajian Islam Kontemporer*, 12(2), 27-38.