Business Development of Air Tebu (Sugarcane Water) in Sungai Alam Village

Kartika Alfira¹,²*, Adrian Irmanda Pratama²
¹²International Business Administration Study Program, State Polytechnic of Bengkalis
kartikaalfira21@gmail.com

ARTICLE INFO
Received: 30 April 2023
Received in revised: 20 May 2023
Accepted: 21 May 2023
Published: 29 June 2023
Open Access

ABSTRACT
The purpose of this final project is to develop this business by creating product diversification, business branding, packaging, new booths, logos, Standard Operating Procedures (SOP), marketing mix, constraints and solutions encountered during the implementation of this final project to increasing income. This final project uses 3 methods consisting of a project preparation plan, project implementation plan and project accomplishment plan. The results of the implementation of this final project are diversified products in the form of Kasturi Sugarcane and Ginger Sugarcane, a business brand in the form of “Es Tebu Pak De Ren”, the packaging using PP injection Cup 500 ml, new booths with wood and aluminum materials, logos with Letter Mark Only type, setting the Standard Operating Procedure (SOP) for production and service, marketing mix using the 4P method: Products in the form of Tebu Jahe and Tebu Kasturi, pricing using the cost plus pricing method of variable costing approach, promotion using social media (Whatsapp, Facebook and Instagram), location marketing in Sungai Alam Village. The obstacles faced during the implementation of the project were the weather conditions and running out of packaging supplies, the solution was to pay attention to the weather conditions first and use a replacement cup in the form of a 16 oz plastic cup. The implementation of this final project will start from October 1 to November 25, 2022.

Keywords: Business Development, Product Development, Product Diversification, Logo, Brand, Packaging, Booth, Standard Operating Procedure (SOP)

1. Introduction
The business world in Indonesia is currently experiencing positive developments along with the times. The world has now entered the era of globalization where in this era the industrial sector is needed to support the Indonesian economy. A person's desire for entrepreneurship has increased as evidenced by the number of entrepreneurs who appear from time to time. With entrepreneurship, a person can make it an alternative to meet the needs of his life both for himself and for his family. In carrying out entrepreneurial activities, we must start from our own desires. Because entrepreneurship is not as easy as we imagine. It takes a strong intention and determination as well as the appropriate abilities and expertise for the line of business being carried out so that the business continues to run and can achieve business goals. Indonesia's increasingly advanced and growing economy has a huge impact on entrepreneurs. For example, the emergence of intense competition between entrepreneurs is marked by the number of new competitors. Therefore, entrepreneurs must find solutions in order to maintain their business. Business development is one of the efforts to retain buyers so that the business can continue to run.

According to Amirullah Imam Hardjanto in Karyoto (2021; 1), business is an activity to produce products to meet the needs and desires of consumers in the hope of getting profits through value creation and transaction processes. From these conclusions, it can be shown that developing a business means developing activities, developing products, selling, developing consumers, increasing profits, and developing product value, product benefits and product distribution. The forms of business development such as Product Development, Market Development and Organizational Development.

According to Tutu Hardianti (2019), business development is a set of activities carried out to create something by developing and transforming various resources into goods/services that consumers want. Developing a business can overcome the problems of national economic development such as poverty alleviation, high unemployment, purchasing power, difficulty in creating business and employment opportunities and increasing economic growth. Business development is the task and process of analytical preparation of potential growth opportunities, support and monitoring of

* Corresponding author
E-mail addresses: kartikaalfira21@gmail.com (Kartika Alfira)
2776-8139/ © 2023 P3M Politeknik Negeri Bengkalis. All rights reserved.
the implementation of business growth opportunities, but does not include decisions on strategy and implementation of business growth opportunities. Business development can be done in various ways, for example creating new product innovations, updating packaging and upgrading sales outlets. By developing this business, it can increase business competitiveness against competitors. Business development can also be carried out according to customer requests to achieve customer satisfaction so that customers will remain loyal to buying products.

Sugarcane water is one of the most popular drinks in Bengkalis City, especially in Sungai Alam Village. There is a sugarcane water business that has been in the business for 20 years to date. However, this business that has been going on for 20 years has not significant development. Business development on sugarcane water products is carried out because sugarcane water has many health benefits, for example to counteract the effects of free radicals, launch the digestive system, maintain liver health and so on.

This sugarcane water business has been around for 20 years. Until now, this business only sells a product in the form of sugarcane water which is packaged in half a kilo of ice plastic. The booth used by business actors today is also the same booth used 20 years ago. So that the quality of the booth used today is not good and should be replaced with a new one with better quality. With the current business conditions, the actors already have some criticism from buyers so they can upgrade booths and others. Business actors at this time also have not implemented a good Standart Operating Procedure (SOP) for their business.

There are two parts of the SOP in this business, namely the SOP for the production section and the SOP for the service section. SOPs are very important in business activities because this will give a good image to the business. Aspects of production must be carried out according to standards in order to get a quality product. While the service aspect applied in the business must be done well so that consumers feel satisfied and can get customer loyalty. So, this SOP must be implemented properly in this business. The picture above is the current state of business:

![Current Business Conditions](image)

**Figure 1 Current Business Conditions**

Source: Processed Data 2022

The following is a table of average daily income earned by business actors before implementing business development:

<table>
<thead>
<tr>
<th>Days</th>
<th>Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday</td>
<td>Rp 106.000</td>
</tr>
<tr>
<td>Tuesday</td>
<td>Rp 53.000</td>
</tr>
<tr>
<td>Wednesday</td>
<td>Rp 82.000</td>
</tr>
<tr>
<td>Thursday</td>
<td>Rp 200.000</td>
</tr>
<tr>
<td>Friday</td>
<td>Rp 137.000</td>
</tr>
</tbody>
</table>

**Table 1 Average Income of Business Actors**

Source: Processed Data 2022

Based on the table above, the income received by business actors is still relatively low. The income continues to increase, it can be said that the business has experienced more positive development. To increase sales and income, this can be done by developing businesses in products, booth, packaging, presenting logo, and presenting brand so that product are more attractive and have high selling values. In addition, this business has a great opportunity to continue to grow because it has high competitiveness because this product is very popular with the public.

2. Method

This project uses three methods namely; project preparation plan, project implementation plan, and project accomplishment plan. Project preparation plan is a plan that must be prepared before starting project activities. The implementation of the project will be carried out at the sugarcane water
Business located on Jalan Bathin Alam, Sungai Alam, Bengkalis District, Bengkalis Regency. The implementation of this project will be carried out for 3 months, starting from October to December 2022. Accomplishment of project activities are if have produced a new product diversification with new packaging include the logo that has high quality to compete with competitors and already has a brand and a new booth that is more attractive, knowing the constraints faced during the project and finding the right solution to overcome these constraint, marketing mix includes product, price, place and promotion.

3. Result and Discussion

The business "Air Tebu Pak De Ren" has been established since 2002 which is located on Jl. Bathin Alam, Alam River, Bengkalis. This business is an individual business owned by a resident in Sungai Alam Village named Nasrin. For more than 20 years, the business "Air Tebu Pak De Ren" has only sold one product, namely the original sugarcane water. Now there are three products that have been sold, namely Tebu Original, Tebu Kasturi and Tebu Jahe due to product diversification.

![Image of product diversification](Figure 2 Product Diversification)
Source processed Data 2022

The brand name used in this business is "Es Tebu Pak De Ren". The concept of this brand name is taken from the name of the product and the name of the business actor. "Es Tebu" is the name of the product offered. "Pak De" is one of the Javanese words that consumers often say to business actor when buying sugarcane water. "Ren" is the name of the business actor. The choice of brand name is made to make it easier for consumers to remember.

The packaging design used in this project is a 500 ml PP injection cup which is the latest model cup with a unique, attractive shape and can stand alone. This cup has a flat and flat base so that the packaging can stand up if it is placed on a flat floor. This cup has a lid that is specifically designed to be used as a container for hot and cold drinks and is very easy to use. On the lid of this cup there are several special designs for air circulation, holes for drinking straws, space for placing small LTD, and strawless holes.

![Image of packaging](Figure 3 Packaging)
Source Processed Data 2022

Booth has been made with a more attractive design than before. The types of booth materials used are wood and aluminum. Wood material was chosen because it is strong, light and easy to move. This is also done because the location of the business is on the side of the road so that it can make it easier for business people to bring the booth back to their house. Aluminum material was chosen because this material is easy to shape and easy to clean.
Logo creation using the Pixellab application available on the Play Store. This concept is used to make it easier for consumers to recognize and remember the business.

The concept of color selection in logo design is green. According to Wahyudi, W (2021) green color symbolizes health. This color corresponds to the product offered by this business, namely drinks made from natural ingredients without preservatives and artificial sweeteners, so they are fresher and safer for consumption.

<table>
<thead>
<tr>
<th>No.</th>
<th>Assessment Aspects</th>
<th>Value 1-5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Purchase sugarcane, ice cubes and kasturi oranges</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Use gloves during production</td>
<td>3</td>
</tr>
<tr>
<td>3</td>
<td>Peeling sugarcane, washing kasturi oranges, crushing ice Cubes</td>
<td>5</td>
</tr>
<tr>
<td>4</td>
<td>Grind sugarcane</td>
<td>5</td>
</tr>
<tr>
<td>5</td>
<td>Sugarcane filtering</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>Mix ice cubes, kasturi orange and sugarcane water into a Cup</td>
<td>5</td>
</tr>
<tr>
<td>7</td>
<td>Put the product in a plastic and add a straw</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Processed Data 2022

From the table above it can be seen that all SOPs have been carried out properly. But in the SOP using gloves is not effective because the type of gloves that are suitable for use in this business have not been found. This type of plastic glove is not effective for use because there is no plastic glove size that fits the business actor, oversized gloves can be at risk of entering the sugarcane mill and causing work accidents. While rubber gloves are also not effective because the hands sweat easily.

Service provided to consumers is one aspect of success in business, because good service will make consumers comfortable buying goods in our business. Good service will also make a good business image too. The Standard Operating Procedure (SOP) for Service that is applied in Es Tebu Pak De Ren are as follows:
Kartika Alfira, Adrian Irnanda Pratama

Inovbiz: Jurnal Inovasi Bisnis 3 (2023) 167-175
Seri Manajemen Investasi dan Kewirausahaan

Table 3 Implementation Standard Operating Procedure (SOP) for Service

<table>
<thead>
<tr>
<th>No.</th>
<th>Assessment Aspects</th>
<th>Value (1-5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Willing to serve customers</td>
<td>5</td>
</tr>
<tr>
<td>2.</td>
<td>Greet and ask customers needs</td>
<td>5</td>
</tr>
<tr>
<td>3.</td>
<td>Ask about product information</td>
<td>5</td>
</tr>
<tr>
<td>4.</td>
<td>Describe the product being sold</td>
<td>5</td>
</tr>
<tr>
<td>5.</td>
<td>Determine the product to be purchased</td>
<td>5</td>
</tr>
<tr>
<td>6.</td>
<td>Purchased product verification</td>
<td>5</td>
</tr>
<tr>
<td>7.</td>
<td>Make the product and deliver product to customers</td>
<td>5</td>
</tr>
<tr>
<td>8.</td>
<td>Verify the product purchased</td>
<td>5</td>
</tr>
<tr>
<td>9.</td>
<td>Make a payment</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Processed Data 2022

From the table above it can be seen that all SOPs have been carried out properly.

The marketing mix consists of four components, usually called the "four Ps (4Ps)”, namely Product, Price, Place and Promotion.

1. Product

There are three products offered in this business, namely Original Sugarcane, Kasturi Sugarcane and Ginger Sugarcane. Original Sugarcane is a product that has existed since this business was founded. Meanwhile, Kasturi Sugarcane and Ginger Sugarcane are new products resulting from product diversification in the project being implemented.

2. Price

To determine the selling price of Kasturi Sugarcane and Ginger Sugarcane, it is calculated using the formula below:

Pricing (cost plus pricing) = Total cost (HPP) + Target price (Margin)

a. Selling Price of Ginger Sugar Cane

<table>
<thead>
<tr>
<th>No</th>
<th>Raw Materials</th>
<th>One Time Production</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Sugarcane</td>
<td>5 Stems</td>
<td>IDR 20,000</td>
</tr>
<tr>
<td>2.</td>
<td>Ginger</td>
<td>2.5 Ounces</td>
<td>IDR 5,000</td>
</tr>
<tr>
<td>3.</td>
<td>Ice</td>
<td>4 pieces</td>
<td>IDR 4,000</td>
</tr>
<tr>
<td>4.</td>
<td>Packaging includes straw and logo</td>
<td>20 pcs</td>
<td>IDR 40,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
<td>IDR 69,000</td>
</tr>
</tbody>
</table>

Source: Processed Data 2020

Total Cost of Production = IDR 69,000

From the total production costs above, the total product that can be produced is 20 cups. From the table above, the author wants to get a profit of 40% from sales. The following is the HPP calculation:

\[
\text{Cost of Production Per Unit} = \frac{\text{Total Production Cost}}{\text{Number of Production in the Pcs}}
\]

\[
= \frac{\text{IDR 69,000}}{20 \text{ Pcs}}
\]

\[
= \text{IDR 3,450}
\]

The following is the calculation of the selling price:

Pricing (cost plus pricing) = Total cost (HPP) + Target price (Margin)

\[
= \text{IDR 3,450} + (40\% \times \text{IDR 3,450})
\]

\[
= \text{IDR 3,450} + \text{IDR 1,380}
\]

\[
= \text{IDR 4,830}
\]

The selling price per unit above will be evened out to IDR 5,000 to make sales easier. So, the total profit earned in one ginger cane product is IDR 1,380.
b. Selling Price of Kasturi Sugarcane

Table 5 Production Cost of Kasturi Sugarcane

<table>
<thead>
<tr>
<th>No.</th>
<th>Raw Materials</th>
<th>One Time Production</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Sugarcane</td>
<td>5 Stems</td>
<td>IDR 20,000</td>
</tr>
<tr>
<td>2.</td>
<td>Kasturi oranges</td>
<td>4 Tie</td>
<td>IDR 8,000</td>
</tr>
<tr>
<td>3.</td>
<td>Ice</td>
<td>4 pieces</td>
<td>IDR 4,000</td>
</tr>
<tr>
<td>4.</td>
<td>Packaging includes straws</td>
<td>20 pcs</td>
<td>IDR 40,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>IDR 72,000</strong></td>
</tr>
</tbody>
</table>

Total Cost of Production = IDR 72,000

From the total production costs above, the total product that can be produced is 20 cups. From the table above, the author wants to get a profit of 38% from sales. The following is the HPP calculation:

Cost of Production Per Unit = \( \text{Total Production Cost} \div \text{Number of Production in the Pcs} \)

\[ \text{Cost of Production Per Unit} = \frac{\text{IDR 72,000}}{20 \text{ Cups}} = \text{IDR 3,600} \]

The following is the calculation of the selling price:

Pricing (cost plus pricing) = Total cost (HPP) + Target price (Margin)

\[ \text{Pricing (cost plus pricing)} = \text{IDR 3,600} + (38\% \times \text{IDR 3,600}) \]

\[ = \text{IDR 3,600} + 1,368 \]

\[ = \text{IDR 4,968} \]

The selling price per unit above will be evened out to IDR 5,000 to make sales easier. So, the total profit earned in one kasturi sugarcane product is IDR 1,368.

3. Place

The product marketing location is on Jl. Batin Alam, Sungai Alam, Bengkalis, especially in front of the Rusunawa of the Bengkalis State Polytechnic. This location is the location of sales from the beginning of the establishment of this business. This location is very strategic because it is in the Bengkalis State Polytechnic environment so that many students buy the product.

4. Promotion

The promotion is carried out by making promotions in the form of videos and photos which are then uploaded via social media such as Whatsapp, Instagram and Facebook. This social media was chosen because this application is commonly used by many people. In addition, promotions are also carried out by giving promos to customers who buy a minimum of 5 cups of product will get one cup for free.

In implementing this business development project, there were several obstacles encountered. Some of these obstacles are as follows:

1. Uncertain weather conditions, especially during rainy weather. Rain will hinder businesses from buying sugarcane.
2. The long delivery time for packaging makes packaging supplies run out.
3. Check the weather conditions first. If it is hot, it will immediately carry out sales activities.
4. Using a 16 oz plastic cup as a substitute cup.

Table 6 Income of Business Actors from Selling Kasturi Sugarcane and Ginger Sugarcane

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1st week</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Monday, November 7, 2022</td>
<td>IDR 120,000</td>
</tr>
<tr>
<td>2.</td>
<td>Tuesday, November 8, 2022</td>
<td>IDR 255,000</td>
</tr>
<tr>
<td>3.</td>
<td>Wednesday, November 9, 2022</td>
<td>IDR 230,000</td>
</tr>
<tr>
<td>4.</td>
<td>Thursday, November 10, 2022</td>
<td>IDR 105,000</td>
</tr>
<tr>
<td>5.</td>
<td>Friday, November 11, 2022</td>
<td>IDR 125,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total Income</strong></td>
<td><strong>IDR 835,000</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Week 1 Average Income</strong></td>
<td><strong>IDR 167,000</strong></td>
</tr>
</tbody>
</table>

|     | 2nd week                      |              |
| 1.  | Monday, November 14, 2022    | IDR 205,000  |
| 2.  | Tuesday, November 15, 2022   | Holiday      |
| 3.  | Wednesday, November 16, 2022 | IDR 240,000  |
| 4.  | Thursday, November 17, 2022  | IDR 160,000  |
| 5.  | Friday, November 18, 2022    | IDR 245,000  |
From the table above, it can be seen that the desired revenue target has been achieved. In the first week, the average income of business actors does not reach the revenue target, because it was still in the product introduction stage and there were other factors such as the weather. In the second and third weeks, the average income of business actors begins to increase from before, because many people recognize new products and the weather is always hot.

4. Conclusion

The conclusion of the final project “Business Development of Product Air Tebu (Sugarcane Water) in Sungai Alam Village, Bengkalis Regency” are as follows:

a. Business development is carried out by creating diversified products, brands, new packaging, logos, booths and implementing Standard Operating Procedures (SOPs) to increase the income of business actors.

b. The diversified products that have been made are Tebu Jahe and Tebu Kasturi. Tebu Jahe will provide benefits for the body, one of which is as an immune booster for the body and is also suitable for consumption during the rainy season. Tebu Kasturi has several benefits, one of which is to relieve jaundice.

c. The brand that has been created in this business is “Es Tebu Pak De Ren”. This brand name is taken from a combination of the name of the product that is made and the name of the customer's greeting to the business actor.

d. The new packaging used in this project is a cup PP injection 500 ml which is the latest cup model with a unique, attractive shape and can stand alone. This cup has a flat and flat base so that the packaging can stand up if it is placed on a flat floor. On the lid of this cup there are several special designs for air circulation, holes for drinking straws, space for placing small LTD, and strawless holes.

e. The booth design that was created for this business was inspired by an existing booth, however modifications were made as needed to make it more attractive. The type of booth to be made is a combination of a wooden booth and an aluminum booth.

f. The method used in making this logo is the Logotype (Word Mark) method. The type of logo used is in the form of Letter Mark Only, where the logo only contains writing elements, namely Es Tebu Pak De Ren.

g. There are two Standard Operating Procedure (SOP) that have been successfully implemented in this business, namely Standard Operating Procedure (SOP) for production and Standard Operating Procedure (SOP) for service.

h. The marketing mix of Tebu Jahe and Tebu Kasturi use the 4P marketing mix method, namely product, price, place and promotion. The product produced is Tebu Jahe and Tebu Kasturi, packaged using a cup PP injection 500 ml. The method of pricing uses the cost plus pricing method of variable costing approach where product price determination is obtained from cost of production per unit as well as the desired margin, from this amount the actual selling price is obtained of IDR 5,000/cup. The place of this business is on Jl. Bathin Alam, Sungai Alam, Bengkalis, especially in front of the Rusunawa of the Bengkalis State Polytechnic Then promotion was carried out, including creating promotional media such as social media (Whatsapp, Instagram and Facebook). In addition, promotions are also carried out by giving promos to customers who buy a minimum of 5 cups of product will get one cup for free.

i. In implementing this business development project, there were several obstacles encountered, namely uncertain weather conditions especially during rainy weather which prevented business actor from buying sugar cane and reduced the number of buyers due to cold weather, and the long delivery time for packaging and makes packaging supplies run out. The solutions to this problem are check the weather conditions first, if it is hot, it will immediately carry out sales activities and using a 16 oz plastic cup as a substitute cup.
Reference


Wahyudi, W. (2021) Psikologi Warna Brand, (Online), (http://desain-grafis-s1.stekom.ac.id/informasi/baca/PSIKOLOGI-WARNA-BRAND/1c90b882d4ac9c7d95d597bd8b37e3bfa36ae1c00), accessed 1st December 2022.