



Development of Sustainable Business Models through Internal Partnerships Efforts to Expand Consumer Reach

Muh Akbar M¹, Muhammad Rakib^{2*}, Andika Isma³, Dian Anugrah Sanusi⁴

^{1,2,3} Department of Business and Entrepreneurship, Faculty of Economics and Business, Universitas Negeri Makassar, Indonesia

⁴ Department of Business Administration, Faculty of Social and Political Sciences, Universitas Satya Wiyata Mandala, Indonesia

ABSTRACT: This research was carried out with the aim of developing a sustainable business model through partnerships in an effort to expand consumer reach in the Makassar Modem Warehouse business. This research is a type of development research (R&D) that adapts the 4D development procedure which consists of four stages which include *define*(definition), *design*(planning), *develop*(development), as well *disseminate* (deployment). Data collection activities were carried out by means of observation, interviews and documentation. The data analysis technique uses qualitative descriptive analysis techniques. The research carried out resulted in recommendations for forms of partnership with environmental, social and economic parties that Gudang Modem Makassar can implement to increase the potential to expand consumer reach.

KEYWORDS: Business Model Development, Consumer Reach, Partnerships, Sustainable Business Models.

INTRODUCTION

Today's business competition is increasingly fierce and diverse along with globalization and technological advances which facilitates access to global markets. In the digital era like now, businesses do not only compete in local markets, but the competition is increasingly broader, including businesses in various countries (Utami et al., 2015). The trend of globalization and wider market opening has allowed companies to enter new markets, which means that companies that previously only competed with a few competitors now have to compete with many companies from all over the world (Irawan, 2016).

A sustainable business model that expands consumer reach is an important concept in an era of increasingly rapid globalization and modernization. In the context of sustainable business models, partnerships can help companies to develop products or services, increase accessibility and affordability, and increase efficiency and productivity. Previous research related to sustainable business resulted in the implementation of a new system in ongoing mentoring by referring to 5 aspects of indicators that have been determined, namely financial, production, marketing, human resources and institutional aspects (Radyanto & Prihastono, 2020). Then there is also research that produces findings that implementing a business model based on sustainable entrepreneurship can indirectly help preserve the surrounding environment, both in water and on land (Nuringsih & Edalmen, 2021).

Based on research conducted by the Ministry of Cooperatives and UMKM, the results showed that the number of UMKM actors was 64.1 million and the UMKM sector absorbed up to 116 million workers (Mane et al., 2023). Based on this data, it can be seen that the majority of Indonesian people who choose to engage in business are still relatively small, so it is necessary to introduce the potential for success of a business using a sustainable business model.

Gudang Modem Makassar is a business that operates in the field of selling modems and various kinds of smartphone and computer accessories. This business faces the challenge of difficulties in expanding its consumer reach, especially in the midst of increasingly tight business competition resulting in a reduction in the number of product sales. Business competition is the biggest factor that hinders a business from expanding its consumer reach. This is due to the increasing number of business actors offering similar or similar products. To be able to expand the reach of consumers in the midst of intense competition, a business requires development actions both in terms of products and the systems used. Expanding the reach of consumers in the Gudang Modem Makassar business is certainly necessary in order to face increasingly tight business competition, business competition has fatal consequences in reducing the number of product sales. Of course, decreasing product sales also results in a decrease in profits or turnover in the Gudang Modem Makassar business.

A sustainable business model through partnerships is a form of strategy that can be applied to the Makassar Modem Warehouse business, for the sake of business sustainability and reaching a wider range of consumers amidst increasingly fierce business



competition. Implementing partnerships provides access to minimize capital, increase resources, and reach a wider marketing network. Even though partnerships are a strategy that has the potential for business development, in reality one form of partnership that has been implemented by the Gudang Modem Makassar business with producers is still less effective in helping expand consumer reach. Thus, research is needed regarding the development of sustainable business models through partnerships that consider three aspects, namely environmental, social and economic. To develop a sustainable business model, it is necessary to pay attention to media literacy, consumer trust, product prices, product distribution in purchasing decisions (Sanusi et al., 2023). Apart from that, financial technology factors, e-commerce and alternative payment methods (Rakib et al., 2023).

Based on the background that has been described, the problem formulation in the research is how to design and implement a sustainable business model, what challenges are faced when implementing a sustainable business model through partnerships and how to overcome them, and how to determine the success of developing a sustainable business model through partnership in the Gudang Modem Makassar business. The research was carried out with the aim of knowing and understanding how to implement a sustainable business model, what challenges will be encountered and how to respond to the challenges of implementing sustainable business, as well as how to determine the level of success in implementing sustainable business through partnerships at Gudang Modem Makassar. Model development Sustainable business through partnerships focused by researchers is related to 3 aspects, including environmental aspects, social aspects and economic aspects.

LITERATURE REVIEW

A. Entrepreneurship

Entrepreneurship is the ability to execute an idea and opportunity into an action that has beneficial value (Sartono & Sutrismi, 2020). Before someone undertakes entrepreneurial activities, they usually pay attention to several things such as learning about entrepreneurship, readiness, self-efficacy (confidence), and entrepreneurial creativity. Entrepreneurship learning is required to consider all steps that will be taken and processed carefully, both in terms of tendencies, practice patterns and entrepreneurial interests (Muchtari et al., 2018). Entrepreneurial readiness can be detected through how much ability, interest and intention to entrepreneurship can be measured based on past experience, level of scientific maturity, and a person's mental state (Isma et al., 2023). Self-efficacy (confidence) is self- confidence that comes from an individual's heart and mind regarding an optimistic perception of one's skills or capacity in achieving certain high-performance targets (Rakib et al., 2022). Entrepreneurial creativity is an action that reflects originality and flexibility in elaborating on a previously existing product and then creating something that is relatively different and has an element of novelty (Fajar et al., 2020).

B. Business Model Development

Business model development is the process of identifying, planning, and implementing strategies to improve profitability, performance, and business growth. The main focus in the business model is to create value that customers value and are willing to pay for (Nosratabadi et al., 2019). Development can be carried out naturally or planned. Natural development occurs spontaneously without the influence of external intervention. Meanwhile, planned development is carried out using certain methods that have been prepared and planned beforehand. Business development requires several stages, such as determining ideas, business concepts, business development and business control (Nadhir et al., 2024). Development can be carried out to create new products and services, or to improve the quality of existing products. Product development is a process involving planning and implementation to meet needs, improve existing products, or add variations to market offerings (Fadilla et al., 2023). When developing a business, it is necessary to pay attention to business development strategies to improve the capabilities of business actors (Wahyudin et al., 2024). in increasing profits and emphasizing competitiveness in similar businesses.

C. Sustainable Business Model

A sustainable business model is a business approach that involves various parties in a proactive way in order to achieve sustainable goals (Rakib et al., 2024; Geissdoerfer et al., 2018). Sustainable business is a means of achieving the organization's vision and mission as the application of knowledge to the organization's product and service business activities in a sustainable manner (Muttaqin & Sari, 2017). The foundation for changing business patterns towards sustainable business focuses on value propositions, value capture and value creation (Pranatasari et al., 2019). In a business there are stakeholders who have influence on the decisions taken. *Stakeholders* (stakeholder) is a study that explains that the responsibility of an organization/company can exceed the concerns



of both groups and individuals (Rosyidah, 2017). A sustainable business model is a form or type of business that maximizes resources to achieve long-term success by considering good management of the environmental, economic and social aspects of its operational activities. To maintain business sustainability, government, financial, family environment and information technology support is needed (Rakib et al., 2024).

D. Partnership in Expanding Consumer Reach

Partnership is a form of cooperation between one party and another party with the same goal, where this can involve two or more individuals depending on the type of partnership being carried out. In business, a partnership can be interpreted as a business agreement between two companies or individuals who support and complement each other in running a business to realize the same goals. A business partnership is a form of formal or non-formal agreement between two or more parties who work together to operate and share business profits (Kiss, 2020). Partnerships can be successful.

When the partnering parties have superior resources and have the same goals (Hayati & Suparjan, 2017). Consumer reach is a measure of how many people a business's products can reach. One of the main aspects that needs to be given special attention to expand consumer reach is in terms of customer service. By providing maximum service and quality can certainly attract their interest, where customer service is also related to the organization's ability to meet consumer expectations and desires (Priyanaka & Yuliani, 2017). To face competition, companies need to retain consumers by improving product quality through cooperation or partnerships (Fadhillah et al., 2023).

E. Sustainable development

Sustainable development is the process of realizing future development activities by utilizing human potential and skills which are coordinated/linked with natural resources (Stawicka, 2021). The main principle of sustainable development is to maintain the quality of life for all humans in the present without neglecting the quality of life for humans in the future in a sustainable manner. In sustainable development there are three important aspects, namely economic, environmental and social.

RESEARCH METHODS

This research uses a form of research and development or what is usually called research and development (R&D). Development research (R&D) is a type of research used to produce new products or perfect and develop existing products. The development model applied by researchers in this research is the 4D development model, this model consists of 4 stages define, design, develop, and disseminate (Puspitaningayu et al., 2018). Data collection techniques use observation, interviews and documentation approaches. The data analysis technique in this development research is a qualitative descriptive analysis technique. Qualitative descriptive analysis is a technique used to collect, analyze, manage and present data descriptively in the form of words and written explanations. This qualitative descriptive analysis technique is used to provide a detailed and clear picture of the data that has been collected. The process of analyzing qualitative descriptive data with data in text form can be divided into stages of data collection, data reduction, data presentation, and drawing conclusions.

RESULTS AND DISCUSSION

A. Define (Definition)

Gudang Modem Makassar business is a business that operates in the field of selling products in the form of modems, computer accessories, as well as various kinds of cellphone accessories. In order to find the problems being faced by this business, pre-research field observation activities were carried out directly at the business location. Observations were carried out to analyze and classify the problems faced by the owner related to the products offered. After carrying out observation activities, it was discovered that the owner of the Makassar Modem Warehouse experienced the problem of consumers not looking at the products offered so that it was difficult to increase the number of sales, resulting in a decrease in profits or profits obtained. From the problems faced, it can be concluded that the main problem being faced by this business is the difficulty in expanding its consumer reach. The problem of obstacles to expanding consumer reach is the result of increasingly intense and tight business competition, limited financial resources or capital, and dynamic changes in consumer trends.

B. Design (Planning)

The business model designed to be developed is sustainable business through partnerships. The forms of partnership designed include 3 forms, environmental partnership, social partnership and economic partnership. The following is an overview of sustainable business designs or plans through partnerships.

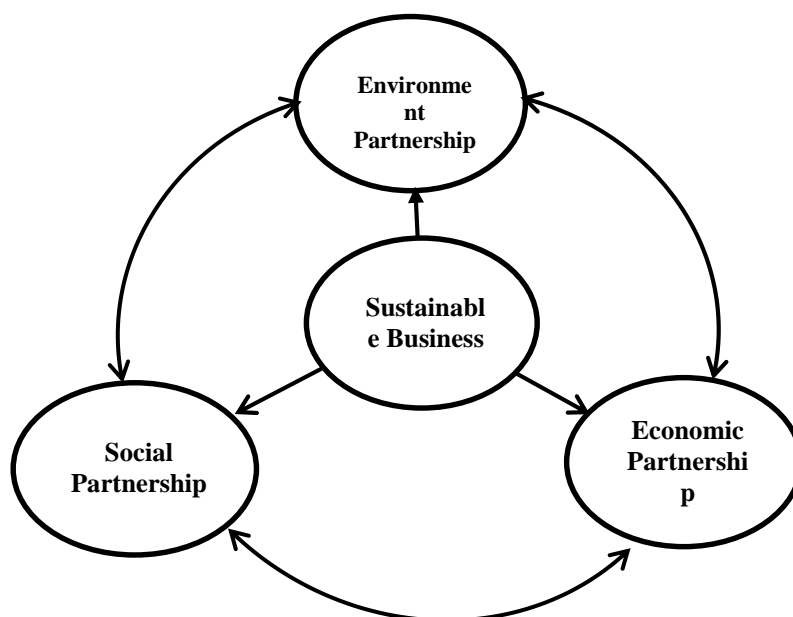


Figure 1. Sustainable Business Through Partnerships

C. Develop (Development)

Based on the results of the researcher's analysis regarding mitra which has great potential to expand consumer reach in the Gudang modem Makassar business, resulting in a form of environmental partnership with the Yayasan Lestari Mulia (YLM), a social partnership with dropship parties, and economic partnership with electronics store.

1. Environmental Partnership Yayasan Lestari Mulia (YLM)

The following are several program ideas that Gudang Modem Makassar can carry out with the Yayasan Lestari

- Gudang Modem Makassar can provide infrastructure for collecting electronic waste from consumers, while the Yayasan Lestari Mulia can be responsible for the safe and environmentally friendly electronic waste recycling process.
- Gudang Modem Makassar can offer special discounts for customers who make purchases bringing electronic waste, while the Yayasan Lestari Mulia can hold seminars or workshops on environmental conservation at the Gudang Modem Makassar store.
- Gudang Modem Makassar can promote the environmentally friendly products of the Yayasan Lestari Mulia such as recycled shopping bags, while the Yayasan Lestari Mulia can promote Gudang Modem Makassar products which have environmentally friendly packaging.

2. Social Partnership Dropship

The following are several programs that Gudang Modem Makassar can carry out with drop shippers to expand consumer reach:

- Gudang Modem Makassar can offer cooperation with drop shippers, both in Makassar and in other areas, to resell the products offered with the amount of profit per product determined by the drop shipper.
- Gudang Modem Makassar can provide special prices for drop shippers who are willing to work together to promote the products they offer.
- Gudang Modem Makassar can provide additional bonuses beyond the income from product sales for drop shippers who achieve certain sales targets.

3. Electronic Store Economic Partnership

The following are several program ideas that Gudang Modem Makassar can carry out with electronics stores:

- Gudang Modem Makassar can negotiate with several electronics shops so that they can leave the products they sell in these shops with a profit sharing system.
- Gudang Modem Makassar can work with electronics stores to offer repair guarantees to consumers. This service can help consumers if they experience problems with the product they purchased, they can immediately have it repaired for free at the nearest electronics shop which has collaborated with the Gudang Modem Makassar.
- Gudang Modem Makassar and electronics shops can work together to offer bundling packages that combine Makassar Modem Gudang products in the form of electronic equipment accessories with electronics shop products in the form of electronic equipment. Bundling packages are offered at cheaper prices than buying products separately.

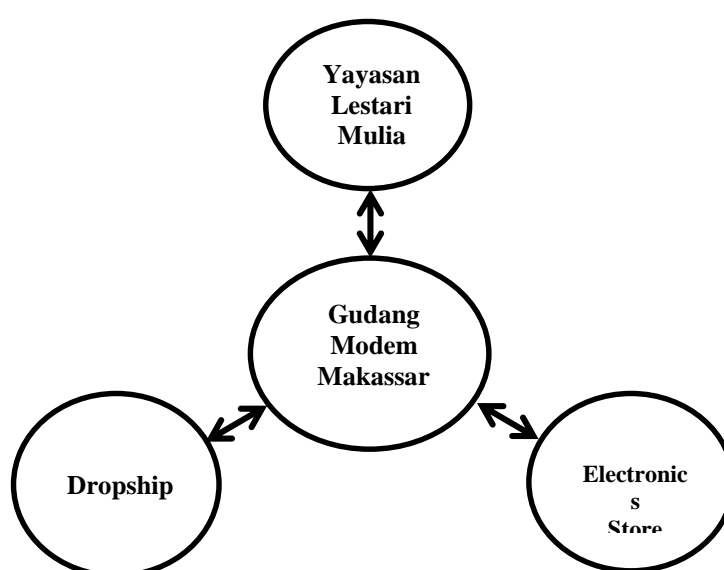


Figure 2. Gudang Modem Makassar Partnership

D. Disseminate (Deployment)

The researchers carried out the dissemination of the results of sustainable business development through environmental, social and economic partnerships by showing the research results to the owners of the Makassar Modem Warehouse, so that they could consider the results of the development and then apply them to the business in order to increase the potential to expand consumer reach. The results of researchers' findings are also disseminated in the form of scientific work, so that other parties can find out about the implementation of sustainable business through partnerships with an organization or business.

CONCLUSIONS

In compiling this scientific work, the author carried out research entitled Developing a Sustainable Business Model Through Partnerships in an Effort to Expand Consumer Reach in the Gudang Modem Makassar Business. The business model developed includes environmental, social and economic aspects, then produces a form of environmental, social and economic partnership which has great potential to help expand consumer reach. Based on this research, the authors draw conclusions:

- The design and implementation of a sustainable business model in this research was carried out using the 4D development procedure, which consists of four stages. First stage *define* (definition) aims to reveal the main problem currently being faced by the Gudang Modem Makassar, the problem being found to be difficulty expanding consumer reach. Second stage *design* (planning) was carried out to create an initial design for the business model to be developed, the result was to find a sustainable business model through 3 forms of partnership, consisting of environmental partnerships, social partnerships and economic partnerships. The third stage of *develop* (development) aims to follow up on the business model that was discovered at the



design stage, resulting in an environmental partnership with the Yayasan Lestari Mulia (YLM), a social partnership with the dropship party, as well as an economic partnership with the electronics shop. Fourth stage *disseminate* (deployment) is carried out in order to disseminate development results to interested parties, by showing the research results directly to the Gudang Modem Makassar and publishing scientific papers resulting from the research.

2. Challenges that must be faced when implementing the development of a sustainable business mode through partnerships, there are different interests and cultures between the two parties which can hinder the partnership process. Responding to this challenge, it is necessary to build transparent and open communication between Gudang Modem Makassar and potential partners in order to understand each other's differences in interests and find the best solution that benefits both parties.
3. Knowing the level of success in developing a sustainable business model through partnerships can be known through carrying out regular collaboration evaluations. Evaluation of the results of collaboration with partners is necessary to ensure the effectiveness and smooth implementation of jointly agreed collaboration programs. In the evaluation process, it is necessary to set evaluation objectives, determine evaluation criteria, collect data, analyze data, and follow up on evaluation results.

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Cite this Article: Muh Akbar M, Muhammad Rakib, Andika Isma, Dian Anugrah Sanusi (2024). Development of Sustainable Business Models through Internal Partnerships Efforts to Expand Consumer Reach. International Journal of Current Science Research and Review, 7(3), 1904-1909