

ANALYSIS OF SUCCESS FACTORS OF ABC DANCE STUDIO



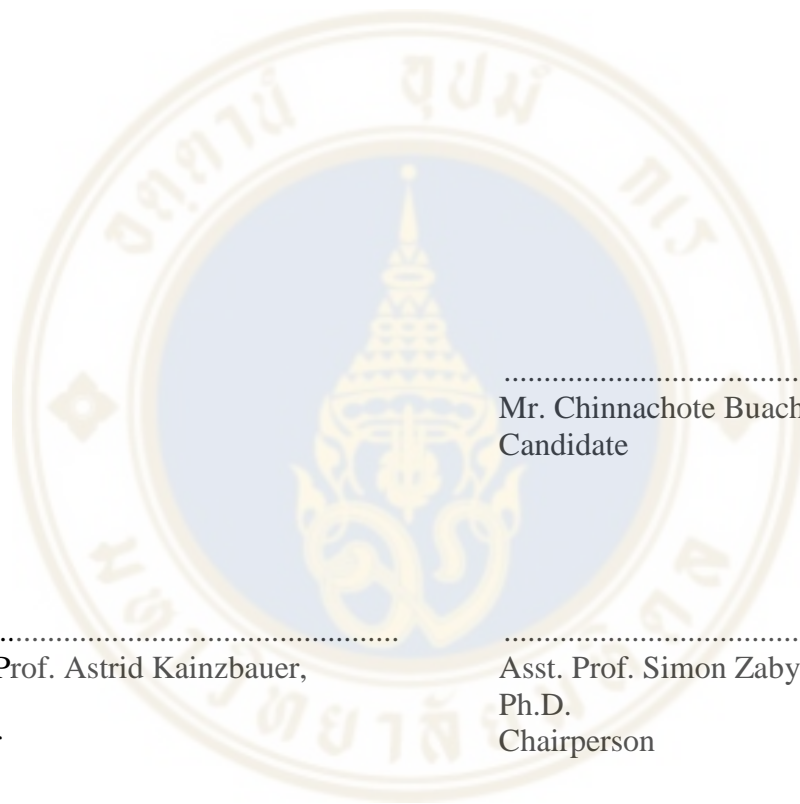
**A THEMATIC PAPER SUBMITTED IN PARTIAL
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ANALYSIS OF SUCCESS FACTORS OF ABC DANCE STUDIO

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.....
Mr. Chinnachote Buachao
Candidate

.....
Assoc. Prof. Astrid Kainzbauer,
Ph.D.
Advisor

.....
Asst. Prof. Simon Zaby,
Ph.D.
Chairperson

.....
Assoc. Prof. Vichita Ractham,
Ph.D.
Dean
College of Management
Mahidol University

.....
Detlef Reis,
Ph.D.
Committee member

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Chinnachote Buachao

ANALYSIS OF SUCCESS FACTORS OF ABC DANCE STUDIO

CHINNACHOTE BUACHAO 6249157

M.M. (GENERAL MANAGEMENT)

THEMATIC PAPER ADVISORY COMMITTEE: ASSOC. PROF. ASTRID KAINZBAUER, Ph.D., ASST. PROF. SIMON ZABY, Ph.D., DETLEF REIS, Ph.D.

ABSTRACT

The paper was studying about finding and analysis success factors of ABC Dance Studio by using Business Model Canvas. Which focused 5 building boxes, including Value proposition, Key resource, Customer segment, Customer relationship and Channel. Qualitative research is done by interviewing with 8 people who is CEO, Administrator, instructors which teach different style and has a different background and customers was selected by frequency of using studio service. As a result, could be concluded that there were some consistencies applying value set up by the CEO toward key resources which customer was recognized, and there some value that obtain by the customer and instructor but not set up by the CEO. The studio has strong key resources that help the studio to success. The ABC Dance studio has 2 customer segments by the age and another interesting was segment of human resources. For customer relationship, there were several elements that satisfy customer such as studio aesthetic, audio equipment and give customer authorized. Lastly, there were 2 main channel which is a communication channel like official Line, IG, Facebook, human recourse's social media account as well as a dance competition event, and distribution channel would be on-site. At the end of the study, 3 recommendations were provided to make the studio has a better operation and sustain.

KEY WORDS: Business model canvas / BMC/ Dance studio/ Management

52 pages

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CHAPTER I

INTRODUCTION

This thematic paper aims to focus on finding and analysis of accepted success factors of dance studio called “ABC” (the name has been changed to maintain confidentiality) which recently very outstanding among other dance studios in Thailand. And it is getting a lot of attention from youth and various music labels.

Nowadays, entertainment becomes one of the necessary things that people around the world need in their life and there are several approaches to consume entertainment, whether movie, music, TV program, YouTube content, handout or any activity that make people recover from stress in their life. And there is one activity that I am interesting and it is one of my hobbies which is “Dancing”.

According the dancing stream, there has been popular for the past, a lot of legendary singers in Western like Michel Jackson or Beyonce also has this skill in order to make a career which that lead to a trend and widespread. Moreover, in Western or some Asia university they also have a faculty specifically for dancing, for example South Korea, dancing major will be one program of Sports-Science faculty and having High school for Art-Performing only like School of Performing Arts Seoul and Hanlim Multi Art School which means that dancing is important enough to recognized as an education. Moreover, there are several dance studios established South Korea like 1 million studio, YGX Studio and Prefix Dance Studio (and so on), which open for variety target customer, including supporting entertainment company by letting the company pick up an instructor to train and choreograph for singers and that lead to the creation of various famous portfolios of instructors and their studio. So, people who interest in K-pop or dancing would recognize the name of studio, by that interested, some of the foreigners were flying form appeared to take a class at the studio which also make money for the studio and those passengers have to spend their money for living and that money become an income for local people. Therefore, dancing studios helped greatly in making entertainment industry successful and that interested me to find out how they

manage their studio to survive and successfully by well know, acceptable by music labels and keep consistency of customer.

When looking to Thailand, there is one studio, which will be called “ABC Dance Studio” in this paper. The studio was founded by a professional dancer. ABC has 11 rooms with a different rate price, architecture and usage, to satisfied variety target customer. The studio has 14 instructors responsible for each dance style, 1 reception, 1 admin and 1 house keeper.

However, the studio was struggling with the problem in the first 3 mounts and facing with a Covid-19 situation which create difficulties for the CEO. On the other hand, with the CEO’s wise management, the studio returned to have some income. As mentioned before, confidently say that the studio was successful in term of having consistency of customer number and well-known by CEO and instructor performance which could lead to the studio's reputation. The critical point is that what is the details, ideas or any factors that contribute the CEO’s action that leading to efficient management to achieve a preferable outcome as well as breaking through the crisis. Which all of mentioned made me wonder that “what factors that made ABC dance studio success?” Therefore, finding and analysis of the success factors of the ABC Dance Studio is the purpose of this paper.

CHAPTER II

LITERATURE REVIEW

This chapter focuses on reviewing of literature that could benefit for study. In order to analyze the use of the Business Model Canvas, several articles were reviewed.

2.1 Business Model Canvas

Business Model Canvas is a model/tool that gathers information from 9 parts of organizations to do analysis, strategic planning and risk assessment, which this model also helps business to grow further and systematic organized, importantly, it will make all employees go together in the same direction. This concept was invented by Dr. Alexander Osterwalder University of Lausanne, Switzerland, who spent more than nine years researching, developing and implementing the idea, were co-authored by a community of over 470 business people from 45 countries around the world. This model can use for the long-term strategic plan and help a business owner to answer two questions: “How do we make money?” and their buyers. “What did you get from us?” The theory gives a clearer picture in answering these two questions so that business owners can adjust their revenue model or business model to suit their needs in a short period of time. The framework looks like as below. (Digitory, 2020)

There are 9 parts of organization that considered in Business Model Canvas:

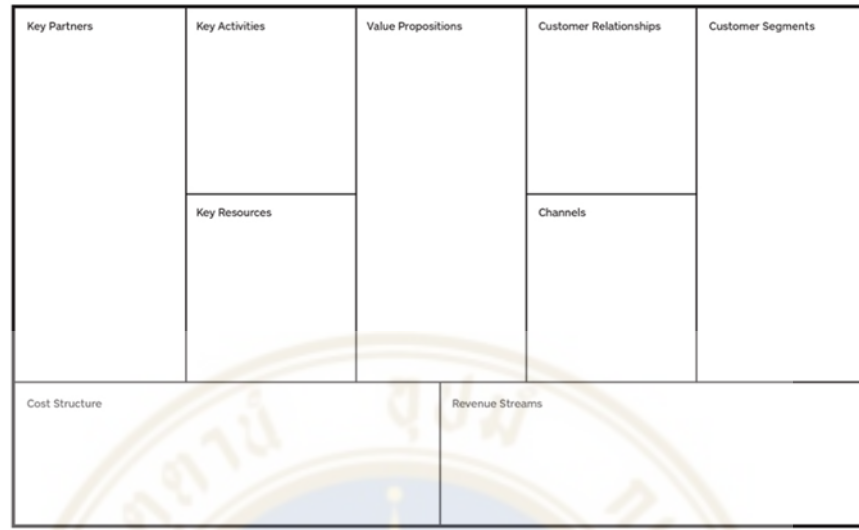


Figure 2.1 Business Model Canvas

1. Key Partners (KP)

Which kind of partner that the company should have in order to support business, involved in both raw materials feeding and assisting sales example transportation and production.

2. Key Activities (KA)

The main activities that business have to operate and it must be done to keep the business model alive, example Product development, Quality control or any Service preparation.

3. Key Resources (KR)

Anything that necessary for doing a particular business, whether the resources that a company already has or what resource that the company need for seeking for, in order to serve a valuable product and service to target customer, for example, human resources, machine, capital, land or intellectual property.

4. Value Propositions (VP)

The selling point that makes the product or service distinguished, unique and dominant for other competitors, which encourage customers to buy our product.

5. Customer Relationships (CR)

The ways to maintain an existing customer to create customer loyalty as well as word-of-mouth by doing these kinds of activities like call center, discounting, membership or warranty.

6. Channels (CH)

The contact points that reaching out to customers, the medium must be suitable for each target group like 20–30 years old, mostly use Instagram and Facebook, and the content used must be coherent with other platform as well as the content must be addressed customer journey.

7. Customer Segments (CS)

Identifying target customer, who is our buyers of goods or services, communicate with target customer by pointing out our unique value via selected channel.

8. Cost Structure (C\$)

The total cost of the business which can separate into 2 parts, the first is Capital to drive business; employee salary, water cost, electricity cost, fuel cost and machine maintenance cost etc., another capital is Value added like advertising or public relation. All of these included in cost structure.

9. Revenue Streams (RS)

Where the income of this business came from, for example service charge, merchandising, royalties or partnership.

(Onrat, 2018) and (Nikolou, n.d.)

2.2 An Application of the Business Model Canvas in a Service Setting, Focused on Value Proposition

2.2.1 Business Model Canvas description

According to the article (Jovana, 2021), founding another aspect that described BMC as below:

Key partner: represents the affiliates needed to run a successful business.

Key activities: define the actions a business must take in order to provide services.

Key Resource: Explain the most important resources necessary for running a business. (E.g. financial, physical, intellectual, and human)

Channels: the way a business reaches its customer segment (for example, through a website).

Customer segment: represents the person whose business intends to market a product or service.

Cost structure: covers all expenses incurred by the business.

Revenue stream: represents the total sales generated by the business.

While the value proposition could be described in a greater detail in a followed topic.

2.2.2 Business Model Canvas focused on value proposition

Value Proposition is the heart of Business Model Canvas, in order to have consistent value, every element in BMC must in line with the value proposition. On the other word, Value Proposition will determine what and how business operation both internally and externally like how to offer product and service to the customer as Payne et al. (2017) define value as *“the set of experiences that a business causes its customers to have”*.

In terms of creating the value, there are two stages which are value design and value delivery. For the value design, when designing the value, the first concern is having deep understand about your customer journey, what they really need, what is their pain point, behaviors and motivations. Like implementation of PM clinic, they use this process to identify their value (see Figure 2.2), collecting customer profile and segment them by concerning their jobs and roles, challenges they experience (pains), and any benefits received through their role (gains) as a first step. Then, allocate existing resources to address customer needs, after that develop value proposition.

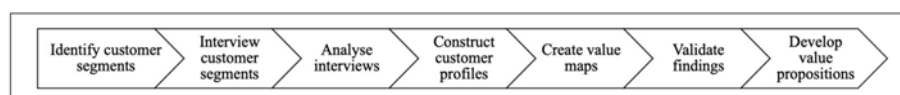


Figure 2.2 Value proposition design process Jovana, S. (2021)

For the value delivered, it is about how the company has the resources, operational and administrative capabilities to produce, distribute, market and sell its offerings to customers. Regarding to service provider like PM clinic, since they have already done customer segmentation, they able to allocate physicians that suitable for clinic such oncology and gastroenterology departments. This also shows how PM clinic operational practice that reflect customer segmentation.

In addition, in order to ensure effective value, customer must associate with the meaning/message of company value, so, the customer would determine whether a product or service is worth for them or not, whether in term of function value, emotional value or cost of what a business is offering (Smith and Colgate, 2007). Additionally, value does not always mean acquiring a good or service at a lower cost (Pitelis, 2009).

Therefore, understanding value from a customer perspective and incorporating value creation activities into a Business Model Canvas from the start, developing a business model can help guide better ways to run the business and succeed.

2.3 The Identification of Business Model Canvas for SME Focused on Channel and Customer Relationship

The article (Supriono, 2016) mentioned about identification of marketing innovation model using the Business Model Canvas in SME at Bondowoso Regency, a regency in East Java, Indonesia, in order to create competitive advantage. Since the dance studio is a service provider and be a kind of SME, so, reading this article could give some idea of implementation BMC in similar context.

There is another point of view that describe and implement BMC in SMEs.

Table 2.1 The identification of Business Model Canvas for SME focused on Channel and Customer Relationship

Building box	Description and implementation
Key partner	Example of key partners for SMEs are government, distribution partner, investor and supplier SMEs and suppliers have a very close relationship caused suppliers are the key production activities. Especially related to the manufacturing process. In addition, investor have to financing to finance and supply all the needs of production and distribution activities carried out by SMEs (cost structure). Investors should act as the regulator of SMEs in order for businesses to grow, develop and survive.
Key activities	According to the research, there are the main activities that are directly related and affect the market of SMEs, these activities include production, promotion and distribution that need attention.
Key Resource	Required in SMEs are raw materials (natural resources) and human resources (HR), for example, HR is very influenced by being the key resource to perform at many key activities such as Production, Distribution, and Promotion. So, qualified human resources are indispensable in order to get maximum results for each activity, as well as trained and skilled human resources are obtained from recruit or training process in finished form.
Value proposition	It is the expected ideal of BMC; the value proposition must be projected toward key activities and the numerous activities are needed to support the implementation process to achieve the goal.

Table 2.1 The identification of Business Model Canvas for SME focused on Channel and Customer Relationship (cont.)

Building box	Description and implementation
Channels	Refer to an element that defines how an organization communicates with its customers and delivers value proposition, communication, distribution, and sales. In addition, Channel are a factor in customer interaction, it describes customer interactions and play an important role in the processes that customers experience.
Customer segment	The users of the organization's services or products that contribute to and generate income for the organization. They might not always pay directly to the organization, but if not, there will be no capital flowing in.
Customer relationship	The achievement is to satisfied our customer with product and service performance.
Cost structure	The total cost incurred in operating the business model canvas, in order to establish the reliable value proposition, appropriate channels, key resources, and key activities which all of these need some costs. These expenses can be obtained from investors or SMEs' own capital. The cost structure could be influenced by the strategy chosen by the company.
Revenue stream	How organizations generate revenue from every customer segment. The inflow is what keeps these organizations alive, there are two types of income, transactional and repetition (Recurring). Profits come from customers as a result of the products and services of all elements in BMC.

Moreover, there are two interested issues that could benefit from this study, which is Channel and Customer Relationship.

In terms of channel, according to the previous article, in addition to being a contacting customer, it is also being the way to increase awareness building, to enable customers to assess, helping customers to buy products or services, delivering products / services, and to provide after-sales support. Bondowoso Regency has two applications which are the Delivery Services and Tourism Bureau. About the delivery service, they find out that delivering the product to the customer outside of the area or aboard need agreement from the shipping agency which sometime it is high cost and that impact on relatively expensive product offer. Which can be learned that there are some costs required for building the channel, dealing with other parties is possible as well as hiring an outsource would be another way to enhance effective communication. For the Tourism Bureau, mentioning on tourism agency will bring a customer to meet with the SMEs in Bondowoso. Expanding market to traveler caused by interested in local product, moreover, the area of SMEs can become a tourist attraction because its uniqueness. Which can be learn that expanding the market is important and we can expect the other party to bring customers to the company, not just using the company's promotion, so, do not forget to seeking advantage from counterparty as an organ to lead customer to use our service.

In terms of Customer Relationship, compared to the previous article, not only after service provide, but it includes the good experience during customer in the process of the service, needed to offer a maximum service for customer. The purpose is to satisfy customers by product or service leading to customer royalty. There are three examples use in SME which is a Bonus, Discount and Total Quality Management. The bonus is given customer in a certain condition like buy a certain amount in a certain time then become a member. This will make customer feel value and associate with the company. For the discount, same as a bonus, but it could be optional for the customer by rebating, not increasing the number of purchased. It depends on customer desire, which customer will have alternative according to their financial management. Lastly, TQM (total quality management) is a strategy to control performance of human resource while delivering service, including product performance to be the standard which will make customer impressed.

2.4 Implication for Business Model Components in Product Service System

2.4.1 BMC description and implemented in product and service system

The article by Elsevier, B.V. (2019) focused on developing upgradable Product Service System design by using BMC. In order to enlighten BMC function, investigating for further descriptions and implementation could benefit for this study.

Here is another aspect of description about BMC implemented in product and service system.

1. Value propositions:

- The core component of PSS business models is the value proposition.
- The value provided by the integration of products and services to a customer segment.

2. Key partners:

- The network of suppliers and other partners that operate a business model.
- Designing, configuring and delivering the PSS is a complex task. To operate the PSS business model effectively or efficiently, stakeholders must participate in decision making.
- For an upgradeable PSS provider Research and development is a very important activity that can be costly if done internally.
- In this case, partnering with other companies to conduct research and development in joint ventures can help reduce costs.

3. Key activities:

- Important tasks that companies should do to make their business models work.
- There may be other activities specific to the PSS that can be upgraded, such as, periodically train customers on upgrading product functions, installation and planning of upgrades, etc.

4. Key resources:

- The vital assets required to run a business, such as listed human, ICT, and finance as the most important resources for PSS business models.

- By dealing with customers, having new competencies and skills of PSS provider are needed which could be achieved by training existing employees or recruiting new ones.

- PSS providers need to continually monitor customer needs and identify upgrade opportunities throughout the PSS lifecycle.

- This can be done by continuously collecting data about usage behavior and taking into account dynamic customer feedback.

5. Customer relationship:

- Closer relationships and increased customer interactions are essential in the PSS provider to deliver value in terms of upgrade services. Service providers need to be informed about the customer's preferences, needs, problems and interests.

- Stronger relationships and better interactions will allow customers to participate in the design, manufacture, and delivery of a PSS.

- There are 4 attributes that relate to customer relationships: close and long-term relationships, formal agreement and mutual trust, sharing information and knowledge and co-creation of value.

6. Customer segment:

- *“Success of a business model largely depends on serving the right customer segment with the appropriate set of value propositions.”*

- PSS providers require to segment and analyze the needs of their customer base using a variety of advanced criteria. It takes into account the expertise, habits, behaviors and values of different types of customers.

7. Channels for customer engagement

- Describe how PSS providers keep in touch with and reach their customers in order to deliver value.

- Communication channels: Bidirectional web platform used as a tool to continuously communicate between the PSS provider and its customers. Moreover, the web is able to collect and prioritize customer dissatisfaction and track changes in their needs.

- Distribution Channels: involve delivering PSS offers to customers.

- Sales channel: Sales channel personnel should determine how PSS's value proposition should look attractive to customers.

8. Cost structure

- The cost structure describes all the costs incurred to run the business model.
- There will be a cost for additional responsibilities such the customer's operations; additional types of costs such as operations Maintenance, upgrades, EOL spare parts, disposal, etc. are therefore relevant.

9. Revenue streams

- Revenue streams represent the ways in which PSS providers can make money.
- In the case of retaining ownership, the PSS provider uses formal business contracts to describe how rights, revenues and liabilities are distributed to the relevant stakeholders.

2.4.2 Apply Value proposition in upgrading product and service

According to the article by Elsevier, B.V. (2019) mentioned in value proposition, there are 3 attributes suggested to help creating customer value in an upgradable PSS (Product Service System).

The first one is Functional fitness, the way to monitor a capacity of the product and service due to deteriorated or out of trend. Since the product has a life cycle so, always maintenance or up-to-date to ensure that the product or human resources able to perform advanced functionalities with leading performances. Adapted to a service provider like dance studio, the trend of dancing might be change across the time, so, being provided updated class and improve instructional skills are required.

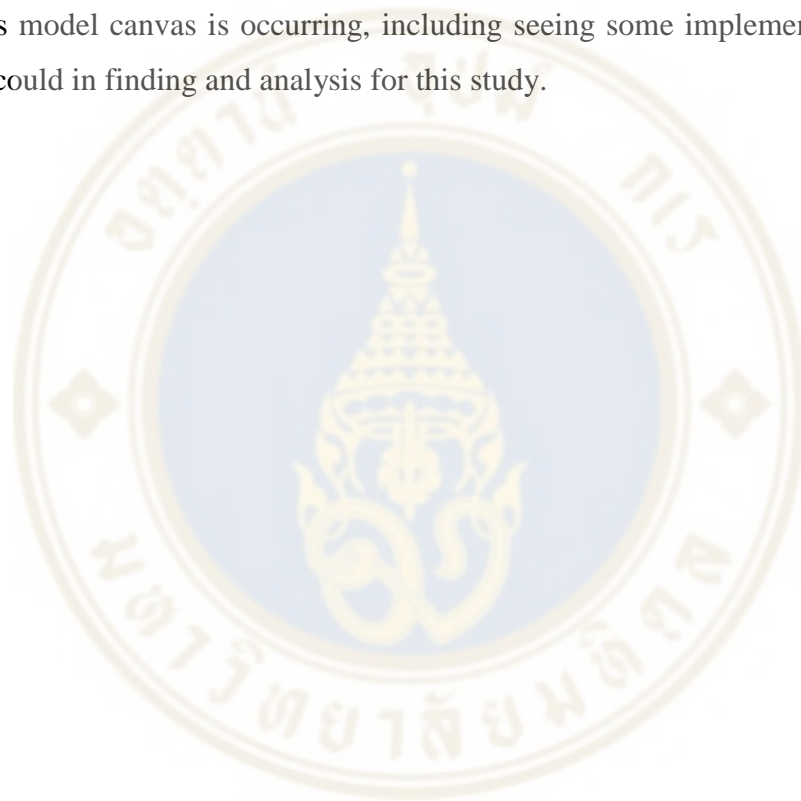
The second Dematerialized value, the example is a software upgrade in Tesla that provide recently a simple over-the air software upgrade called 'ludicrous mode' for their Model S and Model X cars. This upgrade reduces the acceleration time from 3.8 to 3.2 seconds to reach 100 km/h. So, it is requiring little to no technological or material changes to generate value. It reduces company burden to operate another task as well as customer no need to visit the showroom. The company provides the upgrading as an added value for both product and service, since the car was enhancing its performance by itself and also customers were convenient. In terms of adding value

to the service would mean providing some special/unique offer which not caused too much difficulty to the company.

Third Increased affordability of technological advances, it is about designing a product or service. By embedding upgrade-enabling feature in existing products, like software, but it needs to install since designing process. Which will help to increase a customer's affordability of gaining access to the state-of-the-art technologies, so, customer be able to upgrade the whole system without replacing the entire product. This could implement in the service plan by creating the process step by step like how staff will treat customer in that particular step in order to make customer get the best experience and those practices must be sustained for the long term, moreover, be able to adjust across the time.

To summarize, first, **customer relationship**, maintaining existing customers by giving them the best experience with more interaction, so, that would be the way to strengthen relationships. Same as **value proposition**, the heart of BMC that must be projected to every dimension of business and it must be distinguished as a selling point. **Cost structure** which is overall cost used for business operation like employee salary, electricity bill, promotion, transportation as well as cost used for creating and maintain every BMC element. The **revenue stream** is the way/how the organization generates their income, it might come from owner investment, selling product and service or partnerships which can clarify in two types; transactional and repetition (Recurring). Another one is **customer segmentation**, how the organization identify its customers, who use the service, and communicate to them with appropriate value/channel, like one literature mentioned that "Success of a business model largely depends on serving the right customer segment with the appropriate set of value propositions." According to reviewing all article, **key partner** is the supply network that company should have in order to support business to success, which is not only supplier but is could be government and other parties that could be observed in key activity like distribute partner. For the **key activity**, the task that the company needs to do in order to make BMC alive, key activity might be different according to business operation like some of company need product development, some of them need customer training even though they are providing product but key activity might be different, especially service provider. **Key resource** is the existing resource that the

company could use as benefit and it's necessary, like financial, physical, intellectual, and human, as well as, the company has to know what resource that they are lacking in order to operate, furthermore, for service provided, potential human resource is very significant for delivering the service. Lastly, **channel**, as regular business it would be a contact point that the company use to contact with customers such as communication and interaction, but for application in the service setting channel would include where the service is delivered, all of these must go along with company value and that is the way the customer gets their experience. Therefore, understanding more description of business model canvas is occurring, including seeing some implemented in a service setting could in finding and analysis for this study.



CHAPTER III

METHODOLOGY

3.1. Primary Data Collection Method

According to analysis in literature review chapter, there are several theoretical aspects could benefit for finding and analysis including the aspect of other authors analysis on service industry by using Business Model Canvas which could use as comparison in this thematic paper. Moreover, to answer the research question, in-depth interviews and non-participant observation (during a company visit) techniques are adopted as the data collection approaches to know in-depth information, Plan, CEO's decision making and attitude toward service management in entertainment industry, whether in the past or future plan that influenced on building 9 elements of Business Model Canvas which make the Studio success in nowadays. As well as, being a customer and observing ABC dance studio toward communication channel were not sufficient for collecting the data, additional methods such Semi-structure interview is required in order to finding success factors and understand perspective of participants which could fulfil the paper.

3.2 Interview Methods

Open-ended questions: In order to do effective interview, implementing open-ended question are required. Since the characteristic of question will convince interviewee to reply freely, which that data could helpful for the study. As well as, by flexible question, allow interviewees respond naturally and take time to give the answer as well as able to ask probing questions. Moreover, observing non-verbal communication could highly effective for the study, according to interviewing with such a creative and expressive person.

Therefore, A list of open-ended questions is developed in order to gathering a different perspective of participants toward the BMC building box, which the question

will not too difficult for the interviewee as well as the interviewee not put too much effort to prepare the answer. The questions divided into 4 sets specifically for each position which consist of 5 building box such as Value proposition, key resource, customer segment, customer relationship and channel. These questions are provided below:

Table 3.1 The lists of open-ended questions for CEO

CEO	
Questions	Topic
1. What make you think that “I will create a dance studio”?	Seek for any passion, motivation, value or purpose that she uses to establish and operate the studio
2. How long you operate the studio?	Leading to the next question
3. By that time, do you think the studio success?	To ensure that I can really find success factor
4. As you use to be a dancer, you seem to understand the desires of dancers, so, in your point of view what kind of studio/practice room do you want, and did you make this place to be like you want or not?	Value proposition
5. When you were a dancer, have you ever used the service of others dance studio or not? How do you feel about them?	Question for Key resources
6. Compare to those studios, any elements that you bring to apply to operate an ABC studio? Any bad point that you think “If I were them, I will do like this!!”	Value proposition, key resource, customer relationship
7. Apart from the facilities, what else you prepare for the customer?	Value proposition, key resource and customer relationship.

Table 3.1 The lists of open-ended questions for CEO (cont.)

CEO	
Questions	Topic
8. Who are your target customers?	Customer segmentation
9. Where do the customers come from? Like Facebook, IG or Tiktok, how they know the studio?	To check the effectiveness of communication channel
10. Which one is the most customer referral? And, are there other platform that the studio operates now?	To check communication channel
11. According to ABC online platform, whose operate it?	Key resource
12. During covid-19 pandemic period, the studio has online class. Is it effective teaching via online meeting platform? Any price reduction since it is not in the studio?	Channel (service delivering) and Customer relationship
13. In the future, will you expand more target customers?	Customer segmentation
14. Except dancing class, anything else that you provide in the studio?	Customer segmentation, Key resource (personnel) and Channel
15. Do you think, instructors influenced on customer or not, like they come here because they want to learn with this instructor?	Customer segmentation and Key resource (personnel)
16. Then, could I ask about an instructor, how do you recruit instructor, any criteria or purpose?	Key resource
17. You seem to invest a large amount of money for interior, why you do that?	Key resource

Table 3.1 The lists of open-ended questions for CEO (cont.)

CEO	
Questions	Topic
18. You seem to invest a large amount of money for interior, why you do that?	Key resource
19. Another interesting point in the video you mention that the studio conducts a dance competition with a huge prize and ornamented production, what are the reasons behind that?	Channel
20. How about the feedback? Do people know the studio more? More customer? (From conducting the competition event)	To check the effectiveness and result of Channel implementation
21. Except the competition, Will you create another event or any plan for the future?	Channel BMC

Table 3.2 The lists of open-end questions for instructors

Instructors	
Questions	Expected answer
1. How long you have been dancing or teaching?	To check competency of key resource
2. During the dancer's life, are there any moment that you feel very proud of being dancer/instructor? Like certificate, win a competition, training or portfolio.	Key resource, in term of competency as a service provider that could lead to the studio's value proposition.
3. Since you have such a great experience, what is the thought that make your work with this dance studio?	To check a value proposition of the studio itself (without concerning personnel)
4. Before you work here, have you ever worked with another studio, how about it?, compare to the previous workplace do you feel facilitate during work at this studio? (Equipment or environment) or any things that convenience you for being instructor at the studio?	Key resource value proposition.

Table 3.2 the lists of open-end questions for instructors (cont.)

Instructors	
Questions	Expected answer
5. Since you have taught for a long time, do you have a special technique when you teach or not? (Like language use, ice breaking, choreograph ideal, costume theme)	Competency of key resource. Customer relationship, the teaching technique is a key to satisfy customers as well, whether they enjoy with the class or not.
6. In your class, what kind of students attend? Mostly boy or girl and how old are they?	Customer segmentation, consistent with the CEO's plan or not?
7. Did you have a social media platform, which one is the most follower/famous, in there do you post some clip or content?	Communication channel
8. Are there any customer who sees your video and come to have a class with you in this studio?	Communication channel
9. Except on-site class, are there other activity that ABC asks you to do? Like been a representative to promote the studio in some activities?	Service delivering channel
10. Last question, since you have been working here, are there any dissatisfaction about the studio whether human, equipment or policy?	Value proposition

Table 3.3 The lists of open-end questions for administrator

Administrator	
Questions	Expected answer
1. How long you have been working here?	
2. Have you ever worked with other company before, what kind of your work? (Is that relevant to this work or not)	Competency of key resource
3. Why you apply here, how come?	Value Proposition toward the studio itself, how he sees the studio before applying job, what he expected.
4. Can you tell me what is your actual task and role?	Key resource that could lead to Customer relationship and Channel like room reversion, solving problem technical equipment or reception.
5. How do you feel about it (your task and role), are you satisfied?	Sufficient key resources (personal)
6. In order to do such a several tasks, do the equipment contributing you to finish your work?	Key resource
7. Which channels have people come to reserve a class or room? Which one is the most?	Service delivering channel
8. Have you ever had issues about customer, for example irrationally cancel, money transfer? How you deal with them?	Customer relationship
9. Last question, do you satisfy to work here? Why? Or why not?	Value proposition, after work for a while the value that he sees as outsider are the same with insider or not, compared with Q3.

Table 3.4 The lists of open-end questions for customer

Customers	
Questions	Expected answer
1. How often do you use the studio service?	Distinguish frequency uses the studio service.
2. Are there any reason why you take a class / room at this studio?	Value proposition
3. How do you know this studio, where did you see the class or instructor?	Communication Channel
4. Have you ever rented other studio? If yes, what do you think about the price of the class and rental rate of ABC studio?	Value proposition
5. As a customer, have you ever had problem while taking the class or using the room? Like, the speaker or air condition does not work, how the staff solves that problem?	Value proposition Channel: service delivering Key resource
6. Do you think the equipment or architecture in the studio room enhancing your ability to learn/practice or not?	Key resource Channel: service delivering
7. What does think about the class that this studio provided? (Variety, interested, instructor) have you join every class, why not?	Channel: service delivering Key resource Customer segment
8. Have you ever had any issue about class or room reservation? If yes, how they deal with you, are you satisfied with the approach that they used?	Customer relationship
9. Do you recognize the special service or promotion offered?	Channel Customer relationship
10. Have you ever jointed any studio's activity?	Channel

Table 3.4 The lists of open-end questions for customer (cont.)

Customers	
Questions	Expected answer
11. Compare to every studio that you experience, which one is the best?	Value proposition Customer relationship

Probing Technique: To ensure validity of the data, the probing technique is adopted. Probing technique is a technique from McDaniel & Gate (2013) by “As the interview unfolds, the interviewer thoroughly probes each answer and uses the replies as a basis for further questions.” (p. 133). This technique allows the interviewer to ask further detail, respectively for the main question, in order to seek for more reason, result or example from interviewees, with this two-way communication, obtaining deeper detail would benefit from the study.

Moreover, reflective note taking is also used to record observed data because during interviewee giving the answer, there might be some hidden feeling or motivation in particular issue which demonstrate in facial expression, body gesture or even timing that they use for figure out the answer, by these actions, it could be emphasizing or opposing (lying) to the interview. Therefore, reflective note taking could apply along with recording file during transcript and analysis.

Sample selection: The convenient samples include 1 CEO, 5 staff and 4 customers, which five staff were selected from different position in the studio, each instructor/staff was recruited by the different perspective of a CEO that aim for some reasons as well as the difference dance style and approach to teaching. The last staff would be an admin who operates online activities, class reservation and reception. For the 4 customers were selected from a frequency of using the studio service, in order to get a different perspective in the way they perceived the studio. According to having mentioned, collecting several aspects from different journey of each group could effectively use in finding and analysis.

Table 3.5. List of interviewees

Code	Position	Gender	Detail
CEO	CEO	Female	The owner who established the studio
Instructor 1	Instructor	Female	Class for average – skillful student
Instructor 2	Instructor / customer	Female	An instructor who often uses the studio to conduct the class and share some customer with ABC.
Instructor 3	Instructor	Male	An instructor who is popular among customer and music label and also makes the studio become recognized.
Instructor 4	Instructor	Female	Niche dancing style, has specific target group, trained from originating instructor (abroad)
Admin	Admin	Male	Reception, cashier and operate an online activity
Customer 1	Customer	Female	A customer who uses often used the service
Customer 2	Customer	Female	A customer who used the service on occasion (very infrequently)
Customer 3	Customer	Male	A customer who takes a class of studio every week or reserve a room frequently
Customer 4	Customer	Male	1-2 time per year using a service.

3.3 Conduct the Interview

In order to conduct an effective interview, having a conversation one by one would implement. The interview will take place on-site at ABC Dance studio for CEO, instructor and admin, each session will spend around 30 minutes for collecting the data. For the customers, both on-site and video call would apply due to different frequency of service used, so, some customers might not appear on-site and long interaction might be banded by covid-19 prevention policy. During the interview, data would collect by video recording or voice recording concerning on interviewees privacy. In addition, interview conduction might be adjusted according covid-19 pandemic situation, from on-site to a phone call or online meeting.

3.4 Research Framework

Business Model Canvas is adopted as the framework to collect and analyze data.

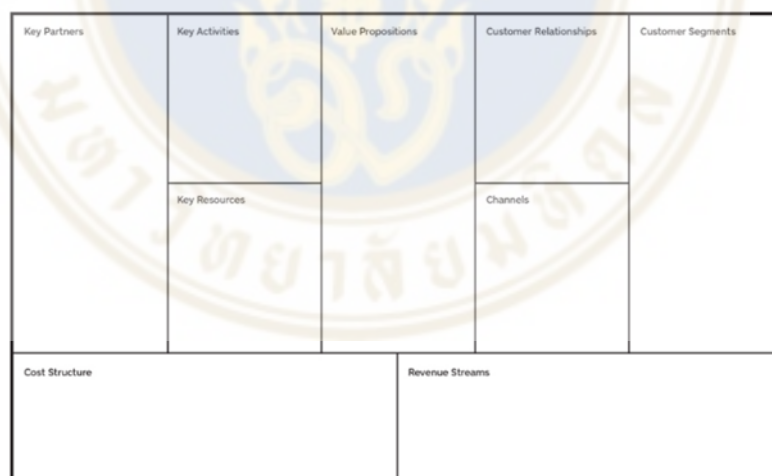


Figure 3.1 Business Model Canvas

In terms of Business Model Canvas, there will be 9 building box that describes each aspect of how the business operates (Figure 3.1) which in technically all of them must be consistent based on the value proposition to create effective operation and bring an income to the organization. For a service provider such the ABC Dance

studio, selecting the most influenced building box such Value proposition, key resource, Customer segment, customer relationship and channel are critical for such the business. Five elements are selected for finding and analysis of ABC Dance studio's success factors.



CHAPTER IV

FINDINGS AND ANALYSIS

After conducting qualitative research by applying in-depth interview, several data were gathered and summarized from interviewees perspective. The data were grouped into five groups according to Business Model Canvas building boxes, which is Value proposition, Key resource, Customer segment, Customer relationship and Channel. These five elements could clarify why ABC dance studio success as well as any elements that the company still needs to improve. The finding and analysis are following paragraphs.

4.1 Value Proposition

Start with the value proposition, which is the core of BMC and it should be the selling point that makes the product or service distinguished, unique and dominant for other competitors, which encourage customers to buy our product. According to the interviewing with CEO, there are values that she directly set up as a core value. Raising up the question that “when you were a dancer, what kind of practice room that you want?” And the first word that she mentioned is “convenience” follow by she was experienced with broken air condition and unattractive room interior, which she need for shooting video since she is influencer, additionally, she mentioned on how hard to commute to the other studio when she was dancer since she could not drive. Moreover, the CEO said, *“I installed a good audio equipment such Yamaha brand”* (the brand that reputative on high performance for musician) she adds more that when she was a dancer, *“during the practices I cannot hear some beat due to the crackling speaker.”* And also, the CEO said in perspective of instructor that *“some time the instructor needs to hear a very clear sound in order to choreograph and catch up with a small beat.”* In addition, the CEO mentioned that, aiming this studio to be the first step for anyone who might fear to dance but want to dance, like a beginner, by doing this, the CEO enjoin the

instructors to create *“not too difficult choreography”*. Furthermore, by observing personal YouTube Channel, the CEO intention, spending a lot of money for the interior was on purposed.

The CEO said that *“I don’t like something small, If I do something, I will do the best that why I spend a lot of money because I want large landscape, quality equipment and beautiful place”*, as well as she was a dancer and she mentions about how beautiful room important to her when she shooting the video. Which could be concluded that CEO use some personal concerned to establish this studio. From the CEO interview, the value could be grouped into three groups, which will use to compare whether the values are properly recognized by the instructor and customer or not in order to check the effectiveness.

To find success factors, comparing CEO interview with staff and customer perspective to analysis the effectiveness of value was implemented.

According to the word “convenience” that CEO mentioned about past experience that she faced with a broken air condition, ugly room, bad audio equipment and difficult to transportation, which all of these used as ideas to establish the studio. For comparison asking the instructor 2 that “Why you use the ABC service?” and ask other instructors that “compare to the previous workplace, do you feel facilitate during work at this studio?”. The statement that most refer from all instructors is “easy to transport” which match with one of CEO concerns about transportation, especially instructor 2 who is a freelance (not up to the studio) and often use ABC as the place to conduct the class, she directly said that *“Convenience” “community mall is the center combined shop, restaurant, transport, and has several rooms”*. As she is a freelance, actually she could use other studio to have a class but she picks ABC as the place to conduct the class which means that she recognized the convenience provided which solve her concern. For instructor 3: *“the environment is okay because it’s at the mall, easy to park eh... has shops.... Has everything right!! It is a community mall; follower can walk in the mall while waiting which is convenience.... For me I think it is convenient.”* From the question asked, the question was directly asked for the good point of the studio and both of them were mentioned on convenience that they could get from where the studio located. Besides, customer 2 said *“because ABC is located in mall and there will be parking space, restaurant, and everything that convenience, compare to U*

studio (invented name) I have to transport by BTS and then take a motorcycle taxi again, or D studio, which you have to have a car only, cannot take BTS, so, ABC is the most convenience.” Moreover customer 1 said, *it is the only studio that easy to transport compare to another studio that I have been used.*” From these four aspects of instructor and customer, all of them recognized the convenience as one of the factors whether in term of located in community mall or transportation that they obtain benefit from the studio, as well as, it was in line with the CEO’s intention since she established the studio in such a center of city and surrounding by completed environment to support customers. Moreover, the CEO also concern on a small desire of the customer, so, she decided to install water vending machine which has pure water, soft drink and energy drink, and another ice cream vending machine, since she knows that after customer taking the class, they might crave water or finding some sweet to reboot the energy. So, this is another way to create impressive for the customer instead of customer have to walk out of the studio and find a grocery to buy the water in spite of they are tired and take time to walk, by installing it could facilitate a physical need of the customer. By observing, there were several customers, buy water and ice cream that the studio provided.

However, looking from the outsider perspective, the convenience still provides for the customer such as a room reservation. According to interviewing with admin, he said *“when I was start working here, there will be a website used for reserve the class/room, there will be a code for reserve the room, and when customer want to cancle the room, the program not allowed customer to do it by their own, admin have to in charge for cancelling, moreover, the program does not notify, I have to always monitor for the class reservation”*. By doing this, it is more complicated and waste the time to operate, compare to nowadays, every reservation occurs via Line and recorded in the paper which is the preference of admin. So, he could easily understand the record and allocate the room better than using the website, and CEO allowed with recording on paper. However, it is easy to deal with customer and no comment about customer in term of easiness class/room reservation. Therefore, “convenience” would be one factor that make the studio success since customers could obtain the value strongly such as easy to commute since surrounded by public transportation followed by the location that the studio take place like in the community mall which is convenience for instructor and customer by having restaurant shop and car parking.

Another statement that CEO mentioned which could be another value that distinguish the studio from other is that, aiming this studio to be the first step for anyone who might fear to dance but want to dance, like a beginner, by doing this, the CEO encourages the instructors to create *“not too difficult choreography”*. From the statement, found out alignment with 3 instructors’ interviews, who make the studio become famous mentioned on the idea of how he structures the choreography that *“I will use the same structure to choreograph, but new direction, it’s like the old house, but continuously renovate, in order to create excited for the body movement, to make student feel like I can achieve the more difficult dance.”* From this point, it would create some challenge for the customer to achieve, at the same time, it is looks interesting since the customer knows that they can achieve the choreography caused by familiarity with the dance structure. Addition by instructor 1, mentioned on selecting song for choreograph *“there will be old face customer about 40%, actually, I’m not notice much, mostly people take my class because of the song, if I use trendy song, there will be new target quite a lot cause they like the song, but if next week, I choose another song, those customers were gone.”* So, from this statement, selecting a trendy song could be another method that make the class more approachable since everyone know the song and they want to engage with the song, thus another 60% is came from a song choice, which all of them are new face customer. So, from these two aspects of instructor, could be seen that they apply the CEO’s tactic in term of choreograph and song selection which help customer approach to the dance. In order to ensure value’s effectiveness, there are one customer who frequently use the studio service and be experienced in the dance field mentioned on dance style that the studio provide that *“If I want to learn like truly hip-hop, I will go to another studio because at ABC there only provide a mass choreography, not deep and intensive for each style”*. According to the interview, this opinion could ensure how dance styles of ABC studio is simple enough to making everyone reach, compared to those studios that the customer mentioned. Therefore, by not too difficult choreograph and familiar dance structure and song selection, it would make the studio more “approachable” compare to others, which could see the alignment of value proposition that the CEO set up whether “not too difficult choreography”.

In addition to approachable, there was another interesting issue that the CEO does not mention but the customer was emphasizing which is “value for money”.

Customer 1 and customer 4 have the same idea about the price which is cheap compared to the other studios, customer 1 who is not often visited the studio add that *“actually the price wasn’t different compare to other studios, the different only 50-100 Baht, some room (size) ABC is cheaper, some room other is cheaper, I think it is the market price.”* On the other hand, customer 2 and customer 3 have different thought which is expensive, however, customer 2 add more that *“the price rate that I had rented an other studio has a different not more than 100 Baht but if average with the facility that ABC provided, I think ABC is the most worth”*. By analyzing of answering from the different background and frequency used service of customer, all of them compared ABC price to the others studio, which all customer tends to perceive ABC price rate as worth the money, even though some of the room might set as the high price, but compared to the convenience such transportation, parking space and other factors that they obtain as a benefit. As a combination, customer could feel worthy to the spend amount of money to use ABC’s service. Therefore, mentioning on price rate by customer, the CEO should acknowledge this issue and keep consistency the worth price which could be the factor that make customer “approach” to the studio more and more, and lead the studio to success by both maintaining and increasing customer in the future.

Another aspect that was mentioned by the CEO is the investment in the interior design of the dance studio. The CEO said that *“I don’t like something small, If I do something, I will do the best that why I spend a lot of money because I want large landscape, quality equipment and beautiful place”*, The interesting point is beautiful place, since the customers gave several favorable comments about a room’s beauty. By raising the question “do you think the studio room enhancing your ability to learn or practice or not?”. Customer 4 said *“compared to other studio that I was experienceing, mostly there will be a plain room which reduce my motivation, so I lack of energy to dance, but when I saw ABC, the rooms are different, like, the interior was like modern, neon something like that, so that makes me energetic and cheerful to dance”* from the answer, comparison between ABC and another studio was occurring, the customer recognized how beautiful it is when compared to the other by mentioning on decoration style, as well as, he could tell the benefit of having good environment that ABC provided even though he is male customer and not use much ABC service. Moreover, some of them were reply in another question *“the studio was quality and when taking*

the video, it was beautiful” another one said *“If I compared with another studio, there is plain room some of them is black, compared with ABC, there are colorful and lighting (decoration) which that interest me to join the class”*. As hearing 3 customer aspects, could be ensured that the customer recognized the aesthetic of the room since the question do not directly ask about the beauty, but all of them reply about aesthetic as well as do a comparison to the other studio by themselves. So, it could ensure that another value that attract customer’s attention is aesthetic of the studio. Which means that it is consistent with CEO’s intention and become the identity of the studio.

On the other hand, there were two issues that mentioned by the instructor and customer but do not mention by CEO, which could make the studio dominant from other studio and it might be used for set up as another core value in the future, which is variety class and room. According to interviews with instructors, all of them mentioned about number of rooms, especially when the author raised the question about “do you feel facilitate during working at ABC?”, instructor 4 said *“nice practice room, beautiful, nice lighting, have several rooms accommodated 11 rooms, compare to other studio, if I open private class, there will be only 2-3 rooms and it is very difficult to schedule the right time to make a class, that me, my student and room are available at the same time, which this studio have a lot of room that available for me”*. From the interview, the instructor mentioned about what is the problem that she faced in past about lacking of room which reflect on how good that ABC provide such a several rooms. Same as other instructor that mention on number of rooms, but in short words, however, there are some benefits of having a several rooms which other studio could not provide. Moreover, according to the interviews, customer 4 said *“ABC has several dance styles and the instructor is attractive, each room decorated in a different style”* additionally, customer 2 said *“I think the class is variety, but still lack at the same time since if I want to learn like truly hip-hop, I will go to another studio because at ABC there only provide a mass choreograph, not deep and intensive for each style”*, which means that the class that ABC provided is variety, but might look too shallow in term of dance level of professional dancers. Moreover, customer 1 who infrequently use ABC service said that *“sometime the class that I want to take is always offered on weekdays, but I prefer weekend”*, according to the interview, customer 1 has mentioned on several class names, which means that she recognized the variety of the class even though she is not regular

customer and it not fit with her preference, however, there is class that interested her. So, different journey of customers recognized the variety of ABC's class. Therefore, the opinion from the instructor and customer as variety class and room could be the value that the instructor and customer feel, but not officially set up by the studio.

In conclusion, in terms of the value proposition, found out the coherence between CEO, instructor, administrator and customer. As a result, there are several value propositions that staff and customer recognized which is convenience of service, good audio equipment, beautiful interior design, not too difficult choreography these make ABC dance studio dominant from the other. In addition, the "variety of classes" and "value for money" are value propositions that instructor and customer obtain from the studio, as gathered from interviews.

4.2 Key Resources

According to the literature review about the identification of Business Model Canvas for SME, key resource not only means intellectual or property, but the very influential key resource that makes SME successful is human resource which those of them will perform upon their key activities. Supriono, (2016). After observing and interviewing, there are 2 main groups of key resource that mobilized ABC studio to success, including human resources and environment.

The important key resource that plays a big role to make ABC success is human resource. Due to the article mentioned that "HR is an influential key resource" Supriono, F. (2016). By observing ABC dance studio service delivering process, the most significant personnel in the organization would be instructor, follow by administrator, then CEO. Due to the form of service is quite different compared to other service provider company, instructors would take a huge responsibility to deliver a service such an education along with entertainment, being the one who directly contact with customer, at the same time, the instructor also representing the studio as a channel who carry ABC's value during provide a service. Since the instructor is truly service provider to the customer, so, interviewing with CEO was conducted, in order to find out how she recruits instructor and what is the criteria, to check whether personnel in the organization have potent enough to deliver the service. The CEO given an answer that

“mostly they are professional dancer that has a sense of teacher, and instructor 3, he usually be a freelance instructor, I saw his potential and I invite him to be our full-time instructor”. As a reflection to CEO statement, instructor 3 also mention on how he was recruited *“at that time, I was at the upside down of my life, but ABC’s CEO focused on potential only, she talks to me that I am interested in your skill, the way you do, the way you teach”*, which two statements could show consensus of both side that the studio was hiring a potential human resource, focus on ability of human. Moreover, asking about the journey of each instructor and administrator was implemented. Instructor 1 told that *“I started dancing and later joined competitions, I have always been instructed while studying university, Then I became an instructor at ABC 2 years ago”*. For Instructor 4 she said *“I work for ABC for more than a year, but totally 3 years, excluding choreograph for university activity”* and *“I have been dancing since kindergarten.”* In addition, she said about the proudest moment in a dancer's life is being an instructor, the reason is that she felt like she can make her student get improved. The same as instructor 2, she states that *“as instructor, of cause! I proud with my student that they got improved”*. According to the interview of all instructors, could be observe that no one was a beginner as a teacher, most of them have passed through many dancing experiences as well as their value of being instructor that they want their student to get improve which is a good characteristic of teacher. Therefore, by having such a high potential instructor which is the most important key resources, the studio could create trustworthy in term of quality of instructors, to customer, as well as, integrated with teaching method, leading to customer repeatedly using ABC service.

Moreover, according to CEO mentioned about *“aiming this studio to be the first step for anyone who might fear to dance but want to dance, like a beginner, by doing this, the CEO encourages the instructors to create “not too difficult choreography”*. Asking the instructor about the method or teaching technique that they use was implemented. Instructor 4 who teach niche style mentioned that *“and then in the class I rather taught.... like friend, ah ha, I try to build this feeling for everyone, including new customer, and then I always ask in my class, whether who is new customer then I will specially take care of them by closely teach like private class.”* From the interview, could be seen that she applies the value to the way she deals with the customer, not just a dance technique, but the attitude that she treats customers as well,

like asking to know a new face and closely teach them one by one. This kind of action would make a customer who is beginner reach to the choreograph and feel privileged at the same time. Same with instructor 1 *“my technique is maintaining observe student, when I teach, I always move to left or right and see the whole picture, whether students catch up the choreography or not, if not I keep repeatedly teach them again, that’s it for me, I don’t want my student to be stress, I teach them like friend, during break you can ask me, during filming we can dance together, I treat them like friend.”* Reflecting the interview, the method that she uses also give a sense of caring customer like walking around, open for question and being close to the customer, instead of intentionally push the technique to the customer. These would make customers feel comfortable during taking the class as well as both of them act align to the CEO intention. Including average level choreography, the instructors could deliver the studio value such approachable, which they share a mutual teaching technique, like “friendly”. In conclusion, instructor’s potential and experiences combined with teaching technique adopted from CEO is another factor that impresses customers.

However, there was a limitation that the author did not ask direct questions about instructor teaching technique, but asked the question about “have you ever had problem while taking the class or using the room?”, and all customers did not reply about instructor issue, mostly would be a Bluetooth connection system. So, assumed that if there any problem with teaching, it would not be a big concern since it was not on the customer’s mind. On the other hand, there were three customers come to join the class because of instructor 3’s dance style, which could be a sign that ABC’s human resource is high quality enough to attract customers.

Another interesting human resource is an administrator who has secondary importance in the organization in term of contacting customers. On the other hand, the CEO did not even mention about this position. But in order to fulfil this study, interviewing with them are required in order to ensure the HR’s potential since the literature review of SME, suggested that “qualified human resources are indispensable in order to get maximum results for each activity” Supriono, (2016). Asking for the past experience was occurred, so, given answer in the interview that *“I actually finished my bachelor degree in dance and did a final project as a theater and be a freelance dance for an event, but I bored, and I want to do full-time work, so, I use to be a call center*

for more than year, and before working here, I was work in hotel for 6 months, like room reservation.” According to the experience, the admin has related background that could bring to apply for being an admin dance studio, he would know what the customer needs as he had been a dancer and graduated from Arts faculty, as well as, he familiar with the room reservation process due to his previous work. Therefore, he could be another potential personnel of the ABC dance studio. In order to confirm his ability, having asked customers about issue on class and room reservation. Customer 1 and 3 replied the same thought that whenever the room is not available, admin always propose another room in different size as a choice, on the other hand, customer 2 experienced some issue, She said that *“normally the studio will announce the class every Friday at noon, so I reserve the class and admin already confirm, in a next few moment, the admin told that the class was full since 2 admins do not talk to each other, so, I get a bit angry.”* Then, I ask probing question *“how they deal with you?”*, customer 2 said, *“he just says sorry”*. From these points, even though the admin has some experiences about work, but there still have some problem occurred during serving customer service, administrator able to deal with internal problem like to allocate the class and limited the participant but he could not recover dissatisfaction of the customer which is external problem.

Another issue that CEO concerned was attractive room interior, which she needs for shooting video since she is an influencer, additionally, she said, *“I installed a good audio equipment such Yamaha brand”* So, questioning customer about the environment was asked. Customer 1 said *“I think the room quite help me a lot to learn, mirror is big, audio equipment is nicely surround, and there also provide camera tripod for free, so, I can use it for recording my practice and use it as a review for my dance, so, I don't see any studio provide this kind of thing before.”* From this statement, she not only mentions on quality of equipment, but she was served a further service more than her expects, for example, camera tripods, which usually no one thinks of this, although most dancers have to film themselves during rehearsal, but ABC was concern about the issue, and, by observing, they already set up tripod for every room with the ring-light. Therefore, providing further customer's expectation via key resource would be another factor that make studio success by impressing the customers, which will lead to customer relationship as well. She add more that *“because I am a girl, and ABC,s decoration was so beautiful, like being the beautiful dance studio at first sign that I ever*

see, normally, other studio will have a plain wall and look old, but the ABC has variety of room decoration and each room gave a different feeling, there are green, brown, pink and white, which I am a girl and when I get into the room, I feel refresh and it's the only place where I can go easily and the price was at the acceptable range, not to high, totally I like this studio the most.” CopySo, from the interview, could be observed that CEO use her concern which is attractive room to build ABC dance studio which make customer impressed, as customer 1 emphasize many times saying “beautiful” of each room be like, and she do a comparison with other studio, as well as, the feeling that she obtains as a motivation to dance. From above statements, could be ensure that customer appreciate with surrounding environment that ABC provided. So, ABC has more advantage in term of key resources by having aesthetic room, quality equipment, other studio’s facilities combining with location selected. Those key resources were provided to customers, in the end of interview, those factors make customer 1 see ABC studio as the best studio. So, from the interview, could be observed that CEO uses her concern which is attractive room to build an ABC dance studio, which make customer impressed, as customer 1 emphasize many times saying “beautiful” of each room be like, and she does a comparison with other studio, as well as, the feeling that she obtains as a motivation to dance. From above statements, could be ensured that customer appreciate with the surrounding environment that ABC provided. So, ABC has more advantage in term of key resources by having aesthetic room, quality equipment, other studio’s facilities combining with the location selected. Those key resources were provided to customers, in the end of the interview, those factors make customer 1 see the ABC studio as the best studio.

To conclude, by having a favorable environment like well-equipped rooms combining with high potential human resources such skillful instructor, CEO’s vision of recruiting and experienced administrator, all of these would be a success factor for an ABC dance studio in term of Key resources.

4.3 Customer Segment

In terms of customer segments, primarily raise the question about “what is your target customer?” to CEO is necessary. The CEO described overall the studio’s

customer as teenager to adult, 15-30 years old which can be any one who love to dance or want to dance. In terms of segmentation, there will be 2 types of customers that could be concreted clarify which is teenager - adult and kids, these two segments were coming from CEO's given interview as well as observed the promoted class schedule shows in online platform. According to the literature mentioned that, "Success of a business model largely depends on serving the right customer segment with the appropriate set of value propositions." Khan. A. M. (2019). Observing the way this studio transfers the value to customers was implemented.

The interesting things that finding out from this study and distinguished from other literature reviewed is customer could be segmented upon key resource, which will clarify in this paragraph. The key resource influenced on customer segmentation is instructor (human resource). According to interview with instructors, all of them have different type of customer although they are in the same dance studio, due to the dance style and choreography structure was interested different type of people, like instructor 3 who very famous in the studio as well as making the studio famous, he said that *"Mostly I will teach girls style, sometime I switch with boy style, so there will be male join my class, but, the main target is girl, they might feel comfortable that even through the instructor was boy, but he can dance girl, so I can dance too, actually my target customer would be love to dance only! Like, love my choreography.... how can I describe?... love to dance my choreography actually there were wild age rang like 40 years old but they still dance, LGBT, and there always new faces come to my class"* The critical point is "love my choreography", in addition, customer 4 said that *"I know the studio from my junior (university friend) she uploads her clip of taking class with instructor 3, So, I see instructor 3's choreography was so good, interesting! so, I want to have the class there"* According to his interview he mention on how he interested in instructor 3 choreography, and he never join other class except instructor 3's class. So, the customer might impress on how he designs the dance and his characteristic. To see more segmentation through instructor, instructor 1 said on her target customer that *"majority girls! And they dress up very sexy, their attitude quite feminine, like class name and they are very confident"*. From the answer, can bee see that instructor 1 has only female as a customer, but instructor 3 has a wider range of customer like male and LGBT, due to the value of the class and dance style was distinguished, besides, they

might share the same customer but it also a limitation, such boy would not join instructor 1 class. In conclusion, Key resources like instructor could influentially factor on customer segmentation, due to the choreograph idea, value and attitude of both instructors and students themselves recognize to the class, surrounding context, including gender.

In conclusion, there are two main segments of customer which is gathered from interviewing with CEO and instructors. As a result, customer segment of ABC dance studio is teenager-adult who love to dance, and kids. To communicate with each segment, using online platform like official Facebook, official Line and official Instagram with the content that suitable with platform value and every platform were naturally reach to the customer. For kids, reach to them by Tik-Tok. Moreover, the deeper segmentation would divide by human resource like instructors due to the style and customer personal preference.

4.4 Customer Relationship

Regarding to the literature review described Business Model Canvas that “The ways to maintain an existing customer to create customer loyalty as well as word-of-mouth by doing these kinds of activities like call center, discounting, membership or warranty”. Observing the promotion that the studio provided is needed. On ABC official Facebook shows that there are discount packages provided. Compared to the usual price, the customer would feel that they got discount form the studio. As well as, it is a strategy to create a traffic in the studio that force customer to learn within 2 months especially, unlimited package which valid only 1 months. In order to ensure the promotion, asking customer that “do you recognized the special service or promotion offered?” and there are two customers were recognized, customer 3 said *“there will be the package set up like buy 10 classes or buffet, I’m not sure whether there might be 3 rates”* another customer said that *“I always buy package, as I often use ABC service, which make me know their process and promotion, so I decided to buy a long package”*. So, for the customer 2, she not only recognized, but she buys the package which means that the discount and class provided was a sensible and interested customer enough somehow, since it could convince customers to buy and it would lead to customer loyalty.

In addition, there was a customer relationship provide by key resource who is the admin. According to the interview, overtime use the room was allowed by admin, he said *“if there is no one in the line, I will let them leave a bit late, I’m okay with 10 - 15 minutes, give them some time to relax and packing their bag, but if there is someone in the line, I will inform them.”* From this practice, it would create some impress to customer by not force them to punctual since they were tired from practices as well as make the studio atmosphere more relax. In contrast, this practice was not directly come from CEO order, but it comes from her characteristic and behave like convenience orientation, make everything go easy, as answered by the administrator.

Moreover, instructor teaching technique, that most of them tend to be friendly and intensively take care their student, which make student perceive that they were getting attention and feel special during class taking. Instructor 1 said that *“when student want to take private class, they have right to select instructors, like they want to learn this song with this instructor, admin will send the student to instructor, and there always be song requested, sometime some students were not available for the big class that use their favorite song, so, they’ll ask for private class.”* This statement shows how customer could engage in service providing process by allowing to choose the song and instructor that they like, as well as, in key resources paragraph mentioned on teaching technique that allowing student to ask question during the class, Which this practices were in line with the article of Implication for Business model components in Product Service System, found out that *“Stronger relationships and better interactions will allow customers to participate in the design, manufacture, and delivery of a PSS.”* Khan. A. M. (2019). The statement could be reversed, in order to build a strong relationship, allowing customers to participate in the class conduction like date and time, song choices and human resources selection, was implemented, instead of allocated those things for them. In combination with studio package offer, administrator practices and instructors teaching technique, customer could optimistically recognize the studio, whether in term discounting, feel relaxed, got intensively take care, authorized and engaged with the studio in somehow. Which these factors would lead to a strong relationship and customer royalty.

In conclusion, all customer relationship factors were not only come from CEO strategy, but it is an outgrowth from behaving of instructor, administrator or herself that pushes to be intrigued with customer needs.

4.5 Channel

According to the article of an application of the business model canvas in healthcare setting reviewed that channel is the way a business reaches its customers segment Sibalija. J. (2021)., in addition, another literature found that it refers to elements that defines how an organization communicates with its customers and delivers value proposition, communication, distribution, and sales. Supriono, (2016). So, by analysis success factor of ABC dance studio, divided channel in to two parts were implemented, which is communication channel and distribution channel.

In terms of communication channel, observing and interviewing were implemented. Communication channel means any platform used as a tool to continuously communicate between service provider and its customers. Khan. A. M. (2019). In the ABC dance studio, they use general social media like official line, official Instagram and official Facebook to communicate with customers. The class schedule and room reservation detail would be posted on Facebook and Line, the class schedule will announce every Friday at noon. In addition, the value that could be perceive is approachable, it is very easy to interpret an information of class schedule since everything provide as an infographic, in the picture, the schedule was separate by days and the class was arranged upon the timeline, each class will be a picture of instructor and dance style, date and time under the instructor picture, and instructor picture was in the same mood and tone since the CEO invested in photo shooting by using professional production, as a result, customer could easily perceive the information enhanced by eye comfort. In terms of delivery alternative(value), target customer could see a variety class provided via schedule infographic same as variety room size that they did an infographic with pictures of each room, price rates, accommodation amount instead of width and different rate price upon to hour used (more is cheaper). All of the infographics could show an alternative to the customer and customer could see a room's aesthetic additionally. Those infographics were post via official Line and Facebook, in this part,

the way convenience come through, because customer can reserve the room via Line, compared to the past which use website with 13 digits to reserve and not allow customer to cancel, as well as on Facebook there will be auto-bot to reply which bring customer to the official Line. Admin mentioned that, he allows customers to pay on-site, no need to do transfers for room reservation, this could be the way to convenient customers by not pressuring to immediately pay.

On the Instagram, posting a short clip of the song and choreography spoiled was used as a strategy. The studio will create a short video to promote each class which consists of spoiled choreograph, the date and time and song used that customer can hear. Like the customer 4 said *“there will release the spoiled, every week! like a teaser, like how the song be like, the choreograph be like, so, if I interested, or if I available, I will join the class.”* By asking the question, “what do think about the class that the studio provide?” customer 1 answer that *“it was interesting, before they will have the class, there will be spoiler about the song and little bit of choreography to reach anyone that passed by, having an attraction, I think it was a good advertising and they often promote the classes”*. According to question asked, there was no intention to ask about promotion, but if look at the answer, customer 1 gave an opinion on how she precepts the promotion, instead of sharing about how the class look like, which means that the channel and value that ABC used to communicate with customer quite effective since she raises the issue by herself. From these two opinions, could be seen that using Instagram with the teenager was effective, combing with the technique that showing a spoiler, interested customer and gain attention was happening, since the value of IG emphasize on sharing pictures and video as well as customers use that platform to post their dancing clip as well. As mentioned before, some customers take the class according to their preference song and choreographer, so release a spoiler as a motion picture would attract customer. All of these are used to continuously contact with customers.

According to given information by CEO. The first effective strategy would be using human resources reputation to distribute awareness. Since the two CEOs are influencer, both of them very famous in Tik-Tok application, a situation that prove successful of this factor was the CEO accidently put the hashtag in her dancing clip which filming in aesthetic ABC studio, when the clip was published, some customers were apply the class with CEO. In contrast, interviewing with customer, questioned

about “How do you know ABC Dance Studio?”. All of them mostly replied about word-of-mouth like customer 2 said *“I know the studio from my junior, she posts on her personal IG, so I ask where it is, it’s so beautiful. Another reason was I already know instructor 3 and he just began to teach at ABC, so, I joined the class”* Another customer said that *“I know the studio from senior in my activity club which she often taking class with instructor 3 and post her clip in social media and I interest in instructor 3 choreograph so I want to have a class there”*. From two customer aspects, no one mention about hashtag or CEO reputation. May be CEO personal TikTok was not the only way to attract new customer. As customer mentioned so much about instructor 3, asking about customer referral toward his published dancing clip, like a challenge and class spoiler, was implemented. He said *“right right right !!!, almost half of my customer said they see me from the clip and they want to join the class, and it beyond my expected that I just posting the clip (by passionate), it brings a lot of customers and they spread to other class because they see other class as well. It very nice!!, at least what I’ve done wasn’t wrong”* From customer 2, customer 4 and instructor 3 said, it could ensure that the reputation of instructor 3 help the studio a lot in term of promotion which his choreograph communicate to customer and persuade them to apply the class.

However, there was a very effective promotion, which is conduct a dance competition event. The cover dance contest was conduct on purpose to make teenager who love cover dance to know the studio, said by CEO. She also mentions that there were some teams came from upcountry because the prize and production was huge, sponsored by a company. So, the event was successful in term of production. As well as, customer 1 was known studio due to being a staff for one cover dance team in first season, and she also join the competition in season two and use ABC as a practices room, answer by customer 1. Therefore, using regular social medias, distribute awareness by human resource and conduct an event are highly effective in term of communication channel.

In term of distribution channel, means involve delivering service offers to customers. Khan. A. M. (2019). It could be concluded that ABC deliver service majority in their studio, which customer could get a number of advantages that the studio provides as mention in the key resources’ topic, as well as, some value proposition was distributed via instructor and administrator’s dealing with customer. However, there was

some trial on online class during covid-19 pandemic but it was not successful. The trial period only 2-3 months in order to make the studio survive. No matter what, the studio is operate as usual and recently recruit new instructors and on process of execute a new project.



CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

In order to conclude, this study using Business Model Canvas to find and analyze success factor of ABC dance studio, as a result, there are two important factors that make the ABC dance studio was successful which is convenient and aesthetic. For convenience, customers could perceive this factor by the way it is easy to transport, since the studio located in community mall which parking space, restaurants and several shops are provided, including class and room reservation is very easy, especially “easy to transport” was compared by customer interview which other studio is harder to commute compared to ABC. In term of aesthetic architecture design, this factor attract customer so much, several customers were mentioned on beautiful interior which make them have more motivation to dance, as well as, when they are filming, the video was beautiful, as well as, they compared ABC to others dance studio which those studios were simple for them. Therefore, these two factors could help ABC dance studio dominate among another studio in Thailand.

Moreover, combined with several accepted factors in each building box could contribute ABC dance studio to be successful as well. Therefore, demonstrated and described ABC dance studio’s Business Model canvas is in followed picture.

Table 5.1 ABC dance studio's Business Model canvas

<u>Key partners</u>	<u>Key activities</u>	<u>Value proposition</u>	<u>Customer relationship</u>	<u>Customer segment</u>
		Convenience Approachable Aesthetic * Alternative	Package offers (discount) Key resource practices <ul style="list-style-type: none"> ● Administrator serve service ● Instructor teaching technique 	Kids 15-30 years old Beginner Anyone who love to dance
	<u>Key resources</u> Several rooms with different architecture Quality audio equipment Variety instructors CEO Administrators In Community mall Surrounding by public transportation		<u>Channel</u> Provide service at Studio Official Line, IG and Facebook Personal instructors & CEO's social media Competition Event	*Customer also segmented by instructors
<u>Cost structure</u>		<u>Revenue stream</u>		

The First building box is value proposition, there were four values that the studio and customer express approval, which is convenience, affordable, aesthetic and alternative. Convenience is how the studio select the location which is in a community mall and near public transportation, another convenience issue would be internal and

external management, there were some unfavorable management styles of ECO due to everything base on her convenience which effect on human resource, on the other hand, the convenience also provided to customer like room/class reservation process. The affordable would be a price rate and dance style.

Customers feel that the set-up prices were a market price and worth compared to other benefits that they could get from the studio. Not too difficult choreography and instructors' teaching technique help customers to achieve their dancing. Last value would be aesthetic in term of room and studio decoration, which enhance customer's motivation while they are studying and got a beautiful vibe when they were filming the dance in order to post on their social media. For the alternative, this value was not concrete set up by the CEO but the instructors and customer obtain it during using service, which means providing a variety choice for a customer like room size with differences accommodation and price rate, which has 11 rooms, actually both customer and instructors were benefiting from this point. The class that the studio provides was variety, mentioned by the customer.

Secondly, key resources, including environment such as the rooms and other facilitates, as well as, human resources which the studio has potential personnel like skillful instructor and experienced administrator which these two humane resources deliver the value across their task and performance. In terms of customer segments, the studio target teenager who is 15-30 years old and kids as usual. Found out that the customer could be segmented upon the instructor due to the preference dance style and value of each class. In terms of customer relationship, it was an integration of implementing value proposition via key resources, whether in term of room aesthetic, equipment quality and how admins and instructors serving the service which make positively recognized the studio. Lastly, the channel could clarify as a communication channel and distribution channel. Strategies use for communication channel was public class schedule and promotion clips via a general platform like official Line, Facebook and IG to inform and keep in touch with the customer. As well as, distribute awareness by using reputation of human resources via their social media that lead to the ABC dance studio. In addition, conducting a dance competition event was implemented. In terms of distribution channel, the service was delivered via on-site studio and some room/class reservation via official line. Therefore, founded out several factors that in

line and contribute each other whether it is a value proposition, key resources, customer segment, customer relationship and channel, which all of these mobilized ABC Dance Studio to be successful.

5.2 Recommendations

Regarding to analysis success factor of ABC dance studio, there were some gaps that studio needs to fulfil in order to make organization sustainable. Three solutions were suggested to complete each BMC building box such as internal management (value proposition), human resources and administrator operation (key resource).

5.2.1 Value proposition: internal management

The first suggestion would be set up mission, vision and value to be clear. According to the analysis, obtained core values was derived from feeling and through, so, there was no official announcement that these are our value. But does not have concert value, the studio might get loose in the future when the business goes bigger, especially they are inventing a new project so the value might not appear in that project, as well as new instructors would not know how to behave and transfer values such an abstract value to the customer. So, set up the concrete value and officially announce to everyone in the organization is required, including applying in the new upcoming project.

In order to implement suggestion, obtain scrutinized values from this study are allowed. Conduct the meeting every month is required, in order to tell the values to every human resource, as well as, regularly check the implementation results from personnel. The meeting could allow them to report any issue or problem that they were faced during providing a service, whether from customer side or instructor side and update their work like teaching guideline, any favorable improvement or admire each other. So, the instructors could learn each other by bringing some advantage point from another to apply in their class and happening aware of disadvantage points in the class. Including purpose organization's goal, plan and strategy in the meeting, instructors and admins would not feel instability at work due to organizational infirmity, since they would know what they have to do, instead of come and teach then go home, it would

make personal feel more valuable. More strengthen relationship could occur by having a monthly meeting due to sharing mutual value and problem. Therefore, having the meeting would not benefit only values announcement, controlling service quality, improving personnel's ability and strengthen everyone in organization would lead the studio to sustainable and be ready to grow in the right direction.

5.2.2 Key resource: Increase instructor potential

The second suggestion would be increase instructors' skills, monthly training is required in order to build a standard and unique dance quality (for ABC). Since the studio has several instructors, including new recruited. Each of them comes from different dance background, they would have individually favorable aspect and dancing technique that could share other instructor, instructors able to select some favorable points to adopt in their teaching style. Moreover, in the monthly meeting, finding mutual weakness instructors' and bring it to be a training topic is included.

By conducting the training, let each instructors take responsibility to lead the class, alternate each month. The workshop duration could be 2 hours at the ABC dance studio, at night or day time, which not effect to the regular class. In order to make sure that everyone available, set the training day as a priority, ask for available date in the monthly meeting as well as discuss a training topic that could be a weakness or interesting topic that the instructors are interested. Therefore, instructors would increase their ability adopted by training and apply it in their class, leading to serve customer with choreography improved and create a new experience for them in term of dance quality.

5.2.3 Key resource: administrator operation

The last suggestion would be developed room/class reservation via online platform. In the past, the studio was having a reservation website with complicated process, but, from now on, the studio should develop a new one with a more friendly user that allowed customers to see the detail, instructor profile, sample video each dance style, available room and cancel by themselves. As well as, in order to make administrator operate a reservation by no needs to use paper and pencil to record and create too much burden for this responsibility and prevent from the error queuing room.

Moreover, the studio could have data base about customer, class and room reservation and money transfer, by operating official website.

In implementation, hiring out sources to develop an official website which includes e-commerce. The website should be easy to read with big buttons, less letter, easy infographic and required customer to register. Allowed administrator to operate and access the database. Persaud customer to reserve a room/class via the website by a discount for about 1-2 years, along with official Line, then move to website reservation only, in the followed years.



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