

ABSTRACT

The research is conducted to evaluate whether this industry could producing a series of value chains by adding value to business processes and to identify whether the value chain can help this industry to producing an output value chain in the form of brand equity and profit.

This research is qualitative research with a case of study approach . The data collection method in this study was carried out by using document studies and semistructured interviews. The case study in this research is taken from a micro business, namely the Tirta Langgeng industry, which is located in Grobogan, Purwodadi. Resource persons in this study are parties directly involved in value chain activities, namely industry owners and industrial owner assistants.

This value chain activity consists of main activities and supporting activities. This analysis adopts flexibility in all value chain activities to deal with various types of market and business environment uncertainties. The types of flexibility considered in the main activities which are inbound logistics flexibility, operations, outbound logistics, marketing and sales, and after sales service flexibility, and for supporting activities adopting Human Resources and procurement indicators.

The results of this study indicate that this industry implements value chain activities well, so that giving added value to industry which has an impact on brand equity and good profits.

Keywords: *Value Chain, Value Added, Micro Business*