

BUSINESS MODEL ANALYSIS USING BUSINESS MODEL CANVAS APPROACH AND EMPATHY MAP ON IKAT BANDOEL WEAVING

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ABSTRACT

Introduction/Main Objectives: Kediri City is known as a city of industry, trade and services, apart from that, Kediri City is also known as a creative industrial city whose people have high creativity. One of the MSMEs involved in the creative industry in the Kediri City area is Bandoel Ikat Weaving. Weaving Ikat Bandoel was founded in 2007 by Mr. Edwin Wahyu Nugroho. Bandoel ikat weaving can survive until now because it has good quality woven fabric products with unique motif designs and the production process still uses traditional tools.

Background Problems: The increasingly widespread business competition means that Bandoel Ikat Weaving craft business owners must start to improve, so that the Ikat Weaving craft business continues to run, an appropriate business model is needed. So the owner of the Bandoel Ikat Weaving business can apply the Business Model Canvas and Empathy Map so that his business runs well and can find out what consumers' needs or desires are. **Novelty:** This research aims to analyze the business model of Ikat Bandoel Weaving using the Business Model Canvas approach which consists of 9 elements and using an Empathy Map to determine the performance of Ikat Bandoel Weaving from the customer's perspective. After analyzing the research results, a new Business Model Canvas will be designed for the company. **Research Methods:** This research uses qualitative research with case studies. Data collection was carried out using in-depth interviews, observation and documentation. For data analysis, use the Business Model Canvas and Empathy Map analysis techniques. **Finding/Results:** The results of the Business Model Canvas analysis are Value Proposition by offering unique motif designs and providing the best service. The Customer Segment reaches Government Agencies, Education Services, Financial Services Authority (OJK), Health Services, and people who have financial capabilities. The customer relationship that is built is to maintain product quality as well as friendly service and fast response. Weaving Ikat Bandoel builds Channels online and offline. Key Partners include

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Toko Abidin, UD Warna Indah, Toko Anna, Tailors and Shoemakers. Then the Key Activities carried out start from purchasing raw materials to the production process. Key Resources include employee labor, business location and production equipment. Cost Structure consists of Purchasing Raffia Rope, Purchasing Yarn, Dyeing Paint, Equipment Maintenance, Sewing and Employee Salaries. And Ikat Bandoel Weaving gets Revenue Streams from Cloth Sales, Shirt and Dress Sales, Sarong Sales, Scarf Sales, Shoe Sales, and Bag Sales. **Conclusion:** So it can be concluded that Weaving Ikat Bandoel uses the Business Model Canvas approach which consists of 9 elements to analyze the company's business model as well as using an Empathy Map to find out consumers' views on the condition of Weaving Ikat Bandoel into a picture.

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1. Introduction

In the current era of industry 4.0, one of which is an industry that focuses on creativity. The creative industry has the ability to encourage very promising economic growth, which can attract public interest. Creative industries, both digital and traditional, play an important role in Indonesia's economic development. Basically, creative industries are a collection of economic activities related to the creation, use and management of knowledge. Creative industries help overcome disruption and increase national income. The creative industry has contributed to the country. In 2023, the Minister of Tourism and Creative Economy (Menparekraf) Sandiaga Salahuddin Uno said that Indonesia was in third place as the country with the best creative economy in the world, after South Korea and the United States (Binsar, 2023).

It is known that there are many new companies that are growing and competing fiercely with companies that have been established for a long time. Especially in the current era of globalization, business competition is increasingly fierce. This can be seen from the number of similar businesses that have been established offering the same products and services in a market. In order for the business to continue to survive in running its business, they must continue to improve the business model and business shortcomings continuously (Rosdianah Sultan, 2018).

Indonesia has the potential for a strong national economic base because the number of MSMEs, especially micro businesses, is very large and the labor absorption capacity is very large. According to the ASEAN Investment Report (Adi Ahdiat, 2022) which was released in September 2022, in 2021 MSMEs in Indonesia were recorded as being able to absorb 97% of the workforce and 60.3% of GDP formation, as well as contributing 14.4% to national exports. This makes Indonesia with the largest number of MSMEs in Asia.

Figure 1. MSME data for 2018-2023 according to the Indonesian Chamber of Commerce and Industry (INDONESIA & Industry, 2024)

Tahun	2018	2019	2020	2021	2023
Jumlah UMKM (Juta)	64.19	65.47	64	65.46	66
Pertumbuhan (%)		1.98%	-2.24%	2.28%	1,52%

Meanwhile, in 2023, quoted from the Indonesian Chamber of Commerce and Industry (INDONESIA & Industry, 2024) or the Indonesian Chamber of Commerce and Industry stated that the role of MSMEs is very large in the growth of the Indonesian economy, with their number reaching 99% of all business units. In 2023, it will be recorded that there will be around 66 million MSME entrepreneurs. The contribution of MSMEs reaches 61% of Indonesia's Gross Domestic Product (GDP), equivalent to IDR 9,580 trillion. MSMEs absorb around 117 million workers (97%) of the total workforce. One of them is the City of Kediri in East Java which also has enormous potential for developing the MSME industry (Sardanto, 2016). In 2023, based on BPS Kediri City data, the number of existing MSMEs will reach 38,806 business units. From this data, 5,400 business units are included in the Kediri City Government database (Kediri City Government, 2023).

One of the MSMEs located in Kediri City and engaged in the craft and fashion industry is Tenun Ikat Bandoel Kediri which was founded in 2007 and was founded by Mr. Edwin Wahyu Nugroho, son of Mr. Sudarmanto, owner of Sinar Barokah ikat weaving. Mr. Erwin Wahyu Nugroho is a fourth generation weaving craftsman and is a home production industry passed down from his ancestors. Bandoel Weaving is located at Jl. KH. Agus Salim Gg. VIII No.9c, Bandar Kidul, Kec. Mojoroto, Kediri City, East Java 64118 is a company that offers ikat woven fabric products, not only ikat woven fabric but also several crafts made from woven fabric including shirts, dresses, bags, wallets, hats, shoes and also several other souvenirs. Bandoel Kediri Ikat Weaving has unique new motifs in its product design. The process of making ikat woven cloth at Weaving Ikat Bandoel still uses traditional tools or uses ATBM (non-machine weaving tools), because in the production process it still uses handloom, so human resources play a very important role.

According to (Permana, 2013) To be able to see business opportunities, an analysis of existing business opportunities is required, assisted by a sophisticated business model approach which will clearly describe the interrelated elements of the business. In this context, companies can improve their competitive position so that they can compete with other companies to get increasingly loyal consumers. The company uses various approaches to carry out and achieve its goals, one of which is the provision of a Business Model Canvas.

According to (Alexander Osterwalder & Yves Pigneur, 2010) in (Anter et al., 2022) The Business Model Canvas provides a rationale for how a company creates, delivers, and extracts value. It is said that a business organization needs a model to help the organization create, deliver and capture value related to the organization's activities. According to (Tokarski et al., 2017) explains that new emerging business structures and strategies, as well as modern innovative approaches contribute to the creation of models that determine the achievement of competitive advantage and generate optimal revenues.

According to (Permana, 2013) The process of creating a business model is part of a business strategy that is used to form the core of a business to build various aspects such as operational processes, strategy, what can be offered, aims and objectives, infrastructure and others. Companies need to describe in detail what their business model is like using the Business Model Canvas framework. This framework will make it easier to describe the formulation of your business model. Using the Business Model Canvas can provide an overview of the company's business model and

the relationships that occur between elements in a more attractive way. The nine elements of the Business Model Canvas are Customer Segment, Value Proposition, Customer Relationship, Channels, Key Resources, Key Activities, Key Partners, Revenue Streams and Cost Structures. Meanwhile, the empathy map provides an in-depth explanation of how customers feel satisfied with the value of goods or services when compared to the price offered.

From the discussion above, the researcher chose several previous studies as a comparison tool from reviewing the results of current research analysis to references in future research. The first research from (Main, 2018) discusses the Business Model Canvas and Empathy Map as a business model analysis system for coffee shop businesses in Malang City. Second research from (Sherly Yulia et al., 2023), (Alifiyah, 2022), and ('ALIM, 2020) discusses business development analysis using the Business Model Canvas approach. The third research from (Ardiansah et al., 2024) discusses the application of the Business Model Canvas and SWOT analysis in the Batik MSME development plan. The fourth research from (Putra & Sisilia, 2021), (Ngurah et al., 2022), and (Manurung & Artadita, 2022) discusses consumer profile analysis using empathy maps. Meanwhile, the research I used discusses business model analysis using the Business Model Canvas and Empathy Map approaches to the Ikat Bandoel Weaving Craft in Kediri City.

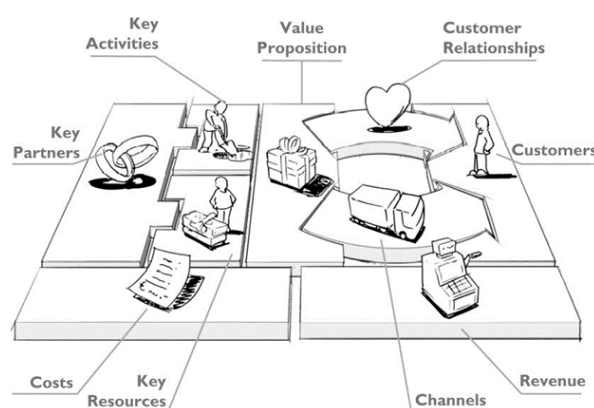
So this research aims to analyze the business model of Ikat Bandoel Weaving using the Business Model Canvas approach to determine the business model of the company's existing conditions and using an Empathy Map to determine the performance of Ikat Bandoel Weaving from the customer's perspective.

2. Literature Review

Business Model Canvas

Developing a business model, there needs to be a tool that can help explain the goals of the business, who plays a role in it and what needs are needed to support the business running well (Muhamad Zulkyfli Luthan, Ratna Winandi, 2019). Developing a business model requires a business strategy. Business strategy is used to plan and prepare to face risks (Putri & Prabowo, 2021). According to (Alexander Osterwalder & Yves Pigneur, 2010) in (Anter et al., 2022), The Business Model Canvas provides a rationale for how a company creates, delivers, and extracts value. In the Business Model Canvas there are 9 very important elements, namely as follows, Customer Segments, Value Proposition, Channels, Customer Relationships, Revenue Streams, Key Resources, Key Activities, Key Partnerships, and Cost Structure.

Figure 2. Nine (9) Elements of the Business Model Canvas from (Alexander Osterwalder & Yves Pigneur, 2010) in (Anter et al., 2022)



Meanwhile, according to (Maftahah et al., 2018) states that the Business Model Canvas (BMC) or what is also called Business Model Generation is a tool that can be used to determine how a business is or will be conducted. Nine (9) elements in the Business Model Canvas according to (Alexander Osterwalder & Yves Pigneur, 2010) which serves as a guide for companies in developing their business. These elements can be described as follows:

Customer Segments can be defined as companies that want to reach and serve various groups, individuals or organizations.

1. Value Proposition explains that companies that have products and services can create value for certain customer groups.
2. Channels explain how a company provides value to the products it offers by communicating with customers and reaching its customer segments.
3. Customer Relationship describes a company that builds relationships or closeness with certain customer segments.
4. Revenue Streams describes a company that generates revenue from all customer segments.
5. Key Resources explains the importance of creating a business model that is needed so that company assets work as well as possible.
6. Key Activities explain that it is important for companies to create a business model that is designed to work well.
7. Key Partnership explains that companies that collaborate with partners can run their business according to existing business models.
8. Cost Structure is the total costs incurred to operate the business model.

So it can be concluded that the Business Model Canvas is a planning strategy that makes it easier to explain business concepts and ideas. As mentioned above, there are nine interconnected components. Each important component is used to determine business priorities.

Empathy Map

Empathy Map is a benchmark used to determine the success of a business, namely customer satisfaction (Main, 2018). Customers will be satisfied if the products offered exceed expectations. This can be achieved by knowing the desires of customers so it is necessary to carry out an analysis of customer desires or needs (Kotler P & Keller KL, 2012). Empathy maps can be used as a simple way to create customer profiles and are a tool for discovering the character of customers or potential customers as well as an understanding of the environment, behavior and aspirations.

According to (Osterwalder, Alexander., & Pigneur, 2013) explained that the Empathy Map was created to produce a stronger business model because the customer profile guides the design of a better value proposition, a more comfortable way of approaching customers, and an appropriate way of relating to customers, where in the end the empathy map will provide a deeper understanding about how customers are satisfied with the value of the product or service when compared to the price offered. According to (Osterwalder, Alexander., & Pigneur, 2013) explained that the empathy map is a visual tool created by XPLANE or a visual thinking company (X Plane, 2010).

So it can be concluded that the Empathy Map is a mapping used for exploration or research to find out the needs and preferences of the target market. Exploration or research aims to see how consumers interact with products that have been created or will be created.

Figure 3. Empathy Map from (Osterwalder, Alexander., & Pigneur, 2013) and (X Plane, 2010)

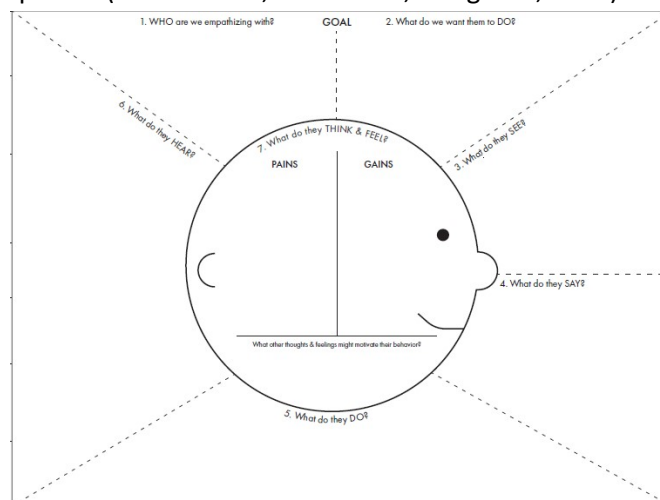


Table 1. Empathy Map Questions from (Osterwalder, Alexander., & Pigneur, 2013) and (X Plane, 2010)

<p>What was observed? (See) Explain the consumer's perspective on their environment.</p>	<ul style="list-style-type: none"> - What does it look like? - What are the people around him like? - What are his friends like? - What problem is occurring?
<p>What did you hear? (Hear) Describe how consumers are influenced by the environment</p>	<ul style="list-style-type: none"> - What do his friends think? - How and who really influences it? - Which media influences?
<p>What do you think and feel? (Think and Feel?) Trying to explain the consumer's mind?</p>	<ul style="list-style-type: none"> - How does he feel? - Are there things that are truly important to him (not expressed openly?) - Try to describe his aspirations and dreams
<p>What was said and done? (Say and Do?) Thinking about what consumers might say or how consumers might behave in public</p>	<ul style="list-style-type: none"> - What does it say? - What is his attitude? - What will happen? - Pay adequate attention to possible conflicts between consumer opinions and reality.
<p>Are customers experiencing pain? (Pain)</p>	<ul style="list-style-type: none"> - What's at stake? - What makes consumers feel disappointed? - How is the danger feared?
<p>What do customers enjoy? (Gains)</p>	<ul style="list-style-type: none"> - What do you want to achieve? - What do you want to get? - How to calculate success? - Check out some of the ways you can achieve your goals.

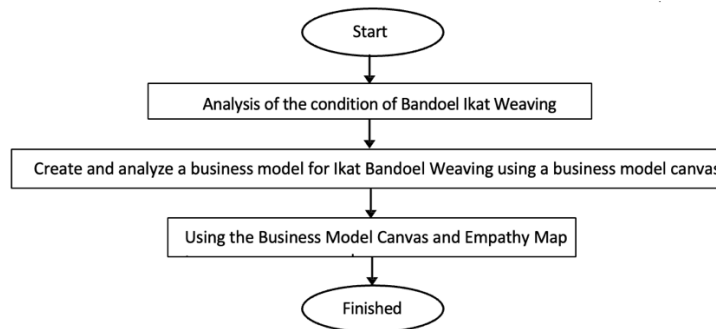
3. Method, Data, and Analysis

Framework

The main focus of this research is to understand the consumer perspective on how to map customer desires regarding the development of the Bandoel Ikat Weaving product business using the business model canvas and empathy map introduced by (Osterwalder, Alexander., & Pigneur, 2013) And (Alexander Osterwalder & Yves Pigneur, 2010). According to (Rukka et al., 2018) The Business Model Canvas can be used to describe a company's current business model and provide suggestions

for new business models. Meanwhile, in general, the Business Model Canvas shows how a company's resources and advantages correlate with each other, as well as efforts to acquire and create value that allows the company to generate profits. Meanwhile, the empathy map is used as a simple way to create customer profiles and is a tool for discovering the character of customers or potential customers and is an understanding of the environment, behavior and aspirations.

Figure 4. Research Thinking Framework



Research methods

The focus of the problem in this research is how to analyze and create a business model for the Bandoel Ikat Weaving business so that the business can run and continue to develop. So the owner of the Bandoel Ikat Weaving business can apply the Business Model Canvas and Empathy Map so that his business runs well and can find out what consumers' needs or desires are.

In this research, research methods were applied with a qualitative approach. According to (Sugiyono, 2020) states that the qualitative research method is a research method based on postpositivist philosophy used to examine the condition of natural objects (as opposed to experiments) where the researcher functions as the main tool in research while data collection is carried out triangulation (combined), and data analysis is carried out inductively or qualitative and the results of qualitative research emphasize the importance of generalization. This research was conducted at Bandoel Ikat Weaving in the Bandar Kidul area, Kediri City.

Data collection technique

The data used in this research consists of primary and secondary data. According to (Sugiyono, 2020), primary data is a data source that directly provides data to data collectors. Primary data sources were obtained through interviews with research subjects and direct observation and research documentation. Interviews in research aim to collect information that will be used for research (Kristanti, 2022). According to (Prawita & Dwi Cahya, 2022) As a method or method for collecting data, observations need to be carried out systematically and purposefully, not just by chance. Meanwhile, according to (Sugiyono, 2020) documentation is a complement to the use of observation techniques.

The primary data used is direct observation at Bandoel Ikat Weaving and interviews with Kediri Bandoel ikat weaving business owners, employees and buyers so that the data can provide an idea of how the canvas business model is applied to Bandoel Ikat Weaving. Meanwhile, secondary data was collected from Ikat Bandoel Weaving social media and literature studies (journals or articles) as well as documentation obtained when conducting research. The data source for this research was obtained from informants as sources in interviews:

Table 2. Informant Table

Informant	Information	Informant Code
Key Informant	Owner and Manager of Weaving Bandoel Kediri	ER
Informant 1	Bandoel Kediri Weaving Employee	NR
Informant 2	Buyer of Bandoel Kediri Woven Products	ND

Source: By Researcher 2024

Data Analysis Techniques

Researchers carry out data analysis to draw conclusions from the data that has been collected. There are three components of the data analysis process that must be understood:

1. Data Reduction, researchers can obtain a clearer picture and simplify the process of collecting additional data and searching for data when needed.
2. Data presentation can be done in the form of a short description. By presenting data, it is easier to understand what happened and plan next actions based on what has been understood. Before presenting the data, researchers reduced data regarding the nine basic elements of the Business Model Canvas. Then the researcher presents data regarding the condition of the nine basic elements of the Business Model Canvas that occur in current conditions. Next, the researcher reduced the consumer insight interview data into an empathy map to get an overview of the Bandoel Ikat Weaving product.
3. Drawing Conclusions, The initial conclusions made are only temporary and will change if strong evidence is not found to support the next stage of data collection. However, when researchers return to the field to collect data, the conclusions made at the initial stage will become credible.

4. Result and Discussion

Existing Condition of Bandoel Ikat Woven Canvas Business Model

From the Business Model Canvas owned by Weaving Ikat Bandoel, a business development strategy was carried out with the Weaving Ikat Bandoel Business Model Transformation Design. In this development, several points were added that could develop Bandoel Ikat Weaving into a business that could compete and also overcome existing problems. Below are the results of interviews with several informants of Ikat Bandoel Weaving:

1. Customer Segments

Based on the analysis of the results of interviews conducted with several sources (informants), information was obtained that the targeted customers of Bandoel Ikat Weaving are people whose economic conditions are middle and upper class, this is as conveyed by the sources (informants) in interviews as follows:

ER informants in interviews explained that:

"The people who come are usually people from government agencies. "For example, government agencies, the Health Service, the Financial Services Authority, the education service because their uniforms are usually made from woven cloth and people who have middle and upper financial capabilities"

Meanwhile, NR in an interview explained that:

"Most of the people who often come here are from government agencies, such as the education department, many from government agencies, the health department. There are private people who come, but they are people who have known each other for a long time or are official people who get office uniforms, so they already understand that we sell woven cloth, so they come here to buy them. But often agencies"

Meanwhile, ND in an interview explained that:

"For Kediri Bandoel Ikat Weaving, most of the official people who come there are like agencies"

2. Value Proposition

The Value Proposition of Ikat Bandoel Weaving is the process of making woven fabric using handloom (non-machine looms), quality products, the fabric absorbs sweat, does not smell, the color does not fade easily, the fabric has a unique motif design. Based on the analysis of the results of interviews conducted with several sources (informants), the following information was obtained:

ER informants in interviews explained that:

"Establishing good relationships with customers, namely by providing fast responsive and friendly service as well as online services in the form of services on social media such as Instagram, Facebook and WhatsApp"

Meanwhile, NR in an interview explained that:

"The advantage is that we still use ATBM (non-machine tools) because nowadays we use sophisticated machine technology, but as time goes by, new motifs are made using non-machine looms (ATBM). Ikat weaving is able to compete with these machines and the quality is even higher than the machines. Other advantages are that the fabric can absorb sweat, the fabric doesn't smell, the color doesn't fade quickly, the motif design is unique"

Meanwhile, ND in an interview explained that:

"The fabric is durable, doesn't fade easily, can absorb sweat, doesn't smell, and the motif designs are also unique and varied"

3. Customer Relationships

To retain its customers, Weaving Ikat Bandoel only maintains quality and communicates well with customers. Based on the analysis of the results of interviews conducted with several sources (informants), the following information was obtained:

Informants ER and NR in interviews explained that:

"Providing quality and maintaining product quality, maintaining good quality with customers, online services via social media such as Instagram, Facebook and WhatsApp are also very well maintained from friendliness to fast response"

Meanwhile, ND in an interview explained that:

"Maintaining product quality with communication, the owner is also friendly, but when it comes to discounts, promotions and price cuts for Bandoel Ikat Weaving, he never gives discounts"

4. Channels

Based on the analysis of the results of interviews conducted with several sources (informants), the following information was obtained:

ER informants in interviews explained that:

"How does bandoel weaving interact with its customers? I use WhatsApp, Facebook and Instagram as social media platforms. Apart from that, yes, just take part in exhibitions and sell at home"

Meanwhile, NR in an interview explained that:

"Offering products to customers via Instagram, Facebook and participating in exhibitions. Maybe customers are better off just coming to the location, we don't sell on the marketplace because we don't know how to handle it"

Meanwhile, ND in an interview explained that:

"As far as I know, it's only via Instagram and Facebook, not using Shopee, even though Shopee is very popular, it can also attract people because there are promotions, discounts and cashback. But I don't know why ikat bandoel weaving doesn't use the marketplace or e-commerce"

5. Key Activities

Based on the analysis of the results of interviews conducted with several sources (informants), the following information was obtained:

Informants ER and NR in interviews explained that:

"The ikat weaving process has 14 stages. Starting from yarn dyeing, spinning, skeer, grayen, spinning white yarn, reek, design, tying motifs, dyeing, giving color combinations, releasing ropes, unraveling threads, spinning weft, and finally the weaving process"

Meanwhile, ND in an interview explained that:

"I don't know about the activity, I only know briefly about it from educational events for weaving makers, but I don't know the name of the process"

6. Key Resources

Key resources in Bandoel Ikat Weaving, namely employee labor, business location, ikat production equipment. Based on the analysis of the results of interviews conducted with several sources (informants), the following information was obtained:

ER informants in interviews explained that:

"Employees, weaving production equipment and business location are the most important things because even though we have a business location and all the necessary equipment, our business cannot operate without labor"

Meanwhile, NR in an interview explained that:

"Workers, business locations and weaving equipment are things that must be there. Every month, employees are also given UKK facilities. This is like an employee health posyandu guaranteed by the owner of Weaving Ikat Bandoel"

Meanwhile, ND in an interview explained that:

"Employees and equipment are prioritized for the ikat weaving manufacturing process"

7. Key Partners

Based on the analysis of the results of interviews conducted with several sources (informants), the following information was obtained:

ER informants in interviews explained that:

"We are collaborating with Bank Indonesia, Kediri City Government, Abidin Shop, UD Warna Indah, Anna Shop, Tailors, Shoemakers"

Meanwhile, NR in an interview explained that:

"Abidin Shop, which provides imported yarn, and UD Warna Indah, which provides dyes, come from Surabaya, because imported goods are available there"

Meanwhile, ND in an interview explained that:

"The partner of Ikat Bandoel Weaving is BI or Bank Indonesia, because every packaging must have the Bank Indonesia logo written on it. The shops that buy the raw materials will definitely become partners"

8. Cost Structure

Costs that arise as a result of the running of the Bandoel Ikat Weaving business. Based on the analysis of the results of interviews conducted with several sources (informants), the following information was obtained:

ER informants in interviews explained that:

"It is used to purchase raffia rope, thread, dyes, loom maintenance and sewing"

Meanwhile, NR in an interview explained that:

"Costs for paying employees, maintaining equipment and tailors definitely have to be there"

Meanwhile, ND in an interview explained that:

"The costs incurred are definitely for paying employee salaries and purchasing weaving raw materials. raw materials ranging from yarn, dyes and tools"

9. Revenue Streams

Based on the analysis of the results of interviews conducted with several sources (informants), it shows that the revenue stream or income stream in Weaving Ikat Bandoel is obtained from product sales profits, the following information was obtained:

ER informants in interviews explained that:

"Sales of clothes, shirts, woven fabrics, sarongs, scarves, shoes, bags, masks and other accessories are a source of income"

Meanwhile, NR in an interview explained that:

"The income stream is obtained from profits from the sale of these products"

Meanwhile, ND in an interview explained that:

"The income stream obtained by Weaving Ikat Bandoel is from profits from the sale of these products"

Based on the results of the interview conclusions, conclusions can be drawn and then these results can be included in the nine (9) elements of the Business Model Canvas (BMC). The following is an overview of the current condition of the Bandoel Kediri Ikat Woven Canvas Business Model:

Figure 5. Existing Conditions of Ikat Bandoel Weaving in the Business Model Canvas

Key Partners	Key Activities	Value Proposition	Customers Relationship	Customers Segment
<ol style="list-style-type: none"> 1. Bank Indonesia 2. Kediri City Government 3. Abidin Shop 4. UD Beautiful Color 5. Anna's Shop 6. Seamstress 7. Shoemaker 	<ol style="list-style-type: none"> 1. Purchasing Raw Materials 2. Produce 3. Promote 	<ol style="list-style-type: none"> 1. Providing the best service 2. Using ATBM (non-machine tools) 3. Quality product, fabric absorbs sweat, does not smell, color does not fade easily 4. The fabric is unique in its motif design 	<ol style="list-style-type: none"> 1. Maintain quality 2. Friendly service and fast response 3. Online services via social media such as Instagram, Facebook and WhatsApp 	<ol style="list-style-type: none"> 1. Government Institutions 2. education authorities 3. Financial Services Authority 4. public health Office 5. People who have middle and upper financial capabilities
	Key Resources <ol style="list-style-type: none"> 1. Business Location 2. Production tools 3. Employee Labor 		Channels <ol style="list-style-type: none"> 1. Facebook 2. Instagram 3. WhatsApp 4. Exhibition events 	

		5. Offline store	
Cost Structure		Revenue Streams	
1. Purchase of Raffia Rope		1. Cloth Sales	
2. Purchase of Yarn		2. Sales of clothes or shirts and dresses	
3. Coloring Paint		3. Holster Sales	
4. Equipment Maintenance		4. Scarf Sales	
5. Tailoring		5. Shoe Sales	
6. Employee salary		6. Bag sales	

Designing a New Business Model Canvas from Ikat Bandoel Weaving

In Figure 4.2 is the result of the New Business Model Canvas Design for Bandoel Ikat Weaving which carried out the development of a business strategy on the 9 elements that have been explained from the Customer Segments to Revenue Streams elements as well as an empathy map to consider the customer perspective.

1. Value Proposition

Ikat Bandoel weaving still uses ATBM (non-machine looms) in its production process. Researchers recommend that in the new canvas business model, it is necessary to increase several items in the value proposition section, namely providing good service to consumers, and a variety of unique fabric motif designs. And there needs to be additions, namely the convenience of online shopping to attract consumer interest.

2. Customer Segments

The consumer segments that currently want to be reached and served are Government Agencies, Education Services, Financial Services Authority (OJK), Health Services, and people who have financial capabilities. Researchers recommend that there is a need for additions to the customer segment, namely the need for Resellers and E-Commerce or Marketplace Media Users so that the consumer segment in Ikat Bandoel Weaving can reach more and wider consumers.

3. Customer Relationships

There are several main activities carried out by Weaving Ikat Bandoel, namely maintaining product quality as well as friendly and fast response service. Researchers recommend that there needs to be improvements in the customer relationship section in services via social media such as Instagram, Facebook and WhatsApp as well as providing rewards for relatively generous customers.

4. Channels

Ikat Bandoel weaving has direct and indirect types of channels. Direct channels, namely offline stores and online stores, indirect channels include online stores on social media such as Instagram, Facebook and Whatsapp. Researchers recommend that there be additions to the Channels section, namely opening an online store such as E-Commerce or Marketplace.

5. Key Resources

Bandoel Ikat Weaving has 3 types of resources, namely: 1) Employee labor, 2) Assets or physical resources in the form of a business location which is used as a place to buy and sell Ikat Woven products and an office as a place to carry out activities such as production, marketing and data processing, and 3) Ikat weaving production equipment.

6. Key Activities

Bandoel Ikat Weaving has 2 key activities consisting of production activities and raw material purchasing activities. Production activities ranging from product concept design, sample production, mass production, quality checks to packaging are carried out efficiently. Raw material purchasing activities start from purchasing yarn, purchasing raffia rope and coloring paint. And there needs to be additions, namely product marketing.

7. Key Partnerships

Weaving Ikat Bandoel collaborates with several parties such as Toko Abidin, UD Warna Indah, Toko Anna, Tailors, and Shoe Making. Apart from that, Weaving Ikat Bandoel also collaborates with several agencies in the city of Kediri such as Bank Indonesia and the Kediri City Government. Researchers recommend that there is a need for additional key partners, namely collaborating or collaborating with E-Commerce or Marketplace.

8. Cost Structure

Ikat Bandoel weaving has several costs including: Purchasing Raffia Rope, Purchasing Yarn, Coloring Paint, Equipment Maintenance, Sewing and Employee Salaries.

9. Revenue Streams

Sources of income and income obtained by Ikat Bandoel Weaving include: Cloth Sales, Shirt and Dress Sales, Sarong Sales, Scarf Sales, Shoe Sales, and Bag Sales.

Color Description: (Created, Improved, And Maintained)

Figure 6. New Business Model Canvas Design for Ikat Bandoel Weaving

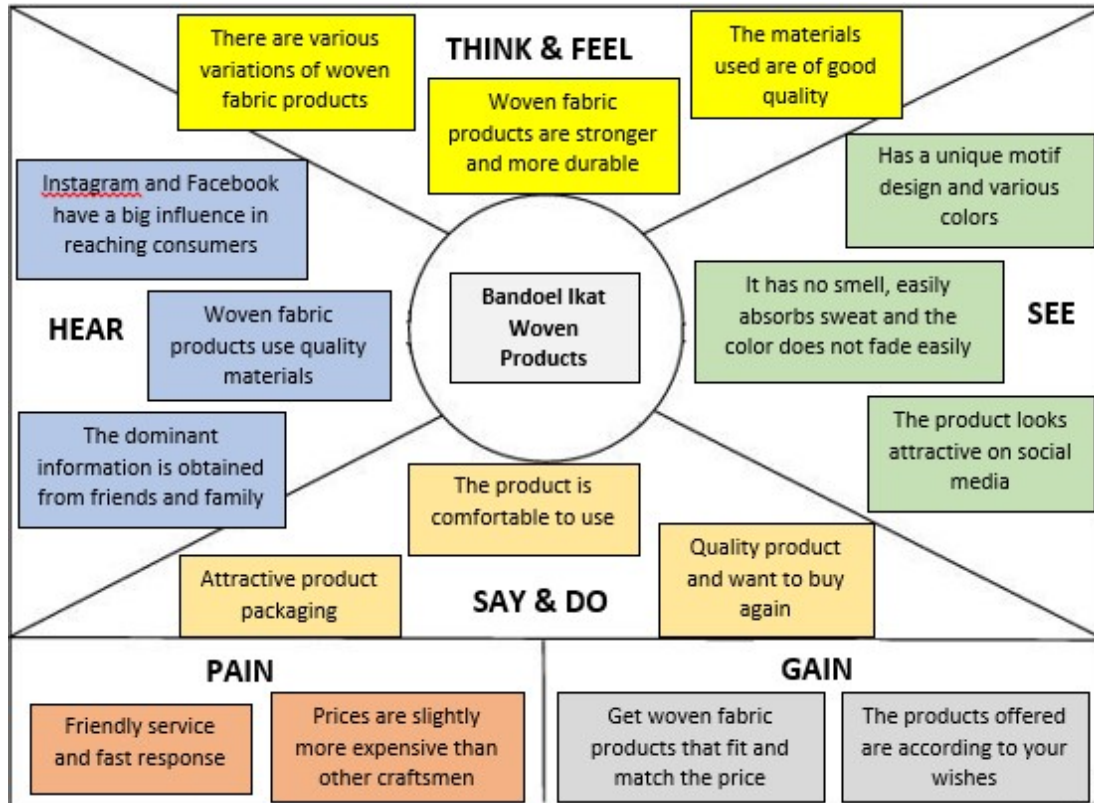
Key Partners <ol style="list-style-type: none"> Bank Indonesia Kediri City Government Abidin Shop UD Beautiful Color Anna's Shop Tailor Shoe Making E-Commerce or Marketplace 	Key Activities <ol style="list-style-type: none"> Purchasing Raw Materials Produce Promote 	Value Proposition <ol style="list-style-type: none"> Providing the best service Using ATBM (non-machine tools) Quality product, fabric absorbs sweat, does not smell, color does not fade easily The fabric is unique in its motif design It's easy to shop online 	Customers Relationship <ol style="list-style-type: none"> Maintain quality Friendly service and fast response Online services via social media such as Instagram, Facebook and WhatsApp Rewards for relatively generous customers 	Customers Segment <ol style="list-style-type: none"> Government agencies education authorities Financial Services Authority public health Office People who have financial capabilities Resellers E-Commerce or Marketplace Media Users
	Key Resources <ol style="list-style-type: none"> Business Location Production tools Employee Labor 		Channels <ol style="list-style-type: none"> Facebook Instagram WhatsApp Exhibition events Offline store E-Commerce or Marketplace 	
Cost Structure <ol style="list-style-type: none"> Purchase of Raffia Rope Purchase of Yarn Coloring Paint 			Revenue Streams <ol style="list-style-type: none"> Cloth Sales Sales of clothes or shirts and dresses Holster Sales 	

4. Equipment Maintenance	4. Scarf Sales
5. Tailoring	5. Shoe Sales
6. Employee salary	6. Bag sales

Empathy Map Bandoel Ikat Weaving

The next step is to create an empathy map. Empathy Map analysis was carried out to obtain an overview of consumers' insight into Bandoel Ikat Weaving products at this time. You can see below the Empathy Map model for Bandoel Ikat Weaving products, as follows:

Figure 7. Empathy Map Woven Ikat Bandoel



5. Conclusion and Suggestion

Conclusion

Business people can compete well by using the business model canvas and empathy map. However, to keep customers from competitors, a business model is needed. Business people must also be innovative to meet customer needs and desires. Suggestions added to the business model canvas include the addition of E-Commerce or Marketplace to make it easier for consumers from long distances to communicate online regarding purchasing ikat products. Resellers and users of E-Commerce media and marketplaces are market segments that can help business users gain profits and can increase sales because they can reach sales widely. Apart from that, other proposals, such as collaborating with E-Commerce or Marketplaces, which are currently popular with the public, are also able to bring business people closer to consumers quickly and easily. The results of the empathy map provide positive results with the hope that business people can develop their business by following what consumers want or trends for consumers so that they can continue to exist and survive in producing and marketing their products.

Suggestion

A. Suggestions for Companies

Some suggestions given by researchers to Bandoel Ikat Weaving companies to increase sales, efficiency and effectiveness are as follows:

1. Implementing Business Model Canvas Updates that researchers have recommended,
2. Open an online store in E-Commerce or marketplace and open up opportunities for resellers,
3. Make it easier for customers to shop online.

B. Suggestions for Further Researchers

Some suggestions given by researchers for future researchers are:

1. Updates are needed in business strategies and business models by applying the Business Model Canvas and Empathy Map in future research,
2. Future researchers are expected to be able to study this research in more depth and be able to compare this research with other research.

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