

THE ROLE OF "BUSINESS MODEL CANVAS" (BMC) IN IMPROVING OMZET, COMPARATIVE ANALYSIS APPROACH OF BEGINNER ENTREPRENEURS IN THE FIELD OF CREATIVE ECONOMY

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ABSTRACT

An established business must first have a comprehensive plan, including a vision, mission, and goals to be achieved, including increasing turnover and profits and then be able to map out what the company wants and needs with its resources. BMC Strategic Planning (BMC) is a business plan model that explains goals, capital, and efforts to achieve your goals comprehensively. This planning strategy effectively minimizes failure because all risks have been mapped. In some startups, formulating a BMC is a necessity, considering that most startup companies have a risk of failure in the first 5 years. Therefore, this research wants to see the extent of BMC's role in increasing the turnover of novice entrepreneurs in creative industries that have been established for 5 years by comparing turnover before and after using BMC for 3 consecutive years. The results show that the application of BMC to budding entrepreneurs in the creative economy sector has increased their turnover by 22.82% compared to before using BMC. The highest increase in turnover was in the culinary sector, reaching 26.36%, followed by F&B at 25.05%, fashion at 23.9%, and beverages at 22.74%. The BMC elements are dominant because they prioritize the quality of taste (food and drinks) as well as the quality of packaging and clothing design, key activities, and key partners to build value propositions, then supported by accurate market segmentation and customer relationships followed by intensive promotion (Channel) so that a revenue stream occurs, in the form of increased sales (Omzet).

KEYWORDS Business Model Canvas (BMC), Creative Economy, Entrepreneur's Omzet



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INTRODUCTION

The country becomes developed and prosperous if 5-10% of the population becomes established entrepreneurs each of whom is able to create jobs for 5-20 people in the country (Haris & Dwiridotjahjono, 2023; Hutamy et al., 2021; Steinhoff, 1993). In his remarks the BPS databook stated that in 2022 Indonesia has reached 3.7% of its population to become entrepreneurs, but most (60%) are still single entrepreneurs (do not have employees so they only create jobs for themselves) (Herlina et al., 2022; Prabowo et al., 2023). Thus, the number of entrepreneurs in Indonesia must continue to be increased, especially in the field of Creative Industries because creative entrepreneurs have also contributed to GDP income in 2023 until October of Rp. 1.28 trillion. This creative economy entrepreneur is also suitable for the younger generation, especially students because a student has at least been equipped with knowledge, logical skills, analytical skills, creativity and innovation so that the success rate is greater if encouraged to become a creative economy entrepreneur (Hendarsih, 2021; Saebah & Merthayasa, 2023; Tjitradi, 2015). Until now, creative economy entrepreneurs aged 15-29 years are 6.08 million people. The next step we must pay attention to how to start a good business and the possibility of success is great. A business established for the first time must have careful planning and comprehension, entrepreneurial spirit, have knowledge and skills related to products/services that will be the core of the business, and capital (can be in the form of money/trust from people with capital/joint capital with several friends as well as venture capital). Careful planning and comprehension is not only able to determine profit targets but also must describe the capabilities or potentials of the Company, what the company wants to achieve and what the company needs with existing resources and business networks to achieve targets, then outlined in comprehensive planning (KURNIAWAN, 2016; Saebah et al., 2023). Such planning is in BMC planning where it explains the goals, potentials, and efforts to achieve the targets to be achieved comprehensively. This planning strategy effectively minimizes failure because all risks have been mapped out. In some startups, formulating BMC is a must considering that most companies of this type fail in the first 5 years, especially in achieving their main goals, namely increasing turnover and profits. In addition, the benefits of BMC can describe, analyze, and design creatively and innovatively to shape, deliver, and capture market dimensions and boost demand by innovating value (Rian, 2021; Saebah & Asikin, 2022).

Companies have widely used BMC to develop planning strategies, both small and large scale companies. Thomas et al. (2018) in his study Analysis of the Application of BMC with the method of analyzing the results of interviews on 9 elements of the Business Model Canvas turned out to be Pellizio Company. Co. has implemented BMC for business continuity even though it is still not perfect. Faliciano Priono (2015) with a study of Analysis of the Application of BMC in MOI Collection Stores using qualitative methods through interviews and discussions showed the results that BMC was applied to further grow and develop businesses in a better direction. David Adithya & Maherni Eka (2016) in their study entitled

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Business Model Analysis in Guten.Inc Shoe Business Using the Canvas Business Model with qualitative data collected through observation, interviews, and documentation, the results show that the existing BMC is clearer, so that researchers can provide advice for Guten.Inc. Saebah & Asikin (2022) in his study entitled The Application of BMC as a Business Strategy in the Culinary Sector explained that qualitative data collected by interviews, the results showed that the Lesehan Mulya Food Shop Business had basically implemented BMC. Florencia (2015) Business Design, qualitative data collected through observation and interviews, the results of the study say that it is necessary to redesign the business model Model Canvas on CV Sekawan Cosmetic Sidoarjo can find out what must be developed and what must be eliminated at points in several elements to improve service.

From the review of the results of previous studies, it has shown that there is an influence of Business Model Canvas (BMC) for business continuity, better business development, better service which leads to an increase in the Company's revenue. Thus, it is important to look again at the effect of implementing BMC on increasing turnover through a comparative analysis between before and after applying BMC to budding entrepreneurs in the creative economy. And what is the role of BMC per element that is considered dominant in boosting turnover?

RESEARCH METHOD

To answer the above problems, qualitative and quantitative data are needed collected by observation and closed questionnaires conducted on 50 start-up businesses with the criteria of having had a business for 5 years, have received BMC training from the Youth Entrepreneurship Assistance Program from the Ministry of Youth and have implemented BMC in 3 years of business. So the analysis is obtained by comparing the average monthly turnover in the 2 years before getting BMC with the average monthly turnover in 3 years after implementing BMC assuming the first 1 year of BMC preparation is still trial in its implementation. Then look at its growth by the formula (Lexy, 2005; Sugiyono, n.d.):

$POM = \frac{\text{Average Turnover with BMC} - \text{Average Turnover without BMC}}{\text{Average Turnover without BMC}}$	POM= Turnover Growth
$POK = \frac{\text{Number of POM}}{\text{Number Per group}}$	POK = Growth in Turnover per Business Group

The distribution of electronic questionnaires (google forms) includes samples of campus partners in the cities of Banda Aceh, Pekanbaru, Palembang, Lampung Jakarta, Bandung, Bogor, and Cirebon.

Business model canvas is a management strategy in the company to map target consumers, finance, and infrastructure simply in 1 worksheet/canvas, this practicality makes it easy to understand by novice entrepreneurs. Although more concise, each sheet must contain 9 supporting elements (Arikunto, 2010; Gangguan–Gangguan, n.d.). According to Osterwalder & Yves Pigneur (2012) BMC consists of nine blocks of business elements. This block contains important

sections that explain how the organization creates benefits and also benefits from its customers. The BMC includes 9 elements, namely Customer Segment, Value Proposition, Channels, Customer Relationship, Revenue Streams, Key Resources, Key Activities, Key Partnership and Cost Structure, with the following explanation:

1. *BMC customer segment* is one element to determine who are the buyers, target market, which segment matches your product, categorization of potential customers based on age, profession, gender, interests, and so on.
2. *BMC channels* are media or channels that you can use to market products while communicating with potential customers. Some of them are websites, marketplaces, social media, and so on.
3. *BMC revenue streams* are programs that can be a source of income for your business. For example, apart from product sales, membership or upgrading methods to premium users are some ways to increase revenue.
4. *BMC key resources* are assets and resources used to run a business. This element is divided into four categories as follows.
5. *Key partners BMC* is a cooperative relationship in order to spur smooth business flows and organize services according to company expectations. Usually, in this section you should specify a partner, supplier or distributor by laying out a list of its activities.
6. *BMC cost structure* is cost mapping according to business plans that have been made. Set estimates ranging from the largest nominal to the smallest in each element. Then, provide information on how to manage it so that it runs effectively. Don't forget, you also need to make books and financial statements.
7. *Key BMC activities* are activities that will be carried out in achieving the company's targets and values.
8. *Customer Relationship*. After knowing the target consumers and marketing channels that will be used, also pay attention to how to build interactions between your business and customers. For example, by providing promos, *cashback*, or *memberships*. This method is effective enough to keep consumers afloat. In addition, the key to success of the canvas business model is to understand how to provide good service to customers. Especially in terms of answering questions, receiving criticism and suggestions, and responding to complaints.
9. BMC value proposition is the values that a service wants to offer to consumers, it can be in the form of services, more benefits from the product, packaging and others.

RESULT AND DISCUSSION

From the processing of data and information collected via questionnaires from 50 respondents, the following results can be obtained:

Table 1. BMC's role in improving omzet according to areas of effort

No	Business Type	City	Number of Businesses	Average Turnover/Month Before BMC	Average Turnover/Month After BMC	Average Turnover Growth
1.	Culinary	Aceh, Jakarta, Bandung, Bogor, Cirebon Palembang, Bandar Lampung	16	15.389.412	19.276.294	26,36%
2.	Q&B	Jakarta, Bandung, Palembang,	12	15.337.667	18.941.667	25,05%
3.	Fashion	Bogor, Bandung, Pakanbaru	7	28.225.714	34.035.714	23,90%
4.	Drink	Aceh, Jakarta	4	9.800.000	11.912.500	22,74%
5.	Other	Aceh, Palembang, Cirebon, Bogor	6	7.944.000	9.660.000	21,41%
6.	Various Services	Jakarta, Bogor, Cirebon	5	20.580.000	25.200.000	17,47%

Source: Wirusaha Assistance Data, Kemenpora, processed data.

It turns out that BMC's influence on Turnover growth is positive and can increase Turnover ranging from 17.47% (various services business sector) to 26.36% (culinary business sector). The highest increase in turnover was the culinary business sector reaching 26.36% then followed by Food and Beverage 25.05%, Fashion 23.9% and beverages 22.74%, this is inseparable from BMC's ability to detail customer segmentation, distribution channels, customer relationships, product aspects with value, company activities and optimal key resources in creating this value, looking for relatively cheap partners for cost efficiency, As well as the ability to market products based on the right customer segmentation and customer relationship so as to create revenue streams. Because in essence, the Culinary, F&B beverage business prioritizes the quality of taste and the quality of packaging design, while for fashion designs that are trending, key activities and key partners to build value proposition, then supported by the accuracy of market segmentation followed by incessant promotion (channel) and customer relationship so that there is a revenue stream, namely in the form of increased sales (Turnover). This can be shown from the results of data processing as follows:

Table 2. The Role of Elements in BMC That Are Considered More Dominant According to Business Fields

Business Field	The role of BMC elements that are considered more dominant according to the business field
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	Custo mer Segme nt	Chan nel	Custome r Relation ship	Reven ue Strea m	Key Resour ces	Key Activ ity	Key Part ner	Value Proposi tion	Cost Struct ure
Culina ry	V	V	V	V		V	V	V	V
F&B	V	V	V	V		V	V	V	V
Fashio n	V	V	V	V		V	V	V	V
Drink	V	V	V	V		V	V	V	V
Other	V	V	V	V	V	V		V	V
Servic e	V	V	V	V		V		V	V

Source: Wirusaha Assistance Questionnaire Data, Ministry of Youth and Culture, processed data.

Slightly different from Other Fields, namely other fields, prioritizing service quality for value propositions followed by customer relationships, customer segmentation, accuracy of market segmentation is very important so that revenue streams occur in the form of sales (Turnover). While the Service Sector is almost similar to other fields but does not really consider and focus on key resources and key partners because the service business does not think about raw materials and resources, relies more on key activities, distribution channels in creating value propositions, then supported by customer relationships and customer segmentation to achieve increased turnover targets.

CONCLUSION

The application of BMC to Beginner Entrepreneurs in the Creative Economy Field in this study has proven an increase in turnover of 22.82% compared to before using BMC. The highest increase in turnover in the culinary sector reached 26.36%, followed by F & B 25.05%, fashion 23.9% and beverages 22.74%. While below are processed products 21.41% others and services 17.47%. This increase in turnover in detail is due to BMC elements that are well designed to interrelate and play a more important role in creating value propositions and revenue streams. The fields of Culinary, F & B, Beverage, Beverage and Fashion each have in common several roles of elements in BMC that stand out because they prioritize the quality of taste (food and beverages) and the quality of packaging design and clothing design, key activities and key partners to build value propotion, then supported by the accuracy of market segmentation and customer relationship followed by incessant promotion (Channel) so that there is a revenue stream in the form of increased sales (Turnover).

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