



BUSINESS STRATEGY WITH BUSINESS MODEL CANVAS (BMC) AND SWOT ANALYSIS ON COTO MAKASSAR LAO MANRE MSME

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ABSTRACT

This community service activity aims to provide education to business owners through mentoring Micro, Small and Medium Enterprises (MSMEs) by discussing business strategies through the Business Model Canvas (BMC) approach and SWOT Analysis (Case Study on Coto Makasar Lao Manre). This strategy also applies the teachings of Ki Hajar Dewantara, namely “Ing Madya Mangun Karsa”. The results of observations and interviews that have been carried out show that UMKM Coto Makasar Lao Manre has intense competition among culinary business actors. Therefore, the community service team provides training related to the Business Model Canvas (BMC) approach strategy and SWOT Analysis. The purpose of this training is expected to help Coto Makasar Lao Manre Micro, Small and Medium Enterprises (MSMEs) to compete and continue to grow.

Keywords: *Community Service, Business Model Canvas (BMC), SWOT Analysis, Ing Madya Mangun Karsa*

INTRODUCTION

One of the economic forces that has been supporting the Indonesian economy and regional economic strength is the presence of micro, small and medium enterprises (Waqfin et al., 2021). Micro, Small, and Medium Enterprises (MSMEs) have an important role in the Indonesian economy, especially in creating jobs and supporting local economic growth. Micro, Small and Medium Enterprises (MSMEs) are expected to become the backbone and grow into a good job-creating sector. The role of society in national economic development is Micro, Small, and Medium Enterprises (Ariffianto & Santoso, 2024). Coto Makassar Lao Manre, as one of the culinary MSMEs operating in the midst of intense competition, faces various challenges that require them to adapt and innovate. With its establishment since late 2019, Coto

Makassar Lao Manre has shown resilience in the face of difficult conditions, particularly during the pandemic which has changed consumer behavior.

This strengthening strategy for MSMEs is very important to improve efficiency and competitiveness. In this context, the Business Model Canvas (BMC) model and SWOT analysis are strategic tools to formulate effective measures. Before embarking on business strategy development, businesses must understand how a business model can create, deliver and capture value using the Business Model Canvas (BMC). The BMC consists of nine interrelated elements that are critical to creating a successful business model. These elements are Customer Segments, Value Proposition, Channels, Customer Relationships, Revenue Streams, Key Resources, Key Activities, Key Partners, and Cost Structure (Nurmaisya et al., 2024). BMC provides a clear framework for understanding and transforming complex business concepts into simpler ones.

The next strengthening strategy is to analyze SWOT. SWOT analysis is an understanding as an aspect to describe the strategy of business actors. This analysis is based on logic that can optimize strengths (strengths) and opportunities (opportunities), but at the same time can suppress weaknesses (weaknesses) and threats (threats) (Harlan et al., 2023). Strengths, weaknesses, opportunities, and threats (SWOT) analysis has become a basic tool for organizations to evaluate their position in the market and is widely used to analyze the internal and external environment of organizations during times of doubt. (Basuki, 2023).

Based on the above problems, through the approach of Ki Hadjar Dewantara's teachings, especially the principle of “Ing Madya Mangun Karsa”, it can emphasize the importance of the role of leaders in inspiring and supporting employees and the importance of the role of businesses or MSMEs in the middle of society to be able to find out the needs of the community. According to Putri, TA (2020: 88) in the journal (Pribadi et al., 2024) which says that “Ing Madya” means in the middle, “Mangun” means to arouse or arouse and “Karsa” means a form of will or intention. So “Ing Madya Mangun Karsa” is a person in the midst of his business must also be able to arouse or arouse enthusiasm. Similarly, the explanation of “Madya” means middle, “Ngarsa” means work, so “Ing Madya Mangun Karsa” is in the middle of building work.

Applying these principles in business and marketing strategies, Coto Makassar Lao Manre is expected to build stronger consumer engagement and create sustainable loyalty. Coto Makassar Lao Manre can build stronger engagement, both among internal teams and consumers. The support and inspiration provided by leaders creates a collaborative work environment,

which in turn impacts customer service and experience. This is in line with efforts to create value through the Business Model Canvas (BMC) and analyzing strengths, weaknesses, opportunities and threats through SWOT.

Through this research, it is hoped that effective strategies can be identified to help Coto Makassar Lao Manre not only survive, but also thrive in the face of market challenges. By focusing on operational efficiency and competitiveness, Coto Makassar Lao Manre can expand its market reach, maintain product quality and improve customer satisfaction. This is essential to ensure the sustainability and growth of MSMEs in an increasingly competitive era of globalization.

METHOD

The method used in this research is to carry out community service activities with the following stages:

1. Partner identification

At this stage, the community service team determines partners to make observations so that the service team chooses UMKM Coto Makassar Lao Manre as a partner where to conduct community service observations, then the service team searches for and collects information related to UMKM Coto Makassar Lao Manre.

2. Problem identification stage

At this stage, the service team made direct observations in the field, the team continued with interview sessions and observations to collect more in-depth data. This observation focused on finding out how suppliers, raw materials, production processes, and product distribution. Interviews were conducted with business owners and employees to dig up relevant information by providing several items of questions that had been compiled by the service team and understanding the problems faced by Coto Makassar Lao Manre MSMEs. With this approach, the team sought to gain clearer insights into existing challenges and potential improvements in product operations and marketing.

3. Preparation stage

After the team identified the obstacles and problems often faced by partners, the team then made a recapitulation of these problems. At this stage, the team prepared the training materials and methods needed by the partners. This process involves

coordination among the service team to ensure the smooth running of the service activities, including the training strategy to be implemented, the materials to be delivered, and determining the right place and time for the training. In addition, the team will also develop effective solutions to help partners overcome existing problems and support their smooth operations.

4. Stages of Material Delivery and Solutions for Partners

At this stage, it is a continuation of the previous stage, then the service team chooses material with the title “mobilizing consumer enthusiasm, marketing that focuses on engagement and education”. After the service team finished filling in the material, the service team then provided solutions and how partners compete in the current era, especially in the digitalization era and provided explanations related to how a partner can create good relationships with consumers in order to create a sense of being valued and recognized by consumers so that it will have an impact on the smooth running or success of the Lao Manre Makassar Coto MSME partners.

RESULTS AND DISCUSSION

The community service carried out by the service team from Sarjanawiyata Tamansiswa University students was carried out for 2 days with an interval of several days, namely, the service team went to the field to make observations at the initial stage on October 14, 2024, and at the stage of filling the material the service team returned to make a second observation on October 21, 2024.



Figure 1. Observation and interview

Observation activities at UMKM Coto Makassar Lao Manre were the first step in this community service. Based on the results of observations and interviews, UMKM Coto Makassar



Figure 2. Material filling by the team

Lao Manre has a lot of potential for the company it owns, but faces several challenges, including the need to maintain product flavor consistency and the existence of competitors who sell similar products at lower prices. Based on the teachings of Taman Siswa “Ing Madya Mangun Karsa”, the approach taken by the service team in this community service is to apply Business Model

Canvas (BMC) and SWOT Analysis to increase efficiency and competitiveness in order to improve MSMEs.

Business Model Canvas Analysis Results

The Business Model Canvas provides a comprehensive overview of the Coto Makassar Lao Manre MSME, outlining key elements that can guide strategies to improve business success. The Business Model Canvas was developed after conducting interviews with the owner of Coto Makassar Lao Manre to gather important insights into the overall business operations. In addition, field observations played an important role in gathering more detailed information, adding depth to the understanding of the business model and its strategic needs. There are nine components in the Business Model Canvas that contain important information about the conditions and facts of Coto Makassar Lao Manre MSMEs. The nine components are customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partners, and cost structure.

Table 1. Business Model Canvas Coto Makassar Lao Manre

Business Model Canvas Coto Makassar Lao Manre				
<i>Key Partner</i>	<i>Key Activies</i>	<i>Value Propositions</i>	<i>Costomer Relationship</i>	<i>Costomer Segment</i>
<ul style="list-style-type: none"> - Grocery suppliers. - Online platform sales partners such as GoFood, GrabFood and ShopeeFood. 	<ul style="list-style-type: none"> - Grocery shopping at the convenience store - Cooking the kitchen - Receiving orders - preparing orders - Closing 	<ul style="list-style-type: none"> - Varied coto menu - Affordable price - Suitable for all ages - Macassar's signature coto spices - Online ordering available 	<ul style="list-style-type: none"> - Services are available in person at outlets and online - Friendly customer service provides an attitude - greetings, greetings, 	<ul style="list-style-type: none"> - Various groups from the general public

Business Model Canvas Coto Makassar Lao Manre				
		- Friendly and clean service	smiles and without differentiating between groups.	
	<p><i>Key Resources</i></p> <ul style="list-style-type: none"> - Business premises and location - Cooking utensils - Business facilities such as tables, chairs, and air conditioning. - Human resources 7 people. 		<p><i>Channel</i></p> <ul style="list-style-type: none"> - Media on online platforms such as instagram, whatsapp, gofood, grabfood, and shopeefood. - verbally from one person to another. 	
<p><i>Cost Structure</i></p> <ul style="list-style-type: none"> - Costs for purchasing raw materials - Costs for renting business premises - Costs for promotion - Costs for all business equipment and facilities - Costs for all licenses 		<p><i>Revenue Streams</i></p> <ul style="list-style-type: none"> - The source of income for coto makassar lao manre is obtained from the sale of coto itself from online and offline purchases such as shopeefood, grabfood, and gofood. 		

Business Model Canvas Coto Makassar Lao Manre	
-	Costs for labor or employee salaries

SWOT Analysis (*Strength, Weakness, Opportunity, Threat*)

After understanding the nine business elements of UMKM Coto Makassar Lao Manre as shown in the Business Model Canvas, the next step is to use the data from the Business Model Canvas to conduct a SWOT analysis. The purpose of this SWOT analysis is to determine the strengths, weaknesses, opportunities, and threats of UMKM Coto Makassar Lao Manre. The following is the SWOT analysis:

1. Strength

- Variety of food types
- There is a best seller coto in coto makassar lao manre, namely meat coto and mixed coto which has a distinctive taste of Makassar
- Affordable and pocket-friendly prices
- Food presentation is clean and has implemented standard operating procedures (SOP)
- Friendly service always prioritizes consumers
- available on online platforms / can already order online

2. Weakness

- There are still many competitors
- There are still many general Public of Coto Makassar Lao Manre
- There is still no consistency in the taste of the food

3. Opportunity

- Development of tools to maintain flavor consistency
- Listening and accommodating customer needs
- Coto makassar lao manre is already quite large in the marketing media on online platforms so there may be opportunities to open new branches

4. Threat

- The issue of flavor consistency can affect customer satisfaction and loyalty
- The emergence of new food trends is a challenge for Coto Makassar Lao Manre.

After knowing the advantages, weaknesses, opportunities, and threats of UMKM Coto Makassar Lao Manre, a SWOT Matrix analysis can be carried out to develop strategies. The purpose of this SWOT Matrix is to find out how business opportunities and threats can be adjusted to the strengths and weaknesses of the company so that it can develop plans that can increase business success. The following is a SWOT matrix of UMKM Coto Makassar Lao Manre, namely:

1. Strength-Opportunity

- Maintaining the quality of Makassar's signature coto, which is the staple food of Coto Makassar Lao Manre.
- Incorporating coto food with seasonings that prioritize health and taste.
- Expanding marketing through the internet by using social media platforms such as TikTok, Facebook, and Instagram

2. Strength-Threat

- Organize collaborative activities to foster a sense of family and familiarity among staff members
- Conduct regular briefings to assess performance
- Provide advice and instruction to employees on work ethics

3. Weakness-Opportunity

- Adding a variety of coto dishes to attract more consumers, so that it will increase the income of MSMEs
- Expanding market reach by introducing Makassar's signature Coto.

4. Weakness-Threat

- Conduct regular job reviews, focusing on employee discipline, attitude, and performance. Qualified human resources will increase the sales of MSMEs, resulting in more revenue. The increased revenue can be used to cover operational costs such as marketing and others.
- Rewarding the best employees and sanctioning those who violate work ethics.
- Regularly provide operational training to staff in areas such as cooking, financial records, and service, so that each employee can perform all tasks when orders are high. This is to compensate for staff shortages.

Business Model Canvas (BMC) Improvement Strategy

Based on the SWOT analysis and identification of the nine aspects of the Business Model Canvas, the service team can provide alternative strategies for Coto Makassar Lao Manre MSMEs to improve and grow business revenue. This approach aims to improve the nine parts of the Model Canvas of the Coto Makassar Lao Manre MSME company, so that this culinary company can grow on the right track.

1. Customer Segments

Coto Makassar Lao Manre MSMEs should maintain customer segmentation for all demographics. Everyone can enjoy the food at this MSME as the recipes are designed to be appreciated by people from different backgrounds. Maintaining and improving values such as attitude and politeness in serving customers without discrimination or discriminating against race is important.

2. Value propositions

Coto Makassar Lao Manre is famous for its Makassar specialties. In the future, the variety of these specialties will be expanded to attract more visitors. Apart from Instagram, promotion of these MSMEs can be done on blogs, websites, and YouTube. People must realize the benefits of this Makassar specialty food. This emphasizes the importance of promotion. Regular discounts can also be an effective way to attract visitors.

3. *Channel* (saluran)

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4. Customers Relationship

Maintaining and improving customer relations is essential. The idea of hospitality, which has been the foundation of the business, must be upheld. Coto Makassar Lao Manre welcomes feedback from the public on their services and food to enhance their company's growth. Communication Customer interactions, both in person and online, should be used as learning experiences to improve their MSMEs.

5. Revenue Streams

Adding different types of food and drinks can boost the number of buyers. Business activities other than through stalls and online can also be done by participating in culinary events that are regularly held.

6. Key Resources

The resources of Coto Makassar Lao Manre can be improved by reorganizing the place and equipment of the stall, providing training to employees to improve performance, improving relationships with business partners, and trying to add employees.

7. Key Activities

Each employee should have a clear understanding of the daily schedule. The previously successful division of tasks must be maintained. Disciplinary aspects must be improved for the operational system to function properly. Reduce time-wasting activities. All workers should learn all forms of work in stages. Preparation of equipment, tools and supplies. Regular appraisals should be conducted to steer performance and activities in the right direction.

8. Key Partner

Relationships with business partners are managed effectively. Coto Makassar Lao Manre seeks business partners for food component suppliers and online sales. Collaboration with business partners can reduce raw material and operational costs while promoting MSMEs. Business partners can provide high-quality ingredients at low prices.

9. Cost Structure

Financial records must be completed more thoroughly and correctly. Finding and mastering new recipes can help diversify dishes and attract more customers, resulting in increased revenue and expenses paid.



Figure 3 Symbolic handover of gratitude to MSME Owners

CONCLUSION

This community service conducted by a team of servants from Sarjanawiyata Tamansiswa University examines the business strategy of Coto Makassar Lao Manre MSMEs using the Business Model Canvas (BMC) approach and SWOT analysis. The factors in it can help determine what methods should be applied to increase the success of MSMEs. The company's Model Canvas idea was built after conducting interviews with the owner of Coto Makassar Lao Manre to obtain important information about the MSME as a whole. The Business Model Canvas has nine sections that cover important information regarding the circumstances and facts of Coto Makassar Lao Manre, including client segments, value proposition, channels, customer connections, revenue streams, key resources, key activities, key partners, and cost structure. After studying the nine business parts of Coto Makassar Lao Manre in the Business Model Canvas, the next step is to conduct a SWOT analysis based on the information from the Business Model Canvas, by examining the company's strengths, weaknesses, opportunities, and threats. Based on the BMC identification and SWOT analysis, it is possible to determine which strategies Coto Makassar Lao Manre should implement to move the company forward.

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