

Designing a Business Strategy Using the Business Model Canvas (BMC) Study on the Jangji Application

Rosyidah Rahmah¹, Chairunnisa Istiqomah²

^{1,2}Binus university

Jl Pasir Kaliki No 25-27 Bandung

rosyidah.rahmah@binus.ac.id

Abstract – The business model is a crucial aspect of building a business. The Wedding Organizer (WO) business is getting back on its feet as social restrictions are lifted during the Covid 19 pandemic. Jangji is a one-stop application built to select and use WO and Wedding Planner services. The purpose of this research is to project the Jangji business model and design a business model using the Business Model Canvas approach. The method used in this research is descriptive method with a case study approach. The steps taken are: (1) SWOT Analysis, (2) Grand Strategy Analysis, (3) Business Model Canvas. This research found that the right strategy to apply to this business is the Growth and Stability Strategy, where Jangji can add more application features, take advantage of the momentum as a pioneer and publish tools in applications through digital marketing. It is hoped that the BMC mapping in this research can help the development of Jangji's business model.

Keywords: Application; Business Model Canvas; Wedding Organizer; Wedding Planner

I. INTRODUCTION

Marriage is a sacred activity for humans. In the actual sense, the word nikah means gathering, while in the figurative sense it means aqad or entering into a marriage agreement (Rasjidi, 1982). Nowadays it is common to organize wedding parties with various concepts to channel the feeling of happiness from the inauguration. To help organize the event, you can use WO services. Wedding Organizer is a special service that helps the bride and groom and their families in planning and supervising the implementation of a series of wedding events according to a predetermined schedule (Sari & Karim, 2022). Jangji is an application that connects WO with prospective brides and grooms. The aim is to make it easier for prospective brides and grooms to choose WO services that suit their wedding plans, where this application can provide transparency in the budget plan without the need to book in advance. Looking at the large market, currently Indonesia is entering the demographic bonus era, where the population of productive age is greater than that of non-productive age (Kusnandar, 2022).

From Population Data by Age in 2022 (Kusnandar, 2022), shows that currently the productive age population still dominates in Indonesia. This increases the opportunity for a large market, where people of this age need good facilities to hold wedding parties. There are 190.83 million people or around 69.3% of Indonesia's population who fall into the productive age category (15-64 years). Where this age is the age enough to get married. With a large market,

it is an opportunity for the Jangji application to enliven this industry.

The Wedding Organizer (WO) business has revived following the lifting of social restrictions during the Covid 19 pandemic. However, amidst the rise in open wedding celebrations again, businesses which are included in the facilitative industry or what is also commonly called tertiary industry, there are still individuals who cause a decline in trust. community towards WO services. As happened in 2021, where one WO in Bandung deceived 6 people with losses of up to 1.4 billion using investment fraud (Warsudi, 2021). This problem often causes the confidence of potential service users to drop and they tend to only use WO services that are already used by those closest to them. From this phenomenon, WO services that are just starting their business will have difficulty entering the market. We need a tool that can provide space for business people and can provide trust for its users.

The business model is one of the crucial aspects in building a business (Hamdani et al, 2020). Various business models are used to map business ideas into an easy-to-understand model. A business without a good business model will likely find problems in operation (Puspayuda, 2021). Various problems can occur when a business is running and these risks can be reduced by having a good business model, so a business model is very necessary in developing a business idea (Hamdani et al, 2019).

In its development, Jangji encountered many difficulties. The difficulty in designing an application



is not only a matter of technology, but also in developing a business model so that the application being built can survive, develop and become an application used by the wider community. BMC or Business model Canvas is a tool that is often used to prepare business plans.

Business Model Canvas (BMC) was designed and developed by Alexander Osterwalder and Yves Pigneur. This research uses the business model canvas as a tool to make it easier for researchers to map the business and see a replica of the business that will be run. This research tries to map the wedding organizer application business model using BMC where this business model canvas makes it easier for researchers to see a replica of the Jangji business that will be running.

II. LITERATURE REVIEW

Business strategy is an effort to take decisions and actions designed to create superiority in business competition, this aims to ensure that the goals of a business being run can be achieved. The general definition of business strategy is the point of view that strategy focuses on achieving a goal. The key actions that shape strategy include resource allocation. This strategy means binding, integrating or linkage (Isfahami, 2021).

SWOT analysis is an analysis that focuses on 4 aspects, namely strengths, weaknesses, opportunities and threats. In this analysis, business actors need to explore these four aspects, where these aspects will then become a reference in choosing a suitable strategy that suits their needs. This analysis is also often abbreviated or also called SWOT Analysis. In its application, this SWOT analysis is summarized in simple tables and charts to make it easier for business people to map the aspects studied. In its application, SWOT analysis uses several matrices as tools to simplify the application process (Isfahami, 2021).

Business Model Canvas (BMC) is an application of business or business planning that can be implemented by business actors and companies, this is because BMC has an approach that is easy to understand and is also very detailed in the components of its planning model. BMC Changes complex business concepts into simple ones displayed on one canvas sheet containing a business plan with nine key elements that are well integrated which includes strategic analysis both internally and externally of the company (Pigneur, 2017). The Triple Layered business model canvas is a development method for the BMC business model, where in the development process

three components are added, namely: environmental, social and economic.

Triple Layered Business Model Canvas (TLBMC) as a supporting tool for exploring sustainable modeling creativity and sustainability-oriented innovation more broadly. TLBMC complements and expands the methods of Osterwalder & Pigneur's original economically oriented business model canvas concept with a new canvas layer exploring the creation of environmental and social value (Joyce & Paquin, 2016).

III. RESEARCH METHODS

This research is qualitative research, using descriptive methods through a case study approach. Research was conducted on the wedding specialist service application, Jangji, which is still under development and requires a lot of input for its application. Data was obtained through interviews with the owner and application developers. The steps taken in this research refer to Moleong's 2012 theory (Widjayanti & Setyowati, 2021) namely (1) collecting data through interviews, (2) making an abstraction of the research, process, which is in accordance with the research objectives, (3) compiling the data obtained, (4) checking the validity of the data, (5) interpreting the data from the respondents' answers submitted descriptively on the problem formulation. There are several stages in technical data analysis, here are the explanations, (1) SWOT analysis, (2) business model canvas, (3) formulating conclusions and suggestions. These stages are used to map the current state of the business and develop it into a better business model.

SWOT analysis is an advanced stage of strategic management, by carrying out external analysis, a company can find out the threats and opportunities that most affect its business. According to (Basset & Mohamed, 2018) By using SWOT analysis, organizations can carry out four strategic plans, namely: (1) SO, this strategic plan involves making good use of opportunities through existing strengths, (2) ST, good use of strengths to eliminate or reduce the impact of threats, (3) WO, taking weaknesses into consideration to gain benefits from opportunities, (4) WT, the organization tries to reduce the impact of threats by considering weaknesses.

IV. RESULT AND DISCUSSION

Based on the results of observations on research subjects and interviews with interested parties. The following are the results of the SWOT analysis.



Table 4.1 SWOT Analysis

Strength 1. The first wedding preparation application 2. Tools that are efficient and make it easier for prospective brides and grooms 3. Has quite a large database of Wedding Organizers and Wedding Planners	Weakness 1. Segmented products 2. Difficulty in market penetration 3. The IT team is having difficulty creating applications
Opportunities 1. There are no competitors yet 2. Trending wedding concept for celebrities and artists 3. Digitalization	Threats 1. Introducing the application to a wide market 2. Changing conventional WO consumer culture to digitalization

Source: processed primary data (2022)

After knowing your strengths, weaknesses, opportunities and challenges, the next step is to prepare an internal factor evaluation matrix (IFE).

Table 4.2 Internal Factor Evaluation (IFE)

No	Internal Strategy	Weight	Rating	Score
Strength:				
1	The first wedding preparation application	0,200	3	0,600
2	Tools that are efficient and make it easier for prospective brides and grooms	0,150	4	0,600
3	Has quite a large database of wedding organizers and wedding planners	0,100	3	0,400
				1,600

Weakness:				
1	Segmented products	0,200	1	0,200
2	Difficulty in market penetration	0,200	2	0,400
3	The IT team is having difficulty creating applications	0,150	2	0,300
				0,900
Total		1,000		2,500

Source: Primary Data, processed.

Table 4.2 Evaluation of Internal Factors shows a matrix score of 2.50, where this figure indicates that the company's internal position is currently in a medium/average position. The following is the External Factor Evaluation (EFE) matrix.

Table 4.3 External Factor Evaluation (EFE)

No	External Strategy	Weight	Rating	Score
Opportunity:				
1	Concept wedding trend	0,140	3	0,420
2	Digitalization	0,150	3	0,450
3	There are no competitors yet	0,200	4	0,800
				1,670
Threats:				
1	Conventional wedding	0,155	1	0,155
2	The application is difficult for the wider community to accept	0,200	2	0,400
3	Theft of ideas, concepts and systems created in the application by new competitors	0,155	2	0,310
				0,865
Total		1,000		2,535

Source: Primary Data, processed.

Table 4.3 Evaluation of External Factors shows a score of 2.535, not much different from the evaluation of internal factors, which means that the company's condition responds moderately or on average to opportunities and threats that affect business sustainability. Based on the results of the IFE and EFE analysis, the IFE Matrix has a total score of 2.50, while the EFE Matrix has a total score of 5.35. The position of Jangji in the IE Matrix can be described as follows.

Total weighted IFE value

	Strong 3.0 – 4.0	Average 2.0 – 2.99	Weak 1.0 – 1.99
Tall 3.0 – 4.0	I	II	III
Currently 2.0 – 2.99	IV	V	VI
Low 1.0 – 1.99	VII	VIII	IX

Figure 4.1 IE Matrix

Internal External Analysis

The result of the score on the internal factor evaluation is 2,500 and the external factor evaluation is 2,535. Based on the score in Figure 1, it can be seen that the position of the Jangji application is in quadrant V with the strategy that can be implemented, namely (Growth and Stability) by penetrating the market and developing products.

Grand Strategy Matrix Analysis

Table 4.2 Evaluation of Internal Factors (IFE) shows the difference between strengths and weaknesses of 0.70 where the strength factor is more dominant than the weakness factor, while in Table 4.3 Evaluation of External Factors (EFE) shows the difference between opportunities and threats of 0.805 where the opportunity factor is still more dominant, then Jangji's business opportunities are still greater than the threats that must be faced.

So the strategy that must be applied to this business is to support an aggressive growth policy (Growth oriented strategy). The following is an overview of Jangji's business positioning.

II Strategy (Weakness-Opportunity)	I Strategy (Strength-Opportunity)
III Strategy (Weakness-Threats)	IV Strategy (Strength-Threats)

Figure 4.2 Determining the Position of the Jangji Strategy

(Source: Processed Primary Data, 2022)

SWOT Matrix Analysis

Table. 4.4 Strategy Design

EFAS/IFAS	Strength(S) 1.The first wedding preparation application 2.Tools that are efficient and make it easier for prospective brides and grooms 3.Has quite a large database of Wedding Organizers and Wedding Planners	Weakness(W) 1. Segmented products 2. Difficulty in market penetration 3. The IT team is having difficulty creating applications
Opportunities(O) 1. There are no competitors yet 2. Trending wedding concept for celebrities and artists 3. Digitalization	SO Strategy 1. Increasing application features, taking advantage of momentum as a pioneer 2. Publish tools in applications through digital marketing	WO Strategy 1. Endorsing influencers as an E-WoM marketing activity for market penetration.
Threats(T) 1. Introducing the application to a wide market 2. Changing conventional WO consumer culture to digitalization	ST Strategy 1. Utilizing the WO database as an information channel to introduce the application 2. With efficient tools, it makes it easier for sales marketing to introduce products	WT Strategy 1. Using viral marketing to slowly change consumer culture 2. Recruitment of experts or consultants in their field



Implementation of the Business Model Canvas (BMC)

The final step in developing a strategy to improve Jangji's business is mapping the business model canvas (BMC). BMC was designed and developed by Osterwalder and Yves Pigneur (Isfahami, 2021). From the SWOT analysis carried out, Jangji was able to implement its business model into a business model canvas. The following is an explanation of the 9 boxes of Osterwalder and Pigneur's business model canvas (Joyce & Paquin, 2016):

1. Key Partnerships

The key partnerships box represents relationships with business partners who are connected and make the business run. A business arranges a partnership for several reasons and partnerships are a basic form of various business models. The business partners that Jangji must look after are WO business owners, wedding planners and application developers.

2. Key Activities

The box in key activities shows the things the company does so that its business model can run. In this case, the key activities that Jangji undertakes when the application can be used by users are looking for WOs or wedding planners to become partners, carrying out marketing activities, and continuing to develop the features in the application.

3. Value proposition

The value proposition box is filled with company activities that have an impact on increasing added value for the business being run. (Kotler & Keller, 2016) stated that value proposition consists of the entire group advantages given by the company exceeding the core positioning of the offer. Jangji's value proposition is that it is the first application that brings together WOs and prospective brides and grooms openly, by providing transparent wedding budget estimates and easy access to search for WOs and Wedding Planners through one door.

4. Customer relations

The customer relationship box is filled with company or business activities in building relationships with consumers. The customer relationships building block describes the types of relationships a company establishes with specific customer segments. A company should clarify the type of relationship it wants to establish with each customer segment. Relationships can run the range from personal to completely automated (Furqon, 2019). In this case, Jangji builds relationships with consumers through social media by providing education about the application being built and creating interaction with

potential application users. Apart from that, it is accompanied by activities whose aim is to penetrate the market. Jangji interacts with potential consumers through seminars or events held.

5. Customer segments

The box in customer segments contains groups of people or organizations that aim to become consumers. The customer segments building block defines the different groups of people or organizations an enterprise aims to serve. Customers are the heart of any business model. Without (profitable) customers, no company can survive for long (Pigneur, 2017). The customer segment targeted by Jangji is women of married age who live on the island of Java, especially the city of Bandung and its surroundings, whose finances can be said to be stable.

6. Key resources

The key resources box contains the important resources that Janji needs to run its business operations. The key resource building block describes the most important assets required to make a business model work. These resources allow an enterprise to create and offer a value proposition, reach markets, maintain relationships with customer segments and earn revenues (Osterwalder & Pigneur, 2011). In this case, Jangji has potential human resources to develop applications which are divided into 3 core divisions, namely the IT, marketing and management teams.

7. Channels

The channels box is filled in with the channels the business uses to deliver its products or services to consumers. The channels building block describes how a company communicates with and reaches its customer segments to deliver a value proposition. Communication, distribution and sales channels comprise a company's interface with customers. Channels are customer touch points that play an important role in the customer experience (Osterwalder et al., 2010). Through the one-stop application, Janji offers convenience for prospective brides and grooms to prepare for their dream wedding. Channels that Jangji can use to market its products are through digital marketing and introducing products through social media and outreach through seminars.

8. Cost structure

The cost structure box is filled with the costs needed for the business to run. The cost structure building block describes the most important costs incurred while operating under a particular business model. Creating and delivering value, maintaining customer relationships, and generating revenue all incurred costs. Such costs can be calculated relatively easily



after defining key resources, key activities and key partnerships. Some business models, though, are more cost-driven than others (Pigneur, 2017). The costs required to build the Jangji application include website creation, soft opening, operational costs and promotional costs.

9. Revenue streams

The revenue streams box is filled with any income earned while the business is running. The revenue streams building block represents the cash a company generates from each customer segments costs must be subtracted from revenues to create earnings (Pigneur, 2017). In this case, Jangji has not been able to receive revenue. To run its operations, Jangji is funded by individuals (founders) and will open funding when the application is running.

V. CONCLUSION AND SUGGESTION

Customer Segments Jangji consists of women of married age, domiciled on the island of Java, especially the city of Bandung and working or already established. The Value Proposition includes time efficiency in searching for WO and wedding planners in one application, enlarging the market for WO partners and budget transparency which is difficult to obtain with conventional services. Channels that can be used by Jangji are social media, digital marketing and outreach through seminars. Key Activities are application development, marketing activities and adding business partners. Key Resources, such as: business development team and IT staff. Key Partnerships include WO partners and Wedding Planners, IT developers and venture capital. Meanwhile, revenue streams are still through personal capital and investor funding.

VI. REFERENCES

- Basset, M. A., & Mohamed, M. (2018). An Extension of Neutrosophic AHP-SWOT Analysis for Strategic Planning and Decision-Making. *Symmetry Journal*, 10(4), 18. <https://doi.org/http://dx.doi.org/10.3390/sym10040116>
- Furqon, C. (2019). Proposed Business Strategy for Developing Business in Buntis Coffee Farmer Groups Using the Triple Layered Business Model Canvas.
- Hamdani, N. A., Nugraha, S., & Maulani, Galih Abdul
- Fatah. (2019). Intensive Strategy Model and Implications for SME Business Performance. 42. <https://doi.org/10.4108/eai.13-2-2019.2286508>
- N. A. Hamdani, S. Nugraha, and P. Purnamasari, "Conceptual Framework of Innovation Strategy in SMEs", *BIEJ*, vol. 2, no. 2, pp. 115-119, May 2020.
- Isfahami, MM (2021). Designing a Business Strategy Using the Triple Layered Business Model Canvas (Descriptive Study of MSMEs in Bandung) Thesis.
- Joyce, A., & Paquin, R.L. (2016). The triple layered business model canvas: A tool to design more sustainable business models. *Journal of Cleaner Production*, 1–13.
- Kotler, P., & Keller, K. L. (2016). *Principles Of Marketing* (15th ed.). Pearson Education, Inc.
- Kusnandar, VB (2022). Demographic Bonus Era, 69% of Indonesia's Population Enters the Productive Age Category in June 2022. <https://databoks.katadata.co.id/datapublish/2022/09/30/era-bonus-demografi-69-penresidenindonesia-besar-productive-age-category-inJune-2022>
- Osterwalder, A., Pigneur, Y., Smith, A., & Movement, T. (2010). *Business Models Generation, A Handbook for Visionaries, Game Changers, and Challengers*. www.wiley.com.
- Pigneur, A.O. and Y. (2017). *Business Model Generation*. John Wiley & Sons, Inc. Puspayuda, AT (2021). The Use of Business Model Canvas to Formulate Business Model on Game Online Store "Asuna Store." 1, 31–40.
- Rasjidi, L. (1982). *Marriage and Divorce Law in Malaysia and Indonesia* (p. 3).
- Alumni. Sari, Y., & Karim, A. (2022). DESIGNING A WEDDING ORGANIZER INFORMATION SYSTEM FOR WEBSITE BASED ART TENDAPESTA. *Techinfo*, 23(1), 74–83.
- Warsudi, A. (2021, June 30). Four Seasons Wedding Organizer Fraud in Bandung Revealed, Perpetrator Makes IDR 1.4 Billion. *InewsJabar.Id*. <https://jabar.inews.id/amp/berita/penipuanmodus-wedding-organizer-four-seasons-dibandung-terbesar-pelaku-raup-rp14-m>
- Widjayanti, FN, & Setyowati, T. (2021). Canvas Business Model Development Strategy for the Cracker Agroindustry (Case study at UD. Sumber Urip, Jember Regency). *Agribest Journal*, 5, 131–141

