

## ABSTRACT

*At the beginning of the journey Palala Indonesia was present as a rental service company that operated traditionally. Customer journey analysis shows that there are deficiencies in the company's performance or operations. Therefore, this research was conducted with the aim of knowing the level of customer satisfaction through customer satisfaction analysis, and designing innovation through Value Proposition Canvas and Business Model Canvas to improve the quality of Palala Indonesia's services and ensure Palala Indonesia remains relevant and competitive in a dynamic market.*

*This research uses a descriptive qualitative approach with data collection techniques that use combined or triangulation methods, where data is collected through observation, questionnaires, and interviews. Respondents in this study were Palala Indonesia customers with a total of 103 respondents.*

*The results showed that the level of customer satisfaction with Palala Indonesia was quite high, but there was still a gap between initial expectations and the actual performance of Palala Indonesia. Therefore, a Value Proposition Canvas analysis was conducted to create innovations by adopting technology in the form of a website that would be used as an online platform for Palala Indonesia's operations. After the innovation is implemented, there are several improvements to the Business Model Canvas elements that are carried out to ensure the suitability of the business model with dynamic market dynamics. The value proposition is divided into two by highlighting Palala as an online platform for asset owners and tenants for a satisfying rental experience. Website development expands channels and strengthens customer relationships. Website management and maintenance is one of the key activities to ensure Palala's online platform runs optimally. Meanwhile, the cost structure focused on operational costs, marketing, technology and digital platform development. These changes reflect Palala Indonesia's adaptation to increase company value in the rental industry.*

*Key Words: Business Model Canvas, Value Proposition Canvas*