

ABSTRACT

In Indonesia, the Micro, Small and Medium Enterprises (MSMEs) sector has become one of the most important parts of the economy in Indonesia. One of the industrial sectors is the frozen food sector which is currently widely spread in Indonesia. With this large number, business actors are certainly faced with intense competition, especially in 2019 and the micro business sector in Indonesia was negatively affected by the Covid-19 pandemic, so business actors are required to continue developing their products.

This study aims to validate the business model using the business model validation method for product development in the micro enterprise. Dimsum Hotel in the frozen food sector by conducting tests on prioritized BMC blocks.

The research method used is the case study method with a qualitative approach. Collecting data using qualitative methods with interviews and observation. Business model validation is carried out from the business model canvas to be developed which is then analyzed by testing business ideas to validate value compatibility with target consumers which will result in further follow-up for the development of the Dimsum Hotel micro business.

The results showed that of the 4 hypotheses taken there were 2 hypotheses which were said to be valid and 2 which were said to be invalid. After validating using several tests, the researcher formulated several follow-up suggestions for product development based on the results already found. Looking at the results of the study, it can be concluded that the valid Dimsum Hotels are in the Channels and Revenue Stream blocks tested in this study. The results of the research are expected to be used as an evaluation of the learning process in tertiary institutions, especially the MBTI. In addition, this research can be used as a direction, especially for Dimsum Hotel business owners in improving a business, precisely in product development.

Keywords: *Business model canvas, product development, business idea testing, business model validation.*