

ABSTRACT

Batik Cirebon HDM is one of the batik businesses in the Trusmi area, Cirebon Regency, which started its business in 1973. The products produced include batik cloth, men's batik shirts, and women's batik blouses. In its operation, Batik Cirebon HDM sets a profit target of IDR 80,000,000 per month, but currently the company is having difficulty increasing sales after the pandemic and achieving the turnover target. Several factors have been identified as the cause of not achieving the target, including the number of competitors located close to the company's operating area, the lack of variety in product types and batik motifs, promotional activities that have not been carried out optimally, the limited marketing channels used by Batik Cirebon HDM, and the limited workforce owned. It can be seen that the problems that occur in Batik Cirebon HDM are caused by several interrelated factors. Therefore, to increase the achievement of sales targets, it is necessary to evaluate several interrelated business components and then make improvements simultaneously. Improvements by considering several business components can be made by evaluating the business model currently applied so that it can produce new business model innovations that are better. This study aims to evaluate the business model of Batik Cirebon HDM and design a proposed business model using the Business Model Canvas (BMC). The data needed for this research are the company's current business model data, consumer profile data from all customer segments served, and business model environmental conditions data. Evaluation of the current business model is carried out with 7 questions analysis and SWOT analysis. SWOT analysis was conducted for the entire canvas as a whole (big picture), which was then deepened with detailed SWOT analysis for several priority blocks. The scoring process in the SWOT analysis involved the owners and managers of the company. From the results of this analysis, the company's future strategy was designed, which was then translated into BMC. Some of the proposed improvements include expanding the reach of individual customers by targeting social media and marketplace users, adding channels such as Instagram and Shopee, increasing the variety of innovative batik products, and adding services such as custom design of batik clothes and learning batik. These changes certainly have an

impact on the financial aspect, so the next step is to conduct a financial simulation by calculating the estimated revenue and additional costs as a result of the proposed business model changes. Based on the results of the financial simulation, the proposed business model change is feasible if the sales of Batik Cirebon HDM can increase by 15%. The suggestion from this research is the need for further validation related to desirability to ensure that the proposed business model change can be realized.

Keywords: Business Model, Batik Cirebon HDM, Business Model Canvas, Incremental Cost, Financial Simulation