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Application of The Lampit MSME Canvas Model in Wetland Areas, North Hulu Sungai Regency

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Abstract

The purpose of this research activity is to create a Business Model Canvas and describe the SWOT of the Lampit SMEs in Wetland Areas. The model produced in this study is expected to be able to contribute to increasing the Small and Medium Enterprises of Lampit in Wetland Areas, North Hulu Sungai Regency. The specific objectives of this research are a) Creating a Business Model Canvas Small Medium Enterprises in Wetland Areas of North Hulu Sungai Regency, b) Describing SWOT of the Business Model Canvas of Small SMEs in Wetlands of North Hulu Sungai Regency. The research method uses a qualitative approach which is essentially observing people in their environment, interacting with them, trying to understand their language and interpretation of the world around them. This study uses a descriptive type of research, namely research conducted to determine the value of independent variables, either one or more variables (Independent) without making comparisons, or connecting with other variables. Therefore, the researcher will provide the results of this study to describe/construct in-depth interviews with research subjects so that they can provide a clear picture of the application of the Lampit MSME Business Canvas Model in Wetland Areas, Hulu Sungai Utara Regency. The results of the study show that there are 4 (four) strategies for MSME Lampit Products, namely: First, making the product as attractive as possible and providing a warranty if it is damaged within 6 (six) months will make people interested in buying both in terms of size and benefits from processed lampit, secondly, Lampit Product MSMEs provide price discounts and produce according to consumer orders, thirdly, involve Lampit Product MSMEs in exhibitions at the national level, and fourth, create the Lampit Product MSMEs community to expand their network and market share

Keywords: Business Model Canvas, SWOT Analysis, MSMEs Lampit Products





1. INTRODUCTION

Geographically, Hulu Sungai Utara Regency is located at 2°1'37" to 2°35'58" south latitude and between 114°50'58" to 115°50'24" east longitude. North Hulu Sungai Regency with the capital Amuntai has an area of 892.70 km² or is 2.38% of the total area of South Kalimantan Province. Administratively, Hulu Sungai Utara Regency has 10 (ten) sub-districts with 219 villages/ward. Lake Panggang District is the largest sub-district with an area of 224.49 km² or 25.15% of the total area of Hulu Sungai Utara Regency, while the sub-district that has the smallest area is Sungai Tabuk District which covers an area of 29.24 km² or 3.28% of the total area. North Hulu Sungai Regency.

Hulu Sungai Utara Regency is a swamp area where the people's livelihood is farming. However, in their spare time the residents also do handicrafts such as mats and furniture. This is also supported by the availability of abundant raw materials and skills that are passed down from generation to generation. Crafts are community activities that have developed from generation to generation, especially by utilizing materials that are abundantly available in the area, such as wood, rattan and purun. These handicrafts are generally sold, either at the local market (in Amuntai), or shipped to Java. Most of the community groups involved in the home industry in the swamp area of HSU Regency are housewives and women. In one of the craft centers there is also an institution that accommodates this productive activity, in the form of a craftsman group, which is managed by youth, including young women.

Rattan craft that produces rattan mats, or what is known as lampit, is a *home industry activity* in this swamp area. Besides being marketed to meet local and regional market demand, the production of rattan mats has also succeeded in penetrating the export market. For regional areas, rattan mats are marketed to South Kalimantan (Banjarmasin), Central Kalimantan Province, to Java and Bali. Meanwhile, lampit is also marketed to Singapore, Malaysia, Japan, Taiwan and Korea. Besides functioning as a mat, this lampit, whose raw materials are mostly supplied from Central Kalimantan, is also used as a decoration/wall covering in Japan.

The existence of large export potential and can increase regional income, craft centers are strategic areas to increase the economy. According to data, there are 18,000 craftsmen at HSU with 63 units of rattan lamps, 872 units of bamboo, 812 units of rattan or lupu, 9 units of rattan furniture, 289 units of wooden furniture, two units of bamboo furniture, 70 units of water hyacinth, 158 units of thatch and carving. wood 12 units. By measuring the business value of Rp144.87 billion.

Rattan lampit is a handicraft typical of the people of South Kalimantan which is made by processing woven rattan sticks into a mat. Rattan lampit is made *homemade* in people's homes in HSU District and the craftsmen are residents of the city itself. HSU Regency which is known as the center of the rattan handicraft industry such as lampit.





The lampit craft has become a tradition of the people of HSU Regency which is passed down from generation to generation in each generation. In the capital of Hulu Sungai Utara Regency, there are many lampit craftsmen who are group and individual in nature, involving many mothers and women and school children.

It is not easy to produce a really good and quality lampit which is done by the expert hands of the craftsmen. There are many stages that must be passed in the process of making this work of art, starting from a rattan stick full of thorns which is then processed in such a way that it becomes a traditional ethnic Borneo lampit. Sometimes for a lampit can take 1 month in the process. However, the craftsmen managed to make a machine to make mats in an easy and time-consuming way, this lampit is called lampit saburina. Lampit Saburina is a Rattan Lampit made with rattan leather. The rattan skin is woven with nylon thread so that it can blend together. The back of this lampit is lined with cotton cloth and the sides are sewn with *polypropylene tape*.

Lampit is the main source of income and a secondary source of income to meet the economic needs of the local population. As a home industry, lampit also creates many job opportunities by absorbing a lot of workers. In addition, lampit is a source of foreign exchange, namely as an export commodity. Lampit has an ethnic design with traditional minimalist nuances and seems warm, so it is in great demand by foreign consumers from Asian countries such as Japan, China, Hong Kong and Korea. This export activity is supported by the government. Even though there is an exemption from exporting raw or semi-finished rattan raw materials, due to the provision regarding an export tax of 30%, the interest of entrepreneurs to export it is no longer competitive. This is because the added value of finished goods received is greater than that of exporting in the form of raw or semi-finished rattan.

Behind the booming demand for exports to Asian countries, it turns out that there are still many Indonesian people and even the people of Kalimantan themselves who do not know about the existence, origin and management of rattan mats. Many Banjarese or Banjar people of South Kalimantan (Kalsel) are no longer familiar with the arts, culture and crafts typical of their ancestral areas. Business competition is getting tougher and tighter, every company is always required to develop. One of the ways used by companies or business actors to be able to compete and develop is to create new strategies. But the strategy itself is not enough, the company must have a strong and good business model that is right for its own company. *Business model canvas* (BMC) has advantages in business model analysis, namely being able to describe in a simple and comprehensive manner the current condition of a company based on consumer segments, value offered, value offering paths, customer relationships, revenue streams, vital assets, cooperation partners, as well as its cost structure (Rainaldo M, *et al*, 2017)





Business model is a method used by companies to make money in the business environment where the company operates (Wheelen, 2010). While Rappa (2000) in (Manajemen, 2012) stating that the business model is a method used by companies to survive. According to the business (Osterwalder, 2010) *model*, it describes the rationale for how organizations create, deliver, and capture value.

According to research conducted by (Amalia, 2010), *Business model canvas* (BMC) has nine important elements in helping identify business models and helping to identify elements that need improvement to help business continuity in the future. *Business model canvas* (BMC) can also be used as a tool to propose a new business model design that will be implemented by one of CV's new business units. OAG which produces spinach chips (Rukka, 2018). According to (Permadi, 2016) report that through the analysis of BCM (*business model canvas*) on the CV. Kandura Keramik Bandung has 7 suggested improvement programs including segmentation formation, collaboration between companies and art activists to form a contemporary ceramics community, establishing a personal website, collaborating with supplier partners, couriers, investors, and competent experts, registering products, forming a *quality sub division. control* and staining techniques, as well as recruiting potential human resources

The business model canvas (BMC) is a business model that logically describes how an organization creates, delivers and captures value (Osterwalder, 2010). This canvas divides the business model into 9 main components, namely, *Customer Segment, Customer Relationship, Customer Channel, Revenue Structure, Value Proposition, Key Activities, Key Resources, Cost Structure, and Key Partners*. Based on the description above, a research will be carried out with the application of *the Business model canvas* to the Lampit MSME in the North Hulu Sungai (HSU) Wetland Area (HSU).

2. LITERATURE REVIEW _

2.1 Micro, Small and Medium Enterprises (MSMEs)

MSMEs are businesses that have a fairly high role, especially in Indonesia, which is still a developing country. With the large number of MSMEs, there will be more job opportunities for the unemployed. In addition, MSMEs can be used as a source of income, especially in rural areas and low-income households.

The link between empowerment and economic financing can develop community businesses that are not yet developed and as holding companies to meet the needs of capital, raw materials, and access to marketing networks as well as promote all types of community businesses so that in community empowerment, economic institutions are needed to strengthen the local economy. Institutional capacity building shows efforts to increase the role and develop institutional arrangements at the





community level that are able to accommodate every idea, proposal and aspiration from the community for progress in their community. Various strategies to empower MSMEs include intensifying MSME participation, linking MSMEs to education, marketing local resources, and incorporating MSMEs into broader politics. Marketing of local resources can encourage higher economic empowerment in the field of conservation, while the dissemination of information is supported by integrated education programs that take advantage of local conditions to increase MSMEs.

Constraints faced in community empowerment include limited supporting factors such as production facilities, business capital/working capital, and structuring of structures and institutional systems. Another factor that causes less than optimal results of micro-economic business development is due to the lack of business capital assistance provided to business actors as well as the limited number of skilled workers, as well as the lack of optimal work guidance and guidance. Empowerment carried out through the distribution of business capital can drive the growth of the people's economic sector. This is indicated by the emergence of new business actors, both in the field of household crafts, food and beverage shops, beauty salons, stores, and the transportation sector (Theresia, 2014).

2.2 Business Model Canvas (BMC)

According to (Osterwalder, 2010) explained that *the Business Model Canvas* consists of nine business building blocks. This building block contains important sections that explain how the organization creates value and also benefits from its customers. The benefits of *the Business Model Canvas* can be to describe, analyze, and design creatively and innovatively in an effort to shape, deliver, and capture market dimensions and drive demand by innovating a value. *This Business Model Canvas* is presented visually in the form of a canvas/image so that it helps make it easier for the reader to understand. The company's stakeholders can adjust the form of this *Business Model Canvas* according to their business needs.

According to (Manajemen, 2012) the business model when viewed from the components are products, benefits and income, or consumers, assets, and knowledge, there is also *content*, structure and *governance*. According to (Manajemen, 2012) the understanding of a business model, if it is linked based on a business strategy, it is a description of the relationship between the advantages and resources of the company and the activities undertaken to acquire and create value that enables the company to generate profits (Manajemen, 2012).

The Business Model Canvas is like a blueprint for strategy executed within organizational structures, processes and systems. According to (Osterwalder, 2010) this business model, it changes the business concept that was originally complicated to do



into simple to do. According to (Osterwalder, 2010) dividing into ¹² nine elements, namely *Customer Segment* , *Value Proposition* , *Channel* , *Customer Relationship* , *Revenue Stream* , *Key Resources* , *Core Activities (Key Activities)* , *Key Partnerships (Key Partners)*

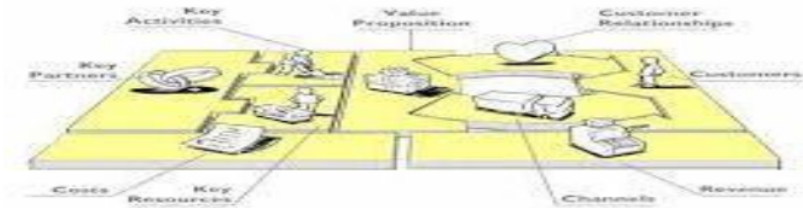


Figure 1 *Business Model Canvas*

Source:(Osterwalder, 2010)

1. *Customer Segment* : which describes how the existing market segmentation in the Lampit SMEs in Wetland Areas . ⁷
2. *Value Proposition* : is the added value proposition provided by the company to consumers, the reason why customers choose lampit products over others.
3. *Channels* : which describes the channels used by the company to distribute its products to consumers.
4. *Customer Relationships* : which describes the relationship built by the Small and Medium Enterprises in the Wetland Area with the selected customer segment (*customer*).
5. *Revenue Streams* : the revenue streams generated by the company from each customer segment.
6. *Key Resources* : the main resources or important assets needed for a business model to function.
7. *Key Activities* : The main activities that the company must carry out in order for the business model to work.
8. *Key Partnerships* : the network of suppliers and partners that make the business model work.
9. *Cost Structure* : describes the overall costs used to operate the *home industry business model*

2.3 SWOT analysis

SWOT analysis is a method that compares strengths, weaknesses, opportunities, and threats that can help formulate strategies (Bateman, 2014). According (Osterwalder, 2010)to SWOT analysis is the most popular model in business situation analysis. SWOT analysis and Business Model Canvas allow for a more focused



assessment and evaluation of the company's business model and its elements (Osterwalder, 2010).

The following is an explanation of SWOT, namely:

1. *Strengths*

Strengths are positive internal characteristics that can help managers to achieve their strategic goals.

2. *Weakness*

Weakness is a characteristic that hinders the achievement of the organization's strategic goals.

3. *Opportunities*

An external environment that has the potential to help managers meet or exceed organizational goals.

4. *Threats*

External environment that has the potential as a threat to managers to achieve organizational goals

SWOT analysis provides four perspectives for assessing the elements of a business model. SWOT discusses four major parts of the company's strengths and weaknesses. Weaknesses and strengths are assessed internally, while opportunities and threats are assessed by looking at the external environment. In the relationship between SWOT and the *Business Model Canvas* (BMC) in this study, SWOT helps to identify the strengths and weaknesses, as well as opportunities, and threats of each of the nine BMC elements that have been previously identified. Combining SWOT and BMC analysis allows a focused assessment and evaluation of the company's business model and its elements

2.4 Steps to Design a Business Model Canvas

According to him (Manajemen, 2012), there are three steps in compiling a *Business Model Canvas* so that it can be good, namely:

1. A portrait of a *business model*, based on actual business conditions.
2. Perform a SWOT analysis (*Strength, Weakness, Opportunity, Threat*). This SWOT analysis is performed on each of the nine elements of the business model.
3. Make improvements to the business model and or create a prototype.

The results of the SWOT analysis are then used for two types of purposes. The first enhances the existing *Business Model*, and the second gives birth to new *Business Model prototypes*. If the organization has not been able to move forward with the new *BM prototype*, then the organization may choose to use enhanced *BM*. In this situation the prototype *Business Model* should be saved for use at any time when the momentum is





deemed appropriate. All of these stages should be carried out by as many organizational actors as possible from various levels and functions

3. RESEARCH METHOD

This research was conducted to find out and understand the application of the business model canvas to the MSMEs Lampit Products in the North Hulu Sungai (HSU) Wetland Area. The researcher uses a qualitative approach which is essentially observing people in their environment, interacting with them, trying to understand their language and interpretation of the world around them. This study uses a descriptive type of research, namely research conducted to determine the value of independent variables, either one or more variables (*independent*) without making comparisons, or connecting with other variables. Therefore, the researcher will provide the results of this study to describe/construct in-depth interviews of the research subjects so that they can provide a clear picture of the application of the Lampit MSME Business Canvas Model in Wetland Areas, Hulu Sungai Utara Regency (HSU).

The research subjects in this study were Small and Medium Enterprises (SMEs) in the Wetlands of Hulu Sungai Utara (HSU). Determining the sample by means of *purposive sampling technique* , which is where the sampling must be based on certain characteristics which are the main characteristics of the population. The sample in this study were 3 Lampit SMEs craftsmen with the criteria of Lampit SMEs for a minimum of 10 years. Data collection techniques that will be carried out in this study include surveys and field observations.

Analysis technique is descriptive method with steps , namely, (1) Tabulating the results of interviews related to 9 components covering the *Business Model Canvas* which are *Customer Segment, Value Proposition, Channel, Customer Relations, Revenue Stream, Key Resources, Key Activities, Key Partnerships and Cost Structure* , (2) Fill in the tabulation results in the columns of the 9 components of the *Business Model Canvas* , (3) Perform a SWOT analysis based on the tabulation results of the 9 components of the *Business Model Canvas* , and (4) Determine the company's strategy.

4. RESULT

4.1 Application of the MSME Canvas Business Model for Lampit Products

In this modern era entrepreneurship can provide a satisfying and rewarding work life. Of course, the younger generation of HSU Regency must maintain the existence of rattan mat/lampit handicrafts which have become a hereditary business. The current condition of the rattan/lampit mat craft has begun to become easier and only a few more craftsmen are involved in this business. So with that it is necessary to





re-analyze how the potential of the rattan/lampit mat craft to be able to develop is by using a business model, namely BMC.

The Business Model Canvas is a business model that is able to describe in a simple way how organizations create, deliver and capture value from business activities carried out to generate money. Based on the results stated above, it can be seen that the MSMEs Lampit Products has implemented a canvas business model with 9 element blocks including:

1. *Customer Segments*

Customer segment is a group of people or organizations that the company aims to serve. After conducting observations and interviews, researchers found the following *customer segments* :

- a. Lampit customers/buyers are local people such as Balikpapan, Samarinda, Palangkaraya, Muara Teweh
- b. Lampit customers/buyers come from outside Kalimantan such as Java, Bali and so on
- c. Overseas customers/buyers such as China, Singapore, Malaysia, Japan and so on
- d. Lampit products are also made according to size and can also be according to customer wishes

2. *Value Propositions*

Value propositions influence and are influenced by almost all other elements. Elements that are directly related to *value propositions* are *customer segments* . For customers, *value propositions* are manifested in the form of solving *problems* faced or meeting needs. *Value propositions* are the reasons why customers choose the products/services offered and not the products/services of other businesses. The following are the *value propositions* of the MSMEs Lampit Products:

- a. Lampit products are sold at a price of around Rp. 250,000 – Rp. 2,000,000
- b. Lampit products have categories with ingredients that can, are good and very good
- c. Lampit products have a size of 1.4 meters to 4 meters
- d. Lampit products can also be made according to the size that the customer wants and the expected price, so there is bargaining to get a mutual agreement.

3. *Channel*

Channels are the third element of the *business model canvas* . When the MSMEs Lampit Products already knows the targeted customer, has provided value from the product or service to the customer, then *channels* are a place to communicate and reach out to customers to convey the *value propositions* offered. After conducting observations and interviews, it can be seen that the Lampit MSME uses a direct method in distributing *value propositions* to customers, namely by doing it in two





ways, namely, buyers can also buy online, the second way can also directly or *offline* come by Lampit MSME craftsmen. Channels in marketing lampit products are by:

- a. Craftsmen directly sell lampits at the craft location
- b. Sellers have marketed their products through digital marketing, namely through marketplaces such as Facebook, Lazada and the like.
- c. The sale of lampits has also been placed in craft shops.

4. *Customer Relations*

Customer Relations is a relationship that can be established with consumers, by doing good relationships with customers, the company will know market demand on at that time or on time which will come, and also companies can know the complaints apart only which felt by the customer. MSME Lampit makes various efforts to maintain good relations with its customers, including:

- a. Craftsmen prefer to meet directly with buyers so they can explain directly to buyers
- b. Craftsmen provide complete specifications for the products being sold so that customers do not make the wrong choice.

5. *Revenue streams*

Revenue streams are income that is usually measured in terms of the money a company receives from its customers. After conducting observations and interviews, the researchers found that the *revenue streams* from rattan/lampit mats were obtained from the sale of rattan/lampit mat products. The author concludes and from the information obtained from the income stream obtained by the Lampit MSME that from the sale itself and also of course the sale of the company's assets later, the income obtained by the Lampit MSME is uncertain considering that the time for making goods is very time consuming, such as starting from production and promotion. Income every month is obtained from goods produced by MSME Lampit.

6. *Key Resources*

Key Resources describe the most important assets needed to make a business model work. Every business model requires *key resources*. These *key resources* enable companies to create and offer *value propositions*, reach markets, maintain customer relationships, and generate revenue. This block describes the main requirements needed to run a business model. The main resources of great help are

- a. Physical assets such as raw materials and tools used in processing rattan so that the rattan can be processed into lampit.
- b. Craftsmen use a lot of housewives/adolescents in making lampit products until they are finished





- c. Craftsmen need 5-10 people to help with the work, such as 1 person to choose the quality of rattan, 1 person using a tool to process rattan (called mengat), 1 person choosing rattan that has been advanced into the machine (called menntir), 1 courier who delivers materials to other craftsmen, 1 person making lampit products, 1 person for *finishing* (selecting lampit back to be ready for sale)
- d. The processed lampit products already have a business registration number (NIB) which helps the craftsmen and owners in promoting the lampit product.

7. Key Activities

MSME Lampit has a variety of activities in running its company. The main activities carried out are activities to generate *value propositions*, distribute *value propositions* to customers, establish relationships with customers and activities to handle revenue streams. These activities must be carried out optimally to produce maximum performance. The main activities carried out by Lampit SMEs are as follows:

- a. Lampit products purchased can be guaranteed for 6 months, if the product is damaged it can be repaired for free.
- b. Provide honest information to consumers about lampit products that are sold, because honesty is the key that makes sellers and buyers able to connect so that buying and selling transactions occur.

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8. Key Partnership

Key partnerships describe the network of suppliers and partners that make the business model work. Companies enter into partnerships for a variety of reasons, and partnerships are the cornerstone of many business models. Companies create alliances to optimize their business models, reduce risk, or acquire resources. *Key partnerships* become a very important element. In this case, the MSMEs Lampit Products collaborates with several institutions including:

- a. Cooperating with suppliers of rattan raw materials from East Kalimantan and Central Kalimantan
- b. Latched products are placed in stores
- c. Utilizing digital marketing in marketing products outside the region and abroad.

9. Cost Structures

All businesses operating under a business model must have *costs*. Creating and providing *value* (*value propositions* and *channels*) to customers, maintaining good relationships with customers (*customers*) *relationship*), efforts to earn revenue (*revenue stream*), running business activities (*key activities*), obtaining and managing resources (*key resources*) and working with partners (*key partners*) all require costs. The cost structure will be easier to design if all these elements have been designed. The source of the costs contained in the lampit MSMEs all come from





the way of processing the lampit itself, such as labor costs, free electricity and machine or operational maintenance. Other costs in business activities are variable costs, these costs arise directly proportional to the production done. The more production of Lampit, the more costs that must be incurred, namely the cost of raw materials and marketing

After obtaining each important element from *the Business Model Canvas* , the results of the *canvas* can be seen as follows:

Table 1 Business Model Canvas MSMEs Lampit Products

Key Partners 1.Cooperating with raw material suppliers such as East Kalimantan and Central Kalimantan 2.Putting products on shops 3.Digital marketing (Marketplace)	Key Activities 1.Product warranty for 6 months 2.Honesty in providing product information	Value Proposition 1. Prices vary 2. Size varies 3. Prices and sizes can be adjusted according to customer requirements 4. Product categories from ordinary to very good quality.	Customer Relationships 1.Meet sellers and buyers directly 2.Provide clear information	Customer Segments 1. Local Customers 2. Customers outside Kalimantan such as Bali, Java and so on 3. Overseas customers such as China, Singapore, Malaysia and Japan 4. Products can be made to order
Cost Structure 1. Labor costs 2. Electricity cost 3. Machine maintenance costs		Revenue Streams Lampit Product Sales		

4.2 SWOT Analysis of MSMEs for Lampit Products

After knowing the implementation that has been applied to *the Business model canvas* on the MSMEs Lampit Products. The need for evaluation for Strategy





development with swot analysis, this is in accordance with the opinion of Alexander Osterwalder and Pigneur regarding swot analysis when combined with a business model canvas, swot allows a focused assessment and evaluation of the business model.

Ask four big, simple questions. The first two, what are the strengths and weaknesses of the organization, Assess your organization internally. The second two, what opportunities does the organization have and what are the potential threats it faces? Assess your organization's position in its environment. Of these four questions, two looked at areas of help (strengths and opportunities) and two looked at areas of danger. It is useful to ask these four questions by looking at the overall business model. This type of SWOT analysis provides a good basis for further discussion, decision making, and ultimately innovation around the business model.

The explanation of the results of data collection will be explained specifically into the analysis phase by utilizing information into the strategy formulation model, namely the SWOT matrix. This matrix can produce four possible alternative strategy cells, so that it will appear namely the SO strategy, WO strategy, and WT strategy, which can be seen in the table below:

Table 2 SWOT Matrix for MSMEs Lampit Products

Internal External	<i>STRENGTHS (S)</i> 1. <i>online</i> marketing through social media (digital marketing) 2. There is a guarantee 3. Provide products based on orders	<i>WEAKNESSES (W)</i> 1. There is no service to retain customers 2. Products are easy to imitate 3. Machinery and equipment are still simple
	<i>OPPORTUNITIES (O)</i> 1. Products can be made even more attractive so that they can provide high added value. 2. Free or paid website creation	<i>STRATEGY (SO)</i> 1. Making products that are as attractive as possible and providing guarantees if they are damaged within 6 months will make people interested in buying both in terms of size and benefits from processed lampit 2. Making websites and marketplaces as well as providing convenience in ordering processed lampits, both existing sizes and according to





	order	
<i>THREATS (T)</i>	<i>STRATEGY (ST)</i>	<i>STRATEGY (WT)</i>
1. Customers easily switch to other products. 2. Easy to imitate competitors	Participate in exhibitions of processed local products both regionally and nationally.	Creating an active community by utilizing shops that help sales both in the local district and outside the district

From the SWOT matrix above, it can be seen that the strength and opportunity factors are more than the weakness and threat factors, therefore the Lampit MSME has been able to compete with other businesses that are competitors. The following is an evaluation of the development of marketing strategies from the results of the interpretation of the SWOT analysis on Lampit SMEs:

1. *Strength Opportunities (SO) Strategy*

SO strategy taking is done by taking advantage of strengths to take the opportunities that exist. This is a positive aggressive strategy that is to attack with full initiative and planning. In the SO strategy, MSMEs are able to pursue external opportunities by considering the strength of the organization. The SO SMEs strategy of Lampit is as follows:

- a. Making products that are as attractive as possible and providing guarantees if they are damaged within 6 months will make people interested in buying both in terms of size and benefits from processed lampit
- b. Making websites and marketplaces as well as providing convenience in ordering processed lampits, both existing sizes and according to order .

It is hoped that the lampit SME business can continue to survive and develop following market trends or consumer desires. Furthermore, by having a website, it is hoped that the market will expand, not only limited to HSU but also overseas. With the increasing recognition of processed lampit, it is possible to increase foreign exchange from HSU district in particular and South Kalimantan in general.

2. *Weaknesses Opportunities (WO) Strategy*

WO strategy is a strategy that is determined based on the utilization of existing opportunities by minimizing weaknesses in the organization. In this case, it is necessary to design a *turn around* strategy, namely a turnaround strategy. Large external opportunities are important to seize, but internal problems or weaknesses that exist in the internal organization are more important to find solutions, so that the achievements of these great opportunities need to be scaled down a little. In this case, the weaknesses of the organization need to be corrected and solutions are sought to obtain these opportunities.





The processed lampit which is already known in the market today will increase its attractiveness if the MSME lampit provides discounts and produces according to order so that in the future there will be more processed motifs from lampit itself. The motive that currently exists is because it is glued to the rattan that comes in, but if it is packaged and carried out the production that consumers are interested in, gradually the processed lampit will be liked by the wider community, both local and foreign.

3. *Strength Threats* (ST) Strategy

ST strategy is a strategy that is determined based on the strengths of the company to overcome the detected threats. This strategy is known as a diversification strategy or a difference strategy. That is, no matter how big the threat is, panic and haste will only worsen the situation, for that reason that companies that have great strength that are independent and can be used as weapons to overcome these threats are expected to be able to identify strengths and use them to reduce external threats. .

One of the efforts that the HSU local government can take is to include small and medium enterprises (SMEs) in production exhibitions both at HSU, South Kalimantan and nationally. This needs to be done so that more people know about the current processing of rattan crafts

4. *Weaknesses Threats* (WT) Strategy

This strategy is applied when the company is in a difficult situation by facing various external threats while experiencing internal constraints. The strategy that can be taken is using defensive tactics that aim to reduce internal weaknesses and avoid external threats. Can implement strategies, namely: Creating an active community by utilizing shops such as furniture stores that can help sales. In addition, being able to take advantage of networks through digital marketing can expand the market. The more known processed lampit, the more consumers are expected to be interested in buying.

5. CONCLUSION

Based on the results and discussion above, the authors can draw the following conclusions:

1. MSMEs Lampit Products have indirectly implemented the *business model canvas* concept in carrying out their business, which is marked by the presence of nine *business model canvas* blocks , namely *Customer Segment, Customer Relationship, Customer Channel, Revenue Structure, Value Proposition, Key Activities, Key Resource, Cost Structure, and Key Partners.*





2. The SWOT analysis of the results of the application of BMC on MSMEs for Lampit Products can be obtained by SWOT analysis using the SWOT Matrix, namely the analysis of Strength or the strength of opportunities more than the weaknesses of threats so as to obtain strategies that can help survive and develop MSMEs.

Based on the conclusions of this study, the researchers suggest that the MSMEs Lampit Products are:

1. Making the product Making the product as attractive as possible and providing a guarantee if it is damaged within 6 months will make people interested in buying both in terms of size and benefits from processed lampit
2. Making websites and marketplaces as well as providing convenience in ordering processed mats, both existing sizes and made to order
3. Providing price discounts or other forms of promotion that differentiate product
4. Participating in exhibitions of processed local products both on a regional and national scale

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