

# Application of Business Model Canvas as a Business Strategy in Creative Economy Businesses in The Field of Photography in Makassar City

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(Received: 22 March 2023; Accepted: 24 May 2023; Published: 27 May 2023)

## ABSTRACT

This research aims to find out how the application of the canvas business model has been carried out by creative economy business actors in the field of photography and provide alternative strategy options to develop their business. This research is descriptive research with a qualitative approach, data collection techniques are carried out using observation, interview, and documentation methods. The results of this study indicate that the business run by creative economic businesses in the field of photography is part of a business model canvas consisting of 9 blocks where the results of the SWOT analysis that has been carried out, there are four strategic options for creative economic businesses in the field of photography consisting of strengths opportunities (SO), weakness opportunities (WO), strength threats (ST), and weakness threats (WT). Of the four strategy options, the right strategy to be developed in the creative economy business in photography is weakness opportunities (WO). From the results of the mapping that has been carried out by researchers using the business model canvas and alternative strategies, researchers assess that businesses that have been running can apply the business model canvas as an alternative business model and the strategies that have been given by researchers can be implemented by creative economic businesses in the field of photography to increase business income.

Keywords: business model canvas, creative economy, business strategy

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## **1. INTRODUCTION**

Economic development is accelerating along with the emergence of new economic potential that is able to sustain the life of the economic wave (Tofler in Hasan, 2018), that is, economic waves. The first economic wave is an economy dominated by agricultural activities, the second economic wave is an economy dominated by industrial activities, and the third economic wave is an economy based on information technology. After the third economic wave, there will be a fourth economic wave or what is called the creative economy wave, which is an economy based on creative and innovative ideas. Photography is one of the 18 economies of the world community. The development of world economic civilization is at least divided into three creative industry subsectors that will be developed by the Indonesian government, namely architecture, design, fashion, film, video, photography, crafts, computer services and software, music, art goods market, publishing and printing, advertising, interactive games, research, and development, performing arts, and television and radio. Makassar City is one of the cities in South Sulawesi. The economic growth of Makassar City over the past few years has been quite good. The development of MSMEs that occurs in Makassar City currently makes opportunities for creative-based economic business activities, including businesses in the field of photography. This concept photo moment can be a good business opportunity for people who are interested in this field by opening a photo studio service that can serve customers with a variety of concept photos.



Creative economic enterprises in the field of photography are one of the business-based industries engaged in creative photography in Makassar City. Creative economic businesses in the field of photography are part of a photography business located in Kalebajeng Village, Bajeng District, Makassar City. Creative economic businesses in the field of photography have been established since mid-2018, precisely in June 2018. The creative economic business in the field of photography itself focuses on photo printing services and photo studios that make this studio attractive is the facilities owned starting from attractive background layouts, editing, and interior layouts. This creative economic business in the field of photography is also located in a strategic location, namely on the Makassar-Gowa axis road and is located between several high schools which makes this photo studio crowded especially by students. However, today along with technological developments there are many challenges and obstacles experienced by photo studio businesses, for example, the public can now carry out photo activities using only smartphones that have provided additional cameras that have various resolution sizes to get maximum photo results. In an effort to win the increasingly competitive business competition, therefore every business actor in the field of photography is required to be more creative and innovative in order to overcome the competition that will occur and be able to provide what consumers want.

One of the ways used to retain consumers is by implementing an accurate and targeted business strategy. Therefore, strategic planning is important to gain a competitive advantage and have products that match consumer desires with optimal support from existing resources. To find out the business development strategy in must know the business model used. A business model is a basic picture of thinking about how to organize, create, deliver and capture values related to organizational activities (Osterwalder & Pigneur, 2012). One simple business model concept is the model developed by Osterwalder & Pigneur is the business model canvas or better known as the business model canvas. The use of a business model canvas can provide an overview of the company's business model and the relationship between blocks in a more attractive way. The application of this business model canvas is very suitable to be applied to the photography business because the creative economy business in the field of photography is still relatively new and is still in the process of development with a minimal workforce.

## 2. METHOD

This research uses a qualitative approach, namely research whose results are in the form of descriptive data through facts from conditions experienced as a direct source with instruments from the researchers themselves. The results of this study will later describe/construct the results of in-depth interviews with research subjects so as to provide a clear picture of the analysis of the creative economy business in the field of photography. The subjects of this research are informants, and the determination of informants is carried out using the snowball sampling method. Data collection techniques can be done in 3 ways, namely observation, interviews, and documentation. Data analysis techniques used in research this using the Miles & Huberman (1992) model consisting on three, is reduction, data presentation and withdrawal conclusion.

### **3. RESULTS AND DISCUSSION**

### 3.1 Results

a. Implementation of the 9 Block Business Model Canvas

| Table 1. Nine Block Business Model Canvas |   |  |
|---|---|--|
| Results                                   | Information about Results   |  |
| Customer segments                         | Segmentation creative economy business field photography is       |  |
|   | all circles society, fine individuals, families and groups public |  |



|                    | nor company in need photo studio services with cheap price<br>however still own good quality  |
|--------------------|---|
| Value propositions | Value propositions of creative economy business field<br>photography prioritize quality excellent service with draft<br>background as well as convenience booking service photo<br>without must to direct to the studio so that consumers are<br>loyal to the creative economy business field photography |
| Channels           | Element channels utilized by creative economy business field<br>photography is in a manner offline use brochures, pamphlets,<br>flyers and online use social media  |
| Customer relations | Deep customer relations guard connection good with the<br>customer, creative economy business field photography<br>always holding promotions as well give piece price with<br>requirements certain  |
| Revenue streams    | Revenue streams for creative economy business field<br>photography sourced from service photos and videos, photo<br>editing services as well as rental camera   |
| Key resources      | Key resources owned by creative economy business field<br>photography so you can keep walking form source power<br>physique as well as resource competent human being in the<br>field photography and especially own good morals  |
| Key activities     | For create value proposition, key activities for creative<br>economy business field photography covering the production<br>process photos and videos, as well covers the marketing<br>process   |
| Key partnerships   | Key partnerships in creative economy business field<br>photography consists of supplier goods supplier goods as well<br>as mentors for add capacity employee studio photo   |
| Cost structure     | For still running, creative economy business field photography<br>emits several costs that is cost wages employees, costs<br>depreciation equipment, as well associated costs with<br>production  |
|                    |   |

# Source: Data Processed, 2022

# b. SWOT Analysis

|          | Table 2. Results of SWOT Analysis  |
|----------|--|
| SWOT     | Results Information  |
| Strength | Based on explanation business model canvas can seen what<br>just strength from creative economy business field<br>photography be. The customer relationship block shows the<br>number of promos and discounts given, block revenue<br>streams show several type products and services owned by<br>the photography business, as well key resources shows that<br>creative economy business field photography own source<br>quality power good that employee nor tool photoshoot. As for<br>power majoring in photography business is one only one<br>photo studio in the District Bajeng, friendly prices for all |



|               | circles as well as own results satisfying photo   |
|---------------|---|
| Weakness      | There are several weakness or a must shortcoming repaired<br>by creative economy business field photography like room<br>wait must made comfortable possible for customer, a must<br>have photo property reproduced as well as cooler a must<br>room maximized  |
| Opportunities | Opportunities are situation or condition which is opportunity<br>or opportunity outside company or organization that can give<br>opportunity for develop later day. Creative economy business<br>field photography is the only photo studio in the Subdistrict<br>Bastard so that creative economy business field photography<br>can opportunity for increase customer specifically public<br>Subdistrict Bastard. Another thing to be opportunity from<br>creative economy business field photography seen from facet<br>what is the location near with father schools and agencies<br>government. On key partnership shows that creative economy<br>business field photography own lots of colleague possible<br>collaboration add capacity of creative economy business field<br>photography, like colleague photographer, supplier material<br>standard, and school school photographer |
| Threath       | Based on explanation business model canvas can seen several<br>threats owned by creative economy business field<br>photography. On block cost structure shows that limited<br>capital owned by creative economy business field<br>photography so that must look for funding good that from<br>individual or agency other  |

Source: Data Processed, 2022

### **3.2 Discussion**

a. Application Business Model Canvas on Creative Economy Business Field Photography Makassar City

The business model canvas is a viable business model describe in a manner simple how organization creating, delivering, and capturing mark from activity business being done for make money (Osterwalder and Pigneur, 2012). As for 9 blocks building in the business model canvas is as following customer segments, value proposition, channel, customer relations, revenue streams, key sources, key activities, key partnership, cost structure. Based on interviews that have done, got seen that creative economy business field photography if applied in a business model canvas consisting of of the 9 blocks, the blocks contained in the creative economy business field photography the among them is element customer segment, which became the target segment of the creative economy business field photography is all circles society in need photo studio services with cheap price. However still own good quality specifically community in the District Bastard. Element value proposition for creative economy business field photography prioritize quality excellent service with draft diverse backgrounds as well as convenience booking service photo without must to direct to the studio so that consumers are loyal to the creative economy business field photography.

Element channel utilized by creative economy business field photography is in a manner offline use brochures, pamphlets, flyers and online use social media. Element deep customer relationships guard connection good with the customer, creative economy business field photography always holding promotions as well give piece price with condition certain. Element revenue streams for creative economy business field photography sourced from service photos



and videos, photo editing services as well as rental camera. Element key resources (resources main) owned by creative economy business field photography so you can keep going walk form source power physique as well as resource competent human being in the field photography and especially own good morals. Element key activities creative economy business field photography covering the production process photos and videos, as well covers the marketing process. Element key partnerships in creative economy business field photography consists of supplier goods supplier goods as well as mentors for add capacity creative economy business field photography that is cost wages employees, costs depreciation equipment, as well associated costs with production.

b. Development of Business Strategies in Creative Economy Business Field Photography

Rangkuti (2006) argues that strategy is planning comprehensive parent, which explains how company will reach all goals that have been set based on assigned mission before. Furthermore, according to Pearce & Robinson (2008) argues that strategic management is a set of decisions and actions that result formulation and implementation designed plans for reach objective something company. According to Stoner, Freeman, and Gilbert, Jr. (1995) in Tjiptono (1997: 3), the concept of strategy can be defined based on two different perspectives namely (1) from perspective what something organization want to do (intense to do); (2) from perspective what is organization finally do (eventually does). After implementation of the business model canvas and carried out SWOT analysis, there is four strategy options for photography business consists of strengths opportunities (SO), weakness opportunities (WO), strengths threats (ST), and weakness threats (WT). From four choice of the strategy, the right strategy for developed in creative economy business field photography.

Weakness Opportunities (WO) strategy studio photography because of this strategy can overcome weaknesses in the creative economy business field photography and maximizing opportunities you have. This venture still own good opportunities because own potential consumers there are alternative strategies from Weakness Opportunities as following (1) intertwine cooperation with palace education and palace government in the District Bastard; (2) keep trust customer with quality maximum products and services; (3) creative economy business waiting room field photography must comfortable possible for customer; (4) background photos and photo props creative economy business field photography maximized; (5) professional quality human resources; (6) board two way notification in front of the creative economy business field photography; (7) innovation and networking always done; (8) capacity computers and equipment photo always refurbished.

# 4. CONCLUSIONS AND SUGGESTION

### **4.1 Conclusions**

Application of creative economy business field photography in the business model canvas includes 9 blocks is element customer segments, element value proposition, elements channels, elements customer relations, elements of revenue streams, elements of key resources, elements key activities, elements key partnerships and elements cost structure. After application business model canvas as well use SWOT analysis carried out, the right strategy for developed in creative economy business field photography is a Weakness Opportunities (WO) strategy because of this strategy can overcome weaknesses that exist in the creative economy business field photography.

## 4.2 Suggestion

Possible suggestions provided by researchers in this study for creative economy business field photography is as following:



- a. Photography business need notice comfort from consumers and should complete existing facilities order consumers comfortable with conditions in the creative economy business field photography.
- b. Creative economy business field photography need notice every activity in business and develop business strategies with using a business model canvas.

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