

Home Based Cake Business Development Strategy Using Model Canvas Among ULAMM Clients at PNM Tangerang

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Abstract

This study examines the implementation of the Business Model Canvas (BMC) in home-based cake businesses operated by ULAMM clients of PT Permodalan Nasional Madani (PNM) Tangerang Branch, as well as business development through SWOT analysis. The research adopts a descriptive qualitative approach and considers a specific time scope, focusing on business activities and strategic decision-making processes undertaken by home-based cake enterprises during 2024. Sampling was conducted using a purposive technique, involving informants directly related to the research objectives. A total of 12 informants were selected and analyzed to depict the Business Model Canvas of the enterprises. Data collection techniques included interviews, observations, and field notes. The application of the Business Model Canvas to home-based cake businesses of ULAMM clients at PNM Tangerang Branch indicates that the UMKM business models are structured and possess a solid foundation for continued development. Furthermore, the SWOT analysis integrated with the Business Model Canvas approach reveals that business development can be conducted more strategically through a comprehensive understanding of the strengths, weaknesses, opportunities, and threats faced by the UMKM actors

Keywords: Business Model Canvas, SWOT Analysis, Development Strategy

INTRODUCTION

SMEs play an important role in society because they have proven to be able to survive during crisis conditions, including the COVID-19 pandemic, and contribute to employment absorption and the reduction of unemployment rates (Candraningrat et al., 2021). However, limitations in business management efficiency cause many SMEs to be unable to survive in the long term. SMEs that are able to conduct business analysis and

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possess strong strategies tend to have greater opportunities for sustainability (Umar et al., 2018).

To encourage the acceleration of business growth to a larger scale, SMEs need to apply appropriate business model analysis, one of which is through the Business Model Canvas (BMC) (Frick & Ali, 2013). This model is relevant for SMEs because it is able to simplify complex business objectives, clarify the direction of business development, and enhance the alignment of business vision and goals, particularly in the culinary sector, which is characterized by a high level of competition (Hindarsah et al., 2020).

However, most culinary SMEs in Tangerang, particularly customers of ULaMM PT. PNM, still do not have a clearly defined business model. Based on observations of the nine elements of the BMC, it was found that customer segments remain limited to the surrounding community and repeat customers, while the use of digital media has not been optimized. Product innovation, utilization of marketplaces, customer relationship management, and diversification of revenue streams remain key challenges. In addition, limitations in production equipment, individually managed businesses, minimal partnerships, and high sensitivity to increases in raw material costs also affect business sustainability.

Previous studies have generally examined the application of the Business Model Canvas in various SME sectors, including snack foods, general culinary businesses, manufacturing, crafts, and traditional medicine, using descriptive qualitative approaches, SWOT analysis, and digital transformation perspectives (Wijayanti & Hidayat, 2020; Fauziah, 2020; Tesařová, 2022; Hutamy et al., 2021; Refachlis, 2022; Fathara et al., 2021; Purnomo & Sandy, 2022). However, these studies have not specifically focused on home-based cake businesses, which possess distinctive characteristics such as small-scale production, family-based management, limited production equipment, and strong dependence on local markets. Moreover, previous research has rarely linked the implementation of the Business Model Canvas to the context of SMEs supported by government microfinance institutions, particularly ULaMM clients of PT Permodalan Nasional Madani. Therefore, this study offers novelty by empirically analyzing the nine elements of the Business Model Canvas in home-based cake businesses among ULaMM PNM Tangerang clients as a foundation for formulating contextual, practical, and sustainability-oriented business development strategies

Objectives

Based on the research problems outlined above, the objectives of this study are:

1. To analyze the implementation of the Business Model Canvas in home-based cake businesses among ULaMM customers of PT Permodalan Nasional Madani, Tangerang Branch



2. To analyze business development strategies for home-based cake businesses among ULaMM customers of PT Permodalan Nasional Madani, Tangerang Branch

This study adopts an interpretivist paradigm, which emphasizes an in-depth understanding of social and business phenomena from the perspectives of the actors involved. This paradigm is considered appropriate for exploring business development strategies, the interactions among the elements of the Business Model Canvas, and strategic decision-making processes within real-world contexts. The research is descriptive in nature and employs a qualitative approach.

Primary data were collected directly through in-depth interviews and Focus Group Discussions (FGDs) with relevant participants, guided by the research focus to explore their views, attitudes, and experiences. Secondary data were obtained from existing sources, including previous studies, scientific articles, and relevant institutional documents, to provide contextual background and support the analysis.

The sampling technique used in this study was purposive sampling, involving informants who are directly related to the research objectives. The informants consisted of ULaMM clients of PT Permodalan Nasional Madani, Tangerang Branch, who operate home-based cake businesses, have credit ceilings ranging from IDR 20 million to IDR 50 million, and have never experienced payment arrears.

Data collection techniques in this study include interviews, observations, and field notes. Interviews were conducted directly with participants to obtain in-depth information about their perspectives and experiences, either through face-to-face interactions or via telephone and video calls. Observation involved direct examination of relevant situations or behaviors, both participatory and non-participatory, without direct interaction with the subjects being observed. Data analysis was carried out interactively and continuously until data saturation was achieved, applying the techniques proposed by Miles and Huberman as cited in Sugiyono (2020), which consist of data reduction, data display, and narrative conclusion drawing

DISCUSSION

Based on the results of the Focus Group Discussions conducted with several home-based cake business owners who are also ULaMM clients of PT Permodalan Nasional Madani, Tangerang Branch, it can be concluded that SWOT analysis is an appropriate method to evaluate the FGD findings by considering internal factors, namely strengths and weaknesses, as well as external factors, namely opportunities and threats. The analysis shows that these home-based cake businesses possess internal strengths such as distinctive recipes and flavors that are difficult to imitate, consistent product quality using fresh ingredients, close and personalized relationships with customers, strong understanding of local market preferences, easy access to raw materials through local



suppliers, and flexibility in production to meet varying customer demands. However, they also face internal weaknesses, including limited production capacity due to manual equipment and limited labor, suboptimal financial management and record-keeping, weak marketing strategies that rely heavily on word-of-mouth, underutilization of digital platforms, limited product innovation, and dependence on specific suppliers.

From the external perspective, the businesses benefit from opportunities such as increasing demand for homemade cakes perceived as fresh and hygienic, the rapid growth of digital platforms and marketplaces that facilitate wider market access, potential collaborations with cafés, catering services, local communities, and events, support from mentoring and training programs provided by PNM and other institutions, opportunities for product diversification following current dessert trends, and the large and diverse market in Tangerang. Nevertheless, they also face significant threats, including intense competition from similar SMEs and established modern bakeries, the emergence of digitally aggressive new competitors, rapid changes in consumer preferences, fluctuations in raw material prices that affect profit margins, regulatory requirements related to food safety and business permits, and broader economic instability that may reduce consumer purchasing power for non-essential products such as cakes.

To examine how home-based cake businesses apply their business models based on the Business Model Canvas, the researcher conducted a Focus Group Discussion (FGD) involving several home-based cake entrepreneurs, other SME actors, and ULaMM clients of PT Permodalan Nasional Madani, Tangerang Branch. The FGD results indicate that these entrepreneurs serve diverse customer segments, including nearby residents, office workers, social gathering groups, event-based customers, online buyers, and loyal repeat customers, with demand increasing during festive seasons. The value propositions offered are centered on distinctive and consistent taste, fresh handmade products, affordable prices, attractive packaging, menu variety, and the ability to provide customized orders, which differentiate them from mass-produced bakery products. Marketing channels are predominantly based on direct sales and digital platforms such as WhatsApp, Instagram, Facebook, marketplaces, online delivery services, consignment sales, and participation in SME bazaars. Customer relationships are maintained through personal communication, fast responses, complaint handling, loyalty discounts, and personalized menu offerings. Revenue streams mainly derive from daily sales, snack packages, custom cakes, consignment sales, bulk event orders, and seasonal products.

Key resources supporting the business include production kitchens, baking equipment, raw materials, labor, working capital—particularly financing from ULaMM PNM—product packaging, and social media accounts. Key activities involve daily production, procurement of raw materials, packaging, online promotion, order distribution, menu innovation, and simple bookkeeping. Partnerships are established with raw material



suppliers, consignment stores, online delivery services, PNM through the ULaMM program, SME communities, and packaging printers. The cost structure mainly consists of raw material costs, gas and electricity, packaging, labor wages, delivery costs, promotional expenses, equipment maintenance, and installment payments. Overall, the findings show that although the entrepreneurs may not formally recognize it, they have unconsciously implemented the nine elements of the Business Model Canvas in their daily operations. Based on interviews and direct observations, a Business Model Canvas matrix can therefore be constructed to represent the existing business models practiced by home-based cake entrepreneurs who are ULaMM clients of PT Permodalan Nasional Madani, Tangerang Branch

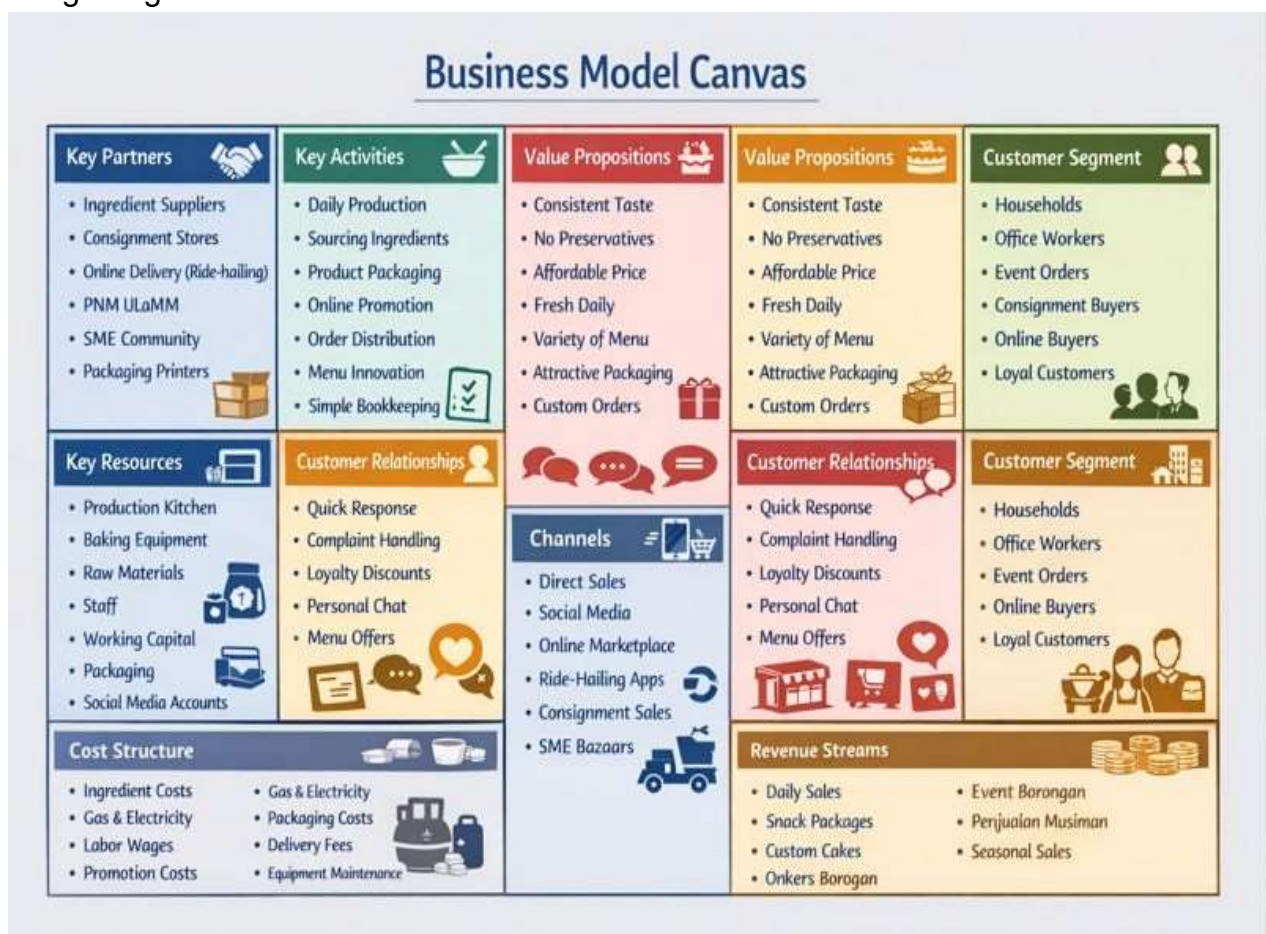


Figure 1: Business Model Canvas

Source: Interview & FDG (2025)

After discussing the development of the Business Model Canvas with the business owners, the next step is to formulate follow-up strategies by examining the strengths, weaknesses, opportunities, and threats of the culinary businesses operated by ULaMM

clients of PT Permodalan Nasional Madani, Tangerang Branch. The results of this SWOT analysis are used as key considerations for business owners in determining appropriate actions for business development, and these identifications are illustrated in a matrix

Table 1: SWOT Analysis Matrix Results

Internal External	<i>Strength (S)</i>	<i>Weakness (W)</i>
	SO	WO
Opportunity (O)	- Increasing sales volume through snack packages and event-based orders - Selling products via online platforms to expand market reach - Collaborating with other SMEs for hamper packages and consignment sales	- Utilizing social media to expand promotion and attract new customers - Participating in PNM SME training programs to improve business management - Partnering with production collaborators to increase capacity during periods of high demand
Threat (T)	ST	WT
	- Emphasizing unique flavors and fresh ingredients to maintain customer loyalty - Maintaining strong relationships with suppliers to ensure stable raw material supply - Improving packaging and hygiene standards to comply with new regulations	- Improving inventory management to remain competitive in terms of price and quality - Seeking alternative suppliers to reduce the impact of rising raw material prices - Enhancing production standards to comply with food safety regulations

Source: Interview & FDG (2025)

The SWOT analysis identifies internal factors consisting of strengths and weaknesses, as well as external factors consisting of opportunities and threats. Based on this identification, business owners are able to formulate strategies to address the challenges they face. The results show that home-based cake businesses that are customers of ULaMM PT. Permodalan Nasional Madani Tangerang Branch need to maintain and develop their businesses by optimizing sales through snack box packages and event orders, expanding market reach through digital platforms, and building collaborations with other MSMEs. Strengthening managerial capabilities through PNM training programs, establishing production partnerships during peak demand periods, highlighting unique flavors and the use of fresh ingredients, maintaining strong relationships with suppliers, improving packaging quality and hygiene standards,



optimizing inventory and cost management, seeking alternative suppliers, and enhancing production standards in line with food safety regulations are also important strategic steps.

The application of the Business Model Canvas (BMC) in home-based cake businesses of ULaMM PNM Tangerang Branch customers provides a comprehensive view of how MSME business models operate. These businesses serve diverse customer segments, including households, office employees, event orders, consignment stores, and online buyers, which helps stabilize income. Strong value propositions such as consistent taste, preservative-free products, affordable prices, daily freshness, menu variety, attractive packaging, and custom orders differentiate them from competitors. Multiple channels, including direct sales, social media, marketplaces, online delivery services, consignment systems, and MSME bazaars, are utilized to reach wider markets. Customer relationships are built through responsive service, personal communication, loyalty discounts, and complaint handling, fostering trust and repeat purchases

Key activities include daily production, procurement of raw materials, hygienic packaging, online promotion, distribution, menu innovation, and simple bookkeeping, supported by key resources such as production kitchens, baking equipment, raw materials, labor, working capital, packaging, and social media accounts. Strategic partnerships with suppliers, consignment stores, online delivery platforms, ULaMM PNM, MSME communities, and packaging printers strengthen operational sustainability. Cost structures are dominated by raw materials, utilities, packaging, labor, delivery, promotion, equipment maintenance, and loan installments, while revenue streams come from daily sales, snack packages, custom cakes, consignment sales, bulk event orders, and seasonal products. Overall, integrating SWOT analysis with the Business Model Canvas provides clear, practical, and adaptive strategic directions that help home-based cake MSMEs improve competitiveness, ensure business sustainability, and support growth in both local and digital markets

CONCLUSION

Based on the findings of this study, it can be concluded that the application of the Business Model Canvas (BMC) in home-based cake businesses of ULaMM clients at PT PNM Tangerang Branch indicates that the SMEs' business models have been implemented in a structured manner and possess a strong foundation for further development. Analysis of the nine BMC elements shows that these businesses serve diverse customer segments, offer clear value propositions through product quality, freshness, and affordable pricing, and utilize a combination of direct sales, social media, marketplaces, and consignment partnerships as marketing channels. Business operations are supported by well-managed key activities, adequate resources, and partnership networks that facilitate smooth production and distribution, while diversified cost structures



and revenue streams contribute to financial stability. Thus, the BMC not only provides a comprehensive mapping of current business conditions but also highlights development potential that can be optimized by strengthening each element of the business model

Furthermore, the integration of SWOT analysis with the Business Model Canvas demonstrates that business development can be more effectively directed through a comprehensive understanding of the strengths, weaknesses, opportunities, and threats faced by home-based cake entrepreneurs. Product quality, menu variety, and strong customer relationships can be leveraged to capture growing market opportunities, while weaknesses such as limited production capacity, inventory management, and digital marketing can be addressed through training, mentoring, and technology optimization. External threats, including intense competition and raw material price fluctuations, can be anticipated through improved production standards, stronger supplier partnerships, and operational efficiency. Integrating SWOT analysis within the BMC framework enables the formulation of comprehensive and realistic S–O, W–O, S–T, and W–T strategies, thereby enhancing competitiveness, expanding market reach, and strengthening the long-term sustainability of home-based cake SMEs.

The limitation of this study lies in the fact that the main informants, namely home-based cake business owners who are ULaMM clients of PT PNM Tangerang Branch, do not fully represent the entire population of home-based cake entrepreneurs, which varies in scale and product types. The conclusions were drawn solely from interviews with a limited number of informants producing similar products; therefore, future studies are expected to involve more diverse types of home-based cake businesses, apply different research methods, and use more comprehensive research instruments

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