

Community Empowerment of MSMEs through Business Model Canvas Training and the Utilization of Digital Technology in Business Development

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Abstract

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Micro, Small, and Medium Enterprises (MSMEs) play an important role in supporting community economic growth. However, many MSME actors still face challenges in business management, business model development, and the use of digital technology. This community service program aims to improve MSME capacity through training and mentoring on the Business Model Canvas (BMC), entrepreneurship, and digital marketing strategies. The program was conducted with Wahana Bina Insani in Bandung Regency using a participatory approach, including needs identification, training, hands-on practice, and evaluation. The materials covered business model concepts, the nine elements of BMC, branding, social media use, and digital content creation. Participants practiced developing their own business models based on their enterprises. The results showed improved understanding of structured business planning, customer segmentation, value creation, and digital marketing utilization. This program is expected to enhance MSME adaptability and competitiveness in the digital economy era.

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INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are one of the sectors that make a major contribution to community economic development. MSMEs not only play a role in creating employment opportunities but also act as key drivers in increasing community

income, promoting economic equity, and strengthening local-based economic activities (Malau & Mahjus Ekananda, 2025). In various economic conditions, MSMEs have demonstrated strong adaptability due to their flexible nature and close alignment with community needs. Therefore, strengthening MSME capacity is an important aspect of supporting sustainable economic development (Hernita et al., 2021).

Despite their strategic role, MSME development still faces various challenges, particularly in dealing with increasingly dynamic and competitive business environments. Changes in consumer behavior, advances in information technology, and rising market competition require MSMEs to innovate in business management (Amin et al., 2025; Kesidou et al., 2026). MSME actors are not only required to produce quality products but also to understand business strategies, identify customer needs, build product value, and determine appropriate marketing strategies in line with current developments.

One of the common problems faced by MSMEs is limited capability in systematic business planning and strategic management. Most MSME actors still run their businesses based on experience and habit without clear business planning documents. This condition leads to suboptimal management of key business aspects such as target market identification, value proposition development, customer relationship strategies, resource management, and long-term business development planning.

In addition to business planning issues, the use of digital technology is also a major challenge for MSMEs. Current technological developments provide significant opportunities for MSMEs to expand their market reach through various digital platforms (Skare et al., 2023; Xie et al., 2022). Social media, marketplaces, and digital applications can be used for promotion, customer communication, brand awareness, and strengthening relationships between businesses and consumers. With the right digital strategy, MSMEs have the opportunity to reach wider markets beyond geographical limitations.

However, these opportunities have not yet been fully utilized by all MSME actors. Low digital literacy is one of the factors limiting optimal technology adoption (OECD, 2021; Priyono et al., 2020). Some business actors still face difficulties in selecting appropriate digital platforms, creating attractive promotional content, building brand identity, and managing digital communication with customers. As a result, products with market potential are not yet optimally marketed and lack strong competitiveness.

These issues are also found among MSMEs assisted by Wahana Bina Insani in Bandung Regency. The partners operate in various sectors such as food and beverage, crafts, fashion, small trade, and services. Most businesses are still micro-scale and family-based with simple business processes. Based on the needs assessment, many MSME actors lack sufficient understanding of business model development, product branding, and digital marketing strategies. These limitations affect their ability to develop businesses sustainably and expand market reach.

To address these problems, an approach is needed that not only focuses on improving marketing skills but also strengthens the foundation of business management. One suitable method is the Business Model Canvas (BMC). The Business Model Canvas is a strategic management tool that helps business actors visualize, design, and evaluate their business models comprehensively. Through BMC, MSME actors can understand the relationships between business components and develop more directed business strategies (Priyono et al., 2020).

The Business Model Canvas consists of nine interrelated elements: customer segments, value proposition, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. These elements help MSMEs understand their target customers, product value, channels to reach customers, required resources, and how the business generates sustainable revenue (Augtiah et al., 2023; Widjajanti et al., 2022).

Based on these conditions, this community service program is implemented through a digital MSME empowerment program involving training and mentoring on the Business

Model Canvas (BMC). The program aims to enhance MSME entrepreneurial capacity, support structured business model development, and improve the use of digital technology for promotion and business development.

Through this program, MSMEs assisted by Wahana Bina Insani are expected to gain better understanding of strategic business management, develop structured business plans aligned with their characteristics, and utilize digital media more effectively. Ultimately, MSMEs are expected to become more adaptive to market changes, more competitive, and capable of sustainable growth in the digital economy era.

COMMUNITY SERVICE METHODS

The community service program was implemented using a participatory empowerment method that positions partners as active participants in the learning process and program implementation. The activities began with problem identification through observation and discussions with partners to understand business conditions, training needs, and challenges faced by MSMEs. The results of this identification revealed several main issues, namely the lack of documented business planning, low understanding of the Business Model Canvas, suboptimal digital promotion strategies, and the need to strengthen branding and product positioning.

The training was then conducted on June 10, 2026, covering key topics such as entrepreneurship concepts and business management, Business Model Canvas development, product branding strategies, and the use of social media for marketing. The learning methods included lectures, discussions, case studies, and hands-on practice. During the program, participants also received assistance in applying the materials to their own businesses, particularly in developing BMCs, identifying customers, determining value propositions, and designing digital promotion strategies.

The final stage was evaluation, carried out through observation of participant engagement, discussions, and participant feedback to assess changes in understanding and readiness to implement digital business strategies.

RESULTS AND DISCUSSION

The implementation of the community service program on digital MSME empowerment through training and mentoring on the Business Model Canvas (BMC) has resulted in several achievements in improving the capacity of MSME actors assisted by Wahana Bina Insani, Bandung Regency. This program was conducted using a participatory approach involving the service team, MSME partners, and participants actively in the learning and practice process. The intervention not only focused on increasing knowledge but also encouraged participants to apply business management concepts, business model development, and digital marketing strategies in their daily business activities.

The program was carried out through several stages, including material delivery, discussions, BMC practice, branding strategy development, and introduction to digital marketing strategies. A learning-by-doing approach was applied so that participants could directly relate the training materials to their business conditions. The following are the results achieved and the discussion on the effectiveness of the approach.

Improved Understanding of Business Models through the Business Model Canvas (BMC)

One of the main outcomes of this program was an increased understanding among MSME actors of the importance of structured business model development using the Business Model Canvas approach. Before the program, most participants ran their businesses based on experience and habit without documented business planning. This led to suboptimal planning in areas such as customer targeting, marketing strategies, resource management, and business development.

Through BMC training, as shown in Figure 1, participants were introduced to the nine key components of the business model: customer segments, value proposition, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. Participants then carried out the practice of developing the Business Model Canvas (BMC) based on their respective types of businesses, as shown in Figure 2.



Figure 1. Presentation of BMC materials



Figure 2. Practice of developing the Business Model Canvas based on each type of business

The results of the practice showed that participants were able to identify customer characteristics, product advantages, and strategies that could be used to enhance business value, as shown in Figure 3. The development of the Business Model Canvas (BMC) helped participants view the relationships between business components more comprehensively, so that business decisions were not only based on intuition but also considered strategic aspects.



Figure 3. Presentation of BMC development results

The implementation of BMC in this program also provided an understanding that MSME success is not only determined by product quality, but also by how business actors are able to create value, reach customers, build relationships with consumers, and manage available resources.

Strengthening Branding and MSME Product Identity

Another focus of the program was strengthening branding and product identity. A key issue identified among partners was the lack of strong product differentiation in terms of appearance, value communication, and customer messaging strategies.

Participants were provided with an understanding of the importance of brand identity in building customer trust. Branding is not only about logos or packaging but also about the character, message, and values of a product that can be recognized by consumers.

Participants were guided to re-evaluate how they presented their products to the market. They began to understand the importance of defining product uniqueness, aligning promotional messages with target customers, and creating more attractive product presentations.

The results indicated a shift in mindset, where participants realized that business development requires consistent communication strategies. Good products must be supported by a clear identity in order to compete in the market.

Increased Understanding of Digital Technology Utilization for MSME Marketing

In addition to strengthening the business model through the Business Model Canvas, this community service program also improved participants' understanding of the use of digital technology as a supporting tool for business development, as shown in Figure 4. Prior to the program, some participants still carried out marketing activities in a simple manner and had not fully understood how digital technology could be utilized to expand the reach of product information to potential customers.



Figure 3. Introduction to digital technology platforms

Participants were introduced to the role of digital technology in business activities, particularly in product introduction, customer communication, and market expansion. The materials covered not only digital platform usage but also how MSMEs can select appropriate media based on business characteristics and customer needs.

Participants were introduced to various digital platforms such as social media, marketplaces, and online communication channels. They began to understand that digital technology can be used to build customer relationships, deliver product information, and increase market reach. They were also trained on presenting product information in an attractive and clear way, including highlighting product advantages and building positive customer perceptions.

The results showed that participants began to understand the relationship between the BMC business model and digital technology utilization. In the “channels” element of BMC, participants were able to identify appropriate media for reaching customers. Thus, digital technology is not only seen as a promotional tool but also as part of a broader business strategy.

Evaluation of Community Service Implementation

The evaluation was conducted to assess program effectiveness and participant responses through questionnaires distributed after the activity, involving 27 respondents. The results showed positive responses from participants. In terms of material relevance, 66.7% strongly agreed and 33.3% agreed that the materials matched their needs. This indicates that BMC, business development, and digital technology topics aligned with MSME challenges. Regarding understanding of the material, 55.6% strongly agreed and 40.7% agreed that the content was easy to understand, showing that the combination of theory, discussion, and practice was effective. In terms of implementation timing, 59.3%

agreed and 29.6% strongly agreed that the schedule was appropriate. Regarding service quality, 74.1% strongly agreed and 22.2% agreed that the organizing team provided good service. For program sustainability, 77.8% strongly agreed that similar activities should continue, indicating a strong need for further mentoring in business model implementation and MSME capacity building. Overall, the evaluation results show that the BMC-based community service program provided significant benefits. The combination of business model development, digital technology utilization, and branding improvement helped MSMEs view their businesses in a more structured and strategic way.

CONCLUSIONS AND SUGGESTIONS

Conclusion

The community service program titled Digital MSME Empowerment through Training and Mentoring on the Business Model Canvas has been successfully implemented and has contributed to improving the capacity of MSME actors assisted by Wahana Bina Insani. This program helped participants understand the importance of developing a more structured business model through the Business Model Canvas (BMC) approach, enabling them to map key business components such as customer segments, value propositions, distribution channels, key resources, and business development strategies.

In addition to improving business model understanding, the program also enhanced participants' awareness of the use of digital technology to support business activities, particularly in expanding market reach and improving customer communication. The practice-based training approach allowed participants to directly connect the concepts provided with their actual business conditions. Through this program, participants gained a better understanding of the importance of adaptive business management in response to technological developments and changing market needs.

Suggestion

The sustainability of this community service program needs to be continued through follow-up mentoring to ensure that the implementation of the Business Model Canvas can be consistently applied in participants' business management. In addition, MSME capacity strengthening can be further developed through follow-up activities such as business model evaluation, brand identity development, improvement of product communication quality, and optimization of digital platform utilization according to each business's needs.

Continuous mentoring and strengthening of networks among MSME actors are also necessary to encourage collaboration, knowledge sharing, and sustainable business competitiveness. Through synergy between academics, MSME partners, and other supporting stakeholders, this empowerment program is expected to have a long-term impact on community economic independence.

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