



# Exploring the Business Model Canvas in the Development of Fashion Products: A Case Study of Rahayu Akar Wangi in Garut

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**Abstract.** Vetiver fashion is a souvenir product from Garut that uses weaving techniques to process the Vetiver. This product is in great demand by tourists when visiting Garut. It gives Vetiver weaving great potential in Indonesia's competition for fashion product innovation. In this study, marketing and product sales were carried out only verbally or through a preorder system, which made this product less well-known in the digital era. The business model canvas is a way to package marketing and product development to fit the target market. A descriptive qualitative method will describe what must be considered to be able to compete in sales according to the needs of the target market.

**Keywords:** Fashion, business model canvas, Vetiver.

## INTRODUCTION

Vetiver (*Vetiveria zizanioides* (L.)) stands as a critical agricultural crop in Garut (Amalia et al., 2021). Its introduction to Indonesia dates back to the Dutch colonial era. This plant is renowned for its essential oil, commonly known as Vetiver oil, which is extensively used in various industries, including perfumery, cosmetics, soap production, and pharmaceuticals, as well as in repellents and insect deterrents (Rahmawati, 2011; Emishaw, 2017). Vetiver cultivation has a longstanding history in Indonesia and has significantly contributed to the country's foreign exchange earnings. However, its growth has been limited to specific regions, with Garut Regency in West Java being the primary center for Vetiver crop production (Syamani et al., 2014). The Regional Office of the Ministry of Law and Human Rights in West Java, led by Dona Prawisuda, aims to establish Vetiver as a prominent Geographical Indication in Garut Regency, signaling its cultural and geographical significance (Nurindah & Widiawati, 2021).

Crafts in Indonesia are intricately linked to natural resources, as their existence relies heavily on the availability of natural materials. The diversity of crafts in the country is directly influenced by the accessibility of raw materials within the local environment. Garut's geographical features foster an environment where Vetiver, renowned for its fragrant essence, thrives, offering a unique advantage for Garut's residents to harness these natural resources. Garut boasts several tourist attractions, positioning itself as a key destination in West Java Province. To bolster the tourism sector, the local government actively encourages private and community involvement in tourism development initiatives (Jajang & Elia, 2015). This collaborative approach aims to foster sustainable growth and maximize the region's potential as a tourist hotspot.

Vetiver, serving as Garut's primary commodity, holds significant value as a crafting material, utilized in various products like prayer mats, tablecloths, tissue boxes, and bags. The diverse array of craft products in Indonesia reflects

the lifestyle and creativity of its people. Amidst global competition, the principles guiding the development of these crafts must align with contemporary demands while upholding traditional practices. To enhance productivity, the inherent traditions embedded in a product must adapt to the preferences of the target market, encompassing aspects of management, technology, design, and marketing strategy. These are guiding principles imparted to local Small and Medium Enterprises (SMEs).

The limited access to markets can curtail the competitiveness of these products, hindering their successful penetration into both national and international markets (Sulastri, 2016). Expanding market reach becomes pivotal for ensuring the viability and success of these locally crafted goods amidst a competitive global landscape.



**FIGURE 1.** Vetiver weaving.

The challenge faced in crafting fashion products using Vetiver fiber-based materials lies in the mismatch between the designs created and the preferences of the intended target market. The products must often align with consumers' specific needs and desires. Despite this challenge, Vetiver weaving remains highly sought after by tourists visiting Garut, indicating its immense potential to transition into large-scale industries. The key lies in adapting the designs to resonate more effectively with the target consumers' preferences, thereby unlocking the full potential of Vetiver weaving within broader industrial markets.

As Presidential Decree No. 99 of 1998 outlined, an SME refers to a local economic endeavor of limited scale, primarily involving small business activities (Widjajanti, 2015). It is essential to safeguard and protect these businesses from unfair competition within the market. The Government of Indonesia fosters SMEs through the Office of Cooperatives and SMEs in each province or district, which can be used to improve the SME strategy for national economic development (Sulastri, 2016).

Presently, human preferences for artistry are evolving. While craft products were crafted in the past based on artistic skills for particular purposes, today, humans are crafting items aligning with current trends, intending to fulfill personal satisfaction (Pöllänen, 2015). The creative freedom, innovative skills, and expressive abilities each artisan possesses significantly contribute to developing the craft (Rahmawati, 2011).

In Garut, businesses often stem from family traditions passed down through generations. They creatively adapt these traditions to suit contemporary demands, preserving traditional elements while staying relevant to modern trends (Arifin, 2016).



**FIGURE 2.** Vetiver weaving.

Yusup Nuryana and Cucu Yulia are instrumental in preserving the Vetiver weaving tradition, showcased in **FIGURE 1** and **2**, through their ongoing efforts within the Rahayu Akar Wangi production house. This research focuses on the Garut City area, renowned as one of the primary regions for Vetiver production and Indonesia's leading Vetiver exporter. The resulting product is not solely created; it considers available opportunities. Thus, a comprehensive analysis is necessary, delving into factors influencing design, target markets, marketing strategies, and consumer needs, utilizing the BMC (Business Model Canvas) method.

According to the Minister of Cooperatives and SMEs, the President of Indonesia, Joko Widodo, places significant emphasis on promoting local products. This support extends beyond government policies; the President actively encourages entrepreneurs, large corporations, and Indonesian citizens to endorse and utilize SMEs or local products. The President has urged strategic space allocation in public areas and private trading centers to be designated for MSMEs, facilitating their presence in shopping centers and digital trading platforms (Santia, 2021).

The constrained quality of human resources in small businesses, encompassing formal education, knowledge, and skills, significantly impacts their management, posing hurdles for optimal development (Wapshot & Mallett, 2021). Moreover, SMEs face challenges in adopting new technological advancements, which could otherwise enhance the competitiveness of their products (Sulastri, 2016).

The Business Model Canvas (BMC) serves as a strategic tool aiding in the design of a comprehensive business plan. This planning framework encompasses crucial elements such as infrastructure, finance, customers, company value, and products. It simplifies the realization of ideas or business concepts to be developed. Comprising nine core business fundamentals, the BMC includes key partners, key activities, essential resources, value propositions, customer relationships, customer segments, channels, cost structure, and revenue streams (Collaborative Network, 2021).

Platforms gain traction over traditional operators due to their favorable network effects. Specifically, a two-sided network effect emerges when the growth in one user group directly influences the expansion of the other group. As the number of individuals increases within one user segment, the size of the complementary user group subsequently increases, reinforcing the platform's overall appeal and market dominance. There is a distinction between one-sided and two-sided markets in platform businesses. A one-sided market mirrors the traditional value chain model involving linear bilateral exchanges. Here, businesses follow a sequential path: procuring materials, crafting components, assembling final products, and selling them directly to customers. This linear progression characterizes the traditional value chain where the flow of goods or services moves along a singular trajectory without multiple interconnected user groups (Taipale-Eräväla, 2021).

This research aims to actualize a business concept aligned with market demands, ensuring the resulting products meet specific customer needs. The goal is to provide solutions that precisely address the problems and requirements expressed by customers within the market.

## METHODS

This study employs a descriptive qualitative research approach to craft a design object tailored to meet customer requirements and influences. The objective is to create a product aligned with customer interests and needs. The research integrates the BMC (Business Model Canvas) method to design products targeted at specific market demands. This method involves an analysis of customer needs, lifestyles, and the challenges customers face, ensuring a comprehensive understanding of their requirements and circumstances.

## RESULTS AND DISCUSSION

Products from Vetiver weaving in Garut have great potential to be further developed. These products can become communal income for the local community and help empower local communities in processing. Not only that, Garut is a tourist city in West Java that makes tourists from various regions visit Garut City. Several factors related to the realized design need to be analyzed to develop Vetiver products that aim to be more precise with the target market's needs.

In conducting an analysis related to Vetiver woven products, a SWOT analysis reveals crucial aspects:

Strengths:

- Proximity of Vetiver as a natural resource within the community, facilitating easy processing and cultivation.
- Vetiver weaving holds a unique local identity, distinguishing it in the market.

Weaknesses:

- Limited processing of the fragrance from woven roots leads to quality control and product development challenges, with limited local awareness.

Opportunities:

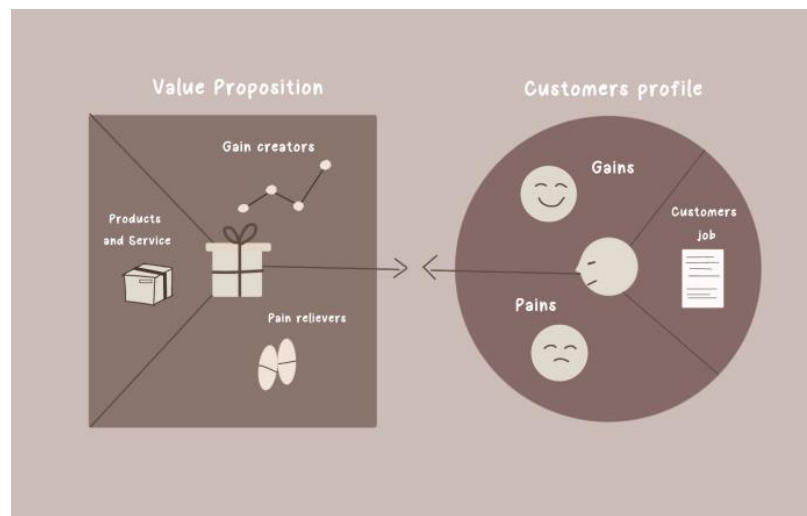
- Various sectors, including tourism and the creative economy, show interest in community development, offering potential growth avenues.
- There is a growing interest in woven root products among tourists visiting Garut.

Threats:

- The industry faces threats from mass-produced culture and advanced technological assistance, potentially overshadowing or even phasing out traditionally crafted products like those made from Vetiver roots (Nurindah, 2021).

## Customer Development Process

### *Define Problem-Customer Fit*



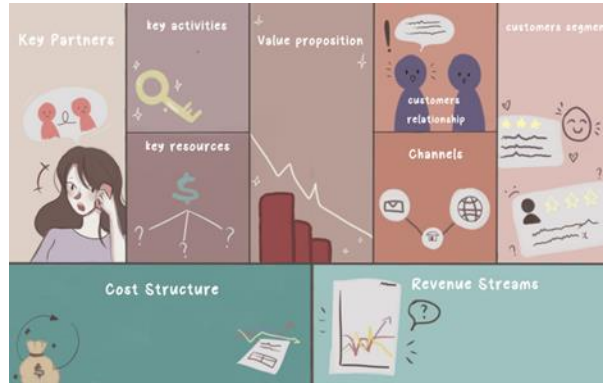
**FIGURE 3.** Value proposition canvas.

Creating a product hinges on meeting consumer needs; a product that fulfills these needs becomes sought after and valuable to consumers. Providing value to customers, who are the ultimate target, is inherent in product development. Below is an outline detailing customer issues and aspirations for goods crafted from natural fiber materials.

- 1) Value Proposition: Products with natural fiber materials with a combination of materials so that product quality is good
- 2) Customer Segment: mature women who are active on social media, love traveling trips, like unique items, and like Indonesian culture
- 3) Gain creator: Products with unique materials with modern models
- 4) Solution concept: Products with modern natural fiber material that can be used daily
- 5) Pain reliever: The product can be used with comfort and stylist
- 6) Gain: Unique and modern products
- 7) Pain: Comfortable products with modern and unique models
- 8) Jobs: Fashion influencers

## Business Fundamentals

Understanding the fundamental principles that underpin successful business operations is crucial for navigating the dynamic landscape of commerce. FIGURE 4 shows that these nine business fundamentals are the cornerstone for establishing and sustaining a thriving enterprise.



**FIGURE 4.** Nine business fundamentals board.

### *Customer*

The target customers for this Vetiver weaving fashion product are mature women who actively engage in social media, have a penchant for travel, appreciate unique items, and exhibit a keen interest in Indonesian culture. The product serves as a complement to their style, facilitating social interactions both offline and online. Additionally, it functions as a souvenir, allowing them to commemorate their travel experiences. These customers primarily access information about the product through social media platforms and rely on established stores located in tourist destinations within Garut to purchase such items.

### *Value*

The Vetiver weaving fashion product is tailored for individuals with a strong affinity for Indonesian culture, showcasing their interest in Indonesia's rich heritage and traditions. These individuals specifically value products crafted from natural fibers sourced within Indonesia, like Vetiver, which holds cultural significance. Additionally, they harbor aspirations to share and introduce these culturally rooted products to a global audience, expressing a desire to promote and celebrate Indonesian craftsmanship and heritage internationally. This demographic seeks items representing Indonesian culture and resonating with global audiences, bridging cultural appreciation and international appeal through fashion and artisanal craftsmanship.

### *Customer Relationship*

To attract customers, partnerships with various tourist attractions will be established, allowing the product to be available for sale at these locations. Broadening the customer base will involve marketing efforts through social media platforms like Instagram.

For customer retention, buyers will receive vouchers upon purchase, entitling them to a 5% discount on subsequent purchases. Additionally, enhancing customer relationships will involve leveraging word-of-mouth referrals from satisfied customers as part of the marketing strategy. This approach aims to cultivate stronger connections with existing customers while expanding the product's reach through their recommendations.

### *Key activities*

Expanding the marketing efforts, sellers will engage in workshops within the arts and crafts community. These workshops will enable participants to create customized bags with their unique designs. Additionally, sellers will accommodate requests for custom bag designs from customers, although these customizations may entail a different production price due to the personalized nature of the product.

### *Resource/ Mitra*

Our production partners include various tourist attractions in the Garut area. They actively participate in selling our products, and as part of this collaboration, they receive 10% of the sales proceeds as their share. This partnership helps promote and distribute our products within the Garut tourism ecosystem.

### *Cost structure*

Regarding production costs and pricing strategy, the cost of crafting one bag stands at Rp. 150.000, while for a single piece of slipper, the production cost is Rp. 100.000. A markup strategy is employed to determine the selling price for these items. For the bag, this results in a selling price set at Rp. 300.000, derived from adding a 100% markup (or doubling) to the initial production cost of Rp. 150.000. Similarly, the selling price for the slipper amounts to Rp. 200.000, attained by applying a 100% markup to the production cost of Rp. 100.000. This pricing methodology ensures that the value proposition for these fashion products aligns with the costs involved in their creation, allowing for a sustainable and profitable business model within the market.

### *Profit*

Net profit for the first month with a sales target of 30 pcs of Vetiver weaving fashion products, which is approximately Rp. 4.500.000.

### *Delivery Chanel*

Customers can order the products through social media platforms like Instagram and Shopee and find them available at established retail stores.

### *Partnership*

The collaboration within this product involves artisans creating Vetiver weaving craft products at UKM Rahayu. These craftsmen predominantly consist of residents without stable employment, including homemakers, teenagers, and elderly individuals actively participating in the Vetiver weaving production.

The Vetiver plants UKM Rahayu uses are sourced from Mount Cikuray in Garut, working with small-scale farmers in the area. Harvesting occurs 1-3 times a year, and Vetiver, known for its durability, can be stored for years post-harvest without significant risk. This characteristic makes the Vetiver easy to process, even if stored for extended periods before being transformed into woven fabric.

## Design Fashion Product



**FIGURE 4.** Moodboard

According to Bui's interpretation of Kobayashi's theory (2021), leveraging wordplay and color in design enables the identification of shared behaviors among individuals with distinct patterns. This approach allows us to perceive various lifestyles. In practical terms, designers can capitalize on the interplay between words, colors, and objects when crafting a new product to establish connections and resonate with diverse audiences. This method enables designers to tap into shared experiences and preferences, making the product more relatable and appealing to a broader spectrum of consumers.

The moodboard in **FIGURE 4** shows modern colors that give an incredible feeling and show the modern impression of urbanites with clear, functional, and sharp images. The target market in this concept is young residents in the city who like the function and design of a product. In this theme, the design is geometric and has simple ornaments.

We can detect expected behavior among people around us through wordplay and color in design from different individual patterns. In addition, we can experience various lifestyles, so in practical terms, designers can use connections between words, colors, and objects when creating a new product.

The recommendations made are combined with Garut leather material and Garutan batik. The ivory color in Vetiver weaving is still maintained because Garut City is identical to the *gumading* or ivory color. The products in **FIGURE 5** to **7** are the results of the design recommendations with the mood board.



**FIGURE 5.** Bag design.

The recommended bag in **FIGURE 5** combines Garut sheepskin and Garutan batik. Bags with geometric shapes, simple and not much detail, are designed for urban female users who need a simple bag to carry on activities because of its more active nature by using doobby technique Vetiver weaving material whose texture is quite soft, combined with a touch of Garutan batik peacock *ngibing* motif as the identity of Garut City. Garut sheepskin on the bag supports Vetiver weaving material so that the bag is sturdier when used.



**FIGURE 6.** Bag design.

The bag featured in **FIGURE 6** is a fusion of Garut sheepskin and Garutan batik, offering a versatile design that showcases two distinct appearances within a single product. This bag, characterized by its geometric shape and minimalist design, caters to urban women on the go, catering to their active lifestyle needs. Despite its medium size, the bag provides ample space, making it ideal for everyday use. It incorporates Vetiver weaving material using the doobby technique, rendering a relatively soft texture. The addition of the Garutan batik, precisely the peacock *ngibing* motif, serves as an emblem of Garut City's identity. The Garut sheepskin incorporated into the bag supports the Vetiver weaving material, ensuring durability and sturdiness for everyday use.





**FIGURE 7.** Slipper design.

The slipper in **FIGURE 7** uses Vetiver weaving material and Garut sheepskin. They are designed for urban female users who need a simple slipper for activities because of their more active nature. They use the dobby technique Vetiver weaving material, whose texture is quite soft. Garut sheepskin supports Vetiver weaving material, so the slipper is more robust when used.

## CONCLUSION

The analysis highlights the significant potential of the Vetiver weaving product, particularly given Garut's status as a frequented tourism destination in West Java. Tourists visiting Garut seek experiences and traditional SME-produced goods, making them ideal souvenir items.

However, a crucial challenge faced by the Vetiver weaving product lies in inadequate planning and conceptualization of the business. This oversight results in a mismatch with the target market, impacting the design and overall product alignment with customer needs, desires, and problems encountered during purchases. Consequently, there is a necessity for further exploration and development of the Vetiver weaving product.

Enhancing the Vetiver weaving product involves more than ensuring its sustainability. It is essential to uphold local SMEs as the producers of Vetiver weaving, ensuring that production activities remain relevant and adaptable to current trends. This pursuit sustains the business and aligns it with evolving market demands, fostering its longevity in the industry.

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