

# Analysis of Social Entrepreneurship Business Model Glenys Store

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## ABSTRACT

The purpose of Analysis of Social Entrepreneurship Model Glenys Store. This study aims to: (a) Knowing the meaning of social models, (b) Knowing social enterprise models, (c) Knowing the GlenysStore social business model. This research was conducted by utilizing a literature study. This research approach is qualitative. The result of this research is the business model method that can be used is the Business Model Canvas which is a logical description model of how an organization creates, delivers and captures value. Therefore, the suitable model for Glenys Store based on BMC is the Service Subsidization Model.

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## 1. INTRODUCTION

A business model is a reflection of how an organization creates, delivers and captures business value. Social business is a business that solves public service problems that have not been maximally resolved. With the existence of social business, it will play a role in helping the state as a provider of public services. When starting a business, every business needs an effective business model in order to achieve its business targets (Sjodin et al., 2020). Especially social enterprises, an effective business model is needed for financial sustainability in order to be sustainable in producing the

desired social impact. However, not a few business people are sometimes wrong in determining the business model for their business (McDonald & Eisenhardt, 2020).

The business model is a way of determining the company's offerings to other economic actors. The business model provides a coherent framework that uses the characteristics and potential of technology as inputs and transforms them through market systems into economic inputs (Lüdeke-Freund, 2020).

Glenys store is a retail business that trades various beauty products. Glenys

store was founded on June 9, 2020. Glenys store itself has not implemented a social business model because Glenys store is not fully a social business. However, Glenys Store wants to one day become a business that benefits many people. In the future, Glenys Store plans to carry out social activities, where part of its income will be used for social activities. Therefore, research is needed to find out the right social business model and in accordance with Glenys Store.

## 2. METHODS

The research was conducted on 31 May-1 June 2021. This research was conducted by utilizing literature studies, formal data and previous research. Literature sources come from journals and e-books. This research approach is qualitative, namely research that seeks to describe the facts in the field and then describe them in the form of an actual explanation. This research aims to:

- a) Knowing the meaning of social model,
- b) Knowing social enterprise models, and
- c) Knowing Glenys Store's social business model.

## 3. RESULT AND DISCUSSION

### 3.1 Social Entrepreneurship Model

Business model is a tool that regulates all parts to be able to work as a systematic unit. So, the business model is a good planning tool. The business model is away of determining the company's offerings to other economic actors (Szalavetz, 2020). In addition, the business model is also used to answer how the company defines its business from a strategic management perspective. Therefore, the business model is the integration of four interrelated basic elements or sub models, including the exchange model,

organizational model, resource model and financial model (Gupta et al., 2020).

That there are several social enterprise models including the following:

#### 1.) Entrepreneur Support Model

A business model that sells business support and financial services to its target population. Then the clients of the social enterprise will sell their products and services on the open market.

#### 2.) Market Intermediary Model

A business model that provides services to a target population or "customers", and small producers (individuals, companies or cooperatives) to help them enter the market. These social enterprise services add value to customer-made products, typically these services include product development, production assistance, marketing and credit. These social enterprises will buy products made by our customers directly or bring them on consignment and then sell these products in markets that have high opportunities.

#### 3.) Employment Model

A business model that provides job opportunities and training to the target population or "customers" for employment such as the disabled, homeless, youth at risk and ex-convicts.

#### 4.) Fee-To-Service Model

A business model that will commercialize its social services and then sell them directly to the target population or "customers", individuals, companies, communities, or to third parties.

#### 5.) Service Subsidization Model

A business model that sells a product or service to an external market and uses the revenue it generates to fund its social programs. This type allows the expansion of the social mission by commercializing the organization's

social services to a different target market from the recipients of social services.

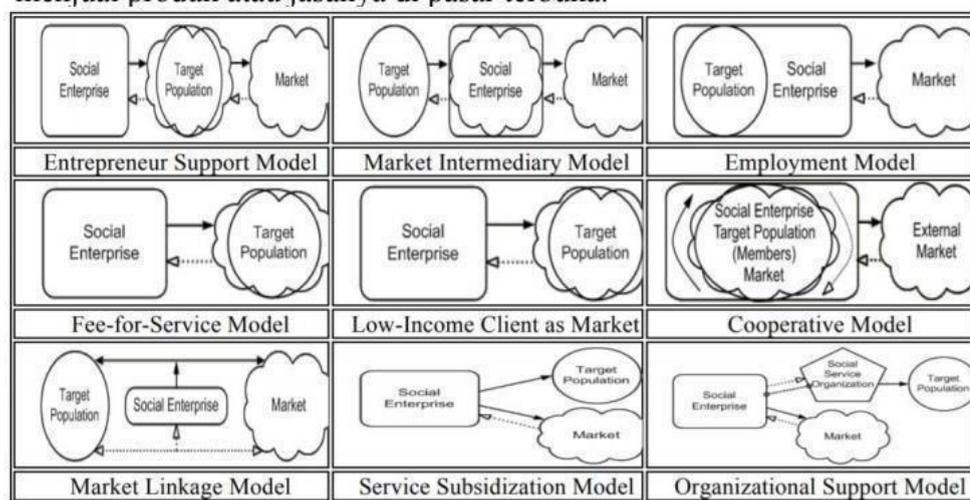
#### 6.) Market Linkage model

A business model that facilitates trade links between the target population or “customers”, small producers, companies, local cooperatives, and external markets. The social enterprise functions as an intermediary connecting

buyers with producers and in return then charges a fee for this service (Sun et al., 2021).

#### 7.) Organizational Model

A business model that sells products and services to external markets, businesses, or the general public. Net income from social enterprises will be channeled to cover the costs of social programs and operational costs.

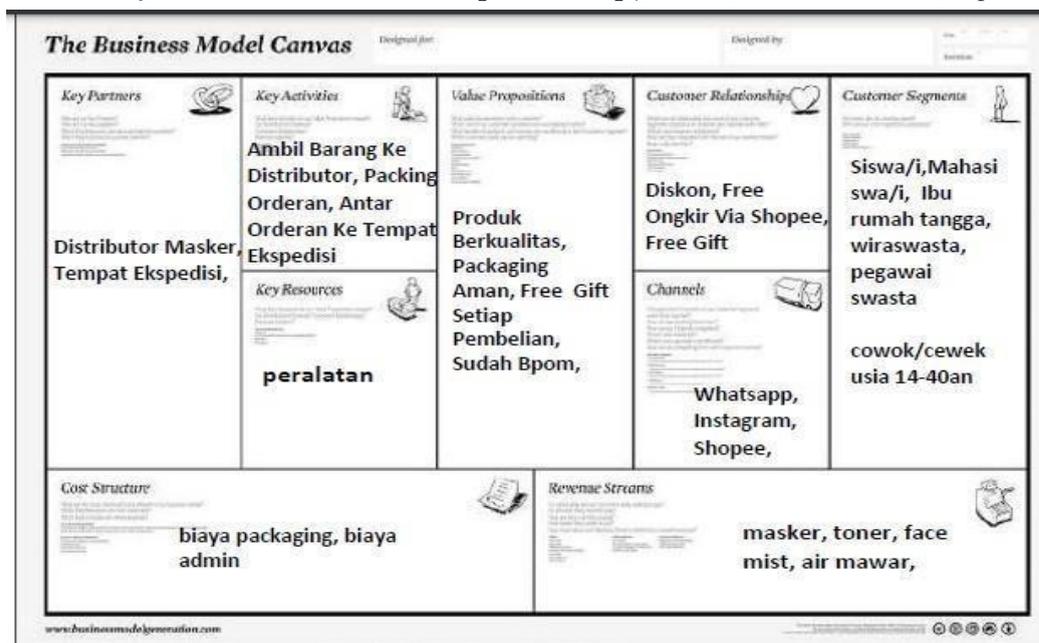


**Picture 1.** Illustration of Business Model

### 3.2 Business Model Canvas Glenys Store

One method to create a business model is to use the Business Model Canvas which was developed by Osterwalder and Pigneur (2010). According to Osterwalder, the Business Model Canvas is a business model of a logical picture of how an organization creates, delivers and captures value (Nurhayat, 2020). The Business Model Canvas consists of 9 boxes containing interrelated elements that describe how an organization creates benefits and derives benefits for and from its customers.

Here is the Business Model Canvas Glenys Store:



**Picture 2.** Business model canvas Glenys Store

Based on the business model of the Glenys Store canvas above, it shows that the entrepreneurial model that fits the Glenys Store is the Service Subsidization Model because Glenys Store will use part of its income for social activities.

#### 4. CONCLUSION

The business model is a tool that manages all parts to work as a systematic unit. A good planning tool business model, which consists of 9 models, namely: (1) Entrepreneur Support Model, (2) Market Intermediary Model, (3) Employment Model, (4) Fee-To-Service Model, (5) Service Subsidization Model, (6) Market Linkage model, (7) Organizational Model. The business model method that can be used is the Business Model Canvas which is a logical model of how an organization creates, delivers and captures value. Therefore, a suitable business model for Glenys Store based on BMC is the Service Subsidization Model.

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