



Development of Social Business Model in the Green Creative Industry Sector: A Study on Booleanial Enterprises

Vica Widiyana Nurulita*, Mira Nurfitriya, Nizza Nadya Rachmani
Entrepreneurship Study Program, Universitas Pendidikan Indonesia, Indonesia

Correspondence: E-mail: vicawiddiyanan@upi.edu

ABSTRACT

The development of the creative industry is not optimal, this is due to the lack of attractiveness of the industry, the dominant position of creative businesses, the immature creative industry business model and the lack of guidance from the government, as well as the business risks that must be faced. This research uses a case study method so that a causal explanation of the conditions in the field can be produced and can answer the "how" and "why" questions so that comprehensive study results can be obtained and can answer the problems that arise in this research. Data was collected by means of literature studies and interviews. The data analysis process is carried out by describing the business through the Social Business Model Canvas (SBMC), and exploring the insights of the social business model with the middleman model.

© 2021 Kantor Jurnal dan Publikasi UPI

ARTICLE INFO

Article History:

Submitted/Received 23 March 2020

First Revised 18 May 2020

Accepted 25 July 2021

First Available online 23 Aug 2021

Publication date 01 Sept 2021

Keyword:

Business Model, Social business, SBMC, Booleanial, Brokerage Model

1. INTRODUCTION

Social problems that occur at this time are: unemployment, poverty, development and environmental damage. Environmental problems are multidimensional problems involving various groups. The issue of environmental damage is important because the quality of

the environment will directly affect the quality of human life in the present and in the future. Reporting from the official website of Greenpeace Indonesia, the environmental problems of plastic waste are explained. Plastic waste is an environmental problem because in the production process it contributes to

carbon emissions into the air. In 2017 the number of plastic industries in Indonesia increased by 5% from the previous year which reached 925 companies with a total production of 4.68 million tons and the estimated growth in 2018 is 5.8%. This increase in the level of production of the plastics industry creates the potential for environmental damage. Carbon emissions that are too large can cause the climate crisis to take place more quickly. In addition, plastic waste can also cause pollution to soil and water. Reducing the use of plastic is important because in Indonesia itself the management of plastic waste is still relatively low and the company's responsibility for their waste is still minimal.

The main concept in this research is the concept of intermediary traders. Intermediary traders are people who make a living as traders collecting agricultural products by buying them directly to farmers and then selling them, either in the area itself or to be taken to other areas, in small or large quantities. The paradigm of thinking that business actors currently view the market as a consumer whose needs must be met optimally, both in quantity and quality. To maintain the quality and continuity of agricultural products, traders have begun to pay more attention to partner farmers, one of which is providing assistance to partner farmers so that traders can control the supply of goods to them.

The output of this research is to know the social business model in the environmentally friendly creative industry sector in the Booleanial business, to find out "how the mechanism of intermediary traders provides assistance in the farm aspect to partner farmers to determine their effect on business continuity.

2. METHODS

This research is a case study method so that a causal explanation of the

conditions in the field can be produced and can answer the "how" and "why" questions so that comprehensive study results can be obtained and they can answer the problems that arise in this research. Data was collected through literature studies and interviews. The data analysis process is carried out by describing the business through the Social Business Model Canvas (SBMC), and exploring the insights of the social business model with the middleman model. The data obtained from the field and those obtained by desk study were analyzed by conducting a qualitative interpretation of the data.

3. RESULT AND DISCUSSION

3.1 Business Model

The Business Model is a basic description of how an organization creates, delivers and captures existing value. The Business Model is like a blueprint for strategies that will be implemented throughout the organization, processes and systems. All business people must have the same understanding of the Business Model so we need a concept that can provide a standard picture. This concept should be simple, relevant and easy to understand intuitively (Osterwalder, 2010). A business model describes the thinking about how an organization creates, delivers, and captures value, economics, social, or other forms of value. The term business model, therefore, is used in a broad sense in both formal and informal contexts to denote the core aspects of a business, including encompassing intent and purpose, what-is-offers, strategy, infrastructure, organizational structure, trading practices, and policies. - operational policies and processes.

3.2 Social Business

Traders have not assessed the meaning of "standard of living" in depth, that welfare is not only judged by income.

Security, comfort, and social benefits have not become important points that intermediaries want to target or aim at (Yunus, 2011). According to Yunus (2011) there are 7 principles of social business, namely:

1. The goal of business is to tackle poverty, or other problems (eg education, health, access to technology, and the environment) that threaten people and society – not to maximize profits.
2. The company will run sustainably in financial and economic terms.
3. Investors will only get back the amount of money invested. No dividends are paid when the initial investment has returned and the company continues to make profits.
4. When the invested funds are repaid, the profit is still taken by the company for expansion and improvement.
5. The company will be friendly to the environment.
6. The labor force gets wages according to the market but with above standard working conditions.
7. Work with pleasure.

3.3 Boolenial

Boolenial (Bamboo for Millennials) is a business in the creative industry sub-sector that is environmentally friendly. Boolenial has the tagline 'Closer with Nature' with a vision to become a superior and reliable business in empowering farmers, young people in the creative industry sector by prioritizing local and environmentally friendly products. The business mission of Boolenial, namely:

1. To become an environmentally friendly company with creative and innovative products that empower bamboo farmers.
2. Become a company that drives the creative industry.

3. Creating product innovations that replace the role of plastic waste by highlighting culture values with sophisticated designs.

Boolenial is a socially responsible social enterprise based on the following chart of the hybrid spectrum:

Based on figure 1 above, Boolenial's business is classified as social entrepreneurship with the Socially Responsible Business (SRB) group. This business has a good positive value as a creative industry MSME because it is classified as an environmentally friendly social enterprise with creative and innovative products. Driving creative industries among millennials by inviting people who don't have jobs to look for sources of livelihood, besides that Boolenial also empowers farmers so that this business partners with bamboo farmers. This business also creates products that have cultural value and interesting designs to be liked by various groups.

Empowerment is the result of an interactive process both at the ideological and practical levels. At the ideological level, the concept of empowerment is the result of the interaction between top down and bottomup concepts between growth strategy and people centered strategy. While at the practical level, interactive will occur through competition between autonomy. Community empowerment is a concept of building and economic structure that explains social values, this concept reflects the basic paradigm of development that is people centered, empowering and

sustainable.

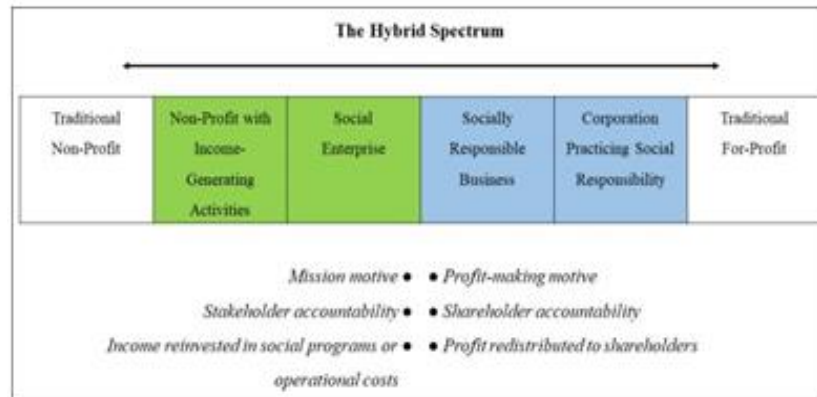


Figure 1 The Hybrid Spectrum

Empowerment is the result of an interactive process both at the ideological and practical levels. At the ideological level, the concept of empowerment is the result of the interaction between top down and bottomup concepts between growth strategy and people centered strategy. While at the practical level, interactive will occur through competition between autonomy. Community empowerment is a concept of building and economic structure that explains social values, this concept reflects the basic paradigm of development that is people centered, empowering and sustainable.

Through the assessment of the business characteristics of intermediaries, it is seen that intermediaries have a high business spirit. However, the social business motivation must be viewed as a whole, one of which is the social business principle (Yunus, 2011). According to Yunus (2011), currently traders are only assessing the standard of living of farmers in terms of the definite farm income that their fostered farmers get. Traders have not assessed the meaning of "standard of living" in depth, that welfare is not only judged by income. Security, comfort, and social benefits have not become important points that intermediaries want to target or aim

for. The basic principles of business in Booleanial

are analyzed using the Social Business Model Canvas (SBMC). So, from the results of the analysis with a process time of 8 hours, it can be obtained the results of the analysis as follows: concept reflects the basic paradigm of development that is people centered, empowering and sustainable.

Through the assessment of the business characteristics of intermediaries, it is seen that intermediaries have a high business spirit. However, the social business motivation must be viewed as a whole, one of which is the social business principle (Yunus, 2011). According to Yunus (2011), currently traders are only assessing the standard of living of farmers in terms of the definite farm income that their fostered farmers get. Traders have not assessed the meaning of "standard of living" in depth, that welfare is not only judged by income. Security, comfort, and social benefits have not become important points that intermediaries want to target or aim for.

The basic principles of business in Booleanial are analyzed using the Social Business Model Canvas (SBMC). So, from the results of the analysis with a process time of 8 hours, it can be obtained the results of the analysis as follows:

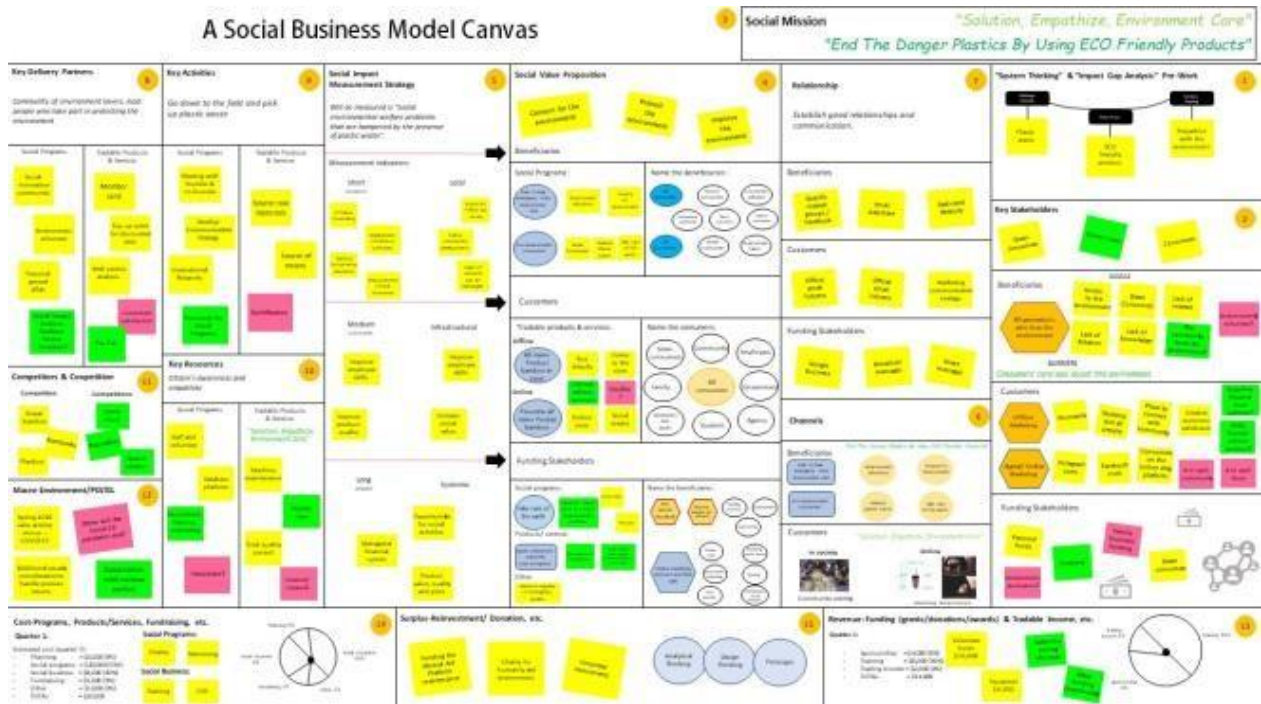


Figure 2. Boolenial’s social business model canvas

Table 1. IFE Matrix Analysis on Boolenial Social Business Intermediaries

No	Critical Success Factor	Weight	Rating	Score
Strengths				
1.	The number of craftsmen encourages to receive many orders.	0,20	3	0,6
2.	The skills possessed by craftsmen are very important for the production process and product quality.	0,16	3	0,48
3.	Marketing strategy through social media and e-commerce to attract consumers.	0,07	3	0,21
4.	Cooperating with quality bamboo farmers/ suppliers.	0,08	2	0,16
5.	Adequate production equipment.	0,12	2	0,24
Weakness				
1.	Unsupported capital.	0,06	2	0,12
2.	Don't have your own shop yet.	0,10	3	0,3
3.	Consistency in running a business is still low.	0,09	3	0,27
4.	Lack of professionalism of employees in carrying out their duties.	0,12	3	0,36
TOTAL		1		2,44

Table 2. EFE Matrix Analysis on Boolenial Social Business Intermediaries

No	Critical Success Factor	Weight	Rating	Score
Opportunities				

1.	Open new job opportunities.	0,10	4	0,4
2.	Becoming an MSME that contributes to the development of the creative industry sector.	0,08	2	0,16
3.	To become an environmentally friendly company by encouraging the green consumer movement.	0,07	2	0,14
4.	Provide good feedback from natural products for the environment.	0,05	2	0,1
5.	Influencing potential customers with a PO system and free custom design as desired.	0,07	3	0,21
6.	Every consumer who makes a re-purchase will get a discount.	0,09	3	0,27
7.	Empowering weavers and carvers to earn income.	0,05	2	0,1
8.	There are still few businesses that pay attention to their responsibility to the environment.	0,03	1	0,03
9.	Partner and work together to increase sales volume.	0,05	3	0,15
Threats				
1.	Many competitors.	0,06	3	0,18
2.	Lack of public respect for environmentally friendly products.	0,08	2	0,24
3.	Don't have loyal customers yet.	0,06	4	0,24
4.	Scarcity of raw materials, namely bamboo.	0,04	2	0,08
5.	Suppliers do not want to partner again because of problems between the two parties.	0,08	3	0,24
6.	The production process was abandoned because it needed a skilled sculptor	0,09	2	0,18
TOTAL		1.00		2,64

The market intermediary model of social enterprise provides product development, market access, and credit services to its target population: small producers (individuals, companies, or cooperatives). The market intermediary model is an embedded model: social programming is a business. Its mission focuses on facilitating clients' financial security by helping them develop and sell their products in high value markets. Based on the social business analysis conducted on intermediaries in the IFE-EFE matrix table above, intermediary activities generally include social business criteria. In this effort, traders still prioritize profits for themselves, not only to maximize the profits of their partner farmers. According to field observations, this is done so that they can survive in this business, because if they fail in their business, the impact is that partner farmers will also fail.

Based on the results of the analysis above, the Internal – External (IE) Matrix can be

obtained, as follows:

Anyone who samples this array of material may be left wondering exactly what social entrepreneurship is. Is it just the application of sound business practices to the operation of non-profit organizations as some seem to suggest (Reis, 1999), or is it a more radically different approach to the business of doing good? It is said that “social entrepreneurship is emerging as an innovative approach for dealing with complex social needs” (Johnson, 2000: 1), especially in the face of diminishing public funding. What is it that makes this approach so promising? Indeed part of answering these questions rests on understanding what the phenomenon is. Commentators, both scholarly and popular, and advocates of every kind, understand it in a variety of ways. The concept needs to be clarified just to make those comments and that intelligible.

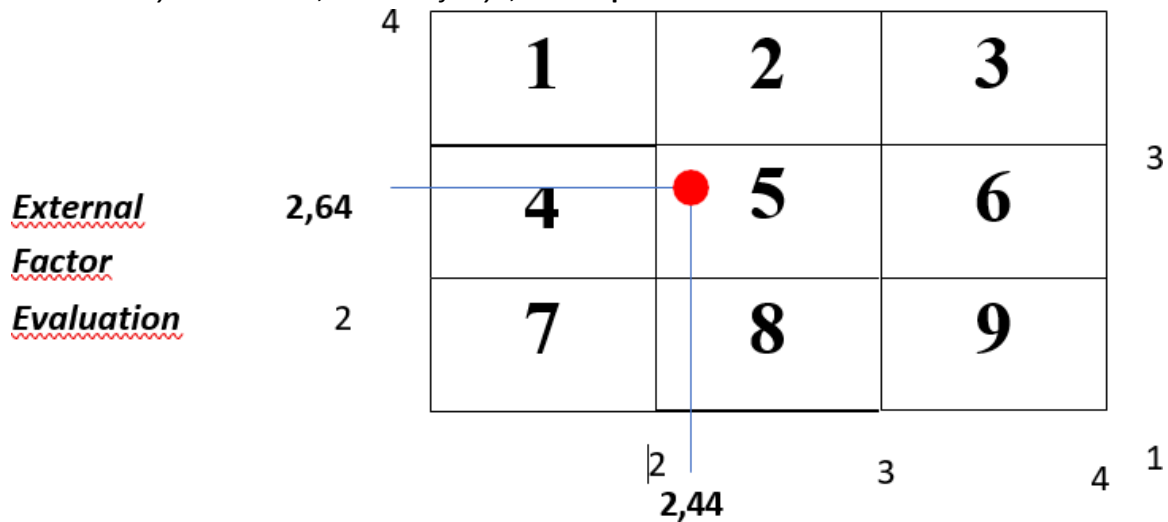


Figure 3. Internal factor evaluation

4. CONCLUSION

- 1) Intermediary traders are people who make a living as traders collecting agricultural products by buying them directly to farmers and then selling them, either in the area itself or to be taken to other areas, in small or large quantities.
- 2) The Business Model is like a blueprint for a strategy that will be implemented throughout the organization, processes and systems.
- 3) Traders have not assessed the meaning of "standard of living" in depth, that welfare is not only judged by income. Security, comfort, and social benefits have not become important points that intermediaries want to target or aim for.

5. REFERENCES

- Aluko, M. A. (2004). Sustainable development, environmental degradation and the entrenchment of poverty in the Niger Delta of Nigeria. *Journal of human ecology*, 15(1), 63-68.
- Aujoulat, I., d'Hoore, W., & Deccache, A. (2007). Patient empowerment in theory and practice: polysemy or cacophony?. *Patient education and counseling*, 66(1), 13-20.
- Bacq, S., & Janssen, F. (2011). The multiple faces of social entrepreneurship: A review of definitional issues based on geographical and thematic criteria. *Entrepreneurship & Regional Development*, 23(5-6), 373-403.
- Blackorby, C., & Donaldson, D. (1978). Measures of relative equality and their meaning in terms of social welfare. *Journal of economic theory*, 18(1), 59-80.
- Bouet, A., et al. (2007). More or less ambition in The Doha Round: winners and losers from trade liberalization with a development perspective. *The World Economy*, 30(8): 1253-1280
- Crawford, S., E., and Cantatore, F. (2016). Models of franchising for social enterprise. *Journal of marketing channels*, 23(1-2): 47-59.

Geissdoerfer, M., Vladimirova, D., & Evans, S. (2018). Sustainable business model innovation: A review. *Journal of cleaner production*, 198, 401-416.

Kajanus, M., Iire, A., Eskelinen, T., Heinonen, M., & Hansen, E. (2014). Business model design: new tools *Scandinavian Journal of Fores Research*, 29(6), 603-614.

Misra, M. (2021). Commercial micro-credit, neo liberal agriculture and smallholder indebtedness : Three Bangladesh villages. *Journal of Contemporary Asia*, 51(2), 330-350.

Peredo, A.M., M & McLean, M. (2006). Social entrepreneurship: A critical review of the concept. *Journal of world business*. 41(1), 56-65