

# Business Strategy Analysis Using the Social Business Model Canvas Approach (SBMC) on A Renewable Energy Enterprise

Wawan Ridwan<sup>1</sup>, Nizza Nadya Rachmani<sup>2</sup>

<sup>1-2</sup>Entrepreneurship Study Program, Universitas Pendidikan Indonesia, Tasikmalaya Campus, Indonesia

Correspondence: E-mail: [wawanridwan@student.upi.edu](mailto:wawanridwan@student.upi.edu)

## ABSTRACT

The problem facing the LIPI biogas company is the decline in community biogas use. Therefore, the company requires an appropriate business strategy that aligns with its social enterprise. This research was conducted at a social enterprise, the LIPI biogas company. Therefore, the objectives of this study are: 1) To obtain an overview of the business strategies currently implemented by the LIPI biogas social enterprise. 2) To identify the business strategy identification results that will be implemented by the LIPI biogas social enterprise using the Social Business Model Canvas (SBMC) approach. 3) To identify alternative business strategy formulations for the LIPI biogas social enterprise using the Social Business Model Canvas (SBMC) approach. The LIPI biogas company used the SBMC strategy tool and then formulated the latest business strategy using the Blue Ocean Strategy. This research method is descriptive qualitative with a descriptive survey approach. The data collection techniques used were primary and secondary data. Therefore, the methods or tools used in this study were interviews, literature studies, and questionnaires.

## ARTICLE INFO

### Article History:

Received 1 July 2025

Revised 1 Aug 2025

Accepted 1 Oct 2025

Available online 20 Oct 2025

### Keyword:

Business Strategy, SBMC, Strategy Formulation, Blue Ocean Strategy

## 1. INTRODUCTION

A company's development is determined by its ability to develop a business strategy (Adiatma et al., 2020; AKMIndonesia, 2022; Anggreani, 2021). The future of a company depends heavily on the strategy it implements. Business development in Indonesia has recently become increasingly competitive. Therefore, to face this competition, a strong strategic shift is needed. This social enterprise operating in the alternative fuel energy sector is the focus of this research (Arief & Maupa, 2021; Dianawati & Mulijanti, 2015).

The Indonesian Institute of Sciences (LIPI), with support from Nanyang Technological University, Singapore, has designed and built an Anaerobic Wastewater Treatment Plant (WWTP) to process tofu waste into biogas at the Giriharja tofu industry center in Sumedang. The social biogas enterprise has used a SWOT analysis strategy in its business strategy.

This SWOT analysis strategy has been implemented by the LIPI Sumedang biogas company since 2018, but over time, the implementation of this strategy has been less than optimal and has seen a decline in users. This is evidenced by the biogas usage data. From 2018 to 2022, there was a decrease of around 30 homes that decided to stop using biogas fuel.

The presence of the LIPI biogas social enterprise in Giriharja Hamlet is highly beneficial for the community. Processing tofu waste into biogas creates an environmentally friendly and non-destructive environment (Mukson et al., 2021; Mutiara, 2018; Novianto, 2019). Furthermore, this biogas can be used as an alternative fuel to address the shortage of LPG, which is commonly used by the community. This can be used as an opportunity for other regions to implement this social entrepreneurship activity utilizing tofu waste, especially in Sumedang. Furthermore, implementing this type of social entrepreneurship activity in other areas can generate strong opportunities,

such as expanding collaborative networks with various parties, reducing community expenses, and expanding employment opportunities, thereby increasing community income and welfare by utilizing human resources. The intense competition between biogas and other fuels is a major focus for this social enterprise. Most local residents prefer using LPG over alternative fuels, even though the use of alternative fuels is more profitable and beneficial for the community, including for cooking, which allows for greater efficiency and alleviates economic hardship (Minde et al. 2013). This certainly presents a challenge for the LIPI biogas social enterprise, encouraging the community to prioritize the use of alternative fuels over other fuels (Fairus & Syah, 2020; Habsy, 2017; Handini et al., 2018)

One way to improve or develop the LIPI biogas social enterprise in Giriharja hamlet requires a new business strategy. The new business strategy to be implemented by the LIPI biogas enterprise requires a sustainable business model (Novianti, 2021; Oktaviannur et al., 2020; Osterwalder & Pigneur, 2010). One such approach is the SBMC business model, which will detail and clearly describe the related elements, as well as all the shortcomings, weaknesses, opportunities, and threats of this biogas enterprise. One supporting factor in this research is the SBMC business model approach. Consistent with previous research, The study, compiled by Yudha, M.G., & Sudhartio, L. (2019), states that the SBMC is highly suited to the needs of social enterprises to define and further innovate their business models. Furthermore, the latest alternative business strategy formulation for the LIPI biogas company will utilize the Blue Ocean strategy. This will analyze business strategies using the Blue Ocean Strategy tools and framework for application to the LIPI biogas company. Therefore, the authors chose the title "Analysis of the LIPI Biogas Company's

Business Strategy Through the Social Business Model Canvas (SBMC) Approach."

## 2. LITERATURE REVIEW

The Social Business Model Canvas (SBMC) is a form of business model inspired by the Business Model Canvas (BMC) created by Osterwalder and Pigneur (2010) at the Social Innovation Lab (2013). These elements are interconnected in communicating the business model to determine the appropriate and beneficial business system, ensuring that it not only provides its own profit but also empathizes with the surrounding environment to bring benefits and resolve problems faced by the community.

According to Alexander Osterwalder and Pigneur (2010), the Social Business Model Canvas (SBMC) is a technique used to visually depict social business models. This means that social entrepreneurs do not prioritize profit in carrying out their activities, but rather focus their business activities solely on solving social problems. In the mindset of social entrepreneurs, money is not everything. However, carrying out social activities requires financial assistance from relevant parties to ensure optimal operation. This differs from the Business Model Canvas (BMC), which, according to Alexander Osterwalder and Pigneur (2010), is an abstract conceptual design, a business model that represents the strategies and business processes within an organization. Furthermore, in carrying out BMC activities, entrepreneurs prioritize profit (profit-oriented) without focusing on social issues.

A social enterprise is a company that prioritizes social interests. Therefore, running a social enterprise requires a strong strategic plan to meet the needs and interests it seeks. The strategic plan in this research is supported by a social-based business model, one of which is the Social Business Model Canvas (SBMC).

The following details the elements of the Social Business Model Canvas (SBMC) according to Alexander Osterwalder and Pigneur (2010).

### 1. Mission

This building block explains the purpose or mission of a social enterprise. Generally, a social enterprise has a mission that will impact a wider community.

### 2. Key Allies

Running a social enterprise requires individuals or groups who must be involved in social entrepreneurship activities to create

Success. This will impact the value delivered, as well as funding, partners, suppliers, and others.

### 3. Key Resources

Osterwalder and Pigneur (2012; 34) suggest that the key resources building block describes the essential assets required for a business model to function.

### 4. Key Activities

In a company engaged in the social sector, there are several things that must be considered, such as what the company will do, deliver, and produce. These activities are the main activities for providing value to customers and will ultimately have a direct impact.

### 5. Social Innovation

This business model strategy requires social innovation that will bring change to the company. This stage requires a key solution to be more effective than before, such as a method and idea to address current problems within the company.

### 6. Value Proposition

In implementing a strategy, companies naturally design changes to

create product excellence that can provide real value to customers. This is accompanied by a combination of benefits that will be delivered, thereby creating customer confidence in the company's products.

#### 7. Customer Relationships

Good businesses make conscious decisions about which customer segments to target and which to ignore. This element focuses on who creates value, who the most important customers are, and the ideal customer.

#### 8. Consumer Benefits

Consumer Benefits, also known as Customer Value, is one of the values that companies must master. This value is crucial because it will bring benefits to consumers throughout the social enterprise's operations, such as good product quality.

#### 9. Channels

At this stage, several things must be considered, such as the communication, distribution, and sales channels that can be used. These channels focus on what will be used to effectively reach target customers. This will bring success to the company.

#### 10. Cost of Delivery

Cost of Delivery is a major concern for companies. This stage discusses the main cost elements involved in delivering work to generate profits for the company, the resources and activities that are most expensive, and how to control these.

#### 11. Community Reinvestment

A social enterprise strives to generate a surplus (profit) to remain sustainable and fulfill its mission. This stage discusses the expected surplus each year and the proportion that will be reinvested. In addition, there are important considerations regarding how to reinvest the surplus to

support the organization and community services.

#### 12. Revenue Streams

Most social enterprises rely on a mix of revenue streams to be financially sustainable. Therefore, it is important to consider the primary sources of revenue, grants, and donations generated to support the work, and the extent to which each source contributes to the social enterprise's surplus.

### 3. METHOD

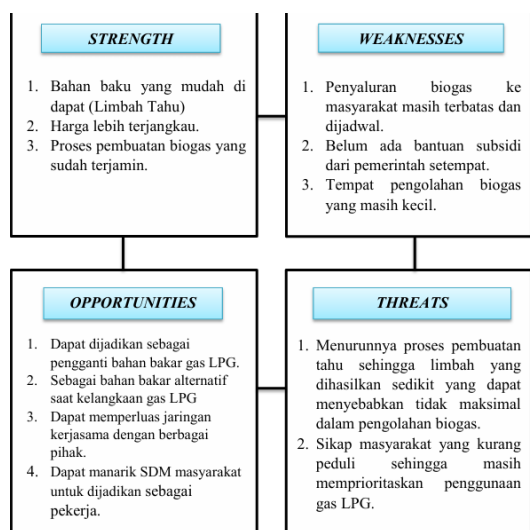
Based on the variables studied, this research is a qualitative descriptive study. Descriptive methods can be used to describe or depict an objective situation or event based on apparent or supposed facts, followed by efforts to draw general conclusions based on these historical facts (Nawawi, 1994; Hasilohan et al., 2020). Through this type of descriptive research, an overview of the business strategy of the LIPI biogas company can be obtained through a defined business model approach and new business strategies can be determined for optimal results. According to Sugiyono (2018), qualitative methods are research methods based on the philosophy of postpositivism, used for research in natural conditions (as opposed to experiments), where the researcher acts as an instrument. Key to this, data collection techniques were triangulated (combined), data analysis was inductive/qualitative, and qualitative research results emphasized the meaning of generalizations.

Based on the type of research mentioned above, namely descriptive research, the method used was a survey approach (Descriptive Survey). According to Moch. Nazir (2003:56), the survey method is an investigation conducted to obtain facts from existing phenomena and seek factual information, whether about the social, economic, or political institutions of a group or region (Pranatawijaya et al., 2019;

Yendra & Saling, 2022; Yudha & Sudhartio, 2019).

#### 4. RESULTS AND DISCUSSION

The strategy used by the LIPI biogas company is a SWOT analysis strategy. This strategy has been implemented since the company began operations in 2018 and continues to the present. The SWOT analysis strategy used by the LIPI biogas company is considered more effective for company development. A SWOT analysis allows a company to understand both external and internal conditions. Below is an overview of the SWOT analysis implemented by the LIPI Biogas Social Enterprise.



**Figure 1. LIPI Biogas SWOT Analysis**

Figure 1 shows that after conducting a SWOT analysis from the start of operations to the present, the LIPI biogas company has seen a decline in usage year after year. This is because the strategic points outlined in the SWOT analysis were not optimally implemented and did not support long-term growth. Therefore, a new business strategy is needed to improve business growth.

To improve the business conditions of the LIPI biogas company, the initial design of the business model to be implemented uses the Social Business Model Canvas (SBMC),

based on the book "Business Model Generation" by Alexander Osterwalder and Pigneur (2010). Therefore, the Social Business Model Canvas (SBMC) will be filled out based on this book. The SBMC business model will be filled out based on interviews with one of the company's employees or other responsible individuals.

Based on the results of research and discussion, it can be said that: 1. The business strategy implemented by the BRIN biogas company previously became an obstacle to the company's business because it still had weaknesses and was not suitable for application to social enterprise companies so that a new business strategy was needed to increase resale volume. 2. There are six SBMC elements that can be said to be very good for the company so that they need to be maintained, namely Mission, Key Resources, Social Innovation, Customer Relationships, Consumer Benefits, and Revenue Streams. While the other six elements, namely Key Allies, Key Activities, Value Proposition, Channels, Cost of Delivery, and Community Reinvestment need to be evaluated or improved for business growth. 3. The formulation of the business strategy implemented is by using the Blue Ocean Strategy with a four-step framework. The eliminate step, in this step there are no factors that need to be eliminated because all points in the SBMC elements are the main factors that are important for this BRIN biogas company. Reduce step, in this step the factors that need to be reduced include the channels column which contains a direct or door-to-door information delivery system, the cost of delivery column contains equipment or logistics requirements, and the community reinvestment column contains plans to build a new waste processing plant into biogas. Raise step, the factors that need to be improved are in the key allies column where BRIN collaborates with the

community, in the key activities column there is product development, in the value proposition column there is product quality, and in the cost of delivery column there is marketing. Create step, the factors that need to be created are in the key allies column that BRIN needs to collaborate with the RW-village, and in the key resources column it is necessary to create a special place for social activities (Purnomo et al., 2020; Rachmani et al., 2019; Saputri, 2021; Sipayung, 2021; Syauqi, 2019; Tjoe & Sarjono, 2010; Wulandari et al., 2019;

## 5. CONCLUSION

The research results show that implementing a new business strategy can help address the problems faced by the BRIN biogas company in Sumedang Regency. This implies that implementing the SBMC strategy and formulating a business strategy using the Blue Ocean Strategy provides or plays a crucial role for the company, as it can analyze the company's problems and then implement improvements to increase biogas reuse. This business strategy analysis is expected to increase understanding of the importance of running a company.

## REFERENCES

- Adiatma, D., Nurhasan, R., & Khoerunnisa, V. (2020). Analisis strategi bisnis dengan Business Model Canvas pada Zocha Handicraft Akar Wangi Garut. *Jurnal Wacana Ekonomi*, 20(1), 48–58.
- AKM Indonesia. (2022). *Social business model canvas*. <https://akmindonesia.org/user/course/28/section/37>
- Anggreani, T. F. (2021). Faktor-faktor yang mempengaruhi SWOT: Strategi pengembangan SDM, strategi bisnis, dan strategi MSDM (Suatu kajian studi literatur manajemen sumber daya manusia). *Jurnal Ekonomi Manajemen Sistem Informasi*, 2(5), 619–629.
- Arief, I. F., & Maupa, H. (2021). Perumusan strategi dengan pendekatan Blue Ocean Strategy pada PT Alpha Beta Charlie (ABC). *Jurnal Manajemen Bisnis dan Kewirausahaan*, 5(5), 476–481.
- Dianawati, M., & Mulijanti, S. (2015). Peluang pengembangan biogas di sentra sapi perah. *Balai Pengkajian Teknologi Pertanian Jawa Barat*, 34(3), 125–134.
- Fairus, F., & Syah, H. (2020). Analisis pengendalian internal atas sistem dan prosedur penggajian dalam usaha mendukung efisiensi biaya tenaga kerja pada PT Pancaran Samudera Transport, Jakarta. *Sekolah Tinggi Ilmu Ekonomi Indonesia*.
- Habsy, B. A. (2017). Seni memahami penelitian kualitatif dalam bimbingan dan konseling: Studi literatur. *Jurnal Konseling Andi Matappa*, 1(2), 90–100.
- Handini, L. U., Aji, S. S., & Wardani, R. A. (2018). Perancangan strategi bisnis untuk usaha kecil menengah mie ayam sehat organik dengan metode SWOT dan TOWS. *IENACO 2018*.
- Mukson, M., Ikhwan, S., & Riono, S. B. (2021). Orientation of entrepreneurship and innovation in improving the company's performance through business strategy. *JKBM (Jurnal Konsep Bisnis dan Manajemen)*, 8(1), 37–46.
- Mutiara, L. (2018). *Kajian tentang social business model canvas PT Citra Nusantara Mandiri* (Doctoral dissertation, Universitas Andalas).
- Novianti, M. (2021). Analisa strategi bisnis PT XYZ dalam industri retail fashion di Indonesia. *Jurnal Manajemen Bisnis dan Kewirausahaan*, 5(3), 249–254.
- Novianto, E. (2019). *Manajemen strategis*. Deepublish.
- Oktaviannur, M., et al. (2020). Analysis of business strategy decision making in sales

- of Waroeng Steak and Shake Bandar Lampung. *International Journal of Economics, Business and Accounting Research*, 4(3).
- Osterwalder, A., & Pigneur, Y. (2010). *Business model generation*. John Wiley & Sons.
- Pranatawijaya, V. H., et al. (2019). Penerapan skala Likert dan skala dikotomi pada kuesioner online. *Jurnal Sains dan Informatika*, 5(2), 128–137.
- Purnomo, D., et al. (2020). Innovative social business model development for organic rice commodity entrepreneur using business model canvas (BMC) (Case study: Gapoktan Simpatik, Cisayong, Tasikmalaya). *IOP Conference Series: Earth and Environmental Science*, 443(1).
- Rachmani, N. N., Daryanto, A., & Jahroh, S. (2019). Pengembangan strategi bisnis produk olahan susu XYZ dengan pendekatan Business Model Canvas. *Jurnal Aplikasi Bisnis dan Manajemen*, 5(3), 490.
- Saputri, W. S. (2021). *Analisis kesulitan guru dalam pemanfaatan media pembelajaran terhadap proses belajar di masa pandemi Covid-19 SDN 2 Tulakan* (Doctoral dissertation, STKIP PGRI Pacitan).
- Septian, L. H., Kurniati, F., & Tampubolon, A. C. (2021). Faktor pengaruh kebetahan dan kebahagiaan pada ruang yang sering digunakan di rumah. *Tesa Arsitektur*.
- Sipayung, S. M. N. (2021). Analisis strategi bisnis pada kedai kopi Aceh Kuphi Medan. *Jurnal Wira Ekonomi Mikroskil*, 11(2), 137–146.
- Syauqi, F. (2019). *Rumusan Blue Ocean Strategy sebagai upaya meningkatkan kinerja perusahaan dalam bidang bisnis kedai kopi (Studi kasus di Kedai Kopi Merapi)* (Doctoral dissertation, Universitas Islam Indonesia).
- Tjoe, T. F., & Sarjono, H. (n.d.). Strategi bisnis pada PT CTL dengan pendekatan metode TOWS. *Binus Business Review*, 1(2), 434–447.
- Wulandari, S., et al. (2019). The development of Pantiku application business strategy using Business Model Canvas approach. *Indonesian Journal of Business and Entrepreneurship*, 5(3), 231.
- Yendra, Y., & Saling, S. (2022). *Manajemen strategis: Keunggulan bersaing dalam organisasi*. Yayasan Kita Menulis.
- Yudha, M. G., & Sudhartio, L. (2019). Social Business Model Canvas development and forming an entrepreneurial ecosystem for waste banks to achieve sustainability (Case study in Bali, Indonesia). *12th International Conference on Business and Management Research (ICBMR 2018)*, 72, 80–86.