

Design of Darul Maghfiroh Catering Business Model Using the Business Model Canvas Method

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Abstract—Darul Maghfiroh Catering (DM Catering) is an SME catering based in Bali serving wedding ceremonies and religious events since 2022. DM Catering revenue remains below target due to marketing that still relies on word of mouth, limited production equipment, and a shortage of skilled labor and the absence of Standard Operating Procedure. This study designs a proposed business model using the Business Model Canvas (BMC). The data was collected using field observation, interviews with the business owner and 10 customers, and literature study. The next stages after data collection are mapping the existing BMC, customer profile and business environment, followed by SWOT analysis and TOWS Matrix to determine the strategies which then are translated into the BMC. The results show that the Key Activities, Channels, and Key Resources components require the most development. The proposed business model covers expansion into daily and corporate catering segments, marketing digitalization, implementing standard operating procedures based on halal requirements, and increased production and staff capacity. The financial simulation shows that there is an increase in annual fixed cost of IDR15,356,000 to implement the new business model. With average contribution margin ratio 24.5%, the fixed cost increase can be compensated by the increase in additional monthly sales of IDR5,223,129.

Keywords—Catering SME, Business Model Canvas, SWOT Analysis, TOWS Matrix, Halal Product Assurance System.

I. INTRODUCTION

Darul Maghfiroh Catering (DM Catering) is an MSME catering business located in Bali that has served wedding ceremonies and religious events since 2022. It is realized that revenue over the last three years has fluctuated and remains lower compared to the target, with a gap of 35.4% (2023), 5.7% (2024), and 32.8% (up to October 2025).

This condition stems from root causes identified through a fishbone analysis: marketing that still relies on word of mouth without leveraging social media, limited production equipment compared to larger-scale caterers and a shortage of skilled labor which limit production capacity, and intense competition amid rapidly changing consumer preferences. Preliminary interviews also revealed the absence of Standard Operating Procedure

(SOP) based on halal product assurance system in the production process, causing not just inconsistency in taste and presentation across orders, but also the lack of halal assurance while the catering market potential in Bali including the Muslim tourist segment requiring halal food remains largely untapped.

These root causes are interrelated and span multiple aspects of business marketing, resources, operations, and the external environment rather than a single isolated problem. A holistic framework is therefore needed to redesign the business. The Business Model Canvas (BMC) is used for this purpose, as it maps and redesigns all nine business components in an integrated manner, so the resulting solution addresses the root causes rather than merely their symptoms.

This study aims to map the existing business model, analyze internal and external conditions using SWOT analysis, formulate strategies, and design a proposed BMC-based business model along with its feasibility evaluation. Similar approaches have been applied to comparable MSMEs, such as in a catering business model redesign case study [1], demonstrating the effectiveness of BMC in formulating development strategies for small and medium culinary businesses.

II. LITERATURE REVIEW

Business Model Canvas (BMC) is a visual framework describing nine elements of a business model: customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure [2].

The Value Proposition Canvas (VPC) is used to ensure the fit between the offered value and customer needs through the Customer Profile and Value Proposition Map [3].

The Business Model Environment analyzes market forces, industry forces, key trends, and macro-economic forces that influence the business model [2].

SWOT analysis is used to identify strengths, weaknesses, opportunities, and threats as a basis for development strategy [4], [5], while the TOWS Matrix extends SWOT by matching internal and external factors to generate more systematic strategies.

Validation of a proposed business model can be carried out through rapid experimentation to test assumptions before full implementation [6], while

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business model adaptation is influenced by both internal and external factors [7].

III. METHODOLOGY

This study uses a descriptive qualitative method carried out in five stages: preliminary study, data collection, data processing, BMC design, and verification and validation. Primary data was obtained through observation and interviews with the DM Catering owner and 10 customers to explore Customer Jobs, Pains, and Gains. Secondary data were gathered through literature review and public data related to the business environment.

The business owner was selected purposively as the key informant due to his direct involvement in daily operations and strategic decision-making. The 10 customers were selected based on their prior experience with DM Catering, having used the service at least once. Instead of in-person interviews, data was collected through chat-based interviews, where a structured set of questions related to Customer Jobs, Pains, and Gains was sent to each respondent. The interviews were conducted between March and April 2026. All responses were collected, transcribed, and coded using thematic analysis to identify Customer Jobs, Customer Pains, and Customer Gains. A summary of the interview participants is presented in Table I.

Table I.
Interview Participants and Coding Framework

Participant	Selection Method	Interview Method	Coding Category
Business owner	Purposive	Direct/online interview	BMC mapping
10 customers	Convenience sampling (min. 1x use)	Chat-based interview	Customer Jobs, Pains, Gains

The nine existing BMC blocks were mapped based on interviews and observation, followed by the mapping of Customer Profile and business model environment, and SWOT analysis. SWOT analysis was conducted by identifying internal and external factors, designing a scoring questionnaire across four SWOT areas, and processing the scores into a TOWS Big Picture Matrix to generate alternative strategies that form the basis of the proposed BMC. The scoring was conducted by business owner and one employee. The proposed business model was developed based on the strategies defined in the previous step, then was verified by the research team and validated through discussion with the business owner.

IV. FINDINGS AND DISCUSSION

A. Existing Business Model Canvas

The mapping of DM Catering's business model was obtained through interviews with the business owner, revealing that the current model remains dominated by word of mouth and referral-based marketing to friends and relatives, and dominated by conventional operations. The customer segments consist of individuals, wedding events, religious gatherings, and family events, with most customers coming from

referrals. The main value propositions are menu flexibility and the use of fresh ingredients. Marketing does not yet utilize digital media, while revenue is generated from catering services, buffet equipment rental, and there are repeat orders. Key resources include human resources (the business owner, two permanent employees, additional workers), a home-based kitchen, and household-scale production equipment.

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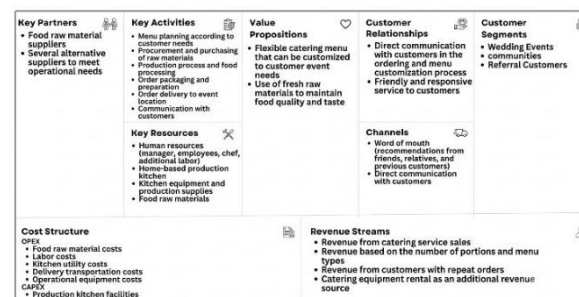


Fig. 1. Existing Business Model Canvas of DM Catering

B. Customer Profile

Interviews with 10 customers to identify Customer Jobs, Customer Pains, and Customer Gains. This Customer Profile mapping was obtained through a qualitative coding process applied to the interview transcripts, in which each customer statement was coded and systematically grouped into the three categories before being visualized in the customer profile map, that can be seen in Figure 2.

Customer Profile for DM Catering



Fig. 2. Customer Profile of DM Catering

C. Business Model Environment

Analysis of the Business Model Environment shows a substantial opportunity from 9.3 million domestic tourist visits to Bali in 2025 [8], with 87.02% of the Indonesian population being Muslim [9] requiring halal food, yet halal certification adoption in Bali remains low, with only approximately 34,541 out of 448,434 MSMEs (around 7.7%) having obtained halal certificates [10]. This is complemented by high internet usage in Bali at 73.34% [11] and mandatory halal certification regulation [12]. On the other hand, local catering competition, digital delivery platforms, raw material price fluctuation [13], and the VAT policy adjustment to 12% for certain goods

[14] represent challenges that must be anticipated. These four aspects market forces, industry forces, key trends, and macro-economic forces, form the basis for identifying opportunities and threats in the SWOT analysis.

D. SWOT Analysis, TOWS Matrix, and Strategy Proposals

SWOT analysis identified DM Catering's main strengths, including menu flexibility, fresh ingredients, clear customer segments, personal customer relationships, and repeat orders. Weaknesses include inconsistent taste quality, absence of active digital marketing, limited word of mouth reach, lack of written standard operating procedure (SOP), and absence of halal certification. Opportunities arise from the trend to use catering services in urban society for daily meal, rising consumer awareness of hygiene and food quality, high internet and social media usage in Bali, and potential partnerships with hotels and travel agents to

reach domestic Muslim tourists. Threats include increasing competition, competitors actively using digital marketing, and fluctuating raw material prices.

The scoring for the identified SWOT factors was carried out by the business owner and one employee. They were independently assigned scores to each factor in the provided Google Form. The scoring used a scale of 1 to 5 for strengths and opportunities and -1 to -5 for weaknesses and threats. The final scores presented in the parentheses in the TOWS Matrix in Table II are the average of the two respondents' assessments.

Based on the TOWS Matrix, eleven strategic proposals were formulated, as summarized in Table II. These strategies are categorized according to the affected BMC blocks, as shown in the Table III, with the highest priority given to strategies that leverage internal strengths while addressing weaknesses and external threats.

Table II.
Matrix TOWS Big Picture

Canvas Big Picture	Strengths	Weakness
	S1. Menu flexibility according to customer needs (5); S2. Use of fresh ingredients and maintaining food quality (5); S3. Clear customer segments (3,5); S4. Personal and communicative customer relationships (4); S5. Having several alternative raw material suppliers (3,5); S6. Repeat orders from customers (4); S7. Catering equipment rental as an additional revenue source (4)	W1. Inconsistent food taste quality (-5); W2. No active digital marketing media for digital promotion (-5); W3. Marketing reach still limited to word-of-mouth promotion (-5); W4. No customer loyalty program (-3,5); W5. Limited production equipment (-4,5); W6. Limited number and skills of workers (-4,5); W7. No written operational SOP (-4,5); W8. Revenue has not yet reached the target (-4); W9. Increasingly stringent halal certification regulations (-3,5)
Opportunities: O1. Increasing trend of practical catering service needs (4); O2. Growing public awareness of hygiene and food quality (4,5); O3. High internet and social media usage in Bali (5); O4. Increasing customer preference for digital communication (3,5); O5. Potential for developing daily catering services and partnerships with communities/offices (4,5); O6. Potential collaboration with hotels, travel agents, and tour guides for Muslim tourists in Bali (3,5)	Strategies SO — 1. Leveraging menu flexibility, raw material quality, and customer relationships to meet practical catering needs while building a hygienic and trustworthy business image. (S1, S2, S4, O1, O2) 2. Leveraging personal customer relationships and repeat orders to expand market reach through social media and digital communication. (S4, S6, O3, O4) 3. Developing revenue diversification through daily catering services, community/office partnerships, and catering equipment rental. (S7, O5) 4. Developing signature menus (Balinese, Japanese, Nusantara) and establishing partnerships with hotels, travel agents, and tour guides to capture the domestic Muslim tourist market. (S1, S2, O6)	Strategies WO — 1. Actively developing digital marketing media through Instagram, WhatsApp Business, and other digital platforms including digital payment to increase market reach and conduct digital promotions. (W2, W3, O3) 2. Developing customer loyalty programs and customer relationship management based on digital communication. (W4, O4) 3. Developing operational SOPs based on hygiene and food safety to improve service quality consistency. (W1, W7, O2) 4. Increasing production capacity through equipment development, workforce competency, and more organized scheduling of outsourced workers to support increasing catering service demand. (W5, W6, O1) 5. Developing daily catering services and establishing partnerships with communities and offices to increase business revenue. (W8, O5)
Threats: T1. Increasing competition in the catering business (-5); T2. Competitors actively using social media and digital marketing (-5); T3. Fluctuating raw material prices (-4)	Strategies ST — 1. Leveraging menu flexibility, alternative raw material suppliers, and good customer relationships to maintain business competitiveness and minimize the impact of raw material price fluctuations. (S1, S4, S5, S6, T1, T3)	Strategies WT — 1. Maximizing digital marketing and promotion to reduce the gap with competitors who are already actively using social media and digital marketing. (W2, W3, T2) 2. Preparing halal certification requirements through SOP development and operational documentation in accordance with the SJPH manual to increase customer trust, expand access to new market segments that prioritize halal food, and face increasingly intense catering business competition. (W7, W9, T1)

Table III.
Proposed Strategy and BMC Blocks Affected

No	Proposed Strategy	BMC Block
1	Strengthening digital marketing through Instagram, WhatsApp Business, TikTok, and using digital payment	Channels
2	Development of customer loyalty programs based on digital communication	Customer Relationships
3	Operational standardization based on hygiene and food safety (SJPH)	Key Activities
4	Halal certification preparation	Key Activities
5	Production equipment capacity improvement	Key Resources
6	Human resource competency improvement through training	Key Resources
7	Outsource workforce scheduling management	Key Resources
8	Development of daily catering and partnerships with communities/offices	Revenue Streams, Customer Segments
9	Competitiveness strengthening through menu and supplier partnerships	Value Propositions, Key Partnerships
10	Market expansion based on customer relations	Channels, Customer Relationships
11	Signature menu development and halal tourism partnership	Value Propositions, Key Partnerships, Customer Segments

E. Improvement Priorities

Based on the SWOT analysis, TOWS Matrix, and the BMC-block linkage diagram, three blocks were identified as the top improvement priorities: Channels, Key Activities, and Key Resources. These blocks were selected because they have the greatest influence on business competitiveness and serve as the foundation for implementing the proposed strategies.

1. CHANNEL

DM Catering's marketing still relies on word of mouth, so customer reach remains limited. Digital marketing channels are being developed through Instagram and TikTok to increase brand awareness and expand market reach. Instagram is used to display menus, event documentation, and customer testimonials through feed, stories, and highlights, while TikTok serves as a short-video medium to showcase the production process and food presentation. Both platforms are integrated with WhatsApp Business for customer communication and order management.

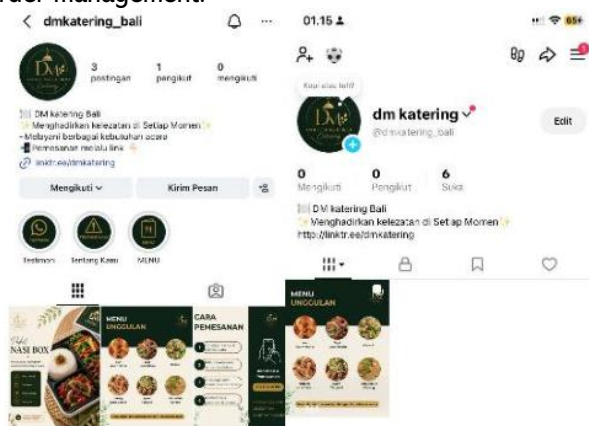


Fig. 3. Social Media Account Design for DM Catering

2. KEY ACTIVITIES

Improvements to the Key Activities block focus on enhancing operational quality through the development and implementation of Standard Operating Procedures (SOP) which consider the Halal Product Assurance System Manual (Manual SJPH) issued by BPJPH, ensuring that every operational stage is documented and consistently applied, from order acceptance to customer complaint handling. A summary of the twelve SOPs is presented in

Table IV.
Summary of DM Catering's SOP which Complies to the BPJPH Halal Manual

No.	SOP Name	Brief Description
1	Order Acceptance	Order acceptance, menu confirmation, and deposit management up to 2 days before the event
2	Halal Purchasing	All the materials purchased must be aligned with the halal material list
3	Halal Incoming Raw Material Inspection	Verification of supplier halal certificates and physical inspection of incoming materials
4	Halal Raw Material Storage	Storage by category, prevention of najis contamination (ritually impure substances), FIFO system
5	Processing and Cooking	Standard halal recipes, prevention of cross-contamination, Halal Supervisor QC
6	Boxed Meal Packaging	Food-grade packaging, standard composition, halal labeling
7	On-Site Buffet Setup	Najis-free area, halal equipment arrangement, serving temperature control
8	Distribution and Delivery	Halal verification, clean vehicles, max. 2-hour distribution
9	Customer Complaint Handling	Complaint logging, resolution within 24 hours, periodic evaluation
10	Kitchen Hygiene and Sanitation	WHO 6-step handwashing, PPE, prohibition of non-halal products
11	Internal Halal Training	Internal halal training at least once a year, documented evidence
12	Internal Audit and Review	Internal audit once a year, report to BPJPH every 6 months

3. KEY RESOURCES IMPROVEMENT

Key Resources improvement focuses on training in hygiene, food sanitation, GMP, and SJPH for staff, better scheduling of outsourced workers, and additional production equipment including gas stoves, large capacity pots, rice cookers, and chafing dishes.

F. Proposed Business Model Canvas and Verification

The proposed BMC was developed based on the result of SWOT analysis, TOWS Matrix, and improvement priorities, with adjustments across all blocks focused on improving competitiveness, operational efficiency, and market expansion.



Fig. 4. Proposed Business Model Canvas

Verification was performed by analysing the linkages among the Business Model Canvas (BMC) blocks to ensure that each proposed improvement was logically interconnected between blocks and aligned with the strategies derived from the TOWS Matrix.

G. Financial Simulation

The new design of business model leads to new investment of production equipment and halal certification, with value of IDR18,280,000, with the depreciation and amortization of IDR3,806,000 annually. In addition, the business incurs recurring annual fixed operating expenses for digital marketing, customer loyalty programs, and staff training, totalling IDR11,550,000 per year. Total additional annual fixed cost is IDR15,356,000, or IDR1,279,666 per month. With average contribution margin ratio of all products of 24.5%, the additional sales amount needed to cover all this fixed cost increase is IDR 62,677,551 per year or IDR5,223,129 per month.

H. Validation

Feasibility validation was carried out through discussion with the DM Catering owner, covering all nine BMC blocks to evaluate operational practicality, financial feasibility, and company readiness. Based on the owner's feedback, the implementation approach was refined into a phased strategy in which standard operating procedures (SOPs) for order acceptance and raw material management are prioritized before audit procedures, major equipment investments are postponed until new revenue streams are generated, and halal certification is implemented gradually rather than treated as a prerequisite. These validation results indicate that the proposed BMC is feasible and can be implemented progressively in accordance with the business's financial capacity and operational priorities.

I. IMPLEMENTATION RISKS AND MITIGATION

While the proposed business model has been validated as feasible through discussion with the business owner, several implementation risks must be anticipated to ensure successful adoption:

1. Staff capacity and readiness: The transition to SOP-based operations and digital marketing requires training and mindset changes. This risk is mitigated by phasing the SOP implementation, starting with the simplest procedures (order acceptance and raw material handling) and providing ongoing training in hygiene, good manufacturing practice and halal product assurance system.

2. Halal certification costs and timeline: The certification process may take longer and cost more than estimated due to halal requirement fulfilment and administrative procedures. This risk is mitigated by allocating a contingency budget, appointing an internal Halal Supervisor to manage the process, and treating certification as a gradual effort

3. Digital marketing capability: The owner and staff have limited experience with social media marketing. This risk is mitigated by starting with basic Instagram and WhatsApp Business usage, with gradual TikTok adoption as skills improve, and by using simple, low-cost content creation strategies.

4. Demand uncertainty: The projected additional sales from new segments (daily catering, corporate, Muslim tourists) may not materialize immediately.

V. CONCLUSION

This study proposes new business model for DM Catering using the Business Model Canvas, supported by Customer Profile, Business Model Environment, SWOT, and TOWS Matrix analyses. Improvement priorities focus on the Channels, Key Activities, and Key Resources blocks, covering marketing digitalization, the development and implementation of standard operating procedure (SOP) based on the Halal Product Assurance System (SJPH) along with halal certification preparation, and improved staff competency and production equipment capacity.

There is a need to mitigate the implementation risks such as staff capacity and readiness, halal certification cost and timeline, digital marketing capability, and demand uncertainty.

Future research is recommended to measure the longitudinal impact of SOP and halal certification implementation once applied, and to expand the scope of research to similar catering MSMEs in other regions so that the results can be more broadly generalized.

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