

ABSTRACT

Micro, Small and Medium Enterprises (MSMEs) are growing very rapidly in Indonesia. The number of MSMEs in Indonesia was recorded at around 65.46 million units in 2019. However, the COVID-19 pandemic resulted in a decrease in sales of 94.69% of businesses that were growing very rapidly in Indonesia. Equally important, the large number of MSMEs in Indonesia also makes business owners have to keep adapting because of high competition.

This research was conducted to validate the business model for business ideas in the form of new product development. Business model validation is carried out by testing the Business Model Canvas (BMC) block for Bosstore.id micro businesses in the form of value propositions, revenue streams, and channels. A mixed method approach with case study research methods was used in this study. Data collection in the form of observation and interviews is used in qualitative methods coupled with quantitative data collection used to strengthen the data obtained. Business model validation is carried out from sources in the form of initial BMC which will be developed through analysis in the form of testing business ideas. This is done to identify the suitability of a business idea with the wants and needs of target consumers. This study provides an explanation and follow-up on the development of new products on micro business Bosstore.id.

The results of the study explain that the value propositions block is valid, revenue streams is valid, and the channels block is not valid. After validating with several tests using various test equipment, the authors provide follow-up in the form of suggestions in the development of new products based on the results obtained in the research.

Keywords: business model canvas, business model validation, new product development, testing business ideas