## **ABSTRACT**

Musat is a business operating in Bandung City since October 2018, engaged in the food and beverages sector, offering a diverse selection of coffee and non-coffee options in a comfortable atmosphere. This research aims to design an innovative and relevant business model for Musat through the Business Model Canvas (BMC) approach to enhance business sustainability and address the challenges faced. An analysis of Musat's revenue data from January 2023 to December 2024 shows fluctuations and inconsistent achievement of revenue targets. These issues were identified as stemming from several internal and external factors, including limited product variations that only provide beverages, suboptimal location visibility, limited seating capacity, promotional strategies that have not fully followed trends, and intense competition from similar competitors.

The research methodology adopted a qualitative approach, with primary data collected through in-depth interviews with Musat's owner and manager, as well as the distribution of questionnaires to customers to analyze their customer profiles. Secondary data were obtained from literature studies to understand Musat's business environment. The collected data were then processed and mapped onto Musat's existing nine BMC elements. Subsequently, SWOT analysis and the Value Proposition Canvas were applied to identify internal and external factors and formulate stronger value propositions that align with customer needs.

The results of this study yielded a comprehensive proposed new business model, encompassing strategies to expand customer segments to include the community outside Bandung, diversify value propositions such as adding variations of food and sustainability-based beverages, and offering discounts or bundling. It also includes optimizing promotional channels with increased use of Instagram, TikTok, and the addition of Facebook and GoFood, providing Mushola prayer facilities, improving key resources and activities by enhancing indoor and outdoor area facilities for weather anticipation, as well as HR training, and Expansion of partnerships through collaboration with influencers and eco-friendly interior designers.

Keywords: Business Model, Business Model Canvas, SWOT Analysis, Value Proposition Canvas.