

ABSTRACT

Ibugrosir Grocery Store is a retail business selling basic necessities located in Padang City. This store faces the problem of declining average income. The root causes of the problem include suboptimal promotional strategies, stockpiling due to low demand for certain products, limited market reach, and a manual financial recording system. This study aims to design an appropriate business model to improve the store's performance using the Business Model Canvas (BMC) method. The data collection methods used include direct observation, company document analysis, and interviews with the owner to obtain current business model data, customer interviews to obtain customer profile data, and literature review to obtain business environment data. This data was used to conduct a SWOT analysis, which served as the basis for developing strategies, which were then translated into a proposed business model design. The research results indicate that the current business model is not yet able to optimally address external and internal challenges. The proposed business model improvements primarily focus on the customer segment, value proposition, distribution channels, and customer relationships. Validation was conducted through discussions with business owners, and the proposed business model design was deemed feasible for implementation.

Keywords: *Business Model Canvas, business model, grocery store, SMEs, business strategy, validation.*