CHAPTER I INTRODUCTION

1.1 Background of the Study

Coconut charcoal is a type of fuel that is produced from the carbonized remains of coconut shells. It is commonly used as a replacement for traditional wood charcoal and is prized for its high heat and long burn time. Coconut charcoal is made by heating coconut shells to high temperatures in the absence of oxygen, a process known as pyrolysis. This causes the shells to break down and release their volatile compounds, leaving behind a porous, carbon-rich material that is capable of burning at high temperatures. Coconut charcoal is used in a variety of applications, including grilling, barbecuing, and blacksmithing. Furthermore, in the purifying process as well as in other industries, including pharmaceuticals and cosmetics, coconut shell charcoal is utilized as a feedstock to produce chemicals (Haryanto et al., 2021).

Coconut charcoal has become a popular business because it is a sustainable and eco-friendly alternative to traditional wood charcoal. The potential of coconut shell biomass as an environmentally acceptable renewable energy source is increased by the possibility that it emits little Sox and NOx during thermochemical conversion (Kabir Ahmad et al., 2022). The production of coconut charcoal involves the use of a waste product (coconut shells), which would otherwise be discarded, making it a resource-efficient fuel source. Additionally, the production of coconut charcoal typically generates fewer emissions than the production of wood charcoal, making it a more environmentally friendly option.

In addition to its sustainability and environmental benefits, coconut charcoal also has practical advantages over wood charcoal. It burns at a higher temperature, which makes it more efficient for cooking and grilling. As an example, compared to wood chips, the Oorja-Plus stove performs better when utilizing coconut shell charcoal as fuel (Raman et al., 2013). It also has a longer burn time, meaning that it can be used for a longer period without needing to be replaced. These characteristics make it a desirable fuel source for many consumers, which has helped to drive the period charcoal business.

Overall, the popularity of coconut charcoal as a business is due to its sustainability, environmental benefits, and practical advantages over traditional wood charcoal. It offers a viable alternative to wood charcoal that is both resource-efficient and environmentally friendly, and its unique characteristics make it a desirable fuel source for many consumers.

Therefore, there are several reasons why coconut charcoal is exported. One reason is that coconut charcoal is a relatively new product, and there may not be a strong domestic market for it in some countries. By exporting the product, producers can access a wider market and increase their sales.

Another reason why coconut charcoal is exported is that it may be in high demand in certain regions or countries. For example, some countries may have a strong culture of grilling and barbecuing, which makes coconut charcoal a desirable fuel source. It is written that over US\$ 1.2 billion worth of coconut goods are exported annually (Rethinam, 2019). By exporting the product to these countries, producers can meet this demand and generate additional revenue.

The reasons for exporting coconut charcoal are varied, but may include access to a wider market, high demand in certain regions, and the need to reach a critical mass of production. By exporting the product, producers can expand their business and generate additional revenue.

In Indonesia, we can find coconut charcoal by the 4 sides: energy, environment, job opportunity and income. Coconut is currently the only crop in Indonesia that receives less government attention, with special treatment in government tree crop estate regeneration projects. The coconut commodity development initiative is still at the pilot plan stage, and there are no special incentives in place to encourage the business to make substantial strides.

There are several factors that influence the performance of coconut charcoal export market, for the purposes of this thesis, the following determinant factors will be studied in various literatures and planned to be investigated further: Market Strategies, New rules in the period of pandemic, conceptual framework, market information gaps, lack of raw materials, because of quarantine and "New Normal" in the period of pandemic.

Export performance is influenced by a combination of internal and external factors. Internally, domestic market competition intensity plays a crucial role in determining the success of a company's export efforts. A highly competitive domestic market can help prepare a company for the global market, providing necessary experience and knowledge. In addition, the resources and capabilities of

the firm are also critical. Companies that invest in research and development, and have a skilled workforce are better equipped to compete globally.

External factors also play a significant role in determining export performance. The high price of shipment can be a deterrent, especially for small and medium-sized enterprises (SMEs) with limited resources. The level of competition in the export market is also crucial. Companies operating in highly competitive markets need to be innovative and adopt competitive strategies to succeed.

A combination of internal and external factors determines a company's export performance. Companies need to develop their resources and capabilities while also being mindful of the external market factors that can influence their success. By doing so, companies can improve their chances of success in the global marketplace.

It has been determined in previous studies that in the domestic market competition is another external factor, which can affect export performance (Lages, 2000). Cavusgil (Cavusgil, 1980) thinks that the high competition in the domestic market is the main reason for a firm's efforts for internalization. The scientists Eshgi and Zahra prioritize that domestic market forces the firms to export, and a positive relationship between the decline in the attractiveness of the domestic market and the export performance has been found in the study guide by Madsen (Madsen, 1989).

In recent years, the industry has faced numerous challenges, including competition from other charcoal-producing regions, fluctuations in global demand, and the impact of the Covid-19 pandemic. The Covid-19 outbreak shocked the coconut shell briquette in Indonesia which saw a dramatic rise in demands worldwide (Hadiwijaya et al., 2021). To overcome these challenges and maintain the industry's competitiveness, it is important to understand the role of business models in shaping the export performance of coconut charcoal firms in Yogyakarta.

Based on Nurhafika (Nurhafika, et al., 2021) coconut shell charcoal in Indonesia can be exported to overseas markets and can boost a nation's foreign exchange earnings because of the high demand for it. In 2018, there is 33.192.577-kilogram export volume of coconut shell charcoal with export value up to \$US 13.862.352 to China. Meanwhile, in 2019, there is 18.456.759-kilogram export volume with export value \$US 18.966.251. Even in 2020-2021, the demand for coconut shell charcoal is still high. Then, it is said that the Indonesian government created the Triple Exports Movement (Gratieks) to increase exports, including the exports of coconut shell charcoal.

As a comparison, Haryati and Amir (Haryati & Amir, 2021) said that the total export of coconut shell charcoal from Indonesia to Saudi Arabia reached \$36.554.000 in 2018. Then in 2019, it is stated that Arab Saudi still has high demand for the charcoal industry, including coconut shell charcoal from Indonesia. The strategy to be done by Indonesia in increasing its export is by paying attention to the charcoal shape and the price which is suitable with SAR (Saudi Arabia Currency) 10.

To increase the export performance, a well-designed business model can help a company to identify and target the most promising export markets, and to develop strategies for penetrating these markets and generating sales (Bocken et al., 2014). It can also help a company to assess the feasibility of exporting its products, and to identify potential risks and challenges associated with exporting.

A good business model can also help a company to optimize its operations to maximize its export performance. For example, a company with a strong business model may be able to identify ways to reduce costs and improve efficiency, which can help to increase its competitiveness in the export market. A business model can also help a company to identify opportunities for collaboration and partnership with other companies, which can help to expand its reach and increase its sales.

Additionally, a strong business model can help a company to adapt to changing market conditions and shifts in consumer demand. For example, if a company's business model is designed to be flexible and responsive, it may be able to quickly adjust to changes in the export market, such as shifts in consumer preferences or changes in regulations. This can help the company to maintain its export performance, even in the face of market volatility.

Overall, the business model of a company can has a significant influence on its export performance. By providing a framework for identifying and targeting export markets, optimizing operations, and adapting to changing market conditions, a strong business model can help a company to achieve success in the export market.

A business model refers to the way in which a company creates, delivers, and captures value. It encompasses the strategic choices and decisions made by a firm, such as the types of products or services it offers, the target market it serves, and the channels through which it reaches customers. In the context of the coconut charcoal industry in Yogyakarta, different firms may adopt different business models depending on their specific goals, resources, and capabilities.

The studies of business model usage have been explored in some coconut shell charcoal industry as the following table below:

Table 1.1 Literature Study Results

| No. | Title and Author | Theory | Method | Findings |
|-----|---|--------|--|--|
| 1. | Business model analysis of coconut shell processor in North Sulawesi (Nordy F. L. et al., 2021) | | Case study | The development of the coconut shell industry model is influenced by internal factors (strengths and weaknesses) and external factors (opportunities and threats). The availability of raw materials, target markets, and adequate human resources and production networks scattered in several locations are essential competitive advantages for coconut shell agroindustry. |
| 2. | Social Entrepreneurship Business Model of Coconut Sugar for Increasing Farmers' Welfare: Case Study in Indonesian | | a qualitative evaluation case study | Social entrepreneurship business model, the empowerment for farmers in the villages of Jatimulyo, Girimulyo resulted in increasing the income, healthy |

| NI. | Title and Author | Theory | Mathad | Tin din os |
|-----|--|--------|-------------|--|
| No. | Title and Author | Theory | Method | Findings |
| | Village Cooperative | | | living for farmers, families, and |
| | (Utomo & Pangeran, 2020) | | | , , |
| | 2020) | | | • |
| | | | | preservation of organic |
| | Custoinable business | | Λ | agriculture. |
| 3. | Sustainable business models for informal | | An | The Business Model |
| | | | exploratory | Canvas and SBM |
| | charcoal producers | | approach | qualitatively outlined |
| | in Kenya (Mutta et | | | the strategic situation |
| | al., 2021) | | | for charcoal producers |
| | | | | that integrates |
| | | | | sustainability linkages; |
| | | | | hence, it does not |
| | | | | present a template SBM |
| | | | | but shows the key |
| | | | | influencing factors. This |
| | | | | study contributes to the |
| | | | | growing literature on |
| | | | | SBMs. Using charcoal production and trade as |
| | | | | an example, it |
| | | | | highlighted the business |
| | | | | aspect of informal rural |
| | | | | production systems, |
| | | | | showing that these |
| | | | | systems, like other |
| | | | | businesses, handle |
| | | | | various challenges to |
| | | | | generate value |
| 4. | Analysis of provider | | Case study | The PT. X business |
| ٦. | training business | | Case study | model can be developed |
| | model development | | | in various ways. First by |
| | based on Business | | | adding a value |
| | Model Canvas | | | proposition of renewal, |
| | approach (Sutrisno, | | | with the aim of |
| | 2019) | | | consumers who want the |
| | 2017) | | | latest training will |
| | | | | remember PT. X. |
| | | | | Second, PT. X reaches |
| | | | | consumers and/or |
| | | | | potential customers |
| | | | | through new channels, |
| | | | | namely hotels and |
| | | | | freelancers, to expand |
| | | | | marketing networks. |

| No. | Title and Author | Theory | Method | Findings |
|-----|------------------|--------|--------|--------------------------|
| | | | | Third, PT. X created a |
| | | | | community of |
| | | | | customers to improve |
| | | | | customer relationships. |
| | | | | Fourth, PT. X can get |
| | | | | additional new revenue |
| | | | | from sales of training |
| | | | | and consulting services |
| | | | | through Webinars, |
| | | | | income from sales |
| | | | | commissions for partner |
| | | | | products such as hotels |
| | | | | and souvenirs, revenue |
| | | | | from outsourcing |
| | | | | commissions with other |
| | | | | provider company |
| | | | | partners, and revenue |
| | | | | from advertising partner |
| | | | | products. |

The number of coconut charcoal briquette companies in Indonesia is more than 200, and 80% of which are micro, small and medium enterprises (MSME's) with a production capacity of 1-3 containers per month, and the number of direct workers is not less than 100 thousand people, and more than 6 million coconut farmers, who are directly involved as suppliers of raw materials around Indonesia. This industry is successfully increasing year by year and increasing the welfare of coconut farmers. Coconut shells, which were originally a waste before, now a source of additional income that is not small. Every month the average export of this industry is around 30 thousand tons with a foreign exchange value of around IDR 7 trillion per year, 30% or around IDR 2 trillion of which is the income of coconut farmers who are the main suppliers of raw materials.

Another factor that is affecting export of the coconut shell charcoal is Covid19 pandemic that has hit almost all parts of the world. But for Yogyakarta the demand for coconut briquette charcoal increased. Pandemic has not affected the export performance of coconut charcoal briquette in Yogyakarta. One of the entrepreneurs of coconut shell charcoal briquettes from Kendal Regence, Central Java said that during the pandemic the demand for exporting this product increased by almost 20%. According to him, a pandemic abroad is actually a "blessing". Because many cafes are closed, so many people are working at home and the need for charcoal briquettes as fuel also increases. He even admitted that during the last 10 years he is working in this business sphere, only during this pandemic he met export demand in larger quantities. The average reaches 8 to 10 containers per month, for Middle Eastern export destination countries.

Therefore, the purpose of this study is to investigate the influence of the business model on coconut charcoal export performance in Yogyakarta during and after the Covid-19 pandemic. This research aims to identify the various business models adopted by coconut charcoal exporting firms in the region, and to evaluate the impact of these business models on the firms' export performance. By examining the relationship between business model and export performance, this study aims to provide valuable insights for coconut charcoal exporting firms in Yogyakarta, as well as for policymakers and other stakeholders interested in promoting the sustainable development of the industry in the region.

1.2 Research Authenticity

The authenticity of the research is needed to show that there is a novelty in the thesis plan research. Therefore, the prospective researchers need to compile the tracking result exposure to the latest similar research that has been carried out, either by the researcher himself or by other researchers. Through this explanation, differences in the research that will be carried out with the previous similar studies can be identified. At the same time, it will prove the authenticity (differences) of the research to be carried out and the expected contribution of new knowledge.

1.3 Research problems

According to the explanation on the background, this study about the development of Business Model Canvas on coconut charcoal export companies in Yogyakarta may be an area of research interest for several reasons. The phenomenon of COVID-19 refers to the global outbreak of a novel coronavirus disease that emerged in late 2019 and quickly spread across the world, causing a pandemic. COVID-19 stands for "coronavirus disease 2019" and is caused by a virus called severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). This virus is a member of the coronavirus family, which includes other viruses that have caused outbreaks like SARS and MERS in the past.

The first known cases of COVID-19 were reported in December 2019 in the city of Wuhan, Hubei province, China. Initially, the cases were linked to a seafood market where live animals were also sold, suggesting an animal-to-human transmission. However, it was soon discovered that the virus could also spread from

person to person through respiratory droplets when an infected individual coughs, sneezes, talks, or breathes.

The outbreak in Wuhan rapidly escalated, and by January 2020, cases were reported in other parts of China and subsequently in several countries around the world. The World Health Organization (WHO) declared COVID-19 a Public Health Emergency of International Concern on January 30, 2020, and later categorized it as a pandemic on March 11, 2020, as the virus continued to spread globally.

COVID-19 has affected millions of people worldwide and has had a significant impact on public health, economies, and daily life. It has led to widespread illness, hospitalizations, and unfortunately, a considerable number of deaths. Governments and health authorities have implemented various measures to control the spread of the virus, such as lockdowns, social distancing, wearing masks, testing, contact tracing, and the development and distribution of vaccines.

Research and scientific studies have been conducted to better understand the virus, its transmission, symptoms, and effective treatments. Vaccines against COVID-19 have been developed and authorized for emergency use in many countries, offering hope for controlling the pandemic and reducing its impact.

It's important to note that the situation surrounding COVID-19 continues to evolve, and new information may emerge as research progresses. It is advisable to refer to reputable health organizations such as the WHO or the Centers for Disease Control and Prevention (CDC) for the most up-to-date and accurate information.

The COVID-19 pandemic has impacted businesses worldwide, including coconut charcoal export companies in Yogyakarta. As a result of the pandemic, the demand for certain products and services has decreased, while others have increased. The coconut charcoal export industry in Yogyakarta has been affected by the pandemic, with disruptions in supply chains and a decrease in demand from international markets. In this context, there is a need to develop a Business Model Canvas that can help coconut charcoal export companies in Yogyakarta to navigate the challenges posed by the pandemic and continue to thrive. The objective of this research study is to develop a Business Model Canvas that is specifically tailored to the needs of coconut charcoal export companies in Yogyakarta, taking into account the challenges and opportunities presented by the COVID-19 pandemic. One potential research problem is that the pandemic may have had a significant impact on the export performance of coconut charcoal companies in Yogyakarta.

The Business Model Canvas is a strategic management tool that provides a holistic view of a company's business model. It consists of nine building blocks that cover various aspects of a business, including key partners, key activities, value propositions, customer segments, revenue streams, cost structure, key resources, customer relationships, and channels. The BMC helps companies analyze and develop their business models to create value and achieve their objectives.

During the pandemic, the global business landscape experienced significant disruptions, including supply chain interruptions, travel restrictions, and changing consumer behavior. These challenges had a direct impact on the export performance of companies, including coconut charcoal exporters in Yogyakarta. Therefore,

understanding the influence of the BMC on export performance during and after the pandemic is crucial for the companies to adapt and thrive in a rapidly changing environment.

The outbreak of the pandemic may have disrupted global trade and supply chains, which could have affected the ability of these companies to export their products. The researcher formulates the research problems as follows:

- 1. How does the Business Model Canvas of coconut charcoal companies in Yogyakarta influence their export performance during and after the pandemic?
- 2. What are the influence factors influencing coconut charcoal export performance during and post pandemic in Yogyakarta?
- 3. What factors contribute to the success or failure of these Business Model Canvas in this context?

1.4 Research objectives

The research objectives for a study on "the development of Business Model Canvas for coconut charcoal export company in Yogyakarta" could include the following:

- To analyze the business models of coconut charcoal companies in Yogyakarta and how they have been affected by the pandemic.
- To identify the key factors that have influenced the export performance of coconut charcoal companies in Yogyakarta during and after the pandemic.

3. To examine the relationship between the business model and the success or failure of coconut charcoal companies in Yogyakarta during and after the pandemic, and identify the factors that contribute to this.

Overall, the research objectives for this study would be to understand the challenges and opportunities facing coconut charcoal companies in Yogyakarta during and after the pandemic, to evaluate the impact of business models on their export performance, and to develop recommendations for improving their performance in the face of ongoing challenges.

1.5 Significance of the research

The research on "the development of Business Model Canvas for coconut charcoal export company in Yogyakarta" could be significant for several reasons.

First, the research could provide valuable insights into the challenges and opportunities facing coconut charcoal companies in Yogyakarta during and after the pandemic. By understanding the key factors that are impacting the export performance of these companies, the research could help these companies to identify and address the challenges that they are facing, and to take advantage of new opportunities that may arise.

Second, the research could help these companies to develop more effective business models that are better suited to the challenges and opportunities posed by the pandemic. By identifying the strengths and weaknesses of existing business models, and by developing recommendations for improving these models, the

research could help these companies to become more competitive in the global market and to improve their export performance.

Third, the research could also provide valuable insights for policymakers and industry organizations. By understanding the factors that are impacting the export performance of coconut charcoal companies in Yogyakarta, policymakers and industry organizations could develop strategies and initiatives to support these companies and help them to overcome the challenges that they are facing.

Overall, this study could be significant for the companies themselves, for policymakers and industry organizations, and for the broader community of stakeholders interested in the success of these companies and the growth of the coconut charcoal industry.

1.5.1 Theoretical benefits

The research on "the development of Business Model Canvas for coconut charcoal export company in Yogyakarta" could have several theoretical benefits.

First, the research could contribute to our understanding of the relationship between business model and export performance. By examining the business models of coconut charcoal companies in Yogyakarta, and by evaluating their impact on export performance, the research could provide insights into the factors that contribute to the success or failure of these business models. This could help to build a more comprehensive understanding of the relationship between business model and export performance, and could inform future research on this topic.

Second, the research could also contribute to our understanding of the impact of the pandemic on the export performance of coconut charcoal companies in Yogyakarta. By examining the challenges and opportunities facing these companies during and after the pandemic, the research could provide insights into the ways in which the pandemic has impacted the export market, and could help to identify strategies for overcoming these challenges and taking advantage of new opportunities.

Third, the research could also help to identify best practices for improving the business models of coconut charcoal companies in Yogyakarta. By developing recommendations for enhancing the export performance of these companies, the research could provide valuable insights for practitioners and policymakers, and could help these companies to develop more effective business models for the future.

This study could have several theoretical benefits, including enhancing our understanding of the relationship between business model and export performance, identifying the impact of the pandemic on these companies, and developing best practices for improving their business models.

1.5.2 Practical benefits

The research on "the development of Business Model Canvas for coconut charcoal export companies in Yogyakarta" could have several practical benefits.

1. The research could provide valuable insights for coconut charcoal companies in Yogyakarta. By examining the challenges and opportunities

facing these companies during and after the pandemic, the research could help these companies to identify strategies for overcoming these challenges and taking advantage of new opportunities. This could help these companies to improve their export performance and to become more competitive in the global market.

- 2. The research could also provide valuable insights for policymakers and industry organizations. By understanding the challenges and opportunities facing coconut charcoal companies in Yogyakarta, policymakers and industry organizations could develop strategies and initiatives to support these companies and help them to overcome the challenges that they are facing. This could help to promote the growth and development of the coconut charcoal industry in Yogyakarta, and could support the success of these companies.
- 3. The research could also benefit the broader community of stakeholders interested in the success of coconut charcoal companies in Yogyakarta. By providing insights into the challenges and opportunities facing these companies, and by identifying strategies for improving their export performance, the research could help to support the growth and development of the coconut charcoal industry in Yogyakarta, and could contribute to the overall economic and social well-being of the region.

Overall, this research could have several practical benefits, including providing valuable insights for coconut charcoal companies, policymakers and industry organizations, and the broader community of stakeholders.

1.6 Literature Review

1.6.1 Business Model

A business model refers to the way in which a company creates, delivers, and captures value. It encompasses the strategic choices and decisions made by a firm, such as the types of products or services it offers, the target market it serves, and the channels through which it reaches customers. In other words, a business model defines the manner in which a company generates revenue and profits. A successful business, according to Johnson et al., will make use of its organizational resources (people, technology, tangible and intangible assets, brand) and carry out the proper operations (trainings, development, manufacturing, budgeting, planning, and selling) to provide value to the company (Johnson et al., 2008).

Business models can take many different forms, depending on the specific goals, resources, and capabilities of the firm (Chesbrough, H., et al., 2002). For example, a company may choose to adopt a product-based business model, in which it focuses on creating and selling a specific product or range of products to a defined market. Alternatively, it may choose to adopt service-based business model, in which it focuses on providing a specific service or range of services to a defined market (Utomo & Pangeran, 2020).

The choice of business model is a critical decision for any company, as it can have a major impact on the firm's success and competitiveness (Demil, B., et al., 2010). A well-designed business model can enable a company to differentiate itself from its competitors, to reach new markets, and to capture new sources of value

(Munna, 2021). On the other hand, a poorly-designed business model can limit a company's growth and profitability, and may make it vulnerable to disruption from competitors.

In another perspective, a business model is a system of resources and activities, which creates a value that is useful to the customer and the sale of this value makes money for the company (Foss, NJ., et al., 2017). The purpose of the analysis of business models is to deepen and broaden the knowledge about basic components of a business model. We see the importance of this aim in improving the functionality and economy of the business models, and in discovering and developing competitive advantage, which can be detected by the companies themselves (Slávik, 2011).

Furthermore, according to John Mullins and Randy Komisar (Mullins & Komisar, 2009) a successful business model stands on five pillars, which predetermine the economic viability of the business. The revenue model is defined by the authors as the money that comes from a customer who is willing to buy what the company sells. Gross margin model is the difference between revenue from sales and cost for production, thus money, which lefts after payment of direct costs. Operating model includes fixed costs that are indirectly paid for production. Working capital model is a cash which must be available to ensure fluent operation until the customer pays for the goods. Investment model describes the usage of money that the company wants to invest for the development of business. The recipe for a successful model is in the harmony of all five models, which helps to be more effective and this harmony creates value for customers and profit for the company.

A successful company is one which after paying of the gross margin, operating costs, operating capital and investments has still free money. A positive mathematical result is a sign of success in the present and probably also in the future. This concept should be applied for an analysis of business economy and evaluation of financial health, but it abstracts from other components of the business model. This model gives just little attention to the value, which is offered to the customer, and that is why this model is not useful for complex analysis.

David Watson (2005) shows and evaluates business models through six components: competitors, customers, economy, management, products and suppliers. He offers new and unusual insights into each component. The competitors are defined by barriers of entry to market, threat of substitute products, competition within the industry and the advantage of being the first in the market. Customers are evaluated according to their characteristics, types of contracts and payment rates. Author highlights the advantage of continuous discovery of gaps in the market. Economy of a company is analyzed by considering acquisitions, economies of scale, earning on the growth of another company, dividends and breakpoint. Management is evaluated by the moral view, conflicts checking, accounting rules, success in the past and relationship with partners. Analysis of the products is focused on the brand loyalty, competitive advantage, creating new products, differentiation, sale places and innovation of value chain. Suppliers are defined by their negotiation power and opportunistic buying. This model has a complex character. Its uniqueness is that the model analyzes sector factors, such as competition, which belong to an environment of business model, but is not part of business model components. Another concept is made by authors W. M. Johnson, C. M. Christensen and H. Kagerman (Johnson et al., 2008) define a business model as a set of four components, which are interconnected: value for a customer, profit formula, key resources and key activities. Successful company creates value for customers and generates profit. A necessary condition for success is having the resources (people, technologies, tangible and intangible assets, brand) and doing the right activities (training, development, production, budgeting, planning and selling). The concept comprehensively describes all the essential components of business. Concept of authors Alexander Osterwalder and Yves Pigneur, called Canvas (Osterwalder et al., 2009) defines a business model using nine components: customer segments, customer relationships, distribution channels, value proposition, key resources, key activities, partners, cost structure and revenue streams.

In recent years, the concept of business model has gained increasing attention from scholars and practitioners alike. This is due in part to the rapid pace of technological change and market disruption, which has made it more important than ever for firms to be able to adapt and innovate in order to remain competitive. As a result, there has been a growing interest in understanding the key factors that influence the design and performance of business models, and in developing tools and frameworks that can help firms to create and optimize their business models (George, G., et al., 2011).

1.6.2 Business Model Canvas

The concept of a business model outlines the fundamental ideas of how an organization generates, provides, and obtains value, as described by Osterwalder and Pigneur (Osterwalder et al., 2009). According to Amit and Zott (Amit & Zott, 2001) a business model encompasses the substance, arrangement, and management of transactions in a way that allows for the creation of value by exploiting business opportunities. The nine blocks of a Business Model Canvas demonstrate how a business operates and are interconnected with each other (Ghaziani, et al., 2005). The Business Model Canvas is a tool utilized to illustrate, visualize, assess, and modify an existing business model. Osterwalder and Pigneur (Osterwalder et al., 2009) provide a breakdown of the nine blocks of the Business Model Canvas, which is explained below:

1. Customer Segment

The section labeled "Customer Segment" refers to a cluster of people or companies who desire to be engaged and provided with services by a business. As per Royan (Royan, 2014) the customer segment comprises those who purchase a company's products, thereby contributing to its profits.

2. Value Proposition

The value proposition block symbolizes the amalgamation of products and services that generate value for a specific group of customers. This proposition can address the customer's problems or fulfill their requirements. According to Kotler and Keller (Kotler & Keller, 2016) a value proposition encompasses all

the benefits offered by a company beyond the fundamental position of the product or service.

3. Channels

The channel block illustrates the methods a company employs to interact with its customer base and provide them with a valuable offer. According to Wladyslaw and Szopa (Szopa & Pekala, 2014) channels are a team within a company that serves to establish a link between the organization and its customers by facilitating the delivery of products or services.

4. Customer Relationship

According to Royan (Royan, 2014) the customer relationship block refers to the different types of connections that businesses establish with particular customer groups. These relationships serve three primary purposes: to establish connections with new customers, to retain existing customers, and to provide both new and existing products or services to both new and existing customers.

5. Revenue Streams

The revenue block demonstrates the cash generated by individual customer segments. A business model has two types of revenue streams: one is the revenue generated by transactions from a single customer's payment, and the other is revenue generated from ongoing payments to either provide value propositions or support customers beyond their initial purchase.

6. Key Resources

The essential element required for a successful business model is the block of key resources. Key resources are necessary for every business model to function effectively. These resources empower a company to generate and provide valuable services or products, access the market, establish and maintain relationships with their customer base, and generate income. Key resources may comprise physical, financial, intellectual, or human resources.

7. Key Activities

The cluster of essential tasks displays the crucial actions that a company must undertake to ensure the success of its business model. A business model requires a set of primary activities that are essential for its effective operation. These main activities are necessary for creating and offering a value proposition, reaching the target market, managing customer relationships, and generating revenue.

8. Key Partnership

The set of important alliances signifies the supplier network and collaborators that are crucial for the functioning of the business model. According to Horton (Horton et al., 2009), a partner refers to a business entity that has a role in both the strengths and weaknesses of a business. Businesses establish partnerships for various reasons, and such partnerships are a fundamental component of diverse business models.

9. Cost Structure

The cost block displays all expenses required for running a business model and highlights the significant costs associated with operating a particular business model. According to Osterwalder and Pigneur (2012), there are two types of cost structures: cost reduction and value creation.

Researchers decided to choose Business Model Canvas on this research because of some reason and consideration according to the benefits of using the Business Model Canvas (BMC) over other business models like Porter's Theory or the Rivalry Theory.

Firstly, the BMC is a visual representation that helps entrepreneurs understand and communicate their business model effectively. It provides a clear and concise overview of a company's strategy, allowing for quick analysis and adjustments (Gruber, M., et al., 2010). In contrast, Porter's theory focuses on analyzing competitive forces within an industry, while Rivalry theory concentrates on analyzing the competitive behavior of firms in the same industry. These models may not be as helpful for startups and small businesses that need to focus on developing their business models.

Secondly, the BMC is a flexible and adaptable tool that can be easily updated and modified as the business evolves. The model consists of nine building blocks that cover all aspects of a business, from customer segments to revenue streams. This comprehensive approach enables entrepreneurs to identify potential problems and opportunities in their business model and make necessary changes to improve it (Heikkilä, et al., 2014). In contrast, Porter's and Rivalry theories may not offer the same level of flexibility and adaptability.

Thirdly, the BMC encourages collaboration and discussion among team members, stakeholders, and customers. The visual nature of the model makes it easy for everyone to understand and contribute to the development of the business model. This collaborative approach can lead to more innovative and effective business models (Kim C et al., 2015).

The BMC is chosen because of its popularity and widespread use among entrepreneurs and startups. The BMC has been widely adopted by businesses of all sizes and has been proven to be effective in developing successful business models (Lecocq et al, 2006).

In conclusion, the Business Model Canvas is a powerful tool for developing, analyzing, and communicating a business model (Massa et al., 2014). Its flexibility, adaptability, comprehensiveness, collaborative nature, and popularity make it a superior choice over other business models like Porter's and Rivalry theories, especially for startups and small businesses.

1.6.3 The strength of Business Model Canvas

The strengths of a Business Model Canvas are:

- 1. Clarity and simplicity: The Business Model Canvas is easy to understand and use, providing a clear and simple way to analyze a business model.
- Flexibility: The Business Model Canvas can be adapted to different industries
 and business models, making it a versatile tool for startups and established
 businesses alike.
- 4. Collaboration: The Business Model Canvas can be used to facilitate collaboration among team members and stakeholders, providing a shared language and understanding of the business model.

- 5. Focus on customer value: The Business Model Canvas emphasizes the importance of understanding and creating value for customers, which is essential for success in today's competitive marketplace.
- 6. Holistic view: The Business Model Canvas covers all the key areas of a business, providing a holistic view of the business model and enabling businesses to identify and address potential weaknesses.

Concept of authors Alexander Osterwalder and Yves Pigneur (2009), defines Business Model Canvas using nine components: customer segments, customer relationships, distribution channels, value proposition, key resources, key activities, partners, cost structure and revenue streams. Canvas is a powerful visualization tool and clearly shows all the components and their interconnections.

Customer segments are defined by five types of market: mass, segmented, niche, diversified and multi-sided. Mass market represents a large group of customers with similar needs and problems. Segmented type divides customers into groups based on the same characteristics. There are products and services tailored to the customer in niche markets. Diversified markets are located in two or more industries with different needs and problems.

Companies, which are deciding about distribution channels, can choose between selling through its own sales network (direct sales: store, salesman, website, application in smartphones, telephone) or outsource the sale (indirect: intermediator). Standard relationship with customers is personal assistance, which is based on human interaction. Customer communicates directly with the salesman during the whole sale process.

Modification of this type is dedicated personal assistance, when the client has got the only agent, who takes care of him. In self-service type, the company has no contact with the customer, and just provides the service or product. Automated services connect sophisticated customer service with automated processes (internet) and use a CRM system that recognizes the client and can recommend to him the suitable product or service.

Enterprises are increasingly using communities to improve connections with customers. This type of relationship provides a free quality database of observations directly from the customer. The modern type of relationship is co-creation, which makes the relationship beyond the standard and client becomes co-creator of product or service (Meertens et al, 2016). A component revenue stream describes cash flows. Among the most used, authors include the sale of goods and services. Rental and leasing generate income from providing exclusive rights to use certain assets. Licensing generates money from giving customers permission to use protected intellectual property in exchange for licensing fees. Brokers earn from each deal. Advertising generates revenue from providing medial areas. Key resources include tangible resources (production facilities, buildings, vehicles, and equipment) and intellectual resources (brand, knowledge, patents, copyrights, partnerships, customer databases and human resources - staff and managers).

Key activities describe the most important activities involved in value creating. It can be production, delivery of product, designing, marketing, selling. A component key partner describes the most important companies, authority or people cooperating with the company. Optimization and economies of scale lead to

partnerships that serve for cost reducing. Sharing of know-how, finance or technology motivates companies to join the activities in a partnership. An example is the Blue-ray technology, which was developed by a group of the world's leading manufacturers of electronics, and after research and development they started to sell their Blue-ray products individually.

Acquisition of resources and activities also encourages companies to search for partners, because companies do not own all the necessary resources or do not execute all the necessary activities for their business. For example, insurance companies have brokers who sell products and insurance companies can deal with the core business. Costs represent a monetary award of production.

In summary, the strength of a business model is determined by its ability to create, deliver, and capture value for a firm. A strong business model is one that is based on a clear and well-defined value proposition, a robust and scalable business model, and a strong competitive advantage (Ranganathan et al, 2019).

1.6.4 The weakness of Business Model Canvas

The weaknesses of a Business Model Canvas are:

- Limited detail: The Business Model Canvas provides a high-level overview of a business model, which may not be sufficient for some businesses that require a more detailed analysis.
- Lack of guidance: The Business Model Canvas does not provide guidance on how to develop a business model, which may make it difficult for some users to apply the tool effectively.

- 3. Oversimplification: The Business Model Canvas may oversimplify complex business models, leading to a shallow understanding of the business and potentially overlooking important aspects of the business model.
- 4. Focus on external factors: The Business Model Canvas focuses primarily on external factors such as customers, channels, and partnerships, and may not adequately address internal factors such as organizational structure and culture.
- 5. Limited applicability: The Business Model Canvas may not be applicable to all types of businesses, such as nonprofit organizations or government agencies, which have different goals and operating models.

Overall, the Business Model Canvas is a useful tool for analyzing and creating business models, but it has limitations that should be taken into account when using the tool. It is important to use the tool in conjunction with other analytical tools and methods to ensure a comprehensive analysis of the business model. The weakness of a Business Model Canvas is determined by its inability to create, deliver, and capture value for a firm. A weak Business Model Canvas is one that is based on a poorly-defined or unclear value proposition, a fragile or inflexible Business Model Canvas, and a lack of competitive advantage (Sutrisno, 2019).

1.6.5 Coconut charcoal export

Coconut charcoal export refers to the process of exporting coconut charcoal from one country to another. Coconut charcoal is a type of charcoal that is made from coconut shells, which are the hard, outer shells of coconuts. Coconut charcoal

is valued for its high heat and energy content, and is used in a variety of applications, including grilling, barbecuing, and industrial processes.

Coconut charcoal is produced in many countries around the world, including Indonesia, the Philippines, and Thailand. In these countries, coconut charcoal is typically produced by small-scale producers using traditional methods, such as kiln-based production. The coconut charcoal industry is an important source of livelihoods for many small-scale producers, and is also a significant contributor to the export performance of these countries.

Coconut charcoal is exported to a wide range of countries, including Japan, South Korea, and the United States. These countries are major consumers of coconut charcoal, and import large volumes of the product for use in various applications. The export of coconut charcoal is a complex and dynamic process, involving a range of stakeholders, including producers, exporters, buyers, and regulators.

In recent years, the coconut charcoal export industry has faced numerous challenges, including competition from other charcoal-producing regions, fluctuations in global demand, and the impact of the Covid-19 pandemic. Despite these challenges, the industry remains an important contributor to the economies of coconut-producing countries, and continues to play a vital role in global trade.

1.6.6 Coconut charcoal export during and after pandemic

Coconut charcoal export during and after the Covid-19 pandemic has been affected by the global economic downturn and disruptions to international trade.

The pandemic has resulted in a decrease in global demand for coconut charcoal, as many countries have experienced economic contractions and declines in consumer spending. This has led to a reduction in the export volumes and values of coconut charcoal from major producing countries, such as Indonesia, the Philippines, and Thailand.

During the period of the pandemic, many coconut charcoal exporting firms in these countries have faced challenges in maintaining their export performance. Some firms have had to deal with disruptions to their supply chains, as the pandemic has disrupted the transportation of goods and the availability of raw materials. Others have had to cope with changes in consumer demand, as the pandemic has shifted consumer preferences and purchasing patterns. In response to these challenges, many firms have had to adapt their business models and strategies in order to maintain their export performance.

After the pandemic, the coconut charcoal export industry is likely to continue facing challenges, as the global economy recovers from the effects of the pandemic. Many countries are expected to experience slower economic growth and higher levels of unemployment, which may affect demand for coconut charcoal. At the same time, the industry is likely to face increased competition from other charcoal-producing regions, as these regions look to capture a larger share of the global market. In order to overcome these challenges, coconut charcoal exporting firms will need to continue adapting their business models and strategies in order to maintain their export performance (Nordy F. L. et al., 2021).

1.6.7 The influence of the business model to coconut charcoal export

The influence of business model on coconut charcoal export refers to the impact that different business models can have on the export performance of coconut charcoal firms. A business model is the way in which a company creates, delivers, and captures value, and encompasses the strategic choices and decisions made by a firm (Mutta et al., 2021). In the context of the coconut charcoal industry, different firms may adopt different business models depending on their specific goals, resources, and capabilities.

The influence of business model on coconut charcoal export can be significant, as the choice of business model can have a major impact on a firm's competitiveness and performance (Osterwalder et al., 2009). A well-designed business model can enable a company to differentiate itself from its competitors, to reach new markets, and to capture new sources of value (Boons & Lüdeke-Freund, 2013). For example, a firm that adopts a product-based business model may be able to develop and market unique coconut charcoal products that are highly sought-after by consumers. On the other hand, a poorly-designed business model can limit a company's growth and profitability, and may make it vulnerable to disruption from competitors.

In order to understand the influence of business model on coconut charcoal export, it is important to examine the various business models adopted by coconut charcoal exporting firms, and to evaluate the impact of these business models on the firms' export performance (F., Lüdeke, 2010). This can be done through the use of quantitative and qualitative data, such as export data, market research, and

interviews with key stakeholders. By analyzing the relationship between business model and export performance, it is possible to identify the factors that influence the competitiveness and performance of firms in the coconut charcoal industry.

1.6.8 Recent Canva's Business Model in Indonesia Export Coconut Charcoal Company

Indonesia is one of the largest coconut producing countries in the world, making coconut charcoal a valuable export commodity. One Indonesian company that has recently adopted a new Business Model Canvas for their coconut charcoal export business is making waves in the industry.

The new model emphasizes sustainable and environmentally friendly practices, such as using coconut shells that would otherwise go to waste as the raw material for their charcoal. Additionally, the company has streamlined their supply chain by partnering with local farmers to source the coconut shells and implementing efficient production processes. This has resulted in a reduction in costs and an increase in profit margins.

The company also focuses on building long-term relationships with their customers, ensuring high-quality products and excellent customer service. By adopting this innovative Business Model Canvas, the company has positioned itself as a leader in the industry and is making a positive impact on both the environment and the economy.

The current business model in the export of coconut charcoal company in Indonesia has been criticized by experts as not being a good model yet. One of the primary reasons is the unsustainable sourcing practices of coconut charcoal.

Coconut trees are being cut down at an alarming rate, resulting in deforestation and habitat loss for wildlife. Furthermore, the traditional method of producing coconut charcoal is energy-intensive and emits a significant amount of greenhouse gases, contributing to climate change.

In addition, there is a lack of transparency in the supply chain, with little information available about the working conditions of the laborers who produce the charcoal. These issues have led to concerns about the social and environmental impact of the coconut charcoal industry.

To create a sustainable and responsible business model, the industry must adopt more environmentally-friendly and socially responsible practices, such as using sustainable sourcing methods and promoting fair labor practices.

1.6.9 Recent Canva's Business Model in Yogyakarta Export Coconut Charcoal Company

The Business Model Canvas is a strategic management tool that helps organizations to visualize, analyze, and communicate their business model. The canvas provides a framework that highlights the key elements of a business model, such as customer segments, value propositions, channels, revenue streams, and cost structure.

When it comes to exporting charcoal in Yogyakarta, the Business Model Canvas can be a useful tool to identify and evaluate the key factors that impact the success of this business. For instance, companies can use the canvas to identify the target customer segments, understand their needs and preferences, and develop a

value proposition that meets their expectations. Additionally, companies can use the canvas to analyze the channels through which they can reach their customers, such as online platforms, retail stores, or wholesale distributors. Moreover, the canvas can help companies to identify the costs associated with the production, distribution, and marketing of their charcoal products, and develop a revenue model that ensures profitability.

Regarding the implementation of the Business Model Canvas in charcoal companies in Yogyakarta, it is not mandatory for all companies to use this tool in their operations. However, it can be a valuable tool for companies that want to optimize their business model, improve their competitive advantage, and adapt to changing market conditions. Therefore, some companies may choose to implement the canvas, while others may prefer to use other strategic management tools or rely on their experience and intuition.

According to the researcher's findings, four out of the surveyed charcoal companies in Yogyakarta are currently using the Business Model Canvas in their operations. These companies have found the canvas to be a useful tool to identify their strengths and weaknesses, explore new opportunities, and align their activities with their strategic goals. However, other companies have not adopted the canvas, either because they are not familiar with this tool, or they prefer to use other methods to manage their business.

The researcher chose to focus on the four export charcoal companies in Yogyakarta because these companies are using the Business Model Canvas, which is relevant to the research topic. This means that these companies have a unique

approach to their business operations, which can provide insights and valuable information for the study.

Other companies in Yogyakarta may not be using the Business Model Canvas, which makes them less relevant to the research topic. The researcher likely chose to focus on the four companies that are using the Business Model Canvas because they are more likely to provide useful data and insights that can help achieve the research objectives.

Overall, the selection of the four export charcoal companies in Yogyakarta that are using the Business Model Canvas is a contextual decision based on the specific research topic and objectives.

This business model involves building a network of partners and collaborators who contribute to the company's value proposition, enabling it to expand its reach and increase its revenue. In the case of the Yogyakarta-based coconut charcoal export company, Canvas has enabled the business to connect with suppliers, logistics companies, and buyers in new markets, resulting in increased profitability.

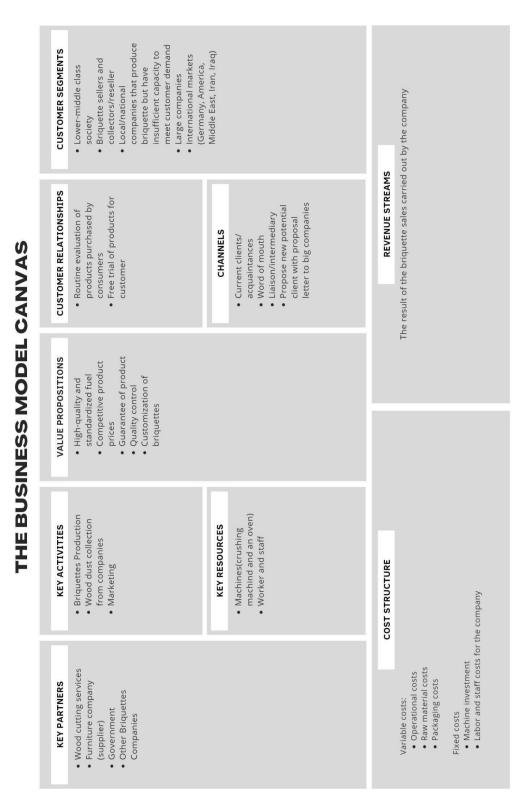


Figure 1. 1 Business Model Canvas of Yogyakarta briquette Export Companies

Additionally, the Canvas model encourages companies to focus on building strong relationships with their partners, which can lead to increased trust and cooperation, ultimately resulting in mutual benefits for all involved. Overall, the Business Model Canvas has proven to be an effective way for companies in Yogyakarta and beyond to navigate the complex world of international trade and achieve sustainable growth.

The drafting of this Business Model Canvas is based on discussions held with informants' company's employees. Figure 1.1 is the existing Business Model Canvas of 4 export briquette companies in Yogyakarta as our informants.

Tables of Each BMC Segment that used by 4 informants' companies:

Table 1. 1 Key Partner Segment in BMC that used by 4 informants companies

| No. | Key Partner | PT MJAN | UD AI | PT KBP | PT MJA |
|-----|------------------------------|------------|-------|-----------|-----------|
| 1 | Wood Cutting Service | V | V | V | V |
| 2 | Furniture Company (Supplier) | V | • | <u> </u> | V |
| 3 | Government | V | V | | |
| 4 | Other Briquettes Company | | | V | |

Table 1. 2 Key Activities Segment in BMC that used by 4 informants companies

| No. | Key Activities | | PT | UD | PT | PT |
|-----|-----------------------|------|-------------|----|------------|-----|
| | • | | MJAN | ΑI | KBP | MJA |
| 1 | Briquettes Production | | V | V | V | V |
| 2 | Wood dust collection | from | V | | | V |
| | companies | | | | | |
| 3 | Marketing | | V | V | V | V |

Table 1. 3 Key Resources Segment in BMC that used by 4 informants companies

| No. | Key Resources | PT MJAN | UD AI | PT KBP | PT MJA |
|-----|--------------------------------|------------|----------|-----------|-----------|
| 1 | Machines (crushing machine and | V | V | V | V |
| | an oven) | | | | |
| 2 | Worker and staff | V | V | V | V |

Table 1. 4 Value Proposition Segment in BMC that used by 4 informants companies

| No. | Value Proposition | PT | UD | PT | PT |
|-----|-------------------------------|------|----|-----|-----|
| | | MJAN | ΑI | KBP | MJA |
| 1 | High quality and standardized | V | V | | |
| | fuel | | | | |
| 2 | Competitive product price | | | V | V |
| 3 | Guarantee of product | V | | | V |
| 4 | Quality control | V | V | V | V |
| 5 | Customization of briquettes | V | | | V |

Table 1. 5 Customer Relationship Segment in BMC that used by 4 informants

| No. | Customer Relationship | PT MJAN | UD AI | PT KBP | PT MJA |
|-----|--------------------------------------|------------|----------|-----------|-----------|
| 1 | Routine evaluation of products | V | V | | |
| | purchased by customers | | | | |
| 2 | Free trial of products for customers | V | | | V |

Table 1. 6 Channels Segment in BMC that used by 4 informants companies

| No. | Channels | PT | $\mathbf{U}\mathbf{D}$ | PT | PT |
|-----|--|-------------|------------------------|-----|-----|
| | | MJAN | ΑI | KBP | MJA |
| 1 | Current clients/acquaintances | V | V | V | V |
| 2 | Word of mouth | V | V | V | V |
| 3 | Liaison/Intermediary | V | | | V |
| 4 | Propose new potential client with proposal letter to big companies | V | V | | |

Table 1. 7 Customer Segment in BMC that used by 4 informants

| No. | Customer Segment | PT | UD | PT | PT |
|-----|--|-------------|----|-----|-----|
| | | MJAN | ΑI | KBP | MJA |
| 1 | Lower-middle class society | V | V | V | V |
| 2 | Briquettes sellers and collectors/reseller | V | V | | |
| 3 | Local/national companies that produces | V | | | V |
| | briquettes but have insufficient capacity | | | | |
| | to meet customer demand | | | | |
| 4 | Large companies | V | V | | |
| 5 | International markets (Germany, | V | V | V | V |
| | America, middle east, Iran, Iraq) | | | | |

Table 1. 8 Cost Structure Segment in BMC that used by 4 informants companies

| No. | Cost Structure | PT MJAN | UD AI | PT KBP | PT MJA |
|-----|--|------------|----------|-----------|-----------|
| 1 | Variable cost: - Operational cost | V | V | V | V |
| | Raw material costPackaging cost | | | | |
| 2 | Fixed cost: - Machine investment - Labor and staff costs for the company | V | V | V | V |

Table 1. 9 Revenue Stream Segment in BMC that used by 4 informants companies

| No. | Revenue Streams | PT MJAN | UD AI | PT KBP | PT MJA |
|-----|------------------------------------|------------|----------|-----------|-----------|
| 1 | The result of the briquettes sales | V | V | V | V |

In the development/mapping of the Business Model Canvas that has been conducted, it turns out that the customer segment of briquette companies in Yogyakarta consists of lower-middle class society, both local and large companies,

intermediaries/resellers who sell briquettes as fuel for shisha, room heating, and barbecue, and for its international market, there are several countries in America and the Middle East. The proposition offered is in the form of customization of briquette shape and quality that is in accordance with standardized and quality-controlled products. Briquette companies in Yogyakarta use intermediaries/resellers, word of mouth or testimony, and recommendations from old clients as channels to reach their customers, which is still quite conventional. Then, the relationship with customers is generally conducted by giving free trial products to customers. The revenue stream element of briquette companies in Yogyakarta only consists of briquette sales. Furthermore, the main resources used are production machines with key activities being production activities. Meanwhile, the main partnerships that support the company's operations are intermediaries, suppliers, and the local government. In the last element, which is the cost structure, it contains the fixed and variable costs of briquette companies in Yogyakarta.

The current business model in the export coconut charcoal company in Yogyakarta province may not be a good model yet. There are several reasons for this. Firstly, the company relies heavily on a single export market. This makes it vulnerable to fluctuations in demand or changes in regulations that may affect the export of coconut charcoal. Secondly, the company's production process may not be efficient enough to compete with other similar companies in the market, resulting in higher production costs and lower profit margins. Thirdly, the company may not have a strong marketing strategy or brand recognition to differentiate itself from its competitors and attract more customers. Finally, the company may not be investing

enough in research and development to improve the quality of its products or develop new product lines that can cater to different customer segments. Therefore, the company needs to re-evaluate its business model and make necessary changes to ensure long-term sustainability and growth in the competitive market.

Based on the data obtained from the Business Model Canvas mapping above, according to researchers there are several strategic points that can still be developed to grow the business and improve the sales performance of briquette export companies in Yogyakarta. Proposed alternative Business Model Canvass will be discussed in more detail in chapter 4, in results and discussions.

1.7 Research Framework

The research framework for a study on "the development of Business Model Canvas for coconut charcoal export company in Yogyakarta" could include the following components:

- 1. A literature review: This component of the research framework would involve a review of existing research on the relationship between business model and export performance, as well as on the impact of the pandemic on the export performance of coconut charcoal companies. This literature review would provide a foundation for the study, and would help to identify key concepts and theories that would be relevant to the research.
- 2. Research questions and hypotheses: Based on the literature review, the research would develop specific research questions and hypotheses that would guide the study. These questions and hypotheses would be designed

- to address the research objectives of the study, and would provide a framework for collecting and analyzing data.
- 3. Research methods and data collection: The research would use a qualitative research method to collect data on the business models of coconut charcoal companies in Yogyakarta, and on their export performance during and after the pandemic. These methods could include surveys, interviews, and case studies, as well as the analysis of secondary data sources such as financial reports and industry data.
- 4. Data analysis and interpretation: The collected data would be analyzed using appropriate statistical and analytical techniques, in order to test the research hypotheses and to answer the research questions. The results of the analysis would be interpreted in the context of the existing literature, and would be used to develop conclusions and recommendations for improving the business models of coconut charcoal companies in Yogyakarta.

Overall, the research framework for a study on "the development of Business Model Canvas for coconut charcoal export company in Yogyakarta" would include a literature review, research questions and hypotheses, research methods and data collection, and data analysis and interpretation. These components would be integrated to provide a comprehensive and holistic understanding of the relationship between business model and export performance, and to develop recommendations for improving the export performance of coconut charcoal companies in Yogyakarta.

1.8 Research Method

This research uses qualitative research methods that are carried out systematically, starting with the following stages: 1) problem identification, 2) literature review, 3) data analysis, and 4) making conclusions. This qualitative research includes interpretive and naturalistic subject matter, meaningfully interpreted as an interpretation of research data based on specific phenomena (Aspers & Corte, 2019). Data was collected from four briquette companies in Yogyakarta as the informants for this research. The informant's names or company's name will be presented in alphabetical order due to the confidentiality concerns of the company. When conducting research, it is sometimes necessary to protect the identity of individuals who provide information or insights. Anonymity ensures the confidentiality and privacy of the informants, encouraging them to share their thoughts, experiences, or sensitive information without fear of reprisal or personal consequences. To achieve anonymity in research, specific methods and procedures can be implemented. Prior to participating in the research, informants should receive a consent form or information sheet that explains the purpose of the study, its scope, and potential risks and benefits. Emphasize the anonymity of their participation and clearly outline how their data will be handled, stored, and reported. This ensures that informants are fully aware of the confidentiality measures in place. To maintain anonymity, researchers assign pseudonyms or unique codes to each informant. Instead of using their real names, these identifiers are used throughout the research process, including data collection, analysis, and

reporting. Pseudonyms or codes help researchers refer to informants consistently without revealing their true identities. They are: PT MJAN, UD AI, PT KBP, and PT MJA. By implementing these measures, researchers maintain the anonymity of informants and protect their privacy throughout the research process. Safeguarding anonymity fosters a sense of trust and enables individuals to freely express their opinions, experiences, and sensitive information, contributing to the integrity and validity of the research outcomes.

1.8.1 Comparison of the Business Model Canvas

This study's comparison stage compares the Business Model Canvas of export performance related to coconut charcoal. The study of this business model is divided into two: during and after the COVID-19 pandemic. This comparison aims to determine a significant difference from the Business Model Canvas applied to achieve the main objectives of performance export in the coconut charcoal sector.

1.8.2 During and After the pandemic

The Business Model Canvas applied before the COVID-19 pandemic was an export system that led to countries in the Middle East, such as Saudi Arabia, with export value reaching \$ 36,554,000 in 2018. During pandemic, producers of Coconut Charcoal in Indonesia used the Global Value Chain system to connect suppliers with buyers from other countries. The leading producers of Coconut Charcoal are dominated mainly by SMEs and not companies under the auspices of the government. These producers are implementing strategies Gerakan Tiga Kali Lipat Ekspor or Triple Export Movement before the pandemic as a form of

acceleration to increase the volume or value of local producer exports to the global level. The "Triple Export Movement" (Gratieks) program is an invitation to all stakeholders in agricultural development to work by utilizing technology, innovation, networking, and strong cooperation in accordance with the direction of the Minister of Agriculture. According to this strategy Coconut Charcoal producers can reach an even larger market share globally by placing local producers on the GVC and global market competition.

Gerakan Tiga Kali Lipat Ekspor Indonesia (Gratieks) is a program initiated by the Indonesian Ministry of Agriculture to accelerate agricultural commodity exports in the country. It aims to encourage all stakeholders involved in agricultural development to work together, utilizing technology, innovation, networks, and strong cooperation, as directed by the Minister of Agriculture. The program coordinates and collaborates with relevant government agencies, including local governments, agricultural, plantation, and trade departments, as well as other institutions under the Ministry of Agriculture.

In addition to pursuing a threefold increase in quantity, the program also focuses on improving product quality, consistency, and continuity. Despite facing the COVID-19 pandemic, the Ministry of Agriculture remains consistent in boosting the production and export of plantation commodities. One of the main commodities currently being emphasized is coconut charcoal. This effort aligns with the acceleration of the Gratieks program until 2024.

According to data from the Central Bureau of Statistics (BPS) processed by the Directorate General of Plantation in 2019, Indonesia's export of coconut charcoal reached 188.05 thousand tons, with an export value of USD 145.09 million. Indonesian coconut charcoal products are mainly exported to China, Brazil, Germany, Lebanon, Malaysia, the Netherlands, Russia, Saudi Arabia, Sri Lanka, and Vietnam. The demand for coconut charcoal or briquettes is promising, and there is potential for market expansion. Currently, wood charcoal dominates the global briquette market. Developed countries, which are the largest consumers of these products, are well aware of the environmental damage caused by deforestation for charcoal production. Therefore, coconut charcoal has the potential to become a substitute product for wood charcoal that is environmentally friendly and sustainable.

During the pandemic, traditional distribution channels faced significant disruptions, leading to a greater reliance on online platforms, digital marketing, and direct export arrangements. Post-pandemic, a hybrid approach emerged, combining traditional channels with strengthened e-commerce strategies.

Post pandemic, companies determined the most effective channels to reach and engage with customers, considering shifts in consumer behavior and preferences. This may include online marketplaces, distributors, direct sales, or strategic partnerships.

Post pandemic, companies established strategies to build and maintain strong relationships with customers, especially in a digital and socially distanced environment. This may involve personalized customer support, loyalty programs, or feedback mechanisms.

Post pandemic, the companies identified potential revenue streams for coconut charcoal exports, such as direct sales, licensing agreements, or value-added services. Consider how the pandemic has affected pricing structures and adapt accordingly.

1.8.3 Research type

Of all types of data collection methods, case study is one well-known qualitative analysis form. This research method is implemented by utilizing complete and careful observation of a unit. The unit can be in the form of a family, an individual, a cultural group, and even an institution (Kothari, 2014).

Case study method enables a researcher to closely examine the data within a specific context. In most cases, a case study method selects a small geographical area or a very limited number of individuals as the subjects of study. Case studies, in their true essence, explore and investigate contemporary real-life phenomenon through detailed contextual analysis of a limited number of events or conditions, and their relationships.

In some case studies, an in-depth longitudinal examination of a single case or event is used. The longitudinal examination provides a systematic way of observing the events, collecting data, analyzing information, and reporting the results over a long period of time. For instance, studies on child language development can be conducted using this longitudinal case study method. Data collected through observations are recorded to ascertain the language development of a child. In

another example, a researcher conducting a case study may examine the reading processes of only one subject over a period of time.

In other words, a case study is a unique way of observing any natural phenomenon which exists in a set of data. By unique it means that only a very small geographical area or number of subjects of interest are examined in detail. Unlike quantitative analysis which observes patterns in data at the macro level on the basis of the frequency of occurrence of the phenomena being observed, case studies observe the data at the micro level.

Selection qualitative analysis and case study method enables this study to observe the phenomenon of and thus obtain in-depth data about how business model of coconut charcoal companies in Yogyakarta influence their export performance during and after the pandemic.

What is more, this research method enables the researcher to look into the factors influencing coconut charcoal export performance during and post pandemic as well as the factors that make these business model successful or fail because case study leads the researcher to conduct a study in a detail manner and in certain period of time. The data obtained, therefore, can be thorough and meaningful to provide an insight about the formulated problems.

1.8.4 Variable Measurement

In this study, conceptual and operational variables play a crucial role in ensuring the validity and reliability of the study's findings. The conceptual variables in this study are the development of Business Model Canvas and coconut charcoal export company in Yogyakarta. The Business Model Canvas refers to the strategic framework used by the coconut charcoal company to create, deliver, and capture value or a structured framework that describes the key components and activities of a business, including its value proposition, customer segments, revenue streams, cost structure, and distribution channels. The process of enhancing the performance and competitiveness of a coconut charcoal export company in Yogyakarta, Indonesia, through the implementation of a Business Model Canvas. This may include improvements in product quality, production efficiency, customer satisfaction, revenue growth, and profitability. The operational variables, on the other hand, are the specific measures used to operationalize the conceptual variables. For instance, the Business Model Canvas may be operationalized by examining specific components of the model, such as customer segments, value propositions, revenue streams, and cost structure.

1.8.5 Types and Sources of Data

The types and sources of data for a study on the influence of the Business Model Canvas on coconut charcoal export performance in Yogyakarta in 2020-2022 would depend on the specific research questions and hypotheses of the study.

However, some potential types of data that may be relevant to this study include: the first type of data is numerical data on the adoption rate of the Business Model Canvas among coconut charcoal exporters in Yogyakarta, as discussed above. This data could be collected through surveys or interviews with coconut charcoal exporters in Yogyakarta.

The next type of data is another numerical data which is in the form of the export performance of coconut charcoal exporters in Yogyakarta, including metrics such as revenue, profit, market share, and export volume. This data could be obtained from government agencies, trade organizations, or individual exporters.

Following, it is qualitative data on the experiences and perceptions of coconut charcoal exporters regarding the Business Model Canvas and its impact on their export performance. This data could be collected through in-depth interviews or focus group discussions with exporters.

Furthermore, secondary data on the Business Model Canvas and its application in the coconut charcoal industry, including case studies and reports from academic sources and industry organizations are also involved. This data could be obtained through literature reviews and online searches. Data was collected from four briquette companies in Yogyakarta as the informants for this research. The informant's names or company's name will be presented in alphabetical order due to the confidentiality concerns of the company. they are: PT MJAN, UD AI, PT KBP, and PT MJA.

Overall, the types and sources of data for this study would likely include a combination of both primary and secondary data, collected through a variety of methods such as surveys, interviews, and literature reviews.

1.8.6 Determination of Data Sources

In qualitative research, the unit of analysis refers to the level at which the researcher collects and analyzes data. The choice of unit of analysis is a critical

decision that will affect the research question, the research design, and the interpretation of findings. In this research, in order to choose the appropriate unit of analysis, the researcher uses the purposive way. Purposive here means a determination technique of data sources with certain considerations. These particular considerations for example here are those who are considered to know best about what we expect, or maybe they are the ruler so that it will make it easier for the researcher to explore the social object/situation under study.

According to Sugiyono (quoted in Mayasari, 2014) purposive sampling is a sampling technique of data sources with certain considerations. Researchers use techniques of purposive sampling because according to what Corbin and Strauss (Corbin & Strauss, 2012) said that purposive sampling, which is often considered more appropriate to use in qualitative research rather than random sampling technique. According to Guarte and Barrios (Guarte & Barrios, 2006) purposive sampling refers to the random selection of sample units in a population that has been segmented according to the needs of researchers. In this research, the unit of analysis is an export company which exports coconut charcoal in Yogyakarta.

There are 4 companies that will be our unit of analysis as data sources in this research. The purpose of sampling is to obtain descriptive picturing of the characteristics of the included observation/analysis units in the data sources, and to generalize as well as estimate population parameters. It is because researchers cannot make direct observations on all units of analysis or individuals/companies who are in the study population. Researcher take data from a portion of the population which is called a sample for represent the population.

The four (4) export company which exports coconut charcoal in Yogyakarta that will be the research unit of analysis (sample) are PT MJAN, UD AI, PT KBP, and PT MJA. Our informants name, our research findings and data will be presented in alphabetical order due to the confidentiality concerns of the company.

1.8.7 Data Collection Technique

In this study, the data are collected using observation, interview towards the research informants and literature study. For more details about data collection methods from this study will be explained as follows:

a. Observation

Observation in qualitative research as expressed by Djam'an and Aan (2012) is direct observation of objects to determine the existence of objects, situations, context and its meaning in an effort to collect research data. Moleong (2011) states that observation is used for optimize the ability of researchers in terms of motives, beliefs, attention, unconscious behavior, habits and so on. Muhadjir (2011) said quantitative observation is different from qualitative observation. Qualitative observation is free to examine the concepts and categories at each subsequent event in order to give meaning to the research subject or observation.

The observation used by researchers is non-systematic observation, namely does not use standard guidelines, but observations are made regularly spontaneously by observing what is and how the process of activity and what business models/systems have been applicated as well as competent people that will be used as a research resources/informants in the charcoal company in Yogyakarta.

Data was collected from four briquette companies in Yogyakarta as the informants for this research. The informant's names or company's name will be presented in alphabetical order due to the confidentiality concerns of the company. they are: PT MJAN, UD AI, PT KBP, and PT MJA. The stages of observation that researchers did in this study can be seen in Figure 3.1 below.



Figure 1. 2 Observation Stages

b. Interview

According to Esterberg (quotes in Sugiyono, 2013) an interview is a meeting of two people to exchange information and ideas through question and answer, so that meaning can be constructed in a certain topic. Related to this research, the researcher conducted interviews to obtain data related to research. Interview process carried out, in order to strengthen the data obtained when observations that have been made previously by the researcher.

Interview in this study is intended to obtain valid data about any factors that influencing coconut charcoal export performance during and post pandemic in Yogyakarta. Researcher conducted interviews in this study to four (4) informants

who are the employees of coconut charcoal export company in Yogyakarta. Data was collected from four briquette companies in Yogyakarta as the informants for this research. The informant's names or company's name will be presented in alphabetical order due to the confidentiality concerns of the company. They are: PT MJAN, UD AI, PT KBP, and PT MJA. Stages of interview that researcher do in this study, it can be seen in figure 3.2 below:



Figure 1. 3 Interview Stages

The observation and interview guides will function as descriptive qualitative analysis materials. The observation and interview guides will be conducted by referring to the observation sheet and interview guide's questions, which are developed from the theories elaborated in the previous chapters.

Observation is selected because it assists the researcher to collect a comprehensive picture of the observed situation (Ary et al., 2018), which in this case is the implementation of the business model of coconut charcoal companies in Yogyakarta. Meanwhile, the interview guide is chosen to be another data collection technique to help the researcher collect additional data about how business model

of coconut charcoal companies in Yogyakarta. This data will be beneficial because it can corroborate the data obtained from the other data collection technique.

Furthermore, the interview method type that was used for this research is structured interviews. A structured interview was used as a data collection technique because the researcher or data collector already knows for sure what information will be obtained. Therefore, the researcher already prepared the interview guide in the form of alternative written questions.

c. Literature Study

According to Sarwono (Sarwono, 2006) literature study is to study various reference books as well as the results of previous research which is useful for obtaining a theoretical basis on the problem to be researched. Related to this research, the researcher conducted a literature study in the form of comparing four (4) similar studies related to this research this time. Those four research papers that researcher compares, researcher analyze the method used, years of research as well as the results of the research and compare them with research that researcher does. Complete data from the results of literature studies that researchers did can be seen in Table 1.1.

1.8.8 Data Analysis Technique

The data will be analyzed using descriptive qualitative analysis based on the observation and interview guide. Using descriptive qualitative means that the data gathered from the research instruments will be gathered, analyzed and described in the forms of words rather than of numbers (Sugiyono, 2010). Therefore, data

analysis was carried out inductively based on the facts found and then it can be constructed into a hypothesis and theory to measure the influence. Inductive theorizing using data as a starting point for conducting research. The result will emphasize meaning rather than generalization.

1.8.8.1 Research Data Validity

The validity of a qualitative research design indicates a level of the phenomenon's clarity from the research result in accordance with reality. Qualitative study shows the extent to which the level of interpretation and the concepts obtained have a corresponding meaning between participants with researcher. Therefore, both researcher and participants have compatibility in describing and picturing events especially in drawing and conducting meaning from the phenomenon itself.

The validity of the research lies in the data collection and data analysis techniques that can be achieved through a combination of several strategies below:

- b. Relatively long data collection, so that it is possible to analyze and complete the data incrementally so that there is correspondence between the findings and reality.
- c. Multi-method strategy, allows for multiple blends on data collection techniques such as interviews, observation and literature study and also sources in data collection and analysis (triangulation).
- d. The participants or informants' language words need to get the formulation and detailed quote.

- e. Low inference descriptors, complete recording/notes/documentation, also details for both situation and person sources.
- f. Mechanical data loggers, using photo, video and recorder audio.
- g. Review by participants, asking participants to review the data, synthesize all the results of interviews and observation.
- h. Negative cases, search, record, analyze report data from negative or different cases with existing patterns.

According to the Central Statistics Agency (BPS), the export of Indonesian coconut charcoal products (HS 4402) increased by 4.69% from USD 145.1 million in 2019 to USD 151.9 million in 2020. Until now, Indonesian coconut charcoal briquettes are in demand by several friendly countries, such as Turkey, Brazil, and several other countries in Latin America and the Middle East.

With its advantage as a fuel with higher heat levels and more environmentally friendly compared to other sources, the demand for Indonesian coconut charcoal briquettes continues to increase, especially for cooking and grilling purposes, as well as fuel for shisha.

This aligns with the opinions expressed by the briquette companies in Yogyakarta while on the interview, who were the informants in this research. These companies highlighted that the high-quality characteristics of Indonesian coconut charcoal briquettes, coupled with their sustainable and renewable nature, have contributed to their growing popularity in international markets. Additionally, the companies emphasized that customers appreciate the superior heat output and long burning time of the briquettes, making them an ideal choice for various applications.

Furthermore, the government has recognized the potential of the coconut charcoal industry and has implemented policies and regulations to support its growth. These include initiatives to promote sustainable production practices, improve quality standards, and facilitate trade partnerships with foreign countries. The government's support and the positive response from customers further validate the significance of the Indonesian coconut charcoal industry as a valuable export commodity.

So, the statistical data from BPS, combined with the testimonials from briquette companies in Yogyakarta, provide compelling evidence of the validity and increasing demand for Indonesian coconut charcoal briquettes. This alignment of perspectives from business actors, government initiatives, and the satisfaction of customers underscores the positive trajectory of the industry and its potential for continued growth in the international market.

1.8.8.2 Subjectivity and Reflexivity

Qualitative research is subjective and reflective. Qualitative research does not use standard instruments; however, the researcher acts as an instrument. Data collected by Verbal is enriched and deepened by the results of sight, hearing, perception, appreciation of the researcher. Qualitative research involves significant subjective aspects. The researcher is free to interpret what he sees, hears, feels whatever he wants, he must be honest or disciplined with himself. While the objectivity of qualitative research means honest, researcher records what was seen, heard, captured, felt based on his perceptions and beliefs, not contrived or invented.

Qualitative research is also reflective is a careful and careful examination of all research processes.

1.8.8.3 Strategies to Increase Reflexivity

To be able to increase reflexivity in collection data, researchers can combine some of the following ways:

- a. Choose friends who can help simplify analysis and data interpretation.
- Keep a diary containing the date, time, place, person and activities to engage with participants.
- c. The field journal is a record of the changes made during the data collection process, reasons for changes and estimates of data validity.
- d. Notes on ethical conflicts, decisions and actions in field journals.
- e. Techniques for managing data recording, coding, grouping.
- f. Carry out formal confirmation activities such as surveys, groups Main, interview.
- g. Do self-criticism by asking questions about roles and activities in the entire research process.

1.8.8.4 Research Instrument

In qualitative research, which becomes an instrument or tool research is the researcher himself. Therefore, researchers as the instrument must also be validated to what extent the qualitative researcher is prepared to conduct research and then plunge into the field. Validation to researchers as an instrument including validation of understanding of qualitative research methods, mastery of insight to the field

under study, the researcher's readiness to enter the object researchers, both academically and logistically. Who do validation is the researcher himself, through self-evaluation how far understanding of qualitative methods, mastery of theory and insight into the field studied, as well as readiness and provision enter the field.

Qualitative researchers as human instrument's function determines the research focus, select informants as data sources, perform data collection, examine data quality, data analysis, interpret the data, and draw conclusions based on the findings. In qualitative research everything that will be sought from the object of research is unclear and the problem is uncertain, the source of the data, the expected results are not yet clear. Research plan is still temporary and will develop after researchers enter the object of research. In addition, in view of reality, Qualitative research assumes that reality is holistic (comprehensive), dynamic, and cannot be separated into research variables. Although they can be separated there will be a lot of variables. Thus, in research This qualitative research instrument cannot yet be developed before the problem under study is clear at all. Therefore, deep qualitative research "the researcher is the key instrument" so researchers is a key instrument in qualitative research.

The research instrument in this study consists of two sheets of letters that is one sheet of introduction letters from the researcher as a filling request and one sheet is an interview guide consisting of twenty-four (24) questions based on a predetermined research theme or topic sourced from previous study. The complete interview guide can be seen in chapter four (4) in table 4.1. There is also a

handphone as a tool for interviews and one Ms. Word software, Ms. Excel software and one laptop to process qualitative data.

1.9 Limitation of the Study

The research titled "The Development of Business Model Canvas for Coconut Charcoal Export Companies in Yogyakarta in 2020-2022" focuses on creating a business model canvas specifically tailored for coconut charcoal export companies operating in Yogyakarta, Indonesia, during the period from 2020 to 2022. While the study addresses an important topic and aims to provide valuable insights, it is essential to acknowledge some of its limitations.

- a. Generalizability: The findings of this research are specific to coconut charcoal export companies in Yogyakarta and might not be directly applicable to businesses operating in other regions or those involved in different industries.
 The unique characteristics, market conditions, and cultural aspects of Yogyakarta might limit the generalizability of the proposed business model canvas to a broader context.
- b. Sample Size and Representativeness: The research might be limited by the sample size and representativeness of the participants. If the study involved a small number of coconut charcoal export companies or only a particular subset of businesses in Yogyakarta, the results might not accurately represent the overall population. A larger and more diverse sample would have increased the robustness of the study.

- c. Timeframe: The research focuses on the period from 2020 to 2022, implying that the findings are applicable only within that specific time frame. The dynamic nature of business environments means that external factors, such as market trends, regulations, and economic conditions, might change beyond the studied period. Consequently, the proposed business model canvas might need adaptations or revisions to remain relevant in subsequent years.
- d. Data Collection Methodology: The methodology used to gather data can influence the reliability and validity of the findings. If the research heavily relied on self-report surveys, interviews, or observations, there could be potential biases and limitations related to respondents' subjectivity, recall accuracy, or social desirability bias. Additionally, the absence of objective data sources or triangulation methods might reduce the study's credibility.
- e. Long-term Sustainability: While the research aims to develop a business model canvas specifically for coconut charcoal export companies, the long-term sustainability and adaptability of such a canvas need to be evaluated. Business environments are subject to constant change, and new challenges, market dynamics, or technological advancements may require continuous updates and modifications to the canvas to ensure its relevance and effectiveness.

To mitigate these limitations and enhance the research's value, future studies could consider expanding the sample size, including businesses from different regions or industries, and extending the research period to evaluate the canvas's durability and applicability. Additionally, adopting a mixed-methods approach, incorporating objective data sources, and conducting follow-up studies to assess the

practical implementation and effectiveness of the proposed canvas would provide a more comprehensive understanding of its utility.