An Analysis of Dzikrayat Muslim Fashion Business Development Strategy With Canvas Business Model Approach In Ponorogo Regency, East Java

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Abstract. This research aims to develop a strategy for Dzikrayaat Muslim fashion business using a business model canvas (BMC). This used a descriptive qualitative method with SWOT analysis by samples of 4 stakeholder respondents and customers. The results show from a key partner perspective, Dzikrayaat needs to collaborate with brand ambassadors, Darussalam Gontor Boarding School graduates as new partners, agents, and distributors in marketing. From the perspective of key activities, the strategy can be done by adding product variations such as robes, headscarves, and other Muslim attributes. From the perspective of value proposition, adding the size of Muslim clothing is necessary. From the sector of customer relationships, it needs to give membership card and discount to loyal customers. For the customer segments, it adds a market of women or young mothers who are interested in Muslim fashion. From the key resources side, they have their cohesion and professional tailors. From the channels, it needs to start an online shop in the marketplace. From the perspective of revenue stream, it utilizes fabric waste for sale. Therefore, according to those results, researchers have some suggestions such as developing a strategy by adding some components to nine business blocks of the canvas model.

Keywords: Business Model Canvas, Dzikrayaat, Muslim Fashion, SWOT

Introduction

Clothing is one of the basic human needs in life. Currently, human finds a variety of clothing according to the movement and culture. This also applies to Muslims around the world because they must choose clothing that covers the intimate parts and appropriate to Islamic value. Muslim fashion has nothing to do with specific clothing, but can be defined as clothing that follows the principles of modesty and covering private parts. Principle of politeness in Islam indicates that women's clothing in public must cover the entire body and must be made of non-transparent material. According to Genel and Karaosmanolu (Genel, 2006)in the last

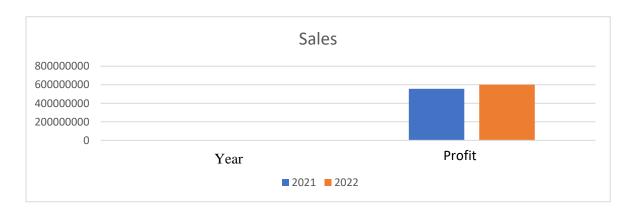
decade, the existence of Muslim fashion as a trend has received various acceptance, achievement and popularity at a rate that can be accelerated. Basically, today's designers have introduced Muslim fashion into fashion industry, especially in Indonesia, Egypt, Turkey and the United Arab Emirates. Today fashion designers refer Muslim fashion as contemporary art fashion.

Business in Indonesia has developed from businesses with a conventional concept to change into businesses with a sharia concept. This is also supported by the large number of Muslim communities in Indonesia; 236.53 million people in 2021 (Kusnandar, 2021). Those Muslim communities have a high awareness of fulfilling their daily needs with products and services that meet Islamic values or are following the Islamic law. This Muslim fashion business is now growing rapidly in Indonesia. There are many types of Muslim clothing such as robes, *koko* shirts, sarongs, *mukena*, long dresses, caps, headscarves, and so on. However, not all of these clothes meet the criteria of Islamic law thus as Muslim traders and producers should prioritize and fulfil the Islamic law in producing Muslim clothing/fashion. Moreover, nowadays the Muslim fashion trend is not only an indicator of practicing religious teachings, but also to beautify oneself with a Muslim appearance without abandoning Islamic law which has been recommended in the holy Qur'an and hadith from the Prophet.

In Ponorogo, East Java, the modern era development requires Muslim fashion manufacturers to have business strategies that are more creative and innovative to attract more consumers. Choosing a business strategy is a complex issue because marketing strategy can be viewed from various angles, for example as a puzzle, dilemma, trade-off, and paradox. One of the right methods for developing a business strategy is analysis Business Model Canvas (BMC). BMC is the application of determining the customer segmentation, the value proposition, the channels, the customer relationships, the revenue streams, the key resources, the key activities, the key partners and the costs structures (Tjiptono & Chandra, 2012).

In this case, one of Muslim fashion business is called Dzikrayat. This business is located on Jl. Jaksa Agung Suprapto number 108 Ponorogo. Dzikrayat produces modern *koko* clothes for men that guarantees compliance with Islamic law as well as Anti-mainstream Muslim clothing such as: covering the private parts, free from pornography, eye catching, unique

fashion type, having qualified fabric material, neat stitching, and affordable prices. Dzikrayat Muslim clothing can compete to other Muslim fashion brands in the national market. With the Muslim brand and its advantages, Dzikrayat Muslim clothing is capable to market the product to consumers around Ponorogo, to the consumers in various Boarding School in East Java, even to the whole country. The data of the recent two years of sales can be seen in the following table:



Graphic 1. Data of the Recent Two Years of Sales of Dzikrayat Muslim Fashion

Graphic 1 shows the development sale of Dzikrayat Muslim fashion from 2021 to 2022. It means that they get positive response from public their customers. However, those sales are still limited to offline marketing; that is the store center in Ponorogo and its branches in Jakarta. Meanwhile the online marketing uses websites and *shopee* market place that limit the amount of sales. To develop its Muslim fashion business, they need an internal and external analysis as well as strategies development. In this case, the internal and external analysis can be done by using SWOT analysis and formulation of development strategies by BMC analysis.

Previous study that uses deep BMC analysis development of batik products in Ponorogo (Kurniawan & Zarkasy, 2022) found that it was necessary to maximize each strategy of BMC components to expand the batik product marketing thus it would increase the income for the batik craftsman. Another research by (Rahman & Haryati, 2016) tried to do exploration development business using BMC. This was confirmed by a research that suggested the BMC

analysis was very effective and efficient in formulating some business developments (Hartatik & Baroto, 2017)

In its development Dzikrayat Muslim Clothing has its own weaknesses and strengths so that to develop this company it is necessary to carry out further analysis regarding internal and external factors using a qualitative approach with Business Model Canvas (BMC) analysis. This fashion business implements the concept of Muslim clothing that guarantees compliance with Islamic law as well as Anti-mainstream Muslim clothing such as: covering the private parts, free from pornography, eye catching, unique fashion type, having qualified fabric material, neat stitching, typical *koko* clothes selling and developed Muslim fashion.

Research Methods

This was a descriptive research with a qualitative approach. Descriptive is a method used to describe or analyze research but is not used to make broader conclusions (Bryman, 2012)Meanwhile qualitative descriptive approach is used to explain and describe the existing problems which are not yet clear. The researchers intended to understand the situation in depth regarding the theoretical study of the research object related to SWOT analysis theory which comes from Freddy Rangkuti (Rangkuti, 2015) and the Canvas business model which comes from Alexander Osterwalder (Osterwalder, 2012), therefore, the researchers needed to observe, participate and play a role in the research object. The object of this research was a Muslim fashion business strategy development with an approach of Business Model Canvas on Dzikrayat Muslim clothing manufacturers that is located in Ponorogo district.

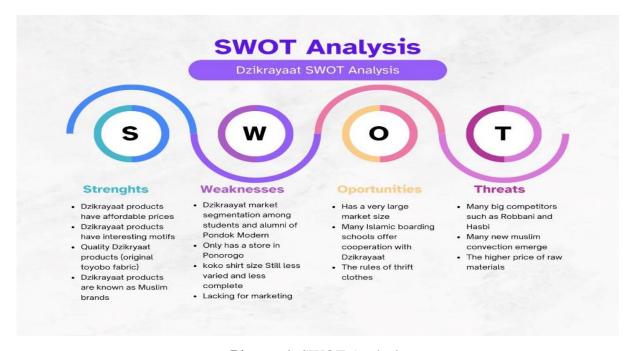
Data collection in this research used field observation techniques and in-depth interviews with each source. The core sources are the Dzikrayaat owner, marketing manager, outlet person in charge, Dzikrayaat customers. Data was analyzed using two techniques, the first using SWOT analysis, and the second analysis using Business Model Canvas analysis.

Results and Discussions

Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis.

Dzikrayaat is a business engaged in Muslim fashion that produces its products by paying attention to current trends, of course, there will be many ways to manage or develop

some business fields where the business competition will become more rapid, growing, and more competitive moreover that in business it is also necessary to pay attention to sharia marketing in the process of a business marketing in the process of business, so any form of transaction in marketing can be allowed. Therefore, researchers analyzed the Dzikrayaat Muslim fashion business with the Business Model Canvas and SWOT analysis. The following are the results of interviews regarding swot analysis on the Dzikrayaat Muslim fashion business .



Picture 1. SWOT Analysis

Based on the results of the interview with informants, it can be concluded that componant Strengths are included in the value proposition block in the business model canvas (BMC) table, and Weaknesses are used as suggestions for development strategies in the customer segment block, value proposition and channels and Opportunities are included in the key partner block and Threats are used as development strategies on the key partner block in introducing and marketing Dzikrayaat products to all levels of consumers. Collecting data about the SWOT of the Dzikrayat company helps researchers to map the results at the next stage of analysis, namely BMC analysis.

Discussion of Analysis Business Model Canvas of Dzikrayaat

The followings are the results of interviews with informant the owner of Dzikrayat, marketing manager, outlet person in charge, and the customers with BMC analysis:

Key Partners

Based on the results of interviews with informants, obtained data that the parties who collaborate (Key Partner components) in the production of Dzikrayaat Muslim Clothing are:
(1) Five other convections around Ponorogo; (2) Strategic partners includes 10 Islamic boarding schools throughout Java; and (3) Partner agents also distributors in distributing Dzikrayat products.

Key Activities

Based on the results of interviews with informants, obtained data that Dzikrayat's main activities (component Key Activities) are: (1) Production activities starting from searching for raw materials (fabric, thread) then process it into Muslim fashion products; and (2) Sales activities of Dzikrayat Muslim clothing products that are carried out at the Dzikrayat store.

Value Proposition

Based on the results of interviews with informants, obtained data that Dzikrayat's main values (component Value Proposition) are: (1) Having a good quality in terms of fabric selection. It uses original Toyobo fabric, which is a type of cotton fabric with a smooth and soft texture, slightly thicker, drier and tends to be glossy; (2) Having neat stitching; (3) Using bright colors to improve the customers' mood and make them feel calmer; (4) Producing unique Muslim clothing motifs that are attractive and in accordance with Islamic sharia; (5) Affordable for all levels of society; and (6) Its product is known as Muslim fashion brand by the customers, students and graduates of Gontor Boarding School thus they have Muslim fashion brand patent rights.

In developing the Muslim fashion business strategy, Dzikrayat can carry out new business strategy to increase the product sales including adding variations in sizes of *koko* shirts due to the differences among men's body sizes and the large demand for *koko* shirt products. Therefore, Dzikrayat tries to meet the market demand by increasing the size of the *koko* shirt.

Customer Relations

Dzikrayat needs to maintain a good relationship with its customers thus they will be more loyal and reluctant to switch to other products. The result of interviews with customers (Customer Relations) obtained data that Dzikrayat's way to connect with its customers are: (1) Providing sales promotions and discounts to agents and distributors; (2) Holding visits to strategic partners such as several boarding schools to supply Muslim clothing; and (3) Giving discounts to Dzikrayat customers.

Customer Segments

The result of interviews with customers, obtained data that Dzikrayat's targets of marketing are: (1) Students and teachers of all Islamic Boarding Schools; and (2) Graduates of Darussalam Gontor Islamic Boarding School.

Key Resources

Based on the results of interviews with informants, obtained data that Dzikrayat's main resource (component Key Resources) to manage its production are: (1) Human resources assets. It has six employees in its business; and (2) Physical assets. It has one shop or gallery in Ponorogo.

Channels

Based on the results of interviews with informants, obtained data that Dzikrayat's marketing strategies are (Channels): (1) Conducting wholesaler to resellers (some boarding schools in Java); (2) Having direct sales through offline sales on its own gallery and online sales on the Official website; and (3) Using a word to mouth marketing strategy in distributing its products.

Revenue Streams

Based on the results of interviews with informants , obtained data that Dzikrayat does not have Revenue Streams yet.

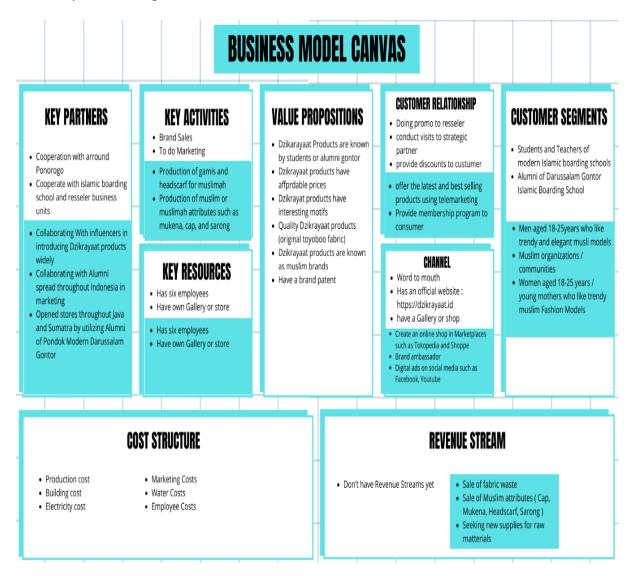
Cost Structures

Based on the results of interviews with informants, it can be concluded that the costs borne by Dzikrayat in producing Muslim clothing are: (1) Building costs; (2) Electricity costs; (3) Marketing costs; (5) Water costs; and (5) Employee costs.



Analysis Business Model Canvas on Dzikrayat Muslim Fashion

After the data is collected, the data can be entered into the BMC table according to the suitability of the components in the BMC table.



Picture 2. Business Model Canvas on Dzikrayat Muslim Fashion

Information:

white blocks	Interview results data
blue blocks	Development strategy

The Picture above is the result of data obtained from informants during interviews, which is presented in each BMC component in white blocks, while in the table the blue blocks are an analysis of future development. It can be concluded that the development of the Dzikrayat Muslim fashion business based on BMC analysis is as follows:

The Key Partners component is a partner who helps the operations of a business. In developing the Muslim fashion business strategy, Dzikrayat can carry out several new business strategies to increase the product sales including: (1) Collaborating with brand ambassadors to introduce Dzikrayat products widely; (2) Collaborating with Pondok Gontor graduates around Indonesia in marketing; (3) Opening stores throughout Java and Sumatra by utilizing Pondok Modern Darussalam Gontor graduates; and (4) Increasing collaboration with agents and distributors.

The Key Activities component is referred to the main activity of a company in achieving its goals. In developing the Muslim fashion business strategy, Dzikrayat can implement several new business strategies to increase the product sales including: (1) Increasing the variety of products. Not only providing *koko* clothes and Muslim men's fashion, but Dzikrayat also offers robes and hijab for Muslim women; and (2) Dzikrayat also produces attributes worn for worship activities for Muslim men/women such as mukena, sarong and head caps (*peci*).

The Value Proposition component is an overall view of products and services, also a unique value or benefit thus Dzikrayat company needs to add variations in sizes of *koko* clothes due to the different sizes of men's bodies and the large demand for *koko* shirt products.

The Customer Relationship component explains how close the relationships of company with its customer. In developing the Muslim fashion business strategy, Dzikrayat can carry out several new business strategies to increase the product sales including: (1) Giving a membership program for customers thus they can find out which of the customers often buy or are loyal to Dzikrayat. It makes them easier to provide discounts or other special privileges; (2) Actively holding annual events and new product launching events; and (3) Actively giving away some products for free to its loyal members.

Customer Segment component are parties that a business wants to reach. In developing the Muslim fashion business strategy, Dzikrayat can carry out several new business strategies to increase the product sales including: (1) Targeting its consumers to men and women aged 18-25 years who are interested in trendy and elegant Muslim modes. This is due to around that age, men and women are tend to have high consumption patterns to current trends or popular lifestyles; and (2) Targeting its products to the entire Muslim community at large, both organizations and Muslim communities who want to order or buy Muslim clothes in a large scale.

Key Resources Component is important to run the company's business model. In developing the Muslim fashion business strategy, Dzikrayat can carry out several new business strategies to increase the product sales including: (1) Having its own convection, sewing tools, and fabric cutting tools that help them in producing the clothing thus the production process is more effective and efficient; (2) Having professional tailors to make sure that the products are qualified more; and (3) Increasing the numbers of outlets or shops to broaden the marketing. Therefore, Dzikrayat will be able to spread its wings to international level in the future.

The Channels component explains how a company communicates and reaches its customers to achieve the company goals. In developing the Muslim fashion business strategy, Dzikrayat can carry out several new business strategies to increase the product sales including: (1) Creating an online shop in some marketplaces such as Tokopedia and Shopee; (2) Carrying out digital marketing by utilizing the advertisement feature to introduce its products on social media such as Facebook, YouTube, Instagram, and TikTok; (3) Collaborating with Muslim men/women influencers to become their brand ambassador; and (4) Using telemarketing to offer the newest and inform the best-selling products.

The Revenue Streams component is the income generated besides the core sales within a company. Meanwhile, in developing the Muslim fashion business strategy, Dzikrayat can carry out several new business strategies to increase the product sales including: (1) Utilizing the fabric waste by selling fabric leftovers from the production process; and (2) Turning those fabric waste into various other products such as Muslim attributes (cap, sarong, mukena).



Conclusions

Based on the analysis, it is necessary to develop strategies for each component of the canvas model business. As in component Key Partners component, needed Collaborating with brand ambassadors to introduce Dzikrayat products widely, Collaborating with Pondok Gontor graduates around Indonesia in marketing and so on. In Key Activities component, needed Increasing the variety of products. In Value Proposition component, needs to add variations in sizes of *koko* clothes. In Customer Relationship componen, needed Giving a membership program for customers thus they can find out which of the customers often buy or are loyal to Dzikrayat and give many discounts and shared agendas. In Customer Segment component it is necessary to expand the segment or target new consumers. In Key Resources, human resources are needed as tailors and production equipment. In Channels component, marketing through online and offline media is needed to increase sales of Dzikrayat products. In Revenue Streams component, skills required in processing fabric waste into a more valuable product to sell.

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