

BUSINESS DEVELOPMENT STRATEGY DESIGN USING TRIPLE LAYERED BUSINESS MODEL CANVAS (DESCRIPTIVE STUDY ON MDC COFFEE HOUSE)

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ABSTRACT

This study aims to design the right strategy for MDC Coffee House in business development using the Triple Layered Business Model Canvas (TLBMC), as well as identify and analyze the key factors that support its sustainable business strategy. This study uses a qualitative approach to explore sustainable business strategies for the company, focusing on owners, employees, suppliers, and buyers. The results show that the use of TLBMC allows the company to design a more scientific and measurable business strategy, respond to market demands that are increasingly concerned about environmental and social issues, and strengthen its position as a leader in the sustainable coffee industry in Indonesia.

INTRODUCTION

Pressure for businesses to respond to sustainability issues is increasing. Organizations are expected to be more active in addressing issues such as financial crises, economic and social inequalities, environmental events, scarcity of material resources, energy needs, and technological developments as part of their focus. These challenges can be seen as increased risks, but also as opportunities for organizations to engage in sustainability-oriented innovation. To succeed, organizations must respond to these challenges by integrating ecologically efficient and effective innovations, which help conserve and enhance natural, social, and financial resources into the core of their business (Joyce & Paquin, 2016).

However, for sustainability-oriented innovation to truly have an impact, integrated, holistic change is needed that goes beyond incremental changes within the organization and encompasses a broader stakeholder environment. Over the past 25 years, businesses have looked at sustainability issues remotely without significantly reducing resource and energy use in aggregate. Most organizational approaches fail to create the necessary impact reductions, in part because business thinking fails to integrate a more natural science-based awareness of sustainability and the ecological boundaries of our planet's boundaries (Joyce & Paquin, 2016).

The Triple Layered Business Model Canvas (TLBMC) has encompassed all elements in the C.A.F.E. Practice, making it an effective strategic tool for the coffee industry by comprehensively addressing economic, environmental, and social dimensions. The economic layer benefits from value creation through ethically sourced high-quality coffee, which supports premium prices and fosters customer

loyalty. The environmental layer emphasizes sustainable resource management and conservation practices, reducing long-term ecological impacts. The social layer focuses on fair work practices and community engagement, improving the social sustainability of the coffee supply chain. By including elements of the C.A.F.E. Practices within the TLBMC framework, coffee businesses can build a robust approach that not only meets consumer demand for sustainable products but also ensures long-term feasibility and ethical integrity, thereby contributing to a more sustainable and equitable global economy.

Since 2018, MDC Coffee House has shown significant progress in running its business. However, the company still does not have a documented business strategy. The owner of MDC Coffee House, who has extensive experience and great influence in the coffee sector in Aceh and Indonesia, as well as his role as a coffee grader, has been committed to developing a sustainable coffee business. Its commitment includes business development through the involvement of farmers and buyers as well as education about the quality of coffee to other coffee players.

Despite having in-depth practical knowledge in running a business, MDC Coffee House needed to consider a scientific approach to strengthen its business strategy. With coffee market trends and preferences constantly changing, increasing competition, and various future challenges in the coffee industry, it is crucial for MDC Coffee House to implement an approach that allows them to compete and survive. The Triple Layered Business Model Canvas (TLBMC) is the right model to address this need.

The Triple Layered Business Model Canvas expands on the traditional Business Model Canvas by adding two additional layers: social and environmental, in addition to the existing economic layer. The economic layer focuses on the financial and operational aspects of the business. The social layer evaluates the impact of business on society and stakeholders, while the environmental layer considers the impact of business on the environment. This approach provides a holistic framework for designing a comprehensive and sustainable business strategy (Joyce & Paquin, 2016).

Using TLBMC allowed MDC Coffee House to identify and address various issues faced, such as waste management, ethical practices, and sustainability, as well as overcome challenges in securing supplies from smallholder farmers in Aceh who often face input constraints and financial issues. This model also allows MDC Coffee House to devise a measurable and documented business strategy, ensuring that the company not only survives but also grows in a responsible and sustainable manner.

This research will provide academic insight into the sustainability of MDC Coffee House's business. Adopting TLBMC allows the company to design a scientific and measurable strategy, respond to market demands that are increasingly concerned about environmental and social issues, and strengthen MDC Coffee House's position as a leader in the sustainable coffee industry in Indonesia. With this approach, MDC Coffee House can be more effective in dealing with market dynamics, increasing competitiveness, and ensuring long-term business sustainability.

The Triple Layered Business Model Canvas (TLBMC) is a tool for exploring sustainability-oriented business model innovations. TLBMC extends the original Business Model Canvas by adding two layers: an environmental layer based on a lifecycle perspective and a social layer based on a stakeholder perspective. Together, these three layers of business models make it more explicit how an organization produces different types of value: economic, environmental, and social.

Visual representation of the business model through this tool supports the development and communication of a more holistic and integrated view of the business model, which also supports creative innovation towards a more sustainable business model. This new tool contributes to sustainable business model research by providing a design tool that structures sustainability issues in business model innovation.

TLBMC's adoption provides several advantages over other business strategy tools, which makes it a perfect fit for MDC Coffee House:

- 1) **Holistic Approach:** TLBMC encompasses three important dimensions: economic, social, and environmental. This allows companies to design strategies that not only focus on financial gains but also take into account social and environmental impacts. This approach is particularly relevant for MDC Coffee House which is committed to sustainable business practices.

- 2) **Integrated Sustainability:** With TLBMC, sustainability is no longer a secondary consideration but an integral part of business strategy. This helps MDC Coffee House to ensure that every business decision taken takes into account sustainability aspects, from raw material sourcing to waste management.
- 3) **Inclusive Decision Making:** TLBMC engages a wide range of stakeholders in the strategic planning process, including farmers, customers, local communities, and the environment. By doing so, MDC Coffee House can be more responsive to the needs and expectations of various stakeholders, which in turn can improve customer reputation and loyalty.
- 4) **Risk and Opportunity Identification:** The three-tier approach of TLBMC helps identify risks and opportunities in each dimension. For example, in the economic dimension, MDC Coffee House can identify operational efficiency, in the social dimension, companies can find ways to improve farmers' welfare, and in the environmental dimension, it can identify methods to reduce carbon footprint.
- 5) **Measurability and Evaluation:** TLBMC allows MDC Coffee House to set key performance indicators (KPIs) that span all three layers. This allows companies to continuously evaluate and measure their performance not only in terms of financial but also social and environmental impact, ensuring that the business strategies implemented are in line with sustainability goals.
- 6) **Adaptation to Market Dynamics:** By taking into account the ever-evolving market trends and changes, TLBMC helps MDC Coffee House to stay relevant and adaptive. Companies can quickly adjust their strategies based on feedback from the market and changes in consumer preferences.
- 7) **Supporting Innovation and Creativity:** TLBMC encourages innovation and creativity in the development of products and services. By considering various aspects of sustainability, MDC Coffee House can develop more innovative and environmentally friendly products, which can provide a competitive advantage in the market.

The TLBMC concept was chosen because of its advantages, such as providing a comprehensive overview of the business model in a relatively simple visual. In addition, TLBMC can be used to support sustainability-oriented business model innovation. This is because TLBMC prioritizes a sustainability approach, especially social and ecological aspects. This approach can broaden perspectives, especially in managing stakeholder expectations.

TLBMC is also in line with global trends that campaign for environmental conservation issues and the importance of the social impact of a business. As a tool, TLBMC bridges business model innovation (Zott et al., 2011; Spieth et al., 2014) and the development of sustainable business models (Boons and Lüdeke-Freund, 2013) to support individuals and organizations in seeking sustainable change oriented towards competitiveness creatively and holistically as a way to address the challenges we face today (Azapagic, 2003; Shrivastava and Statler, 2012).

TLBMC can help users overcome sustainability-oriented barriers to change in organizations (Lozano, 2013) by creatively reconceptualizing their current business models and communicating innovation potential. Sustainability is considered a key driver of creative innovation for many companies, and the upgrade towards sustainability requires innovation in existing business models to create "new ways of delivering and capturing value, which will change the basis of competition" (Nidumolu et al., 2009, p.9). While this point is not new, there is still little research that provides insight into the tools that can support the creative conceptual phase of developing sustainable business models.

Previous research on the use of TLBMC in the coffee industry has shown that this model is effective in developing sustainable businesses. For example, a study conducted in Bandung on the Arabica coffee agroindustry used TLBMC to develop coffee business patterns and explore sustainable business models. The results show that the use of TLBMC supports sustainable business development for coffee farmer groups, by combining SWOT analysis to formulate the right strategy (Sultan, Furqon, & Wijaya, 2021).

In addition, research on the fruit and vegetable industry in Spain uses TLBMC's methodological framework to explain how attention to sustainability is integrated in business models. This study shows that sustainability goals can be appropriately represented within the framework of TLBMC, allowing for

a creative process in communicating and implementing business model improvements (Mili & Loukil, 2021).

The Triple Layered Business Model Canvas (TLBMC) is a powerful tool designed to integrate and emphasize sustainability in business models by simultaneously addressing economic, environmental, and social dimensions. Implementing TLBMC on Nespresso's business model demonstrates how sustainability is integrated in its operations and highlights areas for further improvement (Joyce & Paquin, 2016).

The economic layer of TLBMC focuses on traditional elements of the business model such as value proposition, customer segments, key activities, resources, partners, cost structure, and revenue streams. For Nespresso, this involves selling high-margin coffee pods and lower-margin machines through various channels, maintaining strong brand equity, and leveraging customer relationships through membership clubs. These activities ensure a steady stream of revenue and customer loyalty, but the economic layer alone may not be enough to capture the broader impact of Nespresso operations, necessitating the integration of environmental and social dimensions (Joyce & Paquin, 2016).

The environmental layer expands the business model by incorporating a lifecycle perspective and measuring environmental impacts such as carbon footprint, resource use, and waste management. For Nespresso:

- 1) **Materials:** Major materials, including coffee beans and aluminum for the capsules, significantly affect the environment. Coffee beans account for 19.9% of the carbon footprint, while aluminum capsules account for 6%.
- 2) **Production:** The industrial process for preparing coffee beans and producing capsules collectively accounts for 17.8% of the carbon footprint.
- 3) **Distribution:** Shipments of coffee beans and pods represent 4.6% of the carbon footprint, with a preference for eco-friendly modes of transportation such as trains.
- 4) **Phase of Use:** The phase of use, including energy and water for brewing coffee, accounts for 10.9% of the carbon footprint, while the production of coffee pods and washing are the largest contributors at 28%.
- 5) **End of Life Cycle:** Managing the disposal and recycling of coffee pods and machines adds up to 5.5% of the carbon footprint, with significant opportunities for improvement through better recycling programs.

The social layer examines the business model from a stakeholder perspective, considering the impact on employees, communities, governance, and broader social influence:

- 1) **Employees:** Nespresso's global workforce includes more than 90 nationalities, emphasizing diversity and inclusion. Employee training and development programs contribute to long-term success and sustainability.
- 2) **Governance:** Transparent decision-making and active stakeholder engagement are at the core of Nespresso's governance, enhancing social responsibility and ethical standards.
- 3) **Community:** Nespresso's partnership with the Rainforest Alliance supports more than 62,000 coffee farmers, increasing their income and sustainability practices. This collaboration reflects Nespresso's commitment to creating shared value.
- 4) **Community Culture:** Nespresso's corporate social responsibility initiatives, such as promoting healthy lifestyles and sustainability practices, emphasize its accountability to the well-being of the community.
- 5) **Scale of Reach:** Operating in more than 60 countries with an extensive network of stores and social programs, Nespresso demonstrates a deep and far-reaching impact on the global community through initiatives such as language education and micro-credit programs.

By implementing TLBMC on Nespresso, we gain a comprehensive understanding of how the company integrates sustainability in its business model. The economic layer ensures profitability, the environmental layer handles the ecological impact of its operations, and the social layer highlights its commitment to stakeholders and the well-being of the community. This holistic approach not only enhances Nespresso's sustainability but also provides a strategic advantage in an increasingly environmentally conscious market. TLBMC serves as an effective tool for Nespresso to visualize,

communicate, and innovate towards a more sustainable business model, ensuring long-term success and positive outcomes for the environment and society (Joyce & Paquin, 2016).

Similarly, by using TLBMC, MDC Coffee House was able to design a more scientific, measurable, and documented business strategy, which not only focused on financial success but also on positive social and environmental impacts. This integration will help companies to compete effectively, increase competitiveness, and ensure long-term sustainability. With this approach, MDC Coffee House can be more responsive to the demands of a market that is increasingly concerned about sustainability issues, while strengthening its position as a leader in the sustainable coffee industry.

This study aims to design the right strategy for MDC Coffee House in business development using the Triple Layered Business Model Canvas, as well as identify and analyze key factors in designing a sustainable business strategy for the company. The benefits of this research include: helping MDC Coffee House design more effective and sustainable business strategies to increase competitive advantage, making a positive contribution to socially and environmentally responsible business practices in the coffee industry, and contributing a new understanding of the development of innovative business strategies using the Triple Layered Business Model Canvas in the context of the coffee industry.

METHODS

The object of this study is MDC Coffee House, a coffee company located in Karang Rejo Village, Bukit District, Bener Meriah Regency, Aceh. Established in 2018, the company focuses on purchasing, processing, and selling green coffee beans as its main activity.

This study adopts a descriptive approach through case studies, a research method that has been widely used in the literature before. This approach allows researchers to present a detailed description of the phenomenon being studied, in this case, the coffee company MDC Coffee House.

This research uses a qualitative approach to explore sustainable business strategies for MDC Coffee House, focusing on owners, employees, suppliers, and buyers. Data collection methods include in-depth interviews and Focus Group Discussions (FGD), as well as triangulation to ensure the validity of the data. Primary data sources come from interviews and FGDs, while secondary data is obtained from relevant literature and documents. Semi-structured interviews provide flexibility in topic exploration, while FGDs allow for collective discussions about sustainable business strategies.

Data collection techniques include literature studies to obtain theoretical foundations, observations to collect empirical data, and interviews with MDC Coffee House's internal and external parties to obtain a more complete perspective. The data collection process includes designing interview and FGD guidelines, scheduling with participants, recording, and transcription of interviews and discussions for further analysis. The research resource persons included owners, roastery staff, coffee bean receiving and grading staff, sorting staff, suppliers, and buyers. Data analysis uses the triangulation method, which involves coding data based on themes, comparative analysis, and the preparation of research reports that provide strategic recommendations for MDC Coffee House's sustainable business development. Data triangulation is important to improve validity, reliability, reduce bias, and provide a holistic picture of a sustainable business strategy.

RESULTS

Triple Layered Business Model Canvas (TLBMC)

TLBMC analysis integrates economic, environmental, and social aspects in one comprehensive framework. This evaluation includes customer segments, value propositions, distribution channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structures.

Economic Layer Analysis

MDC Coffee House's customer segments include coffee exporters, coffee traders/warehouses, roasteries, coffee shops, mobile cafes, resellers, and individual buyers. Exporters need high-quality coffee, competitive prices, and logistical support for the international market. Coffee

traders/warehouses are looking for consistent stock and efficient distribution services. Roasters want quality coffee beans with clear information on their origin. Cafes/coffee shops need quality roasted coffee, stable prices, and serving support. Mobile cafes need roasted coffee with practical packaging and logistical support. Resellers need profit margins and marketing support, while individual buyers are looking for quality products with practical packaging and coffee origin information.

MDC Coffee House's value proposition includes quality consistency, product availability, time efficiency, competitive pricing, expert consulting, diverse product choices, and product education and information. Quality consistency ensures high quality standards, while product availability guarantees on-time delivery. Time efficiency reduces wait times and increases customer satisfaction. Competitive prices make the product affordable for a wide range of buyers. Expert consulting offers quality assessment and risk analysis. A wide selection of products is accompanied by management advice, helping cafes/shops in product diversification. Education and product information help customers understand coffee and make wiser choices.

MDC Coffee House's distribution channels include processing and quality control warehouses, roastries, social media, and local partnerships. The processing warehouse ensures high-quality green coffee beans, while the roastery caters to the purchase of roasted coffee beans. Social media is used to interact with customers through platforms like WhatsApp and Instagram. Local partnerships with farmers and collectors/collectors ensure a quality and sustainable supply of coffee beans. Customer relationships are maintained through personalized service, socio-education, and customer feedback to continuously improve the quality of services and products.

Environmental Layer Analysis

MDC Coffee House uses coffee beans from farmers who grow coffee in areas above 1300 meters above sea level, guaranteeing quality and sustainable agricultural practices. The production process is implemented using a dry treatment method that minimizes water waste and optimizes energy consumption, as well as using a drying facility without UV plastic for energy efficiency. In supply and outsourcing, MDC Coffee House partners with suppliers who meet sustainability and environmentally responsible standards, ensuring the entire process from purchasing to processing is carried out with environmentally friendly practices.

The distribution of products at MDC Coffee House is designed to reduce the carbon footprint by optimizing delivery routes through cooperation with public transport companies and using recyclable packaging. At the adoption stage, the company proposes the use of energy-efficient equipment, provides efficient serving guidelines, and encourages the use of reusable packaging and containers. The recycling program implemented manages coffee grounds and other waste responsibly to produce organic fertilizer. The functional value of MDC Coffee House products includes the production of high-quality coffee through efficient and sustainable processes, minimizing environmental impact through sustainable practices, as well as providing environmental benefits such as reduced water and energy use, waste recycling, and distribution optimization.

Social Layer Analysis

MDC Coffee House plays an active role in supporting the local community through various social programs, including donations for vulnerable groups, educational support through funding for religious science schools, and participation in the construction and cleanliness of mosques and meunasah. They also support youth activities, provide transportation for the community, and provide basic necessities on religious holidays. This company creates jobs by recruiting sorters, especially women, and provides education and consultation facilities about coffee and coffee business for the community. The reseller

and rebranding programs offered open opportunities for young people to be entrepreneurs without large capital.

MDC Coffee House also demonstrates its commitment to good governance through partnerships with governments and academics in coffee development and related research, as well as ensuring transparency by sharing the same information with all parties. They contribute to social value by educating the public about the coffee production process, the health benefits of organic coffee, and the ethics of responsible coffee consumption. The company supports a culture of mutual cooperation and religious activities in the village, as well as participates in local festivals and cultural events to preserve local traditions and values. By providing higher income and decent facilities for employees, as well as collaborating with various institutions to promote the coffee industry, MDC Coffee House creates a significant social impact and improves the well-being of the surrounding community.

RARE Analysis

Resources

MDC Coffee House sources coffee from farmers involved in a traceability system that ensures high-quality raw materials and supports sustainable and ethical farming practices. The company's production facilities, including coffee processing machines and taste testing laboratories, are designed to produce coffee with consistent quality and optimal efficiency. The design of the facility also considers work safety and comfort, such as sorting tables and adequate lighting, to support a good working environment.

The human resources at MDC Coffee House consist of trained and experienced staff in coffee production, marketing, and sales. The company offers professional development through reseller training and programs as well as rebranding, allowing employees to develop entrepreneurial skills. Competent leadership in the coffee industry helps companies make sound strategic decisions and manage operations effectively. Innovative programs such as resellers and rebranding have helped companies in marketing products and expanding markets, providing opportunities for youth to start businesses without large capital.

MDC Coffee House's intangible resources include the brand's reputation as a provider of high-quality coffee with a commitment to sustainable and ethical business practices. This reputation is built through support for local communities, education, social activities, and transparency in the production process. In addition, the company's intellectual property developed by analysts and business practitioners includes specialized knowledge and expertise in the coffee production process. The research results and findings from the taste and quality tests of coffee contribute to the company's intellectual property, which plays an important role in maintaining a competitive advantage.

Kegiatan (Activities)

MDC Coffee House runs an efficient and high-quality coffee production process using coffee processing machines and laboratory facilities for taste testing. Each batch of coffee is produced with strict quality standards, ensuring quality products for consumers. In addition, the production facility is designed for safety and comfort at work, with a sorting table design and adequate lighting that improves employee productivity and work quality.

In terms of marketing, MDC Coffee House highlights product quality and sustainability values through marketing strategies that include campaigns on sustainable farming practices and local community support. Reseller and rebranding programs provide opportunities for individuals, especially youth, to market products with minimal capital, expand market reach and empower local communities

to entrepreneurship. The program offers wholesale pricing and flexibility in managing sales margins, providing attractive profit potential.

MDC Coffee House's extensive distribution network enables efficient delivery of products to different regions, ensuring product accessibility for customers in various locations. An efficient logistics system helps manage the delivery and distribution of products, reducing operational costs and ensuring timely delivery. This efficiency is key to maintaining customer satisfaction and expanding the company's market reach.

MDC Coffee House invests in research and development to improve the coffee purchasing and production process through innovation. The taste test laboratory ensures each product meets the quality standards of Gayo Arabica coffee and is in accordance with market preferences. Focusing on product innovation and diversification helps the company stay competitive and meet the ever-evolving needs of customers, maintain product quality consistency and satisfy customers.

Relationships

MDC Coffee House maintains strong relationships with employees through attention to their well-being and development. The company offers training opportunities and reseller and rebranding programs to help employees thrive. Open communication and involvement in decision-making are also noted, increasing motivation and a sense of belonging, which ultimately improves workforce productivity and retention.

In relation to customers, MDC Coffee House is committed to education about healthy coffee and consumption ethics, increasing customer trust and loyalty. The company routinely collects feedback to improve products and services, and provides risk analysis and market trends that are beneficial to customers in product development. Customer satisfaction is the main focus, aided by direct interaction and in-depth analysis.

Relationships with suppliers are maintained through ongoing partnerships based on trust and cooperation. MDC Coffee House ensures sustainable and ethical agricultural practices are implemented through a traceability system. Open communication and support, including technical training, help maintain consistent and effective quality of raw materials.

The company also plays an active role in local communities through donation programs, educational support, and involvement in social and cultural activities. Programs such as a thousand daily alms and the provision of vehicles for transportation strengthen relationships with the community and increase social capital. This involvement demonstrates the company's commitment to the well-being of the community.

Collaboration with the government and academia is an integral part of MDC Coffee House's strategy, aiding in the sustainable and innovative development of the coffee industry. The company complies with legal regulations and requirements, establishing good relationships with regulators to ensure smooth and law-abiding business operations. It supports sustainability and innovation in the company's operations.

Ecosystem

MDC Coffee House actively observes market trends that indicate consumer preferences towards sustainable and ethical products. To meet these expectations, the company offers high-quality coffee that is produced sustainably, as well as ensuring transparency in the production process. In addition, with the increasing global demand for coffee and the growth trend in the specialty coffee and milk coffee segments, MDC Coffee House sees significant opportunities to expand domestic and international markets.

In terms of regulatory compliance, MDC Coffee House ensures that all its operations are in accordance with applicable regulations. Although it is not affiliated with a specific certification program, the company has developed a traceability system that ensures business practices meet ethical and sustainability standards. This system allows companies to monitor and maintain quality along the supply chain.

The competition in the coffee industry is fierce with many local and international players. MDC Coffee House competes by focusing on high-quality products, commitment to sustainability, and product innovation. The company's competitive advantage lies in its strong brand reputation, good relationships with farmers and local communities, and its ability to adapt to market trends.

MDC Coffee House faces great opportunities from the growth in demand for specialty coffee, increasing consumer awareness of sustainable products, and international market expansion. However, threats such as fluctuations in coffee prices, regulatory changes, and fierce competition require risk mitigation strategies. Innovation, product diversification, and improved operational efficiency are steps that can be taken to overcome these challenges and take advantage of existing opportunities.

FRIN Analysis

Functional (Fungsional)

MDC Coffee House implements an efficient and high-quality production process by utilizing modern technology and advanced equipment. This process involves processing coffee through machines and laboratory testing to ensure strict quality standards. The company also invests in research and development to improve the quality of products and processes, as well as implementing innovations such as reseller and rebrand programs that provide entrepreneurial opportunities with minimal capital. The use of human and technical resources is optimized to ensure smooth and efficient operations, while production facilities are designed for safety and work comfort that increases productivity.

From the financial side, MDC Coffee House has a stable revenue stream from coffee sales and reseller/rebranding programs. Good financial management allows companies to effectively manage operating costs and reinvest profits for further development. A robust financial management system helps companies identify and address financial risks, ensure financial sustainability and support sustainable growth and innovation.

Relational

MDC Coffee House builds strong relationships with employees through attention to their well-being and professional development. The company provides training opportunities as well as reseller and rebranding programs to support career development. Open communication is also maintained to strengthen employee engagement and increase a sense of belonging within the company, which has a positive impact on work motivation and productivity.

With customers, MDC Coffee House is committed to education about healthy coffee and consumption ethics, as well as increasing transparency in the production process to build trust and loyalty. The company actively collects feedback from customers to improve products and services, as well as provides analysis of market risks and trends to assist customers in the management of their products.

Relationships with suppliers are built on long-term, mutually beneficial partnerships. MDC Coffee House ensures sustainable and ethical agricultural practices through a rigorous traceability system, and maintains open communication with suppliers. Support in the form of training and technical assistance is provided to ensure consistent quality of raw materials.

The company also actively supports local communities with various social programs such as a thousand daily alms, the provision of vehicles for transportation, and the distribution of basic necessities on religious holidays. This support strengthens the company's relationship with the community and increases social capital in the local community.

Lastly, MDC Coffee House collaborates with the government and academics for the sustainable development of the coffee industry. The company complies with all applicable legal regulations, establishes good relations with regulators to ensure smooth business operations. This supports the company's goal of operating in a legal and ethical manner.

Institutional (Institusional)

MDC Coffee House ensures compliance with all applicable regulations and legal requirements, maintains smooth business operations and complies with relevant laws. Although it is not affiliated with a specific certification program, the company has developed a traceability system to ensure that all business practices in the supply chain meet established ethical and sustainability standards.

In addition, MDC Coffee House applies the principles of good governance by emphasizing transparency, accountability, and integrity in all its business practices. The company is also committed to maintaining high ethical standards in every aspect of its operations, supporting long-term sustainability and strengthening the company's reputation.

Natural (Alam)

MDC Coffee House is committed to minimizing the environmental impact of its operations by adopting efficient technology and sustainable production practices. The company manages the consumption of resources such as energy and water responsibly and implements a waste management system that includes recycling and waste treatment to reduce environmental impact. This approach includes reducing solid and liquid waste and implementing recycling programs at its production facilities.

To reduce the ecological footprint, MDC Coffee House ensures that the raw materials used come from farmers who implement sustainable and ethical agricultural practices. The company supports environmentally friendly agricultural techniques such as agroforestry and the reduction of the use of chemical pesticides. In addition, MDC Coffee House implements environmentally friendly practices in its operations, including reducing carbon emissions and using renewable energy, as well as minimizing carbon footprint through transportation and logistics efficiency.

MDC Coffee House is also involved in environmental conservation programs that aim to preserve local and global ecosystems. These initiatives support rainforest conservation, biodiversity, and deforestation reduction. Commitment to ecological sustainability is an integral part of the company's strategy, covering all aspects of the business from the source of raw materials to the production and distribution process, to achieve long-term sustainability.

Triple Layered Business Model Canvas (TLBMC) MDC Coffee House

The Triple Layered Business Model Canvas (TLBMC) expands on the traditional Business Model Canvas by adding two additional layers: social and environmental, in addition to the existing economic layer. This approach provides a comprehensive framework that allows MDC Coffee House to design a sustainable and holistic business strategy.

Economic Layer

- Customer Segments: MDC Coffee House House serves various customer segments such as coffee exporters, coffee traders/warehouses, roastries, cafes/coffee shops, mobile cafes, resellers, and individual buyers. The diversification of this segment ensures that MDC Coffee House House can better meet the needs of diverse markets.
- Value Propositions: Offering quality consistency, product availability, time efficiency, competitive pricing, expert consulting, diverse product choices, as well as product education and information. This confirms the unique value that MDC Coffee House House can provide to customers.
- Channels: Use various channels such as processing and quality control warehouses, roastries, social media, and local partnerships to reach customers effectively.
- Customer Relationships: Build strong relationships with customers through service priorities to repeat buyers, personalized service, socio-education, and customer feedback.
- Revenue Streams: Generate revenue from coffee sales, training, and quality testing labs, which helps ensure financial sustainability.
- Key Resources: Includes human resources, supply chain, brand identity, and physical assets. These resources support efficient and effective operations.
- Key Activities: Focus on coffee production, sales, customer service, and supply chain as the core of business operations.
- Key Partnerships: Partnerships with local farmers, suppliers, local businesses, and taste testing communities strengthen supply chains and community support.
- Cost Structure: Includes the cost of materials, staff, utilities, equipment, and maintenance, aiding in good financial management.

The following image shows MDC Coffee House's analysis through the original Business Model Canvas, which forms the economic layer of the Triple Layer Business Model Canvas.



Figure 1. Economic Business Model Canvas MDC Coffee House

Environmental Layer

- **Materials:** Using coffee beans from sustainable sources to demonstrate a commitment to the sustainability of raw materials.
- **Production:** Implementing efficient and environmentally friendly production processes to reduce environmental impact.
- **Supplies and Outsourcing:** Working with sustainable suppliers to ensure ethical and responsible business practices.
- **Distribution:** Optimize shipping routes and use recyclable packaging to reduce carbon footprint.
- **Use Phase:** Propose the use of energy-saving equipment and environmentally friendly brewing methods to reduce the environmental impact of the use of products by customers.
- **End-of-Life:** Implementation of recycling programs to manage waste responsibly.
- **Functional Value:** MDC Coffee House produces high-quality coffee with an efficient and sustainable process, minimizing environmental impact while improving operational efficiency.
- **Environmental Impacts:** Evaluate the environmental impact of a company's operations to continuously improve the strategy.
- **Environmental Benefits:** Providing environmental benefits from sustainable practices to improve the company's reputation

The following image shows the environmental life cycle layers of MDC Coffee House's Triple Layered Business Model Canvas.

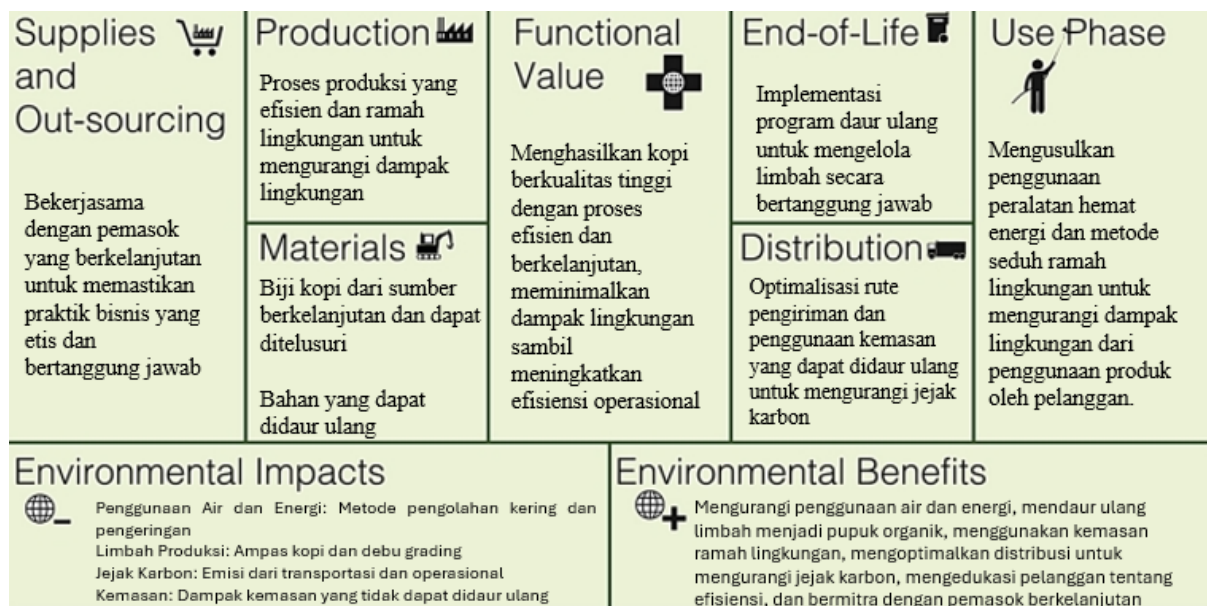


Figure 2. Environmental Life Cycle Coating of Triple Layered Business Model Canvas MDC Coffee House

Social Layer

- **Local Communities:** Involving donation programs, educational support, social activities, vehicle provision, and job creation, demonstrating a commitment to the well-being of local communities.
- **Social Value:** Providing education and awareness of coffee, health benefits and consumption ethics, as well as the impact of research and development to increase social awareness and health.

- Societal Culture: Supporting local culture of mutual cooperation, religious activities, and festivals to strengthen relationships with local communities.
- Governance: MDC Coffee House partners with the government and academia in coffee development programs and coffee-related research
- End-User: Educates customers about healthy coffee and consumption ethics to build loyalty.
- Employees: Maintain employee welfare and development, and provide comfortable work facilities.
- Scale of Outreach: Engaging in coffee activities at the local and national levels, helping to increase exposure and reputation.
- Social Impacts: Evaluate the social impact of the company's activities to continuously improve the strategy.
- Social Benefits: Improving the welfare of the community through various social programs.

The following image shows the social layers of the Triple Layered Business Model Canvas from MDC Coffee House



Figure 3. Social Layers of Triple Layered Business Model Canvas MDC Coffee House

TLBMC Integration with RARE and FRIN

Using the Triple Layered Business Model Canvas (TLBMC) combined with RARE and FRIN analysis gave MDC Coffee House a framework to identify and analyze the key factors that support its sustainable business strategy. This approach provides a comprehensive and structured view to ensure business continuity and sustainability.

TLBMC Integration with RARE

Table 1. Resources (Sumber Daya)

TLBMC Economic Layer	TLBMC Social Layer	TLBMC Environmental Layer
<ul style="list-style-type: none"> • Raw Materials: Access to high-quality coffee raw materials. 	Local Communities: Support to local farmers and surrounding communities.	Sustainable Sourcing: Use of coffee beans from sustainable agriculture

- Production Facilities: Efficient and adequate production facilities.
- Human Resources: Skilled and experienced employees.
- Brand Reputation: A strong brand reputation.

Table 2. Activities (Kegiatan)

TLBMC Economic Layer	TLBMC Social Layer	TLBMC Environmental Layer
<ul style="list-style-type: none"> • Efficient Production: Efficient and high-quality production process. • Marketing Strategy: Marketing that focuses on sustainability and quality. • Product Innovation: Development of new products and services. 	<ul style="list-style-type: none"> • Social Activities: Social programs that support the welfare of the community. 	<ul style="list-style-type: none"> • Environmentally Friendly Process: Reduction of water and energy use in production.

Table 3. Relationships

TLBMC Economic Layer	TLBMC Social Layer	TLBMC Environmental Layer
<ul style="list-style-type: none"> • Customer Relations: Good customer service and constructive feedback. 	<ul style="list-style-type: none"> • Community Engagement: Support for social and cultural activities. • Employee Relationships: Employee facilities and well-being 	<ul style="list-style-type: none"> • Sustainable Partnerships: Cooperation with suppliers who implement sustainable practices.

Table 4. Ecosystem

TLBMC Economic Layer	TLBMC Social Layer	TLBMC Environmental Layer
<ul style="list-style-type: none"> • Market Adaptation: Understanding market trends and adapting to change. 	<ul style="list-style-type: none"> • Regulatory Support: Compliance with regulations and ethical standards. 	<ul style="list-style-type: none"> • Conservation Practices: Participation in environmental conservation initiatives.

TLBMC Integration with FRIN

Table 5. Functional (Fungsional)

TLBMC Economic Layer	TLBMC Social Layer	TLBMC Environmental Layer
<ul style="list-style-type: none"> • Operational Efficiency: Efficient and high-quality coffee production. 	<ul style="list-style-type: none"> • Educational Program: Increasing awareness and knowledge about coffee. 	<ul style="list-style-type: none"> • Waste Management: Recycling production waste into organic fertilizer.

- Innovation and Productivity:
Focus on innovation and productivity improvement

Table 6. Relational (Relasional)

TLBMC Economic Layer	TLBMC Social Layer	TLBMC Environmental Layer
Customer Relations: Customer education and engagement.	<ul style="list-style-type: none"> • Employee Wellbeing: Employee development and wellbeing programs. • Social Relationships: Active involvement in community activities. 	Collaboration with Suppliers: Partnerships with sustainable suppliers.

Table 7. Institutional (Institusional):

TLBMC Economic Layer	TLBMC Social Layer	TLBMC Environmental Layer
Good Governance: The application of good and transparent governance principles.	Regulatory Compliance: Ensuring compliance with laws and ethical standards.	Sustainable Practices: Adopt practices that reduce environmental impact.

Table 8. Natural (Alam)

TLBMC Economic Layer	TLBMC Social Layer	TLBMC Environmental Layer
Resource Efficiency: Efficient use of natural resources.	Environmental Awareness: Education about the environmental impact of coffee consumption.	Carbon Footprint: Reducing carbon emissions through efficient distribution.

CONCLUSION

In the midst of the complexity and challenges of the Gayo Arabica coffee supply chain in Bener Meriah and Central Aceh, MDC Coffee House has built a solid supply chain system through trust and mutually beneficial partnerships with all relevant parties. The transparency and support of MDC Coffee House strengthens this relationship, allowing the company to better meet the challenges. The implementation of TLBMC (The Lean Business Model Canvas) helped MDC Coffee House evaluate and identify potential challenges, as well as introduce their robust supply chain model to similar businesses, enabling wider adoption of the sustainable model.

By using TLBMC, MDC Coffee House not only documents existing business practices but also promotes transparency and accountability, increasing the company's credibility and opening up new partnership opportunities. Although these practices have been implemented, adequate documentation does not yet exist. TLBMC provides a framework for continuous innovation, evaluation, and adjustment, enabling MDC Coffee House to design a comprehensive and sustainable business strategy. It not only helps document existing practices but also supports strategies for long-term sustainability, with significant positive impacts on the economy, society, and the environment.

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