


**MSME SUSTAINABILITY STRATEGY DURING THE COVID-19 PANDEMIC BY ANALYZING THE ROLE OF CROWDFUNDING AND THE DIGITAL MARKET BY IMPROVING MSME PERFORMANCE USING THE CANVAS MODEL BUSINESS STRATEGY AS AN INTERVENING VARIABLE**

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ARTICLE INFO	ABSTRACT
<p><b>Article history:</b></p> <p><b>Received</b> 31 January 2023</p> <p><b>Accepted</b> 10 April 2023</p>	<p><b>Purpose:</b> The purpose of this research is to find out the MSME Sustainability Strategy after the Covid-19 pandemic by analyzing the role of crowdfunding and the digital market by improving MSME performance using the Canvas Model Business Strategy as an Intervening Variable.</p>
<p><b>Keywords:</b></p> <p>Crowdfunding; Canvas Digital Business Market; MSME Performance.</p>	<p><b>Theoretical framework:</b> The latest literature has not explained the MSME Sustainability Strategy after the Covid-19 pandemic By Analyzing the Role of Crowdfunding and the Digital Market by Improving MSME Performance Using the Canvas Model Business Strategy as an Intervening Variable.</p>
	<p><b>Design/methodology/approach:</b> This research uses a Mix Method research approach, which is a combination of quantitative and qualitative combinations. By using the combined method, it is expected to be able to complement each other from the existing hypotheses. Quantitative emphasizes the technical analysis of statistical tests so that the data is more accurate, and qualitative techniques emphasize the analysis of the process of inductive thinking processes related to the dynamics of the relationship between observed phenomena and always use scientific logic.</p> <p><b>Findings:</b> there has been an increase in the performance of MSMEs, namely changes in (1) technological innovation using sales methods from direct sales to online sales, (2) Human Relations, namely synergizing with various Crouddfunding and BUMN parties in overcoming capital problems, (3) Absorption of labor work, (4) Market Adaptation and (5) Managerial dynamism and financial ratios that change for the better.</p> <p><b>Research, Practical &amp; Social implications:</b> Researchers suggest MSMEs cooperate with Crowdfunding and Digital Markets for business sustainability.</p> <p><b>Originality/value:</b> The results show that these 5 aspects have increased, namely 1) Aspects of sales increased by 23% 2) Aspects of operating profit increased by 25%.</p>

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3) Capital aspect increased by 30% 4) the Aspect of the number of employees 10% and 5) the Aspect of bank installment payment ability increased by 5%.

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## ESTRATÉGIA DE SUSTENTABILIDADE DAS MPMEs DURANTE A PANDEMIA DO COVI-19 ANALISANDO O PAPEL DO CROWDFUNDING E DO MERCADO DIGITAL MELHORANDO O DESEMPENHO DAS MPMEs USANDO A ESTRATÉGIA DE NEGÓCIOS DO MODELO CANVAS COMO UMA VARIÁVEL INTERVENIENTE

### RESUMO

**Objetivo:** O objetivo desta pesquisa é descobrir a Estratégia de Sustentabilidade das MPMEs após a pandemia de Covid-19, analisando o papel do crowdfunding e do mercado digital, melhorando o desempenho das MPMEs usando o Canvas Model Business Strategy como uma variável interveniente

**Quadro teórico:** A literatura mais recente não explicou a Estratégia de Sustentabilidade das MPME após a pandemia de Covid-19 Analisando o Papel do Crowdfunding e do Mercado Digital Melhorando o Desempenho das MPME Usando a Estratégia de Negócios do Modelo Canvas como uma Variável Interveniente

**Desenho/metodologia/abordagem:** Esta pesquisa utiliza uma abordagem de pesquisa Mix Method, que é uma combinação de combinações quantitativas e qualitativas. Ao utilizar o método combinado, espera-se poder complementar-se a partir das hipóteses existentes. A quantitativa enfatiza a análise técnica de testes estatísticos para que os dados sejam mais precisos, as técnicas qualitativas enfatizam a análise do processo de pensamento indutivo relacionado à dinâmica da relação entre os fenômenos observados e sempre utiliza a lógica científica.

**Constatações:** verificou-se um aumento do desempenho das MPMEs, nomeadamente mudanças na (1) inovação tecnológica utilizando métodos de venda de vendas diretas para vendas online, (2) Relações Humanas, nomeadamente sinergia com várias partes do Croudfunding e BUMN na superação de problemas de capital, (3) Absorção do trabalho, (4) Adaptação ao mercado e (5) Dinamismo gerencial e índices financeiros que mudam para melhor

**Pesquisa, implicações práticas e sociais:** Pesquisadores sugerem que MPMEs cooperem com Crowdfunding e Mercados Digitais para a sustentabilidade dos negócios

**Originalidade/valor:** Os resultados mostram que estes 5 aspectos aumentaram, nomeadamente 1) Aspectos de vendas aumentaram 23% 2) Aspectos de lucro operacional aumentaram 25%. 3) Aspecto do capital aumentou 30% 4) Aspecto do número de funcionários 10% e 5) Aspecto da capacidade de pagamento das prestações bancárias aumentou 5%

**Palavras-chave:** Crowdfunding, Canvas Mercado de Negócios Digitais, Desempenho MPME.

## ESTRATEGIA DE SOSTENIBILIDAD DE LA MIPYME DURANTE LA PANDEMIA DE COVI-19 ANALIZANDO EL ROL DEL CROWDFUNDING Y EL MERCADO DIGITAL AL MEJORAR EL DESEMPEÑO DE LA MIPYME UTILIZANDO LA ESTRATEGIA DE NEGOCIO DEL MODELO CANVAS COMO VARIABLE INTERVENIENTE

### RESUMEN

**Propósito:** El propósito de esta investigación es conocer la Estrategia de Sostenibilidad de las MIPYMES después de la pandemia del Covid-19 analizando el rol del crowdfunding y el mercado digital mejorando el desempeño de las MIPYMES utilizando como Variable Interveniente la Estrategia de Negocios Modelo Canvas.

**Marco teórico:** La literatura más reciente no ha explicado la Estrategia de Sostenibilidad de las MIPYMES después de la pandemia del Covid-19 Analizando el Rol del Crowdfunding y el Mercado Digital Mejorando el Desempeño de las MIPYMES Utilizando la Estrategia de Negocios Modelo Canvas como Variable Interveniente.

**Diseño/metodología/enfoque:** esta investigación utiliza un enfoque de investigación de método mixto, que es una combinación de combinaciones cuantitativas y cualitativas. Al utilizar el método combinado, se espera poder complementarse entre sí a partir de las hipótesis existentes. Las técnicas cuantitativas enfatizan el análisis técnico de las pruebas estadísticas para que los datos sean más precisos, y las técnicas cualitativas enfatizan el análisis del proceso de los procesos de pensamiento inductivo relacionados con la dinámica de la relación entre los fenómenos observados y siempre utilizan la lógica científica.

**Hallazgos:** ha habido un aumento en el desempeño de las MIPYMES, a saber, cambios en (1) innovación tecnológica utilizando métodos de venta de ventas directas a ventas en línea, (2) Relaciones Humanas, a saber, sinergia con varias partes de Croudfunding y BUMN para superar problemas de capital, (3) Absorción de trabajo laboral, (4) Adaptación del mercado y (5) Dinamismo gerencial y ratios financieros que cambian para mejor.

**Implicaciones de investigación, prácticas y sociales:** los investigadores sugieren que las MIPYME cooperen con el crowdfunding y los mercados digitales para la sostenibilidad empresarial.

**Originalidad/valor:** Los resultados muestran que estos 5 aspectos han aumentado, a saber 1) Los aspectos de las ventas aumentaron un 23 % 2) Los aspectos de la utilidad operativa aumentaron un 25 %. 3) el Aspecto del capital aumentó en un 30% 4) el Aspecto del número de empleados en un 10% y 5) el Aspecto de la capacidad de pago a plazos bancarios aumentó en un 5%.

**Palabras clave:** Crowdfunding, Mercado de Negocios Digitales de Canvas, Desempeño MIPYME.

## INTRODUCTION

### Background of the Problem

After the covid 19 pandemic in Indonesia, MSMEs have not fully recovered and the impact caused by this pandemic includes 5 aspects, namely 1) the Sales aspect. The average decline in MSME sales is 61%, 2) Aspects of operating profit. The average decrease in operating profit is 61%, 3) Capital aspect. The number of MSMEs experiencing capital problems increased to 71.4%, 4) Aspects of the number of employees. In this aspect, MSMEs reduced the number of employees by 22%, and 5) Aspects of the ability to pay bank installments (Jacob & Munuswamy, 2022). To restore economic conditions through MSMEs, the government through Presidential Decree Number 16 of 2018, asked the ministry to purchase and spend on MSME products in the 2020 budget (Rahayu, & Kriwibowo, 2021). The potential budget allocation of around Rp. 307 trillion from ministry and agency spending is expected to be utilized by MSMEs (Moeliodihardjo, et al, 2012). The Ministry of SOEs has launched the MSME Digital Market (PADI) involving nine SOEs, consisting of banks consisting of 1) PT Bank Mandiri, 2) PT Bank Rakyat Indonesia, 3) PT Bank Negara Indonesia, 4) PT Bank Tabungan Negara, 5) PT Telkom, 6) PT Pertamina, 7) PT Permodalan Nasional Madani, 8) PT Pegadaian, 9) PT Wijaya Karya, 10) PT Waskita Karya, 11) PT Pembangunan Perumahan (PP) and 12) PT Pupuk Indonesia (Redjeki & Affandi, 2021). MSMEs that have the potential to meet product standardization are encouraged to digitally transform simply, namely electronic procurement in areas with a cashless system. Ministers, heads of institutions, and local governments are expected to participate in encouraging the procurement of values below Rp. 50-200 million by using domestic products and MSMEs through digital applications. It was recorded that from 2008 to 2020, around 47 percent or 180 thousand MSMEs participated in government procurement electronically. trillion), where in 2020 the procurement value that has been implemented is Rp56 trillion, or 26 percent (Irfayanti & Azis, 2012).

Which is a form of realization of the current two major government agendas, namely the National Economic Recovery (PEN) and Digital Transformation agenda (Wulandari, 2021).

Thus, it is hoped that the efforts made by the government will be able to realize the potential of Indonesia's digital economy (Yunus, 2020). The era of the industrial revolution 4.0 which is integrated with the internet makes the conditions of automation and the digital era of technology have a positive impact by solving problems in the economic and industrial sectors. In the economic sector, it has an impact, one of which is the speed of accessing information and exchanging data, which is very helpful in the transaction process and transparency in the financial sector (Carvalho, 2018) The application of information technology in the financial sector or known as Financial technology (Machkour & Abriane, 2020). Some products from Fintech that are easy to access by the public can be in the form of loans, online payments, investments, and other products (Lee & Shin, 2018). Crowdfunding is one of them, a product that provides solutions for overcoming economic difficulties in terms of capital to build and develop MSME businesses (Sanjaya, 2022).

Crowdfunding is a scheme to collect funds from a large number of people to finance a project or business which is generally done via the internet. There are several roles of Crowdfunding, namely: (1) Distribution of direct cash assistance, which comes from online donations, both from individuals and corporations and (2) Business capital assistance during a crisis. Amid a crisis, not a few employees lost their jobs, capital assistance can be used to start entrepreneurship to survive and start a new fortune in the business world, and (3) capital for the business sector or Micro, Small, and Medium Enterprises (MSMEs) that are struggling to survive. This business is often difficult to survive because of limited capital. Indonesia has had regulations related to this crowdfunding system since 2018, as stated in OJK Regulation (POJK) Number 37/POJK.04/2018 concerning Crowdfunding Services through Information Technology-Based Stock Offerings (Equity Crowdfunding). This POJK has resulted in two companies that have successfully obtained permits related to the implementation of equity crowdfunding, namely PT Santara Daya Inspiratama and PT Investasi Digital Nusantara (Nusantara.co.id and bizarre. id). Furthermore, in 2020, OJK again issued regulations related to crowdfunding investments, namely, POJK Number 57/POJK.04/2020 concerning Securities Offerings through Information Technology-Based Crowdfunding Services (Securities Crowdfunding) which was then amended through POJK Number 16/POJK/04/ 2021 relates to the addition of the obligation to register the related fintech as a Private Scope Electronic System Operator to the Ministry of Communication and Information.

In the early days of establishing regulations, OJK only issued regulations related to equity crowdfunding. After two years, OJK has re-issued regulations related to crowdfunding

investment using the securities crowdfunding method. The securities crowdfunding method is an improvement from equity crowdfunding which previously only allowed securities in the form of shares and could only be followed by business owners who have a legal entity in the form of a limited liability company (PT). This limitation was further refined by securities crowdfunding by expanding the types of securities offered in the form of stocks, Sukuk, and bonds. The expansion also applies to the criteria for publishers to become every business entity in Indonesia, whether it is a legal entity or not. This method allows MSMEs in general to participate in applying for capital for their business. To date, there are a total of five fintech companies that have obtained OJK permits in implementing this crowdfunding scheme investment system, including (1) T Numex Teknologi Indonesia (LandX), (2) PT Investasi Digital Nusantara (Bizhare), (3) PT Crowddana Teknologi Indonusa (Crowddana), (4) PT Dana Saham Bersama (Danasaham), (5) PT Santara Daya Inspiratama (Santara). Crowdfunding can be an alternative to credit financing. This funding can also be faster than the credit application process. In addition, through *equity crowdfunding*, businesses get benefits beyond the value of capital, such as *exposure*, *network*, and *business opportunities*. With investors enjoying the success of the business, investors will also promote the business to their immediate environment. Not only that, some investors even look for opportunities for businesses in which they invest. Because there is a sense of ownership, investors also work together with management to increase the success of the business. The types of crowdfunding are divided into 4 namely (1) Donation Based, (2) Reward-Based, (3) Debt Based, and (4) Equity-Based.

To get additional capital from investors, MSMEs can utilize the Business Model Canvas (BMC) to capture business opportunities potential that can be taken. Using the Business Model Canvas (BMC), and then finding the advantages and disadvantages that exist at once create several new strategies that can improve the business. this model can be applied when planning to start a business or in the middle run it, this Business Model Canvas concept can help design as well as evaluate the strategies used in the business so that every choice and the steps taken can have a maximum good impact on the business. The Business Model Canvas is a business model that describes the basics of thoughts about how an organization or company creates, submits, and captures value so that in the post-covid-19 pandemic SMEs can use the Business model canvas in analyzing problems so that they can find opportunities to advance and develop, especially in reducing aspects of the impact of covid-19 (Kurniasari, Gunawan, & Utomo, 2022).

From the background above, the identification of problems is as follows a. MSMEs have

not implemented Crowdfunding in solving MSME capital problems MSMEs have not implemented the Canvas Business Model (BMC) in the development of business activities to face global market competition. MSMEs have not implemented Digital Markets (ADI) in marketing MSME products. The decline in people's purchasing power. Decrease in the performance of MSMEs.

**Problem Formulation** This research is used to find out several things related to 1. Is there an increase in MSME performance in MSMEs that use financial technology, especially in Crowdfunding as an alternative to capital needs?. Is there an increase in the performance of MSMEs in MSMEs that use Digital Markets (PADI) as an alternative to the capital and marketing needs of MSME products?. Is there an increase in the performance of MSMEs in MSMEs that use financial technology, especially in Crowdfunding as an alternative to capital needs by using the Canvas Business Model (BMC)?. Is there an increase in the performance of MSMEs in MSMEs that use Digital Markets (PADI) as the marketing of MSME products through the Canvas Business Model (BMC)?

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## **LITERATURE REVIEW**

### **Crowdfunding**

Is a fundraising model that is carried out in a crowd-based digital platform with various purposes, including for the benefit of humanity, education, politics, public facilities, or innovative and creative endeavors (Hong & Ryu, 2019). Crowdfunding as a concept is a model of modern finance based on financial technology that facilitates and accelerates the mobilization of the wealth of the crowd for value creation plus (Presenza, et al 2019) .

One of the biggest challenges faced by the business sector, especially for business Startups is access to funding to realize their business ideas (Fathonih, et, al, 2019). Crowdfunding is a solution and alternative source of financing for creative businesses and innovation. Financial intermediaries face an oversupply of funding, especially from the small and medium enterprises (MSME) sector. World Bank Group reported In 2017, the total funding shortfall for the MSME sector is estimated to reach around USD5.2 trillion or equivalent to 19% of the GDP of 128 countries growing. Crowdfunding can encourage the distribution of access to funding, especially for business sectors that are marginalized by the banking financial system while also increasing community participation in funding creative ideas as well as social-humanitarian projects even in small rupiah amounts. System Crowdfunding-based

business financing is very compatible with culture Indonesia is famous for its culture of gotong royong and many cooperative systems practiced in the Indonesian economy. Although the crowdfunding model is diverse, the crowdfunding system essentially promotes the financial system where the profits and risks of a business project are shared between entrepreneurs and providers of funds according to their respective contributions. On the side, On the other hand, crowdfunding allows for small investment contributions and is followed by those with no experience or knowledge of investment analysis.

The characteristics of crowdfunding are especially relevant for developing countries including Indonesia, where the average level of community income is still relatively low level accompanied by a lack of financial literacy, but have the desire to invest. Thus, the rise of investment-based crowdfunding platforms can be an alternative investment for the community, especially for those who are low-income.

So far, more public funds are stored in banks, which are generally channeled to corporations, because it promises a greater level of profit. Meanwhile, the start-up sector and small and medium enterprises that do not have capital and guarantees are not a priority for financing the banking sector. Therefore, the system of crowdfunding allows the mobilization of public funds to finance start-up businesses and MSMEs which have been the main pillars national economy. At this point, crowdfunding creates democratization of finance, especially in access to financing for entrepreneurs and at the same time opportunities for investment for each individual.

According to Ziegler et al. (2020), transaction volume from crowdfunding globally experienced a significant increase from USD11.06 billion in 2013 to USD418.52 billion in 2017, the majority of which was contributed by investment-based crowdfunding such as P2P *lending* and *equity*. Meanwhile the volume of transactions from non-investment-based crowdfunding such as donations and *rewards* only about 0.2% of the total global crowdfunding volume. Geographically, in at least 161 countries with a relatively low level of development much different, where America, China, and Europe are the main players with control of about 97% of the total global crowdfunding market. In Indonesia, crowdfunding first appeared in 2012, namely using the establishment of the fundraising site *embodied.com* which is based on *rewards* (rewards). engaged in creative projects. But unfortunately, this platform had to close in 2017 due to too large operational costs. Then, various other websites emerged such as *kitabisa.com* and *Ayopeduli. id* which is donation-based crowdfunding, and *gandengtangan.co.id*. The transaction volume of non-investment-based crowdfunding is quite

promising as a source of funding for social activities and creative endeavors. For example, the platform *kitabisa.com* has succeeded in raising funds from the community reaching around IDR 835 billion since its establishment in 2013. Meanwhile, *gandengtangan.co.id* has succeeded accumulated loans since its establishment of around 41 billion rupiahs for financing SMEs.

Regulations related to crowdfunding in Indonesia were first regulated through OJK Regulation 2018 concerning Crowdfunding Services Through Share Offering Based on Information Technology (*equity crowdfunding*), which is further amended by OJK Regulation 2020 concerning Securities Offering Through Crowdfunding Services Information Technology Based. The latest regulation provides an expansion regarding securities offerings which are not only limited to shares but also include: debt and Sukuk. This regulation certainly encourages the emergence of platform-based investment in the country.

OJK recorded seven securities-based platforms, namely Santara, Bizhare, Crowdana, Landx, Stock Fund, SHAFIQ, and FedEx. According to the industry OJK report, Investment-based crowdfunding has raised funds worth IDR 437 billion to February 2022 from 193 publishers and 96,432 financiers. Even though the number of crowdfunding transactions in Indonesia in aggregate is still relatively low if compared to earlier industrialized countries crowdfunding such as the United States and the United Kingdom. But the opportunity for improvement is still wide open, especially with the increase in literacy about crowdfunding and community economic improvement. The types of crowdfunding are divided into 4 types: namely (1) Donation Based, (2) Reward-Based, (3) Debt Based, and (4) Equity Based

### **Digital Market (PADI)**

PADI UMKM was formed to bring together SOEs with SMEs to optimize the efficiency of SOE spending on SMEs (Hermawan., & Nugraha, 2022). This platform was formed in August 2020. There are so many advantages that can be obtained by MSME actors in Indonesia if they follow and register on this platform, including (1) MSME actors will get local access and global e-commerce which of course will further expand the business network them, (2) There is convenience in the financing process where business people SMEs can apply for financing from trusted SOEs (such as Bank BRI, Pegadaian or PNM), (3) There is a definite market from state-owned companies, (4) Para SME business players will get payment certainty because the system payments will be monitored directly by the management and ministry of SOEs, (5) SME business people will also get feedback and inputs which is beneficial for the



development of the quality of their products and services (Saud, Neamah, & Sabbar, 2022).

Through the MSME Digital Market (PADI MSME) program, the Ministry of SOEs trying to attract MSME actors to be part of the within ministries and state-owned companies. Digital Market MSME is a digital platform that brings together MSME actors with SOEs to optimize and encourage the efficiency of SOE spending transactions, at the same time expand the opportunities for SMEs to get capital. Based on data Ministry of SOEs, until the end of 2021, SOEs have facilitated 13,692 business MSMEs with a total transaction of IDR 19.2 trillion from 235 thousand transaction amount. Each MSME recorded Rp 1.4 billion per transaction. There are the five largest types of MSME transactions in the procurement of SOEs. Office stationery ranks first with 13,871 transactions, followed by equipment with 10,981 electronic transactions. Advertisement Catering and snacks occupy the next order by recording 5,982 transactions, then in the fourth place, there is shopping for personal protective equipment for occupational health and safety (K3) a total of 5,529 transactions. Souvenir shopping needs occupy the fifth place with 4,495 transactions. This condition accelerated because, in August 2021, the number of MSMEs recorded 9,600 businesses and the number of transactions amounted to 130 thousand with a range of IDR 20 million to IDR 400 million per transaction. This positive trend is believed to continue, in line with the announcement by the Central Statistics Agency that the Indonesian economy recorded a growth rate of 5.01 percent in the first quarter of 2022. Digital Market (PADI) MSMEs involving nine SOEs, consisting of Banks consisting of 1) PT Bank Mandiri, 2) PT Bank Rakyat Indonesia, 3) PT Bank Negara Indonesia, 4) PT State Savings Bank, 5) PT Telkom, 6) PT Pertamina, 7) PT Permodalan Nasional Madani, 8) PT Pegadaian, 9) PT Wijaya Karya, 10) PT Waskita Karya, 11) PT Housing Development (PP) and 12) PT Pupuk Indonesia

### **Business Model Canvas (BMC)**

Business Model Canvas is a framework that discusses models' efforts in visual form in the form of canvas painting so that it can be understood and easily understood. It is a tool in business management strategy to explain the concept, consumers, infrastructure, target customers, and finance company more clearly. Usually, this strategy is used by business actors and beginners to produce a mature business strategy. Previously, perpetrator MSMEs are still not using this strategy too much, but with access To better information and increasingly fierce competition in the market, it is not surprising that MSMEs also need to use this strategy.

In its application, the Business Model Canvas has 9 indicators, namely (1) Value

Benefits (*Value Proposition*) is something that we offer needs to have benefits for the targeted market segment, but also has a differentiating power, ( 2 ) Segment Markets (*Customer Segments*) are entrepreneurs who recognize consumers and their characteristics and their needs so that the products offered can be suitable people and become a solution for them, (3) Relationship with Customer (*Customer Relationship*), is a habit, maintain relationships made with the customer. Big businesses and SMEs need to think about this maturely. After all, our efforts are there to meet the needs of the customer. We need the right strategy in determining interactions and maintaining loyal customers so as not to turn to other business actors. Various strategies of communication can be used: it can be limited to transactional or broken up, it can maintain long-term relationships with customers, can create community customers, can be served by a friendly sales representative, or even provide promos or discounts to customers, (4) Main Business Activities (*Key Activities*) are all activities related to business productivity that related to a product so that products with *value proposition*) that has been defined can be created and present in the market. The main activity of this business means mandatory activities in the business, such as product design, process production, and processing, business operations, delivery of goods, (5) sources of income Business (*Revenue Streams*) is a source of operating income from customer transactions, This element is a strategy for business actors to make money depending on the with every activity and thing offered through the business, for example, sales products, sales of services, subscription fees, or even borrowing fees. (6) Channels (*Channels*) are a way for us as business actors to reach the market as well deliver the product to the right target. (7) Resources (*Key Resources*) in To realize products that are valuable, useful, and attractive in the eyes of the market, we need to plan every type of resource needed, from raw materials, and human resources, to business operational processes. This element is important for supporting the main activities in the business so that business products can be realized according to hope. Some categories of assets related to this are Physical Assets: factory facilities, buildings, land, vehicles, or machine tools, Intellectual Assets: *brands*, patents, rights copyright, confidential company information, Human Assets: workforce, Financial Assets: cash business, credit, bond or business stock. (8) Cooperation (*Key Partnership*) Cooperation shows who are the partners who will support our efforts so that we can compete and carry out business activities effectively. (9) Cost Structure (*Cost Structure*) is a breakdown of the factors that play a role in shaping costs to support business activity. Typically, these Business Model Canvas elements include things like raw material costs, marketing costs, production costs, packaging and distribution costs, and employee salary. There

are two *Fixed Costs*: fixed costs that arise that are independent of the amount of production and *Variable Cost*: the costs that arise vary according to the amount produced so that appropriate financial reports are needed to be able to calculate the cost

### **Performance of MSMEs**

Micro, small and medium enterprises are economic businesses established by individuals or business entities that can expand or generate jobs and contribute to the economy and implement economic services broadly to the public (Ojasalo & Ojasalo, 2018; Chong, Hong, & Teck, 2022). With the existence of MSMEs that stand to be able to reduce unemployment. Thus, MSMEs have a very significant position in the economy, that MSME performance is the result of work achieved by an individual and can be completed with the individual's tasks within the company and in a certain period, and will be linked to the size of the value or standard of the individual company (Lopez-Perez, & Rodriguez-Ariza, 2013). The performance of MSMEs is (1) sales growth, (2) sales growth, (3) capital growth, (4) additional workforce, (5) market and marketing growth, (6) operating profit growth

### **RESEARCH METHODS AND DATA ANALYSIS**

This research uses a Mix Method research approach, which is a combination of quantitative and qualitative combinations. Using the combined method is expected to complement each other from the existing hypotheses. Quantitative emphasizes the technical analysis of statistical tests so that the data is more accurate, in Qualitative research emphasizes the analysis of the process of inductive thinking processes related to the dynamics of the relationship between observed phenomena and always uses scientific logic.

Where this method is a way of formulating and interpreting existing data to provide a clear picture of the MSME Sustainability Strategy after the Covid-19 pandemic by analyzing the role of crowdfunding and the digital market by improving MSME performance using the Canvas Model Business Strategy as an Intervening Variable. Post-covid-19 pandemic in Indonesia by using (1) Observing social phenomena, identifying, revising, and re-checking existing data. (2). Categorize the information obtained. (3). Tracing and explaining the categorization. (4). Explain the categorization relationship. (5). Draw general conclusions. (6). Building or explaining theory

## Research variable

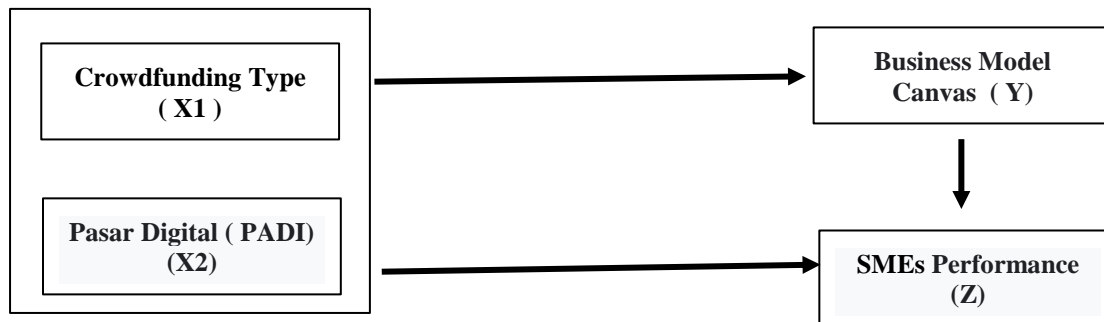
Table 1. Research Variable

No	Variable	Indikator	
1	Crowdfunding Type ( X1)	X1.1	Donation Based.
		X1.2	Reward Based.
		X1.3	Debt Based.
		X1.4	Equity Based.
2	Digital Market ( PADI )	X2.1	Bank Mandiri,
		X2.2	Bank BRI
		X2.3	Bank BNI
		X2.4	Bank BTN
		X2.5	PT Telkom
		X2.6	PT Pertamina
		X2.7	PNM
		X2.8	Pegadaian
		X2.9	Wijaya Karya
		X2.10	Waskita Karya
		X2.11	PT Pembangunan Perumahan ( PP )
		X2.12	dan Pupuk Indonesia.
3	Business Model Canvas	Y.1	Customer segments
		Y.2	Value proposition
		Y.3	Customer relationship
		Y.4	Key activities
		Y.5	Revenue Streams
		Y.6	Channels
		Y.7	Key Resources
		Y.8	Cost Structure
		Y.9	Key Partnership
4	SMEs Performance	Z2.1	Sales growth
		Z2.2	Capital growth
		Z2.3	Additional workforce
		Z2.4	Market growth and marketing
		Z2.5	Operating profit growth

## Population and Sample

The population in this study are all MSMEs that use Crowdfunding and Digital Market (PADI) services as many as 380 MSMEs use the slovin formula, then 192 MSMEs are used as samples with various backgrounds from various businesses.

### Framework of thinking



Based on the picture above, the framework of thinking is the role of crowdfunding and Digital Markets in curating 5 aspects of the impact of Covid-19, namely 1) the Sales aspect, and 2) the Operating profit aspect. 3) Aspects of capital, 4) Aspects of the number of employees. and 5) Aspects of the ability to pay bank installments to improve the performance of MSMEs through the canvas

### RESULTS AND ANALYSIS

A validity test serves to test the extent to which the measuring instrument (instruments) used can measure the indicators or variables studied. 43 questions represent all variables to be tested for quality. The results of the validity and reliability of 27 questions become research instruments processed using AMOS 20 with the provisions of the instrument can be said to be valid if it has a correlation coefficient  $>0.05$ . The results of the validity test can be seen from the confirmatory construct test as follows:

Table 2. Confirmatory Test Results

<i>Goodness of fit</i>	<i>Cut off value</i>	Hasil	Keterangan
<i>Chi-square</i>	11,07	9,784	Baik
<i>Probability</i>	$\geq 0,05$	0,172	Baik
<i>CMIN/DF</i>	$\leq 2,00$	1,920	Baik
<i>GFI</i>	$\geq 0,90$	0,932	Baik
<i>AGFI</i>	$\geq 0,90$	0,999	Baik
<i>TLI</i>	$\geq 0,95$	0,982	Baik
<i>CFI</i>	$\geq 0,90$	0,905	Baik
<i>RMSEA</i>	$\leq 0,08$	0,067	Baik

Source: Data processed

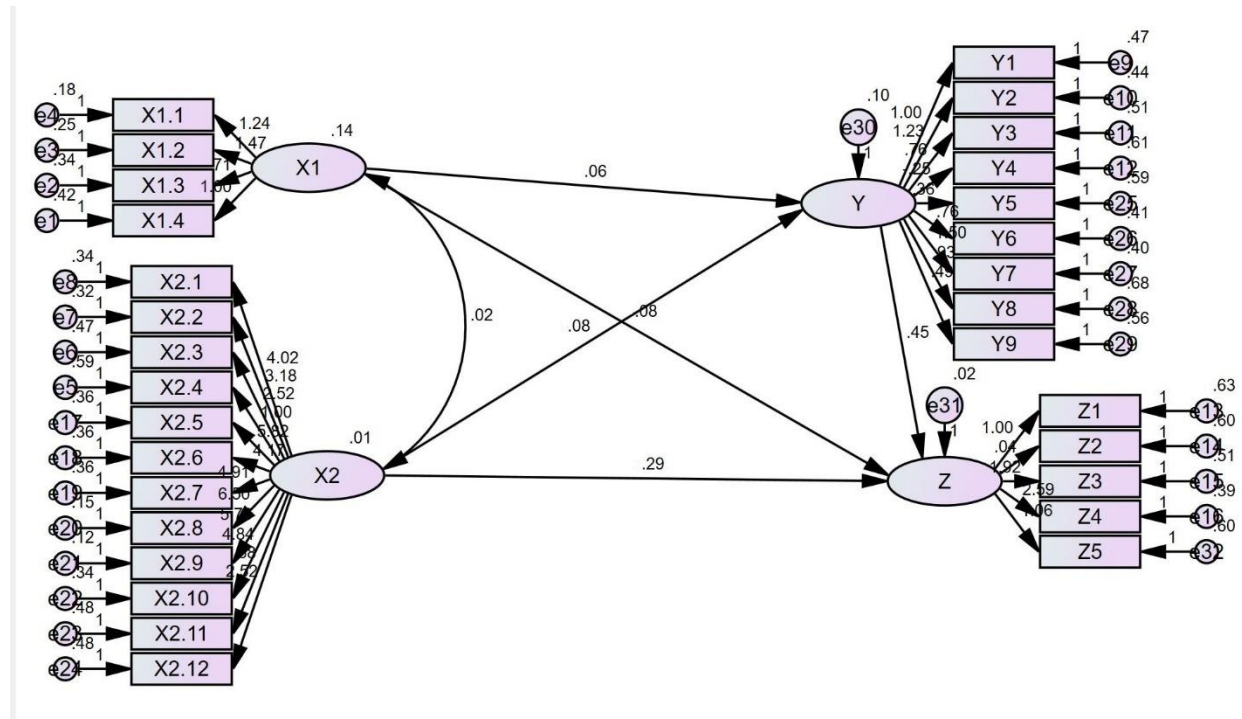
Table 3. Regression Result Variable

			Estimate	S.E.	C.R.	P	Label
Y	<---	X1	0.058	0.135	0.431	0.667	par_26
Y	<---	X2	0.081	0.644	0.126	0.9	par_27
Z	<---	Y	0.454	0.309	1.472	0.141	par_28
Z	<---	X1	0.076	0.102	0.74	0.459	par_29
Z	<---	X2	0.288	0.495	0.582	0.56	par_30
X1.4	<---	X1	1				
X1.3	<---	X1	0.709	0.171	4.152	***	par_1
X1.2	<---	X1	1.466	0.275	5.331	***	par_2
X1.1	<---	X1	1.238	0.238	5.208	***	par_3
X2.4	<---	X2	1				
X2.3	<---	X2	2.517	2.146	1.173	0.241	par_4
X2.2	<---	X2	3.185	2.605	1.222	0.222	par_5
X2.1	<---	X2	4.023	3.251	1.237	0.216	par_6
Y1	<---	Y	1				
Y2	<---	Y	1.235	0.328	3.763	***	par_7
Y3	<---	Y	0.759	0.298	2.546	0.011	par_8
Y4	<---	Y	0.252	0.255	0.988	0.323	par_9
Z1	<---	Z	1				
Z2	<---	Z	0.042	0.42	0.1	0.92	par_10
Z3	<---	Z	1.917	1.095	1.751	0.08	par_11
Z4	<---	Z	2.593	1.568	1.654	0.098	par_12
X2.5	<---	X2	5.822	4.62	1.26	0.208	par_13
X2.6	<---	X2	4.169	3.365	1.239	0.215	par_14
X2.7	<---	X2	4.913	3.956	1.242	0.214	par_15
X2.8	<---	X2	6.499	5.164	1.258	0.208	par_16
X2.9	<---	X2	5.758	4.567	1.261	0.207	par_17
X2.10	<---	X2	4.842	3.878	1.249	0.212	par_18
X2.11	<---	X2	0.677	0.886	0.763	0.445	par_19
X2.12	<---	X2	2.516	2.131	1.181	0.238	par_20
Y5	<---	Y	0.357	0.241	1.484	0.138	par_21
Y6	<---	Y	0.765	0.27	2.829	0.005	par_22
Y7	<---	Y	1.501	0.406	3.697	***	par_23
Y8	<---	Y	0.927	0.354	2.614	0.009	par_24
Y9	<---	Y	0.495	0.29	1.705	0.088	par_25
Z5	<---	Z	1.059	0.66	1.606	0.108	par_31

Source: Data processed

Based on table 3 above, it is known that each variable forming indicator shows results that meet the criteria, namely CR 1.472 with probability 0.05. From these results it can be said that the variables forming indicators are significant indicators of the factors involved in the research, namely (1) Crowdfunding, (2) Digital Markets (PADI), (3) business model canvas, (4) MSME performance. . Thus it can be concluded that the MSME Sustainability Strategy after

the Covi-19 pandemic By analyzing the role of crowdfunding and the digital market by improving MSME performance using the Canvas Model Business Strategy as an Intervening Variable is acceptable.



Testing this hypothesis is to analyze the *Critical Ratio* (CR) value and the *Probability* (P) value of the data processing results, compared with the required statistical limits, which are above 1.472 for the CR value and below 0.05 for the P value. Based on table 3 above, it can be explained the relationship between variables is as follows:

This research is used to find out several things related to

1. Explain whether there is an increase in the performance of MSMEs in MSMEs that use financial technology, especially in Crowdfunding as an alternative to capital needs?

Based on the table in column P above, the effect of increasing the performance of MSMEs with crowdfunding as an alternative to capital requirements shows CR  $0.74 < 1.96$  and P  $0.459 > 0.05$ . Thus it can be said that Crowdfunding supports and it can be stated that it has a significant positive effect on improving the performance of MSMEs

2. Is there an increase in the performance of MSMEs in MSMEs that use Digital Markets (PADI) as an alternative to the capital and marketing needs of MSME products?

Based on the table in column P above, the effect of increasing MSME performance with Digital Markets (PADI) as an alternative to capital and marketing needs shows CR  $0.582 < 1.96$

and  $P 0.56 > 0.05$ . Thus it can be said that the Digital Market ( PADI) supports and it can be stated that it has a significant positive effect on improving the performance of MSMEs

3. Is there an increase in the performance of MSMEs in MSMEs that use financial technology, especially in Crowdfunding as an alternative to capital needs by using the Canvas Business Model (BMC) as an intervening variable?

Based on the table in column P above, the effect of increasing the performance of MSMEs with crowdfunding as an alternative to capital requirements shows a CR number of  $0.431 < 1.96$  and  $P 0.667 > 0.05$ . Thus it can be said that Crowdfunding through the Canvas Business Model (BMC) as an intervening variable supports and it can be stated that it has a significant positive effect on improving MSME performance.

4. Is there an increase in the performance of MSMEs in MSMEs that use Digital Markets (PADI) as the marketing of MSME products through the Canvas Business Model (BMC)?

Based on the table in column P above, the effect of increasing MSME performance with Digital Markets (PADI) as an alternative to capital and marketing needs shows CR  $0.126 < 1.96$  and  $P 0.9 > 0.05$ . Thus it can be said that the Digital Market (PADI) through the Canvas Business Model (BMC) as an intervening variable supports and it can be stated that it has a significant positive effect on improving the performance of MSMEs

## CONCLUSION

The results of this study are

1. That there is an increase in the performance of MSMEs in MSMEs that use financial technology, especially in Crowdfunding as an alternative to capital needs
2. That there is an increase in the performance of MSMEs in MSMEs that use the Digital Market (PADI) as an alternative to the capital and marketing needs of MSME products
3. That there is an increase in the performance of MSMEs in MSMEs that use financial technology, especially in Crowdfunding as an alternative to capital needs by using the Canvas Business Model (BMC)
4. That there is an increase in the performance of MSMEs in MSMEs that use Digital Markets (PADI) as the marketing of MSME products through the Canvas Business Model (BMC)



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