

# Accelerating UMKM Digital Transformation: Mentoring in Business Model Canvas (BMC) Development and Online Marketing Strategies Based on Local Platforms

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## ABSTRACT

The digital transformation of Micro, Small, and Medium Enterprises (MSMEs/UMKM) has become increasingly critical in Indonesia's post-pandemic economic recovery. This qualitative study examines the effectiveness of mentoring programs focused on Business Model Canvas (BMC) development and online marketing strategies using local platforms for UMKM acceleration. Through in-depth interviews with 15 UMKM owners, 5 mentors, and 3 platform representatives across various Indonesian cities, this research employs thematic content analysis to understand the impact of structured mentoring on digital transformation outcomes. The findings reveal that comprehensive BMC mentoring significantly enhances UMKM owners' understanding of business model components, with participants demonstrating improved capability in customer segmentation, value proposition development, and revenue stream diversification. Local platform adoption showed superior outcomes compared to international alternatives, with 35% average sales increases and enhanced operational efficiency. The study identifies key success factors including local language support, lower commission fees, and community-based learning approaches. These findings contribute to the understanding of effective community service methodologies for UMKM digital transformation and provide practical frameworks for scaling mentoring programs across Indonesia's diverse economic landscape.

**Keywords:** Digital transformation, Business Model Canvas, local platforms, community service.

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## INTRODUCTION

The digital transformation landscape in Indonesia has experienced unprecedented acceleration, particularly following the COVID-19 pandemic which has fundamentally altered consumer behavior and business operations. Micro, Small, and Medium Enterprises (UMKM), which constitute over 97% of Indonesia's workforce and contribute approximately 61% to the national Gross Domestic Product, face mounting pressure to adapt to digital-first business models. Despite their economic significance, many UMKM operators struggle with the transition from traditional business practices to comprehensive digital strategies, creating a critical gap in Indonesia's digital economic development (Muis, 2025).

The Business Model Canvas (BMC), developed by Alexander Osterwalder, has emerged as a fundamental strategic tool for business model visualization and development. This framework's nine interconnected components—customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure—provide UMKM operators with a systematic approach to business planning and strategic thinking. Research demonstrates that SMEs utilizing BMC frameworks exhibit improved business performance, enhanced strategic clarity, and better resource allocation decisions (Saragi Sitio, 2015).

Indonesia's e-commerce ecosystem has witnessed remarkable growth, with the market projected to reach \$83 billion by 2025, driven primarily by increased smartphone penetration and internet accessibility. However, the dominance of international platforms such as Shopee, Tokopedia, and Lazada has created both opportunities and challenges for local UMKM operators. Although these platforms provide extensive market reach, they often impose high commission fees, limited local language support, and standardized approaches that may not align with local business practices (Syahrani et al., 2022).

The emergence of local e-commerce platforms and community-based digital initiatives presents alternative pathways for the UMKM digital transformation. These platforms typically offer lower transaction costs, enhanced local language support, and community-building features that resonate with the Indonesian business culture. Research indicates that UMKM operators show higher satisfaction and better performance outcomes when utilizing platforms that provide culturally relevant support and localized service approaches (Friadi et al., 2024).

Community service programs that focus on UMKM empowerment have gained significant attention from academic institutions, government agencies, and non-governmental organizations. These initiatives typically combine theoretical knowledge transfer with practical skill development to create sustainable learning environments that extend beyond traditional training programs. The mentoring approach, particularly when integrated with hands-on platform implementation, has shown promising results in accelerating digital adoption and improving business outcomes (Shenta, 2023).

The current literature reveals several gaps in the understanding of the effectiveness of integrated mentoring programs that combine BMC development with local platform adoption strategies. While individual studies have examined BMC

implementation in SMEs and digital platform adoption patterns, few studies have explored the synergistic effects of combining structured business model development with community-based mentoring approaches. Furthermore, the specific advantages of local platforms over international alternatives in Indonesia require further investigation.

The theoretical framework for this study draws upon the social learning theory, which emphasizes the importance of observational learning, modeling, and social interaction in skill acquisition and behavioral change. In the context of UMKM digital transformation, mentoring relationships provide essential scaffolding for knowledge transfer, practical skill development, and confidence building. The integration of the BMC methodology with platform-specific training creates multiple learning touchpoints that reinforce digital literacy and strategic thinking capabilities.

The Technology Acceptance Model (TAM) principles also inform this research, particularly in understanding how perceived usefulness and ease of use influence UMKM operators' adoption of digital platforms and business tools. Local platforms' emphasis on user-friendly interfaces, local language support, and culturally relevant features aligns with TAM predictions about technology adoption success factors. The mentoring component addresses perceived barriers to technology use while enhancing users' confidence in digital tool utilization.

Resource-Based View (RBV) theory provides additional theoretical grounding for understanding how BMC development helps UMKM operators identify, develop, and leverage their unique resources and capabilities. The systematic approach of BMC component analysis enables entrepreneurs to recognize previously underutilized assets and develop competitive advantages based on local knowledge, cultural understanding, and community relationships.

This research addresses three primary research questions. First, how does structured BMC mentoring influence UMKM operators' understanding and implementation of comprehensive business models? Second, what are the comparative advantages of local versus international platforms in supporting the UMKM digital transformation? Third, how do integrated mentoring programs that combine BMC development with platform-specific training impact overall business performance and digital literacy outcomes?

The significance of this study extends beyond its academic contributions to practical implications for policy development, community service program design, and UMKM support initiatives. As Indonesia continues its digital economic development agenda, understanding effective methodologies for UMKM empowerment becomes crucial for inclusive economic growth. The findings provide actionable insights for educational institutions designing community service programs, government agencies developing UMKM support policies, and platform developers seeking to serve local business communities better.

## METHOD

This study adopts an interpretive paradigm that emphasizes understanding participants' lived experiences and meaning-making processes during digital

transformation initiatives. This approach aligns with constructivist epistemology that acknowledges the socially constructed nature of business knowledge and the importance of contextual factors in technology adoption decisions. The case study methodology enables an in-depth exploration of complex phenomena within their real-world context, making it particularly suitable for examining mentoring program effectiveness and platform adoption patterns.

The embedded case study design treats the mentoring program as the primary case while examining individual UMKM operators, mentors, and platform representatives as embedded units of analysis. This multi-level approach provides comprehensive insights into the mentoring process from multiple stakeholder perspectives while focusing on the overall program effectiveness and transformation outcomes.

#### *Participant Selection and Sampling Strategy*

Purposive sampling was employed to select participants who could provide rich, information-dense data on the digital transformation experience. The sampling strategy aimed to achieve maximum variation across key dimensions including business type, geographical location, initial digital literacy levels, and business maturity. This approach ensures broader transferability of the findings while maintaining analytical depth.

The primary participants were 15 UMKM owners representing diverse business sectors: food and beverage (n=4), fashion (n=4), handicrafts (n=3), cosmetics (n=2), and home decor (n=2). The geographic distribution spanned major Indonesian cities including Jakarta, Bandung, Surabaya, Yogyakarta, Medan, Semarang, Malang, Solo, Palembang, Makassar, Denpasar, and Bogor, ensuring representation of different regional business environments and digital infrastructure conditions.

Secondary participants comprised five experienced business mentors with backgrounds in digital marketing, business development, and UMKM empowerment, as well as three representatives from local e-commerce platforms. This multi-stakeholder approach enables a comprehensive understanding of the mentoring ecosystem and platform dynamics that affect UMKM digital transformation outcomes. Inclusion criteria for UMKM owners required: (1) business operation for a minimum of two years (2) willingness to participate in 6-month mentoring program (3) commitment to implementing the BMC framework and adopting local platforms and (4) consent for data collection throughout the program duration. Exclusion criteria eliminated businesses that were already extensively digitized or those unwilling to participate in the full program cycle.

#### *Data Collection Methods*

Data collection employed a multi-method approach combining in-depth interviews, participant observation, and document analysis to capture the complexity of mentoring and transformation processes. Methodological triangulation enhances data credibility and provides multiple perspectives on the same phenomenon.

#### *In-depth Semi-structured Interviews*

Three rounds of interviews were conducted with each participant: pre-mentoring baseline interviews (60-90 minutes), mid-program progress interviews (45-60 minutes),

and post-program outcome interviews (60-90 minutes). Interview protocols were developed based on literature review findings and pilot tested with three UMKM operators that were not included in the main study.

Pre-mentoring interviews explored the participants' business backgrounds, current digital practices, understanding of business models, platform usage experiences, and expectations of the mentoring program. The mid-program interviews focused on learning experiences, challenges encountered, changes in understanding and practices, and mentor relationship dynamics. Post-program interviews examined transformation outcomes, sustained behavioral changes, business performance impacts, and program satisfaction levels.

Additional interviews were conducted with mentors and platform representatives to understand their perspectives on program effectiveness, participant progress, and the systemic factors influencing transformation success. These interviews provided crucial contextual information and alternative perspectives regarding the mentoring process.

#### *Participant Observation*

Ethnographic observations were conducted during the mentoring sessions, BMC development workshops, and platform training activities. Observations have focused on interaction patterns, learning behaviors, problem-solving approaches, and group dynamics that influence knowledge transfer effectiveness. Field notes documented verbal and non verbal communication, participant engagement levels, and emergent themes not captured through interviews alone.

Structured observation protocols guide data collection while allowing flexibility for emergent phenomena. Regular debriefing sessions with mentors provided additional insights into participant progress and program dynamics from a facilitator perspective.

#### *Document Analysis*

Written materials produced during the mentoring program were systematically analyzed, including completed BMC templates, marketing materials developed by participants, platform setup documentation, and business performance records where available. This documentary evidence provides objective indicators of learning outcomes and practical application of program content.

Digital artifacts such as social media posts, product listings, and customer communications were also examined with participant consent, offering insights into the real-world implementation of marketing strategies and platform utilization patterns.

#### *Data Analysis Framework*

Qualitative data analysis followed the Framework Method, which provides systematic procedures for managing and analyzing large volumes of qualitative data while maintaining connections to individual participant contexts. This approach is particularly suitable for multi-stakeholder studies with policy and practical implications.

### *Thematic Content Analysis*

The analysis began with inductive coding of interview transcripts and field notes using constant comparative methods. Initial codes were generated through line-by-line analysis, with particular attention paid to participants' own language and conceptual frameworks. Similar codes were grouped into provisional categories that were refined through iterative comparisons across cases and data sources.

The deductive analysis complemented the inductive approach by applying existing theoretical frameworks related to BMC components, digital platform adoption, and mentoring effectiveness. This dual approach enables both theory testing and theory development while remaining grounded in participant experiences

## RESULTS AND DISCUSSION

The findings of this qualitative study revealed significant transformations in UMKM digital capabilities, business model understanding, and performance outcomes following the structured mentoring program. Thematic content analysis identified four primary domains of change: BMC comprehension and implementation, digital marketing skill development, local platform adoption patterns, and overall business performance impacts. Each theme demonstrates the multifaceted nature of digital transformation and interconnected benefits of integrated mentoring approaches.

Table 1. Participant

Participant_ID	Role	Business_Type	Business_Age_Years	Location	Initial_Digital_Literacy
P01	UMKM Owner	Food & Beverage	3	Jakarta	Low
P02	UMKM Owner	Fashion	5	Bandung	Medium
P03	UMKM Owner	Handicrafts	2	Surabaya	Low
P04	UMKM Owner	Cosmetics	4	Yogyakarta	Medium
P05	UMKM Owner	Food & Beverage	6	Medan	High
P06	UMKM Owner	Fashion	3	Jakarta	Low
P07	UMKM	Home	2	Bandung	Medium

Participant_ID	Role	Business_Type	Business_Age_Years	Location	Initial_Digital_Literacy
	Owner	Decor			
P08	UMKM Owner	Food & Beverage	7	Semarang	High
P09	UMKM Owner	Handicrafts	4	Malang	Low
P10	UMKM Owner	Fashion	5	Solo	Medium
P11	UMKM Owner	Cosmetics	3	Jakarta	Low
P12	UMKM Owner	Food & Beverage	8	Palembang	High
P13	UMKM Owner	Fashion	4	Makassar	Medium
P14	UMKM Owner	Home Decor	2	Denpasar	Low
P15	UMKM Owner	Handicrafts	6	Bogor	Medium

The study participants represented a diverse cross-section of Indonesian UMKM operators, with businesses spanning five major sectors and geographic locations across 12 cities. Food and beverage enterprises comprised the largest segment (26.7%), followed by fashion (26.7%), handicrafts (20%), cosmetics (13.3%), and home decors (13.3%). Business ages ranged from two to eight years, with an average of 4.3 years, indicating established but still-developing enterprises rather than startups or mature businesses.

Initial digital literacy levels varied considerably among participants, with 53.3% classified as having low digital literacy, 33.3% as medium, and 13.3% as high. This distribution reflects the broader UMKM population's limited exposure to digital tools and platforms, highlighting the critical need for structured support programmes. Geographic diversity ensures the representation of different market conditions, infrastructure availability, and local business environments across Indonesia's major economic centers.

*Business Model Canvas Understanding and Implementation*

The mentoring program had a profound impact on participants' comprehension and the practical application of BMC components. Pre-mentoring assessments revealed widespread gaps in business model conceptualization, with most participants operating intuitively without systematic strategic frameworks.

Table 2. Business Model Canvas

BMC Component	Post Mentoring Understanding	Post Mentoring Understanding	Implementation Level	Impact_on_Business
Customer Segments	Vague	Well-defined segments	High	Targeted marketing
Value Propositions	Unclear	Clear value propositions	High	Competitive advantage
Channels	Limited	Multi-channel approach	Medium	Market expansion
Customer Relationships	Basic	Strategic relationships	High	Customer loyalty
Revenue Streams	Single source	Diversified streams	Medium	Income diversification
Key Resources	Not identified	Identified key resources	High	Resource optimization
Key Activities	Unstructured	Structured activities	High	Process efficiency
Key Partnerships	Minimal	Strategic partnerships	Medium	Network expansion
Cost Structure	Not calculated	Detailed cost analysis	High	Cost optimization

*Pre-Mentoring Business Model Understanding*

The initial interviews identified four primary areas of limited understanding among participants. The knowledge of business model components was fragmentary, with 86.7% of participants being unable to articulate clear distinctions between different strategic elements. Value proposition identification proved particularly challenging,



with participants typically describing their products in generic terms rather than specific customer benefits or competitive advantages.

Customer segmentation represented another significant knowledge gap as participants generally viewed their markets in broad, undifferentiated terms. Most operated with assumptions about their customers rather than a systematic analysis of distinct market segments with varying needs and preferences. Revenue stream understanding was similarly limited, with the majority relying on single income sources without considering diversification opportunities or alternative monetization strategies.

"Before the mentoring, I just sold my products to whoever wanted to buy. I never thought about who exactly my customers were or why they would choose my products over others" explained P07, a home decor UMKM owner from Bandung. This sentiment was echoed across multiple participants, indicating systemic gaps in strategic business thinking.

#### *Post-Mentoring Transformation Outcomes*

Following the six-month mentoring program, the participants demonstrated remarkable improvements in BMC comprehension and implementation. All participants successfully completed the comprehensive BMC templates with a detailed analysis of each component. Customer segmentation showed the most dramatic improvement, with participants identifying an average of 3.2 distinct market segments compared to the pre-mentoring average of 1.1 segments.

Value proposition development has become significantly more sophisticated, with participants articulating specific benefits, unique selling points, and competitive differentiators. Revenue stream analysis identified multiple income sources, with 73.3% of participants implementing at least one new revenue stream during the programme period.

P11, a cosmetics UMKM owner from Jakarta, illustrated this transformation: "Now I understand that I'm not just selling skincare products. I am providing natural, affordable beauty solutions for working mothers who want to look professional but do not have time for complicated routines. This clarity changed everything about how I market and develop products."

#### *Implementation Levels and Business Impact*

The analysis of the BMC implementation revealed varying success levels across the nine components. Customer segments and value propositions achieved high implementation rates (100% and 93.3% respectively), reflecting the participants' strong engagement with market-facing elements. Revenue streams and cost structure analysis also showed high implementation rates (86.7% and 93.3% respectively), indicating improved financial planning capabilities.

Channel implementation achieved medium success (66.7%) as participants experimented with various marketing and distribution approaches while still developing expertise. Key partnerships showed medium implementation (60%), reflecting the time required to establish meaningful business relationships beyond program duration.

Their impact on business operations was substantial, with participants reporting enhanced strategic clarity, improved resource allocation, and more systematic

approaches to business development. Target marketing efforts showed immediate improvement, with participants developing specific messaging and promotional strategies for the identified customer segments.

The mentoring program addressed critical gaps in participants' digital marketing capabilities by transforming basic social media usage into comprehensive online marketing strategies. Pre-programme assessments revealed limited systematic approaches to digital customer engagement and content creation.

#### *Pre-Mentoring Digital Marketing Practices*

The initial digital marketing practices of the participants were characterized by four primary limitations. Social media usage was predominantly personal rather than business-focused, with participants posting sporadically without strategic planning or audience considerations. Content creation skills were minimal, with most participants sharing basic product photos without professional presentations or marketing messaging.

Marketing strategies were largely absent, with participants relying primarily on word of mouth referrals and occasional social media posts. No systematic approach to customer acquisition, retention, or engagement was evident among the majority of the participants. This reactive approach limits business growth potential and reduces competitive positioning in the digital markets.

P03, a handicraft UMKM owner from Surabaya, described typical pre-mentoring practices: I posted pictures of my products on Facebook sometimes, but I did not really know what I was doing. I just hoped people would see them and buy something."

#### *Post-Mentoring Digital Marketing Capabilities*

Following the completion of the mentoring program, the participants demonstrated substantial improvements in digital marketing sophistication and execution. Professional social media management became a standard practice, with participants developing content calendars, consistent posting schedules, and engagement strategies tailored to their identified customer segments.

Content creation quality has improved dramatically, with participants producing professional product photography, compelling marketing copies, and educational content that positioned them as industry experts. Strategic marketing planning replaced reactive posting with participants setting measurable goals, tracking performance metrics, and adjusting strategies based on the results analysis.

Multi channel marketing approaches emerged as participants integrated various digital platforms and communication methods into cohesive strategies. Email marketing, social media advertising, influencer collaboration, and search engine optimization have become components of comprehensive marketing ecosystems rather than isolated activities.

#### *Skills Transfer and Sustainability*

The mentoring program's emphasis on hands-on learning and peer collaboration facilitated effective skill transfer and sustainable practice adoption. Participants continued to improve their digital marketing capabilities beyond the formal program

period, with 80% reporting ongoing skill development three months after post-completion.

The peer learning networks established during the program provided ongoing support and knowledge sharing, creating communities of practice that reinforced learning outcomes. Participants regularly shared successful strategies, collectively troubleshooted challenges, and celebrated achievement milestones.

#### *Local Platform Adoption and Comparative Analysis*

One of the study's most significant findings relates to the superior performance of local platforms compared to international alternatives in supporting the UMKM digital transformation. Participants' experiences revealed clear preferences for platforms offering localized features, community support, and culturally relevant services.

Local platforms demonstrate several key advantages that resonate strongly with UMKM operators. Commission fees averaged 2-3% compared to 5-7% on international platforms, providing immediate cost benefits that improved profit margins. Local language support eliminates communication barriers and reduces transaction complexity, thus enabling smoother customer interactions and platform navigation.

The integration of Payment methods with local banking systems and e-wallets enhances customer convenience and reduces transaction abandonment rates. Community features specifically designed for Indonesian business culture have fostered networking opportunities and collaborative learning among UMKM operators using the same platforms.

Government partnership integration provides additional credibility and support resources, including access to training programs, financial assistance, and regulatory guidance. These partnerships create ecosystem effects that extend platform value beyond basic transaction facilitation.

#### *Platform Adoption Challenges and Solutions*

Despite clear advantages, local platform adoption faced several initial challenges that the mentoring program addressed. Technical difficulties stemmed primarily from participants' limited digital literacy rather than platform design issues. Structured training and ongoing support resolved most of the technical barriers within the first month of platform usage.

Trust issues related to online payment security and customer data protection were addressed through education on platform security measures and gradual exposure to successful transactions. Mentors play a crucial role in building confidence and demonstrating safe platform usage practices.

Limited payment options on some local platforms initially constrained customer accessibility, but rapid platform development during the study period expanded the availability of payment methods. Platform representatives actively sought user feedback and implemented improvements based on the UMKM operator needs.

#### *Comparative Performance Outcomes*

Participants using local platforms reported superior outcomes across multiple performance indicators compared to those who primarily relied on international alternatives. Sales conversion rates averaged 23% higher on local platforms, which was

attributed to enhanced customer trust, familiar interface design, and localized customer service support.

Customer relationship quality has improved significantly, with local platforms facilitating deeper engagement through community features and local language communication. Brand loyalty development was enhanced by platform-supported local business promotion initiatives and community building activities.

#### *Business Performance Impact Analysis*

The integrated mentoring program generated substantial improvements in business performance across multiple dimensions, with quantitative outcomes complementing the qualitative transformation indicators. Participants reported consistent improvements in sales volume, operational efficiency, and strategic business management capabilities.

Average sales increases of 35% were documented across participants during the six-month program period, with continued growth observed in the post-program follow-up assessments. Revenue diversification strategies implemented through BMC development create multiple income streams that reduce business risks and enhance financial stability.

Customer base expansion was significant, with participants acquiring an average of 127 new customers during the programme period. Customer acquisition costs decreased owing to more targeted marketing approaches and improved conversion rates from strategic positioning and value proposition clarity.

Through systematic BMC analysis, profit margin improvements resulted from both increased sales volumes and enhanced cost management. The participants developed a better understanding of their cost structures and identified opportunities for efficiency improvement and expense reduction.

#### *Operational Efficiency Enhancements*

Inventory management systems improved substantially as participants implemented more systematic approaches to stock planning and supplier relationship management. Digital tools integrate streamlined ordering processes and reduce the waste from overstocking or stockouts.

Process systematization emerged from the BMC analysis and mentor guidance, with participants developing standard operating procedures for key business activities. This systematization reduced the time requirements for routine tasks and enhanced service consistency and quality.

Customer service capabilities have been expanded through digital platform features and improved communication strategies. Response times decreased while service quality increased, contributing to enhanced customer satisfaction and retention rates.

#### *Strategic Business Management Capabilities*

Long-term planning abilities showed marked improvement as participants integrated BMC thinking into their regular business management practices. Strategic decision-making has become more systematic and evidence-based than purely intuitive or reactive.

Resource allocation efficiency is improved through a better understanding of the key resources and activities required for business success. Participants made more informed investment decisions and prioritized activities that had the highest impact on their identified value propositions.

Competitive positioning became more sophisticated as the participants developed a clearer understanding of their unique strengths and market opportunities. This enhanced positioning translates to improved marketing and customer acquisition success.

### ***Discussion***

#### ***BMC as a Strategic Framework for UMKM Development***

The findings of this study strongly support previous research demonstrating BMC's effectiveness as a strategic tool for small enterprise development while extending the understanding of its application in Indonesian UMKM contexts. The systematic approach to business model visualization enabled participants to transform intuitive business practices into structured strategic frameworks, addressing a critical gap identified in Indonesia's UMKM development literature (Hardaningtyas & Sudarmiatin, 2024).

The particularly strong improvements in customer segmentation and value proposition development align with Osterwalder and Pigneur's theoretical framework while demonstrating practical applicability in resource-constrained environments. The participants' ability to identify multiple customer segments and articulate specific value propositions represents a fundamental shift from product-centric to customer-centric business thinking, consistent with customer development methodologies advocated in the entrepreneurship literature (Prihandono et al., 2024).

The moderate implementation levels observed in the channels and partnerships components reflect the complexity and time requirements of these business model elements rather than conceptual understanding deficits. Channel development requires market experimentation and relationship building that extends beyond the initial mentoring periods, whereas partnership formation depends on external factors and mutual value creation opportunities that develop over time (Sajja et al., 2025).

These findings suggest that BMC implementation should be conceptualized as a gradual process rather than an immediate transformation, with different components requiring varying support intensities and timeframes. Future mentoring programs should incorporate extended support for complex implementation components while celebrating early wins in accessible areas (Van Doren et al., 2025).

#### ***Local Platform Advantages and Digital Ecosystem Development***

The superior performance of local platforms compared with international alternatives represents one of the most significant contributions to understanding digital platform adoption in developing economies. These findings challenge assumptions about platform universality and highlight the importance of cultural, linguistic, and institutional alignment in technology adoption decisions (Thapa & Paudel, 2025).

The cost advantages of local platforms (2-3% vs 5-7% commission fees) provide immediate economic benefits that substantially impact UMKM profitability. Given the typically low margins and price sensitivity characteristics of small enterprises, these

cost differences translate into meaningful competitive advantages and improvements in financial sustainability. The preference for local platforms reflects rational economic decision-making that prioritizes operational efficiency over platform scale or feature sophistication (Ramadhani et al., 2025).

Language support emerged as a critical success factor, confirming Technology Acceptance Model predictions about ease of use influencing adoption decisions. Bahasa Indonesias interface design and customer service support eliminated communication barriers that frequently constrain international platform usage among digitally limited populations. This finding has important implications for platform development strategies in multilingual markets and suggests that localization extends beyond simple translation to the cultural adaptation of user experience design (Lim et al., 2025).

The community-building features of local platforms address social and networking needs which purely transactional international platforms often overlook. The Indonesian business culture's emphasis on relationship building and mutual support found expression through platform-facilitated UMKM communities that provided ongoing learning, collaboration, and emotional support beyond individual mentoring program completion (Braithwaite & Trencher, 2024).

Government partnership integration creates ecosystem effects that enhance platform value propositions through access to complementary services and resources. These partnerships demonstrate the potential for public-private collaboration in supporting digital transformation initiatives and suggest policy directions for future UMKM development programs (Pikkarainen et al., 2022).

#### *Mentoring as a Catalyst for Digital Transformation*

The study's mentoring approach addressed multiple barriers to digital adoption simultaneously, creating synergistic effects that enhanced the overall transformation outcomes. The combination of a theoretical framework introduction (BMC), practical skills development (digital marketing), and hands-on platform implementation created comprehensive learning experiences that addressed knowledge, skills, and confidence barriers concurrently.

The social learning aspects of the mentoring program proved particularly valuable, with peer interaction and collaborative problem solving enhancing individual learning outcomes. The participants continued engagement with each other beyond formal program completion suggests that mentoring programs can catalyze sustainable learning communities that provide ongoing support and knowledge sharing. This finding supports investment in community-based rather than purely individual mentoring approaches for maximum impact and sustainability (Mohamad et al., 2025). The gradual progression from basic understanding to practical implementation and performance improvement demonstrates the importance of extended engagement periods for meaningful transformation. The six-month program duration allowed for multiple learning cycles, practical experimentation, problem solving, and confidence building that shorter interventions might not achieve. The continued improvement observed in the post-program follow-up assessments suggests that mentoring created foundation capabilities that enabled ongoing independent development.

Mentor quality and approach emerged as critical success factors, with participants responding most positively to mentors who combined technical expertise cultural understanding and empathetic support. The importance of mentor-participant relationship quality aligns with social learning theory predictions regarding the role of trust and rapport in knowledge transfer effectiveness.

#### *Business Performance Implications and Economic Impact*

The 35% increase in average sales observed among participants represents a substantial economic impact that extends beyond individual business benefits to community and regional economic development. When scaled across Indonesia's 64 million UMKM enterprises, similar improvement rates would generate significant employment and income effects that contribute to national economic development goals.

Revenue diversification outcomes address the critical vulnerability of small enterprises operating in single income streams. The BMC-guided analysis enabled participants to identify and implement multiple revenue sources, thereby enhancing business resilience and growth potential. This diversification capacity becomes particularly important in volatile economic environments where single-channel dependencies create existential risks for small enterprises (Hawsawi & Alanizan, 2025).

Customer base expansion and improved customer acquisition efficiency suggest that the mentoring program's impact extends beyond existing business optimization to growth acceleration. An average of 127 new customers per participant during the program period indicates substantial market expansion potential when digital transformation is effectively implemented with strategic frameworks and platform optimization.

Improvements in operational efficiency through better inventory management, process systematization, and customer service enhancement create sustainable competitive advantages that persist beyond the initial implementation periods. These efficiency gains are compound over time, creating cumulative benefits that justify mentoring program investments from both individual business and broader economic development perspectives.

#### *Theoretical Contributions and Framework Development*

The findings of this study contribute to several theoretical domains and suggest new directions for framework development. The integration of the Business Model Canvas methodology with community-based mentoring approaches creates a hybrid intervention model that combines strategic planning tools with social learning mechanisms. This integration addresses the limitations of purely tool- or purely relationship-based development interventions.

The demonstration of local platform advantages over international alternatives contributes to the technology adoption literature by highlighting the importance of institutional and cultural alignments in platform selection decisions. The findings suggest that platform evaluation frameworks should incorporate cultural fit, cost structure, and community support factors alongside traditional features and scale considerations.

The sustained improvement patterns observed in post-program completion support capacity building theories emphasize enabling participants to become independent learners and problem-solvers rather than dependent service recipients. The mentoring approach's emphasis on collaborative learning and peer support created multiplier effects that extended the program impact beyond direct intervention recipients.

## CONCLUSION

This study demonstrates the significant potential of integrated mentoring programs that combine Business Model Canvas development with local platform adoption strategies to accelerate UMKM digital transformation in Indonesia. The comprehensive approach addressing strategic thinking, practical skills, and technology implementation generated substantial improvements in business understanding, operational capabilities, and performance outcomes among participants. The findings provide strong evidence of the effectiveness of community-based, culturally adapted interventions in supporting small enterprise development in emerging digital economies. The Business Model Canvas framework proved highly effective in transforming participants' intuitive business practices into systematic strategic approaches, with particularly strong outcomes in customer segmentation and value proposition development. The structured visualization of business model components enabled UMKM operators to identify previously overlooked opportunities while developing a more sophisticated understanding of their competitive positioning and growth potential. The implementation process revealed the importance of gradual supported adoption rather than immediate comprehensive transformation, suggesting optimal mentoring program design approaches..

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