

Business Model Innovation for Non-formal Education Service at High School Level: A Case Study of OPSI Tutoring Center

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ABSTRACT

This study examines business model innovation in the non-formal education sector, focusing on OPSI Tutoring Center. Using a case study approach with mixed methods, data were collected through interviews, observations, and institutional documents, analyzed using the Business Model Canvas (BMC) and SWOT analysis. Findings show that OPSI has a strong value proposition through outcome-based programs, but faces challenges in distribution channels and income stability. The SWOT analysis highlights opportunities for hybrid learning models, digital expansion, and strategic partnerships. Strategic recommendations include improving customer interaction, strengthening internal evaluation, and integrating digital technology in operations and marketing. This research provides practical insights for innovation strategies in Indonesia's non-formal education sector, supporting institutions in navigating digital transformation and achieving sustainable competitiveness.

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INTRODUCTION

Non-formal education plays a vital role in Indonesia's educational landscape, serving as a valuable complement to formal education by providing greater flexibility and responsiveness to the needs of learners. Among the various forms of non-formal education, tutoring services stand out as a key support system for students, helping them grasp academic concepts, prepare for exams, and enhance their chances of gaining admission to public universities. In today's digital age, tutoring institutions must continuously innovate to stay relevant and competitive. The evolving learning behaviors, intensified competition within the education sector, and changes in university admission policies require tutoring institutions to adapt quickly. The COVID-19 pandemic has further accelerated the shift towards online learning, significantly affecting the traditional business models of tutoring services. Institutions that can embrace these changes with more flexible and technology-driven approaches are better positioned to thrive.

OPSI Tutoring Center, previously known as Propas Quin, exemplifies a successful transformation within non-formal educational institutions. It has not only revamped its operational strategies but also embraced innovative marketing and teaching methods, such as the program "Pay After Admission to Public Universities." However, OPSI still faces considerable challenges, including slow growth in student enrollment and limited integration of technology and digital distribution channels.

Given this context, there is an urgent need to evaluate and innovate the business model. A wellstructured business model outlines how an organization creates, delivers, and captures value sustainably. This study employs the Business Model Canvas (BMC) framework and SWOT analysis to identify the critical factors that affect the competitiveness and sustainability of OPSI Tutoring Center.

This research is significant not only for OPSI as the case study but also for advancing strategic management theory and practice within the non-formal education sector. By analyzing strengths,

weaknesses, opportunities, and threats, and developing innovative recommendations, this study aims to provide a valuable reference for designing a more adaptive and competitive business model in the ever-changing landscape of education.

LITERATURE REVIEW

Marketing in Non-Formal Education

In the realm of non-formal education, marketing extends beyond just promotional activities; it encompasses the entire strategic process of creating, delivering, and exchanging value with students and their parents, who are the primary customers. As noted by Kotler & Keller (2016), marketing acts as a link between the needs of customers and the solutions provided by educational institutions. For tutoring centers, it is crucial to understand the academic, psychological, and social needs of students in order to design relevant programs. The value proposition such as guaranteed admission to public universities, personalized learning experiences, or flexible scheduling should be informed by thorough market research. Contemporary marketing strategies in this field include market segmentation, digital marketing, and relationship marketing, where institutions not only focus on attracting students but also aim to foster long-term loyalty through fulfilling learning experiences.

Entrepreneurship Strategies in Tutoring Centers

Entrepreneurship in education refers to an institution's capacity to identify, create, and leverage opportunities through innovation. Drucker (1985) and Schumpeter (1934) highlighted the significance of innovation in generating new value that sets an organization apart from its competitors. In tutoring centers, this innovation can manifest in various ways, such as resultsbased payment models, digital teaching materials, or expedited university admission programs. Adopting an entrepreneurial strategy is essential for navigating changes in national curricula, market demands, and the emergence of educational technology platforms. Even smaller institutions can achieve substantial growth by effectively utilizing Learning Management Systems (LMS), interactive videos, or mobile applications as channels for service delivery and

marketing.

Internal and External Environments

The Resource-Based View (RBV) framework, introduced by Barney (1991), posits that an institution's competitive advantage stems from its internal capacity to manage unique resources, such as the quality of educators, institutional reputation, and curriculum. However, these internal strengths must align with external factors, including technological advancements, government regulations, and evolving consumer behaviors. For instance, changes in national university admission policies (SNBP and SNBT) implemented by the Ministry of Education and Culture directly influence the program strategies of tutoring centers. Thus, the ability to adapt to both macro and micro environmental factors is vital for the sustainability and growth of these institutions.

Business Model Innovation

Business model innovation involves rethinking how an organization creates and captures value. Osterwalder & Pigneur (2010) introduced the Business Model Canvas (BMC) as a visual tool to outline and reconstruct essential organizational components. In the tutoring sector, business model innovation might involve revamping payment systems, digitizing distribution channels, or creating data-driven student evaluation systems. This innovation process goes beyond merely adopting new technologies; it also includes redefining value and the ways institutions engage with their customers.

Innovation Process

The innovation process consists of several stages, including idea generation, selection, conversion, and the implementation of ideas into tangible services or products. This model reflects a systematic approach supported by design thinking, lean startup methodologies, and market validation. In tutoring centers, innovative ideas can originate from teachers, students, or internal performance assessments. A structured approach helps institutions reduce the risk of unsuccessful innovations and speed up the introduction of new, adaptive programs.

Business Model Canvas (BMC)

The BMC is a strategic framework comprising nine

elements: customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. This tool provides a visual guide to holistically evaluate and design business strategies. In tutoring centers, using the BMC helps institutions identify the link between teacher quality (resources), learning technology (channels), and communication strategies used to maintain customer relationships. This allows any strategic change to be analyzed for its impact across all elements.

SWOT Analysis in Business Models

SWOT analysis is a method for assessing the strengths, weaknesses, opportunities, and threats within an organization's internal and external environments. When paired with the BMC, it offers deeper strategic insights. For example, strengths like a strong alumni network or unique programs can form the basis of the value proposition, while weaknesses such as limited digital capabilities need to be addressed through technological partnerships. SWOT analysis also aids in developing contingency plans for potential threats, such as new competitors or shifts in national selection systems.

Review of Previous Studies

Previous research has demonstrated that effective business model innovation in the non-formal education sector can enhance efficiency, market attractiveness, and competitiveness. For instance, Meroño-Cerdán et al. (2024) underscored the importance of adapting technology in educational business models, while Miskiyah et al. (2021) emphasized the role of social synergy in ensuring institutional sustainability. These studies confirm that business model innovation is not just a passing trend but a strategic imperative, particularly in the fast-paced and competitive tutoring sector.

RESEARCH METHOD

This study employs a mixed-method approach that integrates both qualitative and quantitative methods. This combination is deemed most suitable for exploring the phenomenon of business model innovation within the non-formal education sector, as it offers a comprehensive and nuanced perspective by capturing both subjective and contextual elements (qualitative) alongside

objective and measurable factors (quantitative). The research design is centered around a case study, specifically focusing on Bimbingan Belajar OPSI as an organization undergoing business transformation. A case study allows for an in-depth examination of the internal and external dynamics of the institution, providing insights into its management practices, decision making processes, and stakeholder perceptions. This approach is particularly relevant given the unique characteristics of the nonformal education context, which cannot always be fully understood through statistical data alone. The qualitative aspect of the research aims to uncover the meanings, strategies, and motivations of OPSI managers in managing and evolving their business model. Meanwhile, the quantitative aspect involves conducting a SWOT analysis based on the Business Model Canvas (BMC) to systematically and measurably assess the performance of the nine elements of the business model.

Types and Sources of Data

This research utilizes two types of data: primary data and secondary data. Primary data is collected through: Interviews and workshops with the management team of OPSI, including founders, program managers, teachers, and customer service representatives, to gain direct insights into business strategies, operational challenges, and opportunities for innovation. Academic discussions with supervising lecturers to validate the concepts and analytical framework used in this study. Secondary data is obtained from: Internal documents of OPSI tutoring center, such as teaching modules, curriculum outlines, brochures, and student enrollment reports. Academic publications and scientific literature that help establish a theoretical foundation and contextualize the OPSI case study within a broader academic framework. Passive observation, which involves monitoring institutional operations and interactions among students, teachers, and management to gain additional contextual insights.

Data Collection Techniques

Data collection will be conducted simultaneously and in an integrated manner, utilizing a combination of primary and secondary data as previously described. Primary data will be obtained through interviews and workshops with

the management team of OPSI, including founders, program managers, teachers, and customer service representatives, as well as through engaged scholarship discussions to gain more comprehensive insights. Meanwhile, secondary data will be gathered through passive observation, analysis of documents and official reports published by the tutoring center being studied, and additional information sources such as brochures and student enrollment reports. This approach aims to ensure that the research is grounded in strong and valid data, providing a deep understanding of business strategies and innovations within the OPSI tutoring industry.

Data Analysis Techniques

Data analysis was conducted descriptively and visually, using the following approaches: Business Model Canvas (BMC) Evaluation: This process involves analyzing the nine key elements of the business model, which include value propositions, customer segments, distribution channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. SWOT Analysis Based on BMC: This analysis was carried out using a customized SWOT Assessment Questionnaire adapted from Osterwalder (2010). The questionnaire incorporates a Likert scale (1–5) to evaluate 136 indicators across four dimensions: value proposition, cost/revenue structure, business infrastructure, and customer interface.

Data Validation

The validation process was conducted using data triangulation, which involved comparing the results of interviews, the outcomes of the SWOT questionnaire, and findings from internal documentation. Additionally, interviews served to confirm quantitative findings and deepen the understanding of strategies that had been implemented or still required improvement.

Research Ethics

This research adheres to academic research ethics. Data collection occurs only after obtaining informed consent from each participant. Informants receive clear explanations about the research objectives, their rights during the interview process, and assurances regarding the confidentiality of their information. Any sensitive or personally identifiable information is reported

anonymously and is used exclusively for scientific analysis. Participation is completely voluntary, with no coercion involved. These steps are implemented to maintain the integrity of the research findings and to honor the rights of the participants.

RESULT AND DISCUSSION

Business Ecosystem of OPSI Tutoring Center

The business ecosystem of OPSI Tutoring Center comprises various interconnected elements that play a crucial role in the institution's success. As an education service provider, OPSI is responsible for designing and delivering tutoring programs that meet students' needs and prepare them for the workforce. Key components of this ecosystem include: OPSI as an Education Service Provider; Continuous innovation in teaching methods, material development, and enhancing educators' competencies is essential for OPSI. Students and Parents; Students, as primary consumers, expect adaptive learning services that align with their educational goals, while parents significantly influence the sustainability of the relationship with OPSI. Educators and Academic Staff; The quality of teaching is largely dependent on the competencies and pedagogical skills of the educators. Competition and Regulation; OPSI must consistently innovate and seek competitive advantages in the dynamic tutoring industry. Alumni Network; Successful alumni can act as effective brand ambassadors.

Business Model Analysis of OPSI

This section presents an analysis of the business model for OPSI Tutoring Center, utilizing the Business Model Canvas framework developed by Osterwalder et al. (2010). The Business Model Canvas illustrates the current state of OPSI investment instrument, defining how the tutoring center creates, delivers, and captures value. The analysis begins with an examination of the external environment affecting OPSI business model. *External Analysis of the Business Model.*

The author conducts an environmental analysis of OPSI, considering various aspects such as environmental factors, industry conditions, key trends, macroeconomic aspects, and market dynamics. This analysis provides a comprehensive understanding of the current landscape in which OPSI operates.

Business Model Canvas (BMC) Analysis.

The analysis continues with the development of the Business Model Canvas, which offers insights into the non-formal education sector, particularly tutoring. The components of the canvas include: Customer Segments: OPSI targets three potential consumer segments: Premium, Smart, and Friendly students, each with specific needs and payment preferences. Value Proposition: OPSI aims to enhance students' academic performance through programs like "Pay After Acceptance," providing a conducive learning environment with small class sizes. Channels: OPSI utilizes various channels, including a website, social media, and partnerships with schools, to reach potential customers effectively. Customer Relationships: Building long-term relationships with students and parents is crucial for customer satisfaction and retention, utilizing loyalty programs and direct interactions. Revenue Streams: OPSI generates income through three distinct programs: Premium, Smart, and Friendly, each with different payment structures. Key Resources: The success of OPSI relies on optimizing physical, intellectual, human, and financial resources to enhance competitiveness. Key Activities: OPSI focuses on activities that improve academic value and ensure student acceptance into higher education institutions. Key Partnerships: Collaborations with schools and educational communities are essential for operational efficiency and service quality. Cost Structure: The cost structure includes operational expenses, marketing costs, and risk management provisions.

SWOT Evaluation of OPSI Business Model

The SWOT analysis offers a thorough evaluation of the current business model of OPSI by pinpointing its internal strengths and weaknesses, along with external opportunities and threats. This strategic assessment is crucial for understanding the organization's competitive standing and for informing future innovation efforts. In this study, the analytical approach is centered on a SWOT analysis of OPSI Tutoring Center, particularly within the framework of the Business Model Canvas (BMC). The analysis aims to assess the extent of business model innovation that has been implemented, as well as the level of innovation that is desired or anticipated. This involves conducting a SWOT analysis on the existing business model

(prior to the introduction of innovative strategies) and on the proposed business model (following evaluation and strategy development). To facilitate this analysis, a five-point Likert scale questionnaire created by Osterwalder and Pigneur (2010, 2020) was utilized as the SWOT indicator for each of the nine components of the Business Model Canvas. By

employing this method, OPSI can effectively identify its strengths, weaknesses, opportunities, and threats within its business model, enabling the design of more impactful innovation strategies to improve its competitiveness and operational efficiency.

Table 1. Business Model Canvas Existing

Key Partners	Key Activities	Value Propositions	Customer Relationship	Customer Segments Premium
<ul style="list-style-type: none"> High schools in the target area can serve as a source of potential students. Branding and reputation Collaborating with reputable schools to enhance the institution's image and credibility. Quality of Teaching Qualified and experienced instructors are essential. 	<ul style="list-style-type: none"> Promoting tutoring programs to reach the target market. Establishing relationships with students and parents to build trust and customer loyalty. Guiding students by providing difficult information, motivation, and support throughout the learning process. Current and training materials that are structured, relevant, and designed according to students' needs and educational standards. Comfortable classrooms that are conducive to learning. Qualified instructors with rich knowledge, strong teaching skills, and experience in their field. Investment to obtain loans or investments from third parties. 	<ul style="list-style-type: none"> Effective exam preparation, training students with UTBK questions and strategies for facing the state university entrance exam. Pass the state university entrance exam first, then pay. A conducive learning environment, providing a comfortable, safe, and supportive atmosphere for student concentration. Small and interactive classes, enabling more intensive interaction between instructors and students. 	<ul style="list-style-type: none"> Open and transparent communication, providing clear and up-to-date information about programs, schedules, and student progress. Responsive to inquiries and complaints. Offer programs tailored to students' needs and goals. 	<ul style="list-style-type: none"> High school students and alumni who are willing to study for SNBP, SNBT, and UM-Mandiri PTN, with the option to pay tuition fees only after being accepted into a state university. High school students and alumni, focusing on in-depth school material and university entrance exam preparation through a study program conducted three times a week. Improving report card grades for students who wish to enhance their academic performance at school. Exam preparation for Simak UI International and IUP UGM, targeting students aiming for a double degree program.
	Key Resources <ul style="list-style-type: none"> Curriculum and learning materials that are structured, relevant, and 		Channel <ul style="list-style-type: none"> Website and social media platforms such as Instagram, Facebook, and 	Smart <ul style="list-style-type: none"> High school students and alumni who are willing to study for SNBP, SNBT, and UM-Mandiri PTN, and make the initial tuition payment through an installment plan. High school students and alumni who focus on deepening school subjects and preparing for entrance exams to public universities through a study program held three times a week. Friendly <ul style="list-style-type: none"> Senior high school students and alumni who are

	<p>designed according to students’ needs and educational standards.</p> <ul style="list-style-type: none">• Comfortable classrooms that are conducive to learning.• Qualified instructors and tutors with in-depth knowledge, strong teaching skills, and experience in their field.• Investors to obtain loans or investments from third parties.		<p>TikTok to engage with the target market.</p> <ul style="list-style-type: none">• Collaborate with schools to promote tutoring programs and reach students directly.• Distribute brochures and flyers at schools, and encourage satisfied students and parents to recommend the program to others.	<p>committed to preparing for the SNBP to SNBT state university entrance exams and are willing to pay the tutoring fee upfront through an installment plan.</p> <ul style="list-style-type: none">• Senior high school students and alumni focusing on deepening their school subject understanding and preparing for state university entrance exams through a study program held twice a week.
<p>Cost Structure</p> <ul style="list-style-type: none">• Operational Costs: Employee salaries, building rent, electricity, internet, and marketing expenses.• Acquisition Costs: Expenses incurred to acquire new investors. <p>Risk Costs: Reserves allocated to cover potential losses.</p>	<p>Revenue Stream</p>			
	<p>Premium</p> <ul style="list-style-type: none">• Registration and Module Fees: Paid by students based on the results of the Grade Test taken during initial enrollment at the tutoring center, valid for one academic year.	<p>Smart</p> <ul style="list-style-type: none">•Registration, Module, and Operational Fees: A total of IDR 13,750,000 paid by the student upon initial enrollment at the tutoring center for one academic year.	<p>Friendly</p> <ul style="list-style-type: none">•Registration, Module, and Operational Fees: A total of IDR 10,750,000 paid by the student upon initial enrollment at the tutoring center.	

Based on the analysis of the Business Model Canvas (BMC) for OPSI Tutoring Center that has been conducted, there are nine key blocks within the business model that serve as the foundation for the institution's operations and strategy. Each of these

blocks is then analyzed using a SWOT approach to evaluate how strengths (S), weaknesses (W), opportunities (O), and threats (T) impact the overall performance of the business model.

Table 2. SWOT business model canvas existing

No	Blocks	Strength		Weakness		Opportunity		Threat	
		(%)	Score	(%)	Score	(%)	Score	(%)	Score
1	Key Partners	60%	3.0	50%	2.5	48%	2.4	73%	3.7
2	Key Activities	45%	2.3	70%	3.5	47%	2.3	80%	4.0
3	Value Propositions	35%	1.8	70%	3.5	44%	2.2	100%	5.0
4	Customer Relationships	55%	2.8	65%	3.3	40%	2.0	60%	3.0
5	Customer Segments	47%	2.3	67%	3.3	40%	2.0	70%	3.5
6	Key Resources	60%	3.0	60%	3.0	40%	2.0	60%	3.0
7	Channels	40%	2.0	77%	3.9	62%	3.1	70%	3.5

No	Blocks	Strength		Weakness		Opportunity		Threat	
		(%)	Score	(%)	Score	(%)	Score	(%)	Score
8	Cost Structure	60%	3.0	55%	2.8	60%	3.0	60%	3.0
9	Revenue Streams	48%	2.4	68%	3.4	40%	2.0	73%	3.7
	Average Score	50%	2.5	65%	3.2	46%	2.3	72%	3.6
	Weighted Average	S+O				W+T			
		48%				69%			

The results of the SWOT analysis on the nine elements of the Business Model Canvas indicate that the business model of OPSI Tutoring Center is in a rather vulnerable position. Percentage score base on research result. Internal strengths only average 50%, while weaknesses reach 65%, suggesting that various operational aspects such as key activities, distribution channels, and value propositions are still not optimal. External opportunities at 46% have also not been maximally utilized, while threats from competitors in the edtech sector and market changes reach 72%,

posing significant challenges. Overall, the synergy score between strengths and opportunities (S+O) is 48%, indicating untapped potential, while the combination of weaknesses and threats (W+T) at 69% reflects a high level of risk. These findings underscore the importance of strategically and comprehensively transforming the business model, particularly in elements with the highest weaknesses and threats, so that OPSI can survive and thrive amid increasingly competitive educational industry challenges.

Table 3. Recommend of new business model canvas

Key Partners <ul style="list-style-type: none"> • Senior High Schools in the tutoring center's area, which can serve as sources of potential students. • Branding & Reputation: Partnerships with reputable schools can enhance brand image and reputation. • Teaching Quality: Qualified and experienced teachers are crucial. • Junior High Schools in the tutoring center's area, which are also sources of potential students. • Teaching Community: Expanding the 	Key Activities <ul style="list-style-type: none"> • Promoting tutoring programs to reach the target market. • Building relationships with students and parents to foster trust and customer loyalty. • Guiding students by providing direction, motivation, and support throughout the learning process. • Developing Digital & Interactive Content: Creating video-based modules, online quizzes, and educational games. 	Value Propositions <ul style="list-style-type: none"> • Effective exam preparation, training students with UTBK practice questions and strategies for passing state university entrance exams. • Pay after being accepted into a state university. • Conducive learning environment, providing a comfortable, safe, and focused study atmosphere. • Small and interactive classes, allowing for more interaction between instructors and students. 	Customer Relationship <ul style="list-style-type: none"> • Open and transparent communication, providing updated and up-to-the-minute information on programs, schedules, and student progress. • Responsive to issues and complaints. • Offer programs tailored to students' needs and goals. • Gamification & Reward System: Awards (badges, stars, rankings) for achieving goals—helps motivate students to boost learning motivation. 	Customer Segments <p>Premium</p> <ul style="list-style-type: none"> • Senior high school students and alumni who are willing to join intensive tutoring with "Pay After Admission" scheme. • High school students aiming to boost exam scores through programs 3x a week. • Students needing grade improvement at school. • International test prep (Simak UI, IUP UGM). <p>Smart</p>
Channel <ul style="list-style-type: none"> • Website and social media platforms such as Instagram, Facebook, and 				

<p>network of experienced tutors and improving teaching quality through training and workshops.</p>	<p>Key Resources</p> <ul style="list-style-type: none"> • Curricula and learning materials that are structured, relevant, and tailored to students' needs and educational standards. • Comfortable classrooms that provide a conducive learning environment. • Qualified instructors and tutors with subject knowledge, strong teaching skills, and relevant experience. • Investors to secure loans or investments. • Brand & Reputation: Strengthening the OPSI brand through testimonials, seminar affiliations, and collaborations with educational figures. 	<ul style="list-style-type: none"> • Guidance and Counseling: Assistance for students on university majors or career choices based on student needs. • Additional sessions for communication skills and problem-solving. 	<p>TikTok to engage with students.</p> <ul style="list-style-type: none"> • Collaborating with schools to promote tutoring programs and reach students directly. • Distributing brochures and flyers at schools, and encouraging satisfied students and parents to recommend the program to others. • Partnerships with Schools & Communities: Collaboration in try-outs, workshops, educational content. • Affiliate & Referral Program: Offering incentives to students who successfully refer OPSI Tutoring to their friends. 	<ul style="list-style-type: none"> • High school students and alumni who can pay initial tuition fees in installments. • Deepening school subjects and preparation through 3x/week programs. <p>Friendly</p> <ul style="list-style-type: none"> • Students paying full fees upfront in installments. • Academic preparation with less intensity (2x/week). • Junior high school students focusing on entrance exam preparation and academic reinforcement.
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Cost Structure	Revenue Stream		
<ul style="list-style-type: none"> • Operational Costs: Employee salaries, building rent, electricity, internet, and marketing expenses. • Acquisition Costs: Expenses incurred to acquire new investors. • Risk Costs: Reserves allocated to cover potential losses. • Research & Content Development: Costs for performance research, content creation, and evaluation of program effectiveness. 	<p>Premium</p> <ul style="list-style-type: none"> • Registration and Module Fees: Paid by students based on the results of the Grade Test taken during initial enrollment at the tutoring center, valid for one academic year. • Post-Admission Fee: A fee of IDR 18,000,000 paid by the student or the student's parent after being accepted into a state university. • Intensive Class / Bootcamp Program: A focused program for final exam readiness with a tight schedule and focused materials. 	<p>Smart</p> <ul style="list-style-type: none"> • Registration, Module, and Operational Fees: A total of IDR 13,750,000 paid by the student upon initial enrollment at the tutoring center for one academic year. • Super Intensive Tutoring Program: A program with a shorter duration but higher frequency of sessions. • Collaboration with Schools: Partnering with schools to conduct UTBK Try-Outs to assess students' readiness for the actual exam. • Intensive Class / Bootcamp Program: A focused program with a tight schedule and focused materials. 	<p>Friendly</p> <ul style="list-style-type: none"> • Registration, Module, and Operational Fees: A total of IDR 10,750,000 paid by the student for one academic year. • Super Intensive Tutoring Program. • School Collaboration: UTBK Try-Outs with schools. • Intensive Class / Bootcamp Program: A focused program for students needing a lighter schedule and focused learning materials.

The proposed business model is subsequently assessed through a SWOT analysis approach, which serves as a strategic evaluation tool to systematically measure and compare improvements across key components of the model. This method enables the identification of strengthened internal capabilities (strengths),

reduced limitations (weaknesses), enhanced opportunities in the external environment, and mitigated threats, thereby providing a comprehensive framework to justify the viability and advantages of the recommended innovation.

Table 4. SWOT of recommend BMC

No	Blocks	Strength		Weakness		Opportunity		Threat	
		(%)	Score	(%)	Score	(%)	Score	(%)	Score
1	Key Partners	60%	3.0	50%	2.5	48%	2.4	73%	3.7
2	Key Activities	45%	2.3	70%	3.5	47%	2.3	80%	4.0
3	Value Propositions	35%	1.8	70%	3.5	44%	2.2	100%	5.0
4	Customer Relationships	55%	2.8	65%	3.3	40%	2.0	60%	3.0
5	Customer Segments	47%	2.3	67%	3.3	40%	2.0	70%	3.5
6	Key Resources	60%	3.0	60%	3.0	40%	2.0	60%	3.0
7	Channels	40%	2.0	77%	3.9	62%	3.1	70%	3.5
8	Cost Structure	60%	3.0	55%	2.8	60%	3.0	60%	3.0
9	Revenue Streams	48%	2.4	68%	3.4	40%	2.0	73%	3.7
	Average Score	50%	2.5	65%	3.2	46%	2.3	72%	3.6
	Weighted Average	S+O				W+T			
		48%				69%			

The new business model shows a significant improvement compared to the previous model. The very high levels of strengths and opportunities, along with a drastic reduction in weaknesses and threats, indicate that the proposed innovation has great potential to enhance the performance and strategic competitiveness of the institution. Strengths (94 %) Almost all blocks of the Business Model Canvas received strength scores above 90%, with some elements such as Customer Relationships, Customer Segmentation, and Cost Structure reaching 100%. This reflects that the new model is designed with thorough strategic planning, covering everything from operational systems and customer service to efficient and adaptive cost management. Weaknesses (25 %) The reduction in weaknesses indicates that the new model has successfully addressed the main weaknesses of the previous model, such as optimizing digital channels, clarifying the value proposition, and establishing a performance evaluation system. Elements like the Value Proposition and Revenue Streams only show a

weakness score of 20% (score 1.0), indicating an improvement in the effectiveness of program offerings and financial sustainability.

Opportunities (87 %) The high opportunity score demonstrates that the new business model is highly responsive to market trends and changes. Strategies such as service digitalization, intensive programs based on student needs, collaboration with educational communities, and technology integration (LMS, video content) are capable of capturing broader growth opportunities. Threats (23 %) External threats have been significantly reduced, from 72% previously to only 23%. This indicates that the new model is more resilient to edtech competition, fluctuations in college selection systems, and changes in consumer preferences. $S + O = 91\%$, OPSI is in an ideal position to grow through innovation and digital transformation. $W + T = 24\%$, Business risks are relatively low, but continuous improvement is essential. OPSI holds a strong competitive position in the nonformal education service market. The key

focus going forward is to drive continuous innovation and digitalization to enhance value propositions and competitiveness.

The comparison of SWOT scores between the existing model and the recommended model shows a surge in the synergy of strengths and opportunities from 48% to 91%, as well as a reduction in the impact of weaknesses and threats from 69% to 24%. This demonstrates that the new business model is substantially stronger, more adaptive, and relevant to market needs. Therefore, the implementation of this new business model is highly recommended to enhance OPSI competitive advantage amid the challenges and dynamics of the non-formal education industry.

Implications of Innovation

The transformation of the business model is poised to significantly strengthen OPSI's market positioning and operational efficiency within the non-formal education sector. Conceptually, these findings underscore the Resource-Based View (Barney, 1991), demonstrating how OPSI can leverage its unique resources, such as experienced educators and a strong alumni reputation, further amplified by a digitally-driven business model innovation as proposed by Osterwalder & Pigneur (2010).

Specifically for OPSI Tutoring Center, the proposed model offers concrete benefits by directly addressing identified vulnerabilities. It enhances competitiveness by bolstering value propositions and drastically reducing external threats, enabling OPSI to effectively contend with agile edtech competitors and adapt to evolving educational policies. The strategic diversification of customer segments, coupled with the introduction of engagement features like gamification, is designed to not only increase student enrollment but also foster greater retention and loyalty, thereby mitigating previous challenges of slow growth. Furthermore, the model diversifies and stabilizes revenue streams through new program offerings, addressing prior income instability. By emphasizing digital content development and integrating technology into operations and marketing, OPSI is set to achieve enhanced efficiency, optimize resource utilization, and strengthen its brand reputation and market reach.

This proactive adaptation to market changes ensures OPSI's long-term sustainability and continued growth in the dynamic non-formal education industry.

CONCLUSION

This study concludes that business model innovation is a strategic necessity for non-formal education institutions like OPSI Learning Guidance in responding to the increasingly competitive and digitized market dynamics. Through the Business Model Canvas (BMC) approach and SWOT analysis, this research successfully identified structural weaknesses and external threats inherent in the existing business model, as well as formulated a new business model that is more adaptive, efficient, and relevant. The SWOT evaluation of the current business model shows a synergy level between strengths and opportunities (S+O) of only 48%, while the combination of weaknesses and threats (W+T) reaches 69%, reflecting the urgency for transformation. The recommended business model, after being re-evaluated using the same method, shows significant improvement: S+O reaches 91% and W+T drastically decreases to 24%. These findings affirm that the new model not only strengthens OPSI's internal competitiveness but also effectively reduces business risks amid the competition in the edtech industry and changing student learning preferences.

This transformation includes enhancing the quality of the value proposition, digitalizing distribution and communication channels, and diversifying revenue sources supported by a more efficient cost structure. Conceptually, the results of this study align with the Resource-Based View theory (Barney, 1991), which emphasizes the importance of unique resources as a competitive advantage, and is reinforced by the digital business model innovation approach proposed by Osterwalder & Pigneur (2010). Thus, the proposed business model recommendations have the potential to serve as a strategic roadmap for OPSI in enhancing sustainability and long-term growth in the non-formal education industry. Moving forward, the implementation of this model should be accompanied by continuous evaluation and adjustments to changes in market needs and technology.

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