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## **SMEs TOWARDS SUCCESS BASED ON THE INCORPORATION OF THEORETICAL STRATEGY MODEL**

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### **ABSTRACT**

The enhancement of local product consumption, the structuring of the domestic market, and the collaboration of cross-sector policies can endure the fluctuations of the global economy, while simultaneously developing as a fundamental component of national economic resilience. There exists a notable research gap concerning the incorporation of technology that can enhance the performance of MSMEs, maximize domestic market potential, guarantee the sustainability of MSMEs, cultivate superior products and exports, establish market positioning, and innovate new business models that improve MSME performance, thus reinforcing national economic resilience. Future studies could devise a disclosure score that incorporates business guiding principles within the real sector. Innovation, the maximization of domestic market potential, the sustainability of MSMEs, superior products and exports, market positioning, and the performance outcomes of MSMEs can strengthen national economic resilience. The aim of this research is to analyze and investigate the significance of prioritizing elements such as innovation, the optimization of domestic market potential, the sustainability of MSMEs, superior products and exports, positioning, and the discovery of new models for the performance achievements of MSMEs that can enhance national economic resilience. This encompasses the examination of structural barriers related to MSME payment systems and digital marketing. It also entails the analysis of structural constraints and the mapping of challenges associated with payment systems and digital marketing. The theoretical framework supporting this research includes the Resource-Based View (RBV), Dynamic Capabilities (DC), Signalling Theory, Diffusion of Innovations Theory (DIT), Technology Acceptance Model (TAM), Unified Theory of Acceptance and Use of Technology (UTAUT), and the Communication Theory of Organizations (CTO), along with Agency Theory and Stakeholder Theory. The methodology employed is mixed methods, utilizing tools such as SmartPLS and NVivo. The expected outcomes include a sustainable business model for MSMEs.

**KEYWORDS:** Strengthening domestic products; global dynamics; MSMEs; optimization of domestic markets; sustainable business performance.

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## 1.0 INTRODUCTION

**Background** The government continues to strengthen various strategic measures to safeguard the potential of the domestic market while simultaneously protecting micro, small, and medium enterprises (MSMEs) from unhealthy competition. It is crucial to maintain and optimize Indonesia's vast domestic market potential to prevent it from being dominated by imported products, while also encouraging the enhancement of MSME flagship products to penetrate export markets. With a population of approximately 250 million people, the market potential is substantial. Furthermore, focusing on the optimization of local product usage is vital to bolster the position of domestic MSMEs. Strengthening local product consumption, organizing the domestic market, and fostering cross-sector policy synergy can withstand the dynamics of the global economy, while also evolving as a key pillar of national economic resilience (Public Relations of the Ministry of MSMEs, 2026). The distribution of credit for Micro, Small, and Medium Enterprises (MSMEs) in 2026 is projected to grow between 7 to 9 percent year-on-year (yoy), driven by increased consumer confidence, national economic growth prospects, and the strengthening of MSME financing policies continuously promoted by the Financial Services Authority (OJK) in collaboration with the government. As of January 2026, the recorded MSME credit distribution amounted to IDR 1,482.9 trillion (approximately 17.33 percent of total credit/disbursement), experiencing a moderation of 0.53 percent year-on-year (yoy), yet the fundamentals of the MSME sector remain intact (IQPlus, 2026). Additionally, OJK noted that the Consumer Confidence Index (CCI) at the beginning of 2026 stood at a positive level of 127.00 percent, while the Consumer Price Index was recorded at 109.75 percent. Both indicators reflect an upward trend over the past year, indicating public optimism regarding the current and future economic conditions. Moreover, OJK fully supports government programs, including the target for the distribution of People's Business Credit (KUR) and other credit programs in 2026, which is set to reach IDR 308.41 trillion.

Next, the Consumer Confidence Index (CCI) at the beginning of 2026 is positioned at a positive level of 127.00 percent, while the Consumer Price Index is recorded at 109.75 percent. This regulation mandates banks and Non-Bank Financial Institutions (NBFIs) to implement principles that are simple, accurate, swift, cost-effective, and inclusive, as well as to provide special financing schemes for Micro, Small, and Medium Enterprises (MSMEs) (Ayh, 2026). An important research gap exists regarding the integration of technology that can enhance the business performance of MSMEs, optimize domestic market potential, ensure the sustainability of MSMEs, develop superior products and exports, establish positioning, and create new business models that achieve sustainable performance of MSMEs, thereby strengthening national economic resilience. SMEs still have a long way to go, particularly concerning corporate governance principles that are of concern to

policymakers, such as governance mechanisms, strategies, and resource allocation. Practitioners must provide specific guidance on assessments so that issues of transparency and accountability can assist SMEs, including content items, disclosures, alignment, and disclosure indices. Future research can develop disclosure scores that integrate business guidance principles within the real sector (Sun et al., 2023). The scale evolves from a systematic digital solution phase into two distinct strategies referred to as ecosystem scaling (i.e., market evaluation, ecosystem development, and partner-led horizontal scaling activities) and servitization scaling. Choosing the right partners and decision-makers need to monitor and support partners in commercializing digital solutions (Garcia Martin et al., 2025). Next, the Consumer Confidence Index (CCI) at the beginning of 2026 is positioned at a positive level of 127.00 percent, while the Consumer Price Index is recorded at 109.75 percent. This regulation mandates banks and Non-Bank Financial Institutions (NBFIs) to implement principles that are simple, accurate, swift, cost-effective, and inclusive, as well as to provide special financing schemes for Micro, Small, and Medium Enterprises (MSMEs) (Ayh, 2026). An important research gap exists regarding the integration of technology that can enhance the business performance of MSMEs, optimize domestic market potential, ensure the sustainability of MSMEs, develop superior products and exports, establish positioning, and create new business models that achieve sustainable performance of MSMEs, thereby strengthening national economic resilience. SMEs still have a long way to go, particularly concerning corporate governance principles that are of concern to policymakers, such as governance mechanisms, strategies, and resource allocation. Practitioners must provide specific guidance on assessments so that issues of transparency and accountability can assist SMEs, including content items, disclosures, alignment, and disclosure indices. Future research can develop disclosure scores that integrate business guidance principles within the real sector (Sun et al., 2023). The scale evolves from a systematic digital solution phase into two distinct strategies referred to as ecosystem scaling (i.e., market evaluation, ecosystem development, and partner-led horizontal scaling activities) and servitization scaling. Choosing the right partners and decision-makers need to monitor and support partners in commercializing digital solutions (Garcia Martin et al., 2025).

Time, temporality, and the speed of internationalization of companies are central constructs in recent research on the internationalization of small and medium-sized enterprises (SMEs), particularly in light of the acceleration of internationalization observed among born global firms and new international ventures. The notion that delays in innovation represent a liability affecting the internationalization of companies is an issue that has been overlooked by previous literature, which tends to treat technological innovation as a contextual variable (Hilmersson et al., 2023). Problem Statement Innovation, optimization of domestic market potential, sustainability of SMEs, flagship products and exports, positioning, and the performance achievements of SMEs that can enhance national economic resilience. Research Objectives To analyze and explore the significance of prioritizing aspects such as innovation, optimization of domestic market potential, sustainability of SMEs, flagship products and exports, positioning, and to discover a new model for sustainable performance achievement of SMEs that can strengthen national economic resilience. Additionally, to analyze structural barriers related to payment systems and digital marketing for SMEs.

## 2.0 LITERATURE REVIEW

Embedding networks refer to the ongoing social relationships demonstrated by companies within economic activities. The impact of embedding networks on the performance and competitive advantage of companies in the market has been widely acknowledged by the academic community. Various forms and performances embedded within these networks lead to differences in company performance and competitive advantage; that is, the distinct positions and structures embedded in the networks will reflect variations in the levels of company performance. Consequently, the relationships and mechanisms between performance and embedding networks have become a crucial aspect of organizational management research (Chenxi & Haijie, 2023). Business performance measurement systems (BPM) are regarded as essential tools for identifying key factors in system transitions that can influence the business performance of micro, small, and medium enterprises, particularly in numerous research areas related to business studies and social sciences. To implement training programs and workshops aimed at enhancing small technical skills to alleviate compliance burdens, which leads to the global expansion of small businesses (Bhalla et al., 2023). There is strong evidence that innovation capability positively impacts the international expansion of SMEs. There is a growing interest in the innovation activities of SMEs and how these affect the international operations of companies. SMEs that are more inclined to innovate by introducing new products and processes tend to internationalize across various foreign markets. This extensive internationalization, in turn, allows these companies to gain new insights from diverse foreign markets, enhancing technological learning and innovation capabilities (Hilmersson et al., 2023).

Small and medium enterprises (SMEs) play a crucial role in the global economy through sustainable development. They have the potential to generate employment and act as catalysts for economic and social advancement. Stakeholder theory, agency theory, and signaling theory posit that high-quality information conveys a broader range of material information that meets the expectations of various stakeholders for forward-looking disclosures. Stakeholder theory asserts that companies must respond to diverse stakeholder expectations to maximize value. In this context, the theory emphasizes that companies enable themselves to meet the expectations and demands of stakeholders. Agency theory addresses the conflicts of interest that may arise when business owners (principals) delegate authority to company managers (agents). The fact that principals and agents possess different levels of information, the efforts of both parties to maximize their interests, and the principal's difficulty in controlling the agent can lead to agency problems (Sun et al., 2023). Institutional theory provides a foundational framework for understanding how regulatory, economic, and political environments influence the internationalization decisions of SMEs. Institutions shape the incentives and constraints of businesses, impacting corporate strategies when expanding into foreign markets. An increasingly growing body of research indicates that corruption flourishes in weak institutional environments, where regulatory inefficiencies and bureaucratic complexities create opportunities for illegal practices. The institutional environment in both the home country and host country significantly influences the internationalization strategies of SMEs. The regulatory framework, political stability, and economic policies significantly affect the feasibility of entering foreign markets, as well as the mode and scale of expansion.

RBV provides a robust theoretical framework for elucidating how firms attain and sustain competitive advantage through the strategic utilization of resources. In the context of SME internationalization, RBV highlights how specific company capabilities can enhance entry into foreign markets. It emphasizes that sustainable competitive advantage arises from resources that are valuable, rare, inimitable, and non-substitutable (Mmadubuko et al., 2025).

### **2.1. Internationalization, Technology, and Innovation for SMEs**

In the literature concerning SME internationalization, there are two dominant streams: the internationalization process theory and the born-global approach. Both streams regard internationalization as a process that unfolds over time. While proponents of the internationalization process theory depict internationalization as a gradual and stepwise occurrence, the born-global literature argues that many newly established businesses internationalize immediately after their inception. A key argument for this perspective is that these companies possess unique and innovative products that drive them to pursue internationalization. Specifically, firms with small domestic markets must internationalize early to grow and benefit from economies of scale (Hilmersson et al., 2023). Conceptualizing entrepreneurship and the signals of internationalization necessitates a deeper analysis of the opportunities presented by digital networks and multilateral relationships with investors. Networks have become increasingly vital in the internationalization process as they have the potential to expedite internationalization and expansion by providing resources. Simultaneously managing international activities and signals of presence poses a challenge. This application to international networks facilitated by digital means aims to advance current knowledge. Signal theory has traditionally been employed to elucidate the dual information asymmetry between entrepreneurs and investors, as well as the relationships within the context of digital entrepreneurship networks and internationalization (Kromidha & Robson, 2021). Furthermore, innovation plays a crucial role in enhancing the performance of small and medium-sized enterprises (SMEs), acting as a catalyst for growth and sustainability in a dynamic business environment. This encompasses the creation of new products, improved production methods, new market opportunities, enhanced supply chains, and the establishment of new industry standards. The significance of innovation as a driver of competitiveness and profitability is paramount for organizations aiming to grow and achieve sustainable success. Innovation can take various forms, including product, process, marketing, and organizational innovation, each contributing uniquely to an organization's strategic objectives and market position. It involves the integration of new technologies, ideas, and practices to create value-added products or services that meet the ever-evolving market demands. Moreover, innovation is not limited to technological advancements but also includes cultural and organizational changes that foster creativity and learning (Ibeku & Nwagwu, 2024).

Small and medium enterprises (SMEs) must strategically leverage their human resources to develop new competencies or adapt existing ones in order to seize opportunities in an ever-changing market. Dynamic capabilities refer to 'an organization's ability to intentionally create, expand, or modify its resource base.' Innovations that enhance competencies are a significant driving force for SMEs, making it essential to understand the interaction between the growth of dynamic capabilities and competition with rival businesses. SMEs should concentrate on innovations that enhance competencies, emphasizing the creation and development of new procedures, technologies, and

strategies to improve their competencies. Innovation provides SMEs with a sustainable competitive advantage through increased productivity and cost savings, meeting the demands and expectations of their target markets, including facilitating knowledge sharing to respond swiftly to changing environments. In relation to innovation, some SMEs struggle to achieve this type of innovation due to resource limitations and obligations related to their size (Ho et al., 2024). Research on the innovation processes in SMEs has examined the stages of development, often highlighting how SMEs navigate resource constraints with flexibility and speed in their responses. It has been found that SMEs adopt effectual logic in the early stages and causal logic in the later stages of product innovation, utilizing a combination of leadership factors, people, culture, and knowledge to address resource constraints during the implementation phase of innovation. Simultaneously, studies have emphasized the flexible and experimental nature of how innovation unfolds in SMEs. It has been discovered that the stages of innovation in SMEs are initiated by internal and market triggers, and are sustained by a unique culture of innovation (Lui et al., 2025).

## **2.2. Financial inclusion**

Sustainable economic growth is a primary focus within applied economics, where trade liberalization, financial inclusion, economic globalization, and institutional quality, among other factors, serve as key determinants. Empirical literature indicates that these factors significantly influence sustainable economic growth in developed countries, and they have played a crucial role in differentiating between developing nations (Clotilde Stephanie et al., 2025). Small and medium-sized enterprises (SMEs) are a vital pillar in national economic and social development, linking business operations throughout the industrial chain from upstream to downstream. As the fundamental engine of economic expansion and technological advancement, they present unique aspects of a dynamic national economic landscape, and the interaction of SME-specific factors with a banking system predominantly controlled by large banks leads to a clear preference in the allocation of financial resources. SMEs located in cities with stronger fintech ecosystems experience higher productivity gains compared to those in less developed areas. The growth of local fintech operations enhances competition among financial institutions. Simultaneously, this reduces financing gaps and generates positive effects that improve business efficiency (Cui et al., 2025). Inclusive growth is fundamentally a multi-dimensional construct of policy and literature regarding the appropriate methods for measuring and defining it. Growth is considered inclusive when economic development benefits low-income groups equally or more than the rest of the population. Inclusive finance emphasizes that financial inclusion is a multi-dimensional construct. The measurement of the financial inclusion index utilizes secondary sources. To explore the various dimensions of inclusive finance, it is essential first to evaluate the following definitions: financial inclusion is a process that ensures ease of access, availability, and utilization of formal financial systems for all members of an economy. A more comprehensive definition states that an inclusive financial system is a mechanism that guarantees broad access to financial products and services without price barriers for weaker groups and other disadvantaged populations. Based on these definitions, it can be concluded that the dimensions for assessing the extent of financial inclusion consist of four main factors: access, availability, usage, and the cost of financial services, and inclusive finance has focused on how to measure and promote it (Mahmood et al., 2022).

### **2.3. CSR and Branding Strategy**

Research on corporate social responsibility (CSR) has begun to demonstrate maturity, with an increasing presence across various business disciplines, society, and policy, as well as interconnections in multiple aspects of socially responsible business that address both theoretical and practical issues and challenges. As a theoretical framework to assist in elucidating the roles of explicit CSR communication and implicit CSR communication, we refer to the communication theory that shapes organizations (CCO). Companies that promote corporate social responsibility (CSR) through their supply chains by requiring their suppliers to report and communicate about their CSR practices are performing exceptionally well; this assumption focuses on the impact on small and medium-sized enterprises (SMEs) when their larger customer companies exert pressure. The CCO theory and governance theory are employed to explore the role of CSR communication as a disciplinary force within SMEs (Morsing & Spence, 2019). The micro, small, and medium enterprises (MSMEs) sector contributes to the national GDP and employs millions of people across various industries. While large companies often possess established employer brands, medium-sized enterprises, particularly MSMEs, face significant challenges in building and maintaining an attractive employer brand. The establishment of an employer brand is crucial for retaining, motivating, and engaging employees, leading to higher productivity. Employees often lack comprehensive information about a company; the information shared by the company is interpreted as a signal regarding that company.

These signals are subsequently utilized to draw conclusions about the company, and SMEs convey information regarding their value systems, culture, and work environment to potential talent in the absence of a strong brand presence and recognition. In the context of employer branding signals, leadership behavior, employee testimonials, social media activities, and storytelling serve as indicators of organizational culture and employee experience. Informal signals often replace traditional branding channels and become critically important in the talent decision-making process (Rao & Vohra, 2026).

### **2.4. Business Ecosystem and Global Value Chain**

Small and medium enterprises (SMEs) possess a robust vitality of thought and exhibit characteristics of rapid responsiveness to complex environments; however, it is challenging to support the needs for rapid and sustainable development solely through self-funding. The expansion of business networks positively impacts company performance, and supply chain relationships significantly drive improvements in the financial performance levels of companies (Chenxi & Haijie, 2023). Inclusive finance is a contemporary issue of paramount importance for poverty alleviation, income equality, and economic growth. Its relevance within the political community can foster social cohesion and economic sustainability, which are prerequisites for job creation and poverty reduction. An inclusive financial system enhances living standards and enables low-income communities to save and borrow to create assets and invest in their education and businesses. Expanding credit access for the poor assists them in escaping poverty and allows them to invest in human capital and micro-enterprises, thereby reducing overall poverty by promoting economic growth (Mahmood et al., 2022). There are distinct impacts resulting from procurement measures that are friendly to micro, small, and medium enterprises (MSMEs), emphasizing that the size of a company plays a crucial role in determining the effectiveness of key procurement policies and

strategies. These include dividing contracts into smaller and more specialized lots, prioritizing quality-based evaluations over lowest price criteria, simplifying tender procedures, and considering the geographical proximity of suppliers, all of which significantly enhance the likelihood of micro enterprises securing public contracts. Valuable implications for policymakers and MSME practitioners indicate that this group is not homogeneous, and a one-size-fits-all approach appears to fail in addressing the subtle dynamics observed in the realm of public contracts (Nemec, 2025). Digital finance can enhance access to basic financial services for those who have been financially marginalized, resulting in increased financial inclusion. There are four main theories and models that explain the factors driving technology adoption in the banking sector. These theories are the Diffusion of Innovations Theory (DIT), the Technology Acceptance Model (TAM), the Unified Theory of Acceptance and Use of Technology (UTAUT), and the Theory of Reasoned Action (TRA). The Diffusion of Innovations Theory is specifically used to investigate the behavior of technology adopters in response to innovative technologies, where diffusion explains the process by which a new innovation is widely accepted through social systems over a certain period. The final decision to use a new innovation rests with specific individuals; however, they remain influenced by others (Oyedotun & Makoni, 2026).

SMEs are more inclined to pursue complementary strategies when they possess limited resources, yet still have certain market knowledge and insights that facilitate the development of circular business models. Complementary strategies are less suitable if SMEs aim to cultivate their own vision and coordinate efforts around the ecosystem. In this context, complements are expected to align with the specific visions of leaders and support them with resources, skills, and technology (Reim et al., 2025).

## **2.5. Demand- supply dan global economics**

The role of financial inclusion in sustainable economic growth cannot be overlooked. Financial inclusion facilitates access to credit for individuals and businesses, thereby encouraging investment in entrepreneurship. This, in turn, stimulates economic activity, job creation, and contributes to overall economic growth (Clotilde Stephanie et al., 2025). The significant power to leverage their relative strength through asymmetric and systemic dependencies does not imply that small and medium enterprises lack agency. On the contrary, it dramatically enhances economic security. However, the temporal aspect significantly influences the ability of small and medium enterprises to utilize these strategies, thereby mitigating the potential adverse outcomes of dependency. (Kauppila et al., 2025).

On the supply side, access to financial institutions is typically reported through data on the number of bank branches and automated teller machines. Financial inclusion serves as a crucial facilitator in poverty reduction, economic growth, and significant advancements that promote access to formal financial products and services for both households and businesses. Financial institutions, inadequate financial service costs, and a lack of trust represent systemic issues that necessitate long-term policies and macro-level improvements (Nguyen & Luong, 2023). Micro, small, and medium enterprises (MSMEs) play a vital role in economic growth; however, they remain vulnerable to crises due to resource limitations and market volatility. Based on the resource-based view (RBV) and dynamic capabilities (DC), MSMEs develop resilience through innovation, strategic agility, and

resource adaptability. The RBV posits that a firm's competitive advantage stems from resources that are valuable, rare, inimitable, and non-substitutable (VRIN). This concept has evolved into Valuable, Rare, Inimitable, and Organized (VRIO) to emphasize the role of organizational structure in effectively leveraging resources. Public-private partnerships should be utilized to provide guidance, funding, and capacity-building initiatives for MSMEs facing resource constraints. By aligning managerial strategies with policy-based support, MSMEs can enhance their competitiveness and sustainability during periods of uncertainty and crisis. Furthermore, industry associations and business networks play a crucial role in facilitating peer learning, mentorship, and knowledge-sharing platforms (Shahzad et al., 2026).

The impact of various combinations of financial inclusion, technological innovation, foreign investment, consumption, industrial structure, and urbanization on different levels of sustainable development. Regional imbalances have become a more pressing issue compared to overall temporal trends. However, this does not diminish the importance of temporal factors; rather, it underscores the significant influence of regional disparities. Policies must be formulated to promote these factors, with a particular emphasis on enhancing financial inclusion due to its strong diffusion effects, which can trigger the development of other core conditions. Consider stimulating product innovation among financial institutions or promoting tailored and personalized financial services to further expand consumer engagement (Zhou et al., 2025).

## **2.6. Incorporation of Theory as Research Novelty**

The incorporation of the underlying theories for this research includes: Resource-Based View (RBV), Dynamic Capabilities (DC), Signaling Theory, Diffusion of Innovations Theory (DIT), Technology Acceptance Model (TAM), Unified Theory of Acceptance and Use of Technology (UTAUT), and Theory of Reasoned Action (TRA), along with Communication Theories that shape organizations (CCO), Agency Theory, and Stakeholder Theory (Freeman et al., 2021).

## **3.0 RESEARCH METHODOLOGY**

This study will conduct an empirical review focused on analyzing and exploring, as well as providing optimal solutions with priority given to aspects such as innovation, the optimization of domestic market potential, the sustainability of MSME businesses, flagship products and exports, positioning, and discovering a new model for achieving MSME performance that can strengthen national economic resilience.

### **3.1. Data Sources for Research**

The data sources for this research will consider the actors in MSMEs in Jakarta and Bekasi, utilizing accidental techniques from both respondents and participants, as well as competent informants from MSME business actors as primary data. The primary data will be collected through structured questionnaires administered to top management personnel of MSMEs who handle their operations, including via email, Google forms, and personal meetings. The data collected through structured questionnaires is elaborated upon in this section, which includes the dependent variable—business performance—and several independent variables (Bhalla et al., 2023). Meanwhile, secondary data will be based on data from BPS, the Ministry of MSMEs, previous academic research, and other relevant sources that can support the study (Rose et al., 2017).

### 3.2. Methodology

This research employs a combination of quantitative and qualitative methods as a mixed methods approach (Jensen et al., 2020; Qiong et al., 2025). The survey development is designed to encompass various critical aspects of this study, including sections on demographic information and items that measure employees' perceptions and experiences regarding technological factors, organizational factors, and ultimately, environmental factors (i.e., government IT policies, industry competencies, collaboration, and digital transformation tools). This study adopts Partial Least Squares-Structural Equation Modeling (PLS-SEM) as the analytical technique due to its suitability for exploratory studies and its ease in handling complex models. This analysis is utilized to comprehensively assess the measurement model concerning its reliability and validity, as well as the structural model for construct relationships. This robust statistical analysis is employed to test the proposed hypotheses regarding the impact of constructs on the business process performance of SMEs (Aldossari et al., 2025).

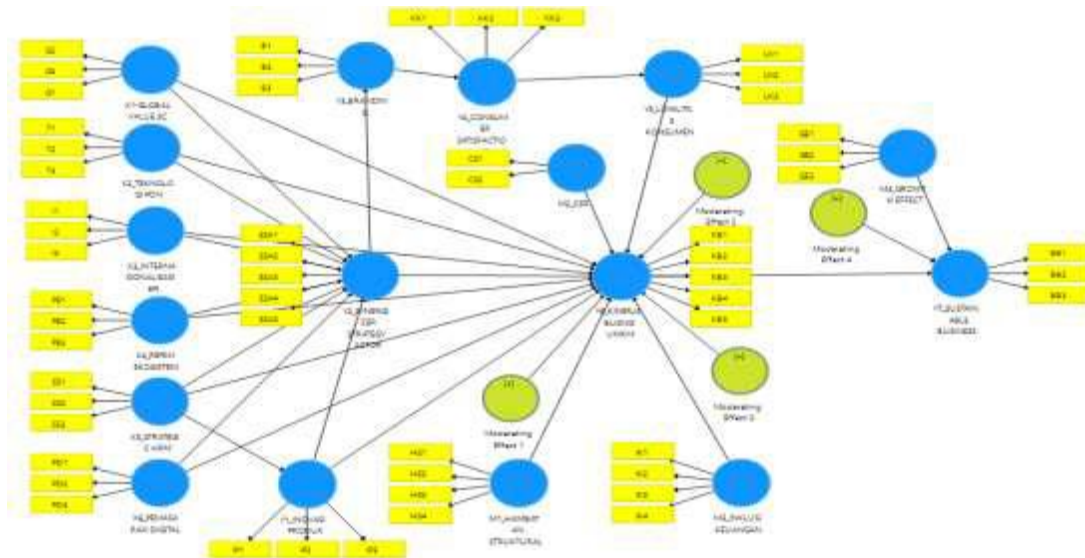
Furthermore, in the qualitative approach, semi-structured interviews with owner-managers or senior managers were conducted over a period of 6 months. SMEs typically do not have independent R&D departments; thus, owner-managers and senior managers are actively involved in the daily management of innovation, often setting the vision for the company and serving as appropriate informants for this research. A standard interview protocol was developed and utilized for all interviews, consisting of questions regarding (1) types of innovation, (2) management and governance of innovation, (3) barriers and resources for innovation, and (4) company performance. The first question regarding types of innovation aids in understanding the context in which innovation activities occur and opens opportunities for respondents to address the subsequent questions.

The use of semi-structured interviews facilitates the analysis of complex situations by drawing on the experiences and perspectives of participants, encouraging them to elaborate on open-ended questions and provide examples. Furthermore, data analysts employed the professional NVivo software to identify themes, sub-themes, and sub-sub-themes as new novelties (Lui et al., 2025). By utilizing a qualitative approach, we implemented Interpretative Phenomenological Analysis to examine resilience strategies among small and medium-sized enterprises (SMEs). This research adopted qualitative research methodology to gain a deep and holistic understanding of the phenomenon and its context, integrating various data sources to capture the complexity of participants' experiences. Qualitative research is particularly well-suited for uncovering and interpreting the meanings behind individual beliefs and behaviors, based on the assumption that social reality is fundamentally shaped by human interactions and perceptions (Shahzad et al., 2026).

#### 3.2.1. Integrated Research Model

The integrated research model is designed to facilitate this study in achieving a sustainable business model for MSMEs and contributing to national economic resilience. The independent variables include: Global value supply chain-X1, National digital platform technology-X2, Internationalization-X3, Role of the business ecosystem-X4, Resource strategy-X5, and Digital marketing-X6. Meanwhile, the dependent variables consist of: Product innovation-Y1, Agile strategy synergizer orchestrated (as a novelty variable)-Y2, Branding-Y3, Consumer satisfaction-

Y4, Consumer loyalty-Y5, MSME business performance-Y6, and Sustainable MSME business as national economic resilience-Y7. Additionally, the moderator variables encompass: Structural barriers-M1, CSR-M2, Financial inclusion-M3, and Growth effect-M4. Therefore, conceptually, the research can be illustrated in Figure 1 below:



**Figure 1.** Integrated Model Research Concept

### 3.2.2. Hypotheses

Based on the review of related research in the theoretical framework and relevant studies presented, the following research hypotheses are formulated:

- H1: There exist both direct and indirect effects between the variable Global Value Supply Chain-X1, National Digital Platform Technology-X2, Internationalization-X3, Business Ecosystem Role-X4, Resource Strategy-X5, and Digital Marketing-X6 on the Business Performance of MSMEs-Y6 through the Synergizer Strategy-Y2 and its implications for the Sustainability of National MSMEs- Y7.
- H2: There exist both direct and indirect effects of Resource Strategy-X5 on the Synergizer Strategy-Y2 through Product Innovation-Y1.
- H3: There exists a direct effect of the Synergizer Strategy-Y2 on Employer and Product Branding-Y3.
- H4: There exist both direct and indirect effects on Employer and Product Branding-Y3 regarding Consumer Loyalty-Y5 through Customer Satisfaction-Y4.
- H5: There exists a direct effect of Customer Loyalty-Y5 on the Business Performance of MSMEs-Y6.
- H6: There exists a moderating effect of the structural barriers-M1, CSR-M2, and Financial Inclusion-M3 on the correlation between the Synergizer Strategy and MSME Performance.
- H7: There exists a moderating effect of the Growth Effect-M4 on the correlation between the Business Performance of MSMEs and the Sustainability of National MSMEs.

### 3.2.3. Closed Instruments and Structured Interview Guidelines

The closed instruments utilized in this research were developed based on related studies, featuring a framework that encompasses: Global Value Supply Chain-X1 (Risk, Supply, and High Technology), National Digital Platform Technology-X2 (Ease, Content, and Information), Internationalization-X3 (Demand-Supply, Global Economy, and International Markets), Role of Business Ecosystem-X4 (Well Leader, Complementer, and Business Collaboration), Resource Strategy-X5 (Competence, Skills, and Certification), and Digital Marketing-X6 (Engaging Content, Influencers, IoT). The dependent variables include: Product Innovation-Y1 (Difficult to Imitate, Authentic, Unique), Agile Orchestrated Strategy Synergizer (as a novelty variable) (Agile, Behavioral Decision Making, Stakeholders, Equilibrium, and Well-Informed)-Y2, Branding-Y3 (New Products, Employee Empathy, Top of Mind), Consumer Satisfaction-Y4 (Meeting Expectations, Engaging, Impressive), Consumer Loyalty-Y5 (Repeat Purchases, Word of Mouth, Recommendations), Business Performance of MSMEs-Y6 (Profit, Productivity, Investment, Increased Sales, and Growing Capital), and Sustainable MSME Business as National Economic Resilience-Y7 (GDP, Increased Exports, Community Welfare). The moderator variables include: Structural Barriers- M1 (Technical Constraints, Non-Technical Constraints, Payment Systems, and Access to Digital Marketing), CSR-M2 (Impact and Continuity), Financial Inclusion-M3 (Access, Availability, Cost, and Usage), and Growth Effect-M4 (Economic Growth, Competitiveness, and Unemployment).

In relation to open-ended questions and as a structured guideline for conducting in-depth interviews with participants, the following inquiries are proposed: 1). From your perspective as a participant, how can a sustainable business model for National MSMEs be developed to support the resilience of the National economy? 2). From your perspective as a participant, what strategies can be employed to enhance the performance of National MSMEs? 3). From your perspective as a participant, what are the structural barriers faced by National MSMEs concerning inclusive payment systems? 4). From your perspective as a participant, what are the structural barriers faced by National MSMEs in the implementation of digital marketing? 5). From your perspective as a participant, how can National MSME actors improve and access International Markets? 6). From your perspective as a participant, what support is required from the Government of Indonesia for National MSME actors?

## 4.0 RESULTS

This research aims to develop a model for MSMEs that can achieve superior and sustainable competitiveness, as well as possess a high level of competitiveness. The research findings are expected to address the hypotheses presented. Based on the examination of pertinent studies within the theoretical framework, the following research hypotheses have been established: H1: There are both direct and indirect effects among the variables Global Value Supply Chain-X1, National Digital Platform Technology-X2, Internationalization-X3, Business Ecosystem Role-X4, Resource Strategy-X5, and Digital Marketing-X6 on the Business Performance of MSMEs-Y6, mediated by the Synergizer Strategy-Y2 and its implications for the Sustainability of National MSMEs-Y7. H2: Resource Strategy-X5 has both direct and indirect effects on the Synergizer Strategy-Y2 through Product Innovation-Y1. H3: The Synergizer Strategy-Y2 has a direct effect on Employer and Product Branding-Y3. H4: There are both direct and indirect effects on Employer and Product

Branding-Y3 concerning Consumer Loyalty-Y5, mediated by Customer Satisfaction-Y4. H5: Customer Loyalty-Y5 has a direct effect on the Business Performance of MSMEs-Y6. H6: The structural barriers-M1, CSR-M2, and Financial Inclusion-M3 exert a moderating effect on the relationship between the Synergizer Strategy and MSME Performance. H7: The Growth Effect-M4 has a moderating influence on the relationship between the Business Performance of MSMEs and the Sustainability of National MSMEs.

The research findings are expected to address the formulation and objectives of the study through a qualitative approach utilizing closed-ended questions, which encompass the following: In relation to open-ended inquiries and serving as a structured framework for conducting comprehensive interviews with participants, the subsequent questions are suggested: 1). From your viewpoint as a participant, how can a sustainable business model for National MSMEs be established to bolster the resilience of the National economy? 2). From your viewpoint as a participant, what strategies can be implemented to improve the performance of National MSMEs? 3). From your viewpoint as a participant, what structural obstacles do National MSMEs encounter regarding inclusive payment systems? 4). From your viewpoint as a participant, what structural challenges do National MSMEs face in the execution of digital marketing? 5). From your viewpoint as a participant, how can National MSME stakeholders enhance their capabilities and access International Markets? 6). From your viewpoint as a participant, what assistance is necessary from the Government of Indonesia for National MSME stakeholders?

## 5.0 CONCLUSION

The empirical model based on a multi-theory integration study is expected to possess resilience and breakthroughs that are robust for MSMEs in Indonesia. The conclusion of this research is grounded in data that comprehensively addresses all research hypotheses aimed at identifying a business model relevant to small and medium enterprises. The findings of the study are anticipated to respond to the proposed hypotheses. Through the analysis of relevant studies within the theoretical framework, the following research hypotheses have been formulated: H1: There exist both direct and indirect effects among the variables Global Value Supply Chain-X1, National Digital Platform Technology-X2, Internationalization-X3, Business Ecosystem Role-X4, Resource Strategy-X5, and Digital Marketing-X6 on the Business Performance of MSMEs-Y6, mediated by the Synergizer Strategy-Y2 and its implications for the Sustainability of National MSMEs-Y7. H2: Resource Strategy-X5 influences the Synergizer Strategy-Y2 both directly and indirectly through Product Innovation- Y1. H3: The Synergizer Strategy-Y2 directly impacts Employer and Product Branding-Y3. H4: There are both direct and indirect effects on Employer and Product Branding-Y3 in relation to Consumer Loyalty-Y5, mediated by Customer Satisfaction-Y4. H5: Customer Loyalty-Y5 directly affects the Business Performance of MSMEs-Y6. H6: The structural barriers-M1, CSR-M2, and Financial Inclusion-M3 have a moderating effect on the relationship between the Synergizer Strategy and MSME Performance. H7: The Growth Effect-M4 moderates the relationship between the Business Performance of MSMEs and the Sustainability of National MSMEs.

Subsequently, the findings of the premise model derived from the qualitative method and descriptive phenomenology design are based on in-depth research questions and encompass the following: The research outcomes are anticipated to address the formulation and objectives of the

study through a qualitative approach that employs closed-ended questions, which include the following: In relation to open-ended inquiries and serving as a structured framework for conducting thorough interviews with participants, the following questions are proposed: 1). From your perspective as a participant, how can a sustainable business model for National MSMEs be developed to strengthen the resilience of the National economy, 2). From your perspective as a participant, what strategies can be adopted to enhance the performance of National MSMEs, 3). From your perspective as a participant, what structural barriers do National MSMEs face concerning inclusive payment systems, 4). From your perspective as a participant, what structural challenges do National MSMEs encounter in the implementation of digital marketing, 5). From your perspective as a participant, how can National MSME stakeholders improve their capabilities and gain access to International Markets, 6). From your perspective as a participant, what support is required from the Government of Indonesia for National MSME stakeholders.

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