MAPPING OF YOGYAKARTA CITY'S MSME READINESS FOR GOVERNMENT PROGRAMS, PROMOTIONS, AND EXHIBITIONS : LEGALITY, MANAGEMENT AND MARKET ORIENTATION

Hafidh Rifky Adiyatna
Management Study Program, UPN "Veteran" Yogyakarta, Indonesia
Email : hafidh.rifkyadiyatna@upnyk.ac.id

ABSTRACT

This study aims to map the level of readiness of Micro, Small, and Medium Enterprises (MSMEs) in Yogyakarta City in the context of promotion and exhibition facilitation through indicators of market readiness, governance readiness, and administrative readiness. The study used a descriptive quantitative approach with a cross-sectional survey design. Data sourced from a structured questionnaire completed by 452 MSMEs were analyzed using descriptive statistics in the form of frequency tabulations, percentages, summary measures of central tendency, and cross-tabulations. The results showed that the composition of respondents was dominated by the culinary sector (51.1%), and most MSMEs started their businesses in the 2016–2019 period. A total of 70.6% of MSMEs have a digital marketing platform, but its use is still concentrated on one main channel, primarily Instagram. Target market orientation is still dominated by the local market (58.2%), while orientation covering the international market is relatively small. From a governance aspect, the majority of MSMEs do not have a vision (66.2%) and have not set annual targets (59.1%), potentially weakening the focus and measurement of the success of promotional programs. In terms of administrative readiness and promotional experience, 56.9% of MSMEs have a Business Identification Number (NIB). However, the majority have never participated in an exhibition/expo (71.7%). Descriptively, MSMEs with a vision and annual targets tend to be better prepared in other aspects, such as legality, digital platform adoption, expo experience, and median turnover. The study recommends a phased facilitation model that includes accelerating legality, Core Promotional Training, Strengthening Integrated Digital Marketing Channels, And Pre- And Post-Exhibition Curation And Mentoring To Ensure Promotions Have A Sustainable Impact.

Keywords : Msmes; Promotional Readiness; Exhibitions; Digital Marketing; Vision; Sales Targets; Nib; Yogyakarta City

ABSTRAK

Penelitian ini bertujuan untuk memetakan tingkat kesiapan Usaha Mikro, Kecil, dan Menengah (UMKM) di Kota Yogyakarta dalam konteks promosi dan fasilitasi pameran melalui indikator kesiapan pasar, kesiapan tata kelola, dan kesiapan administrasi. Penelitian ini menggunakan pendekatan kuantitatif deskriptif dengan desain survei cross-sectional. Data yang bersumber dari kuesioner terstruktur yang diisi oleh 452 UMKM dianalisis menggunakan statistik deskriptif dalam bentuk tabulasi frekuensi, persentase, ukuran rangkuman kecenderungan sentral, dan tabulasi silang. Hasil penelitian menunjukkan bahwa komposisi responden didominasi oleh sektor kuliner (51,1%), dan sebagian besar UMKM memulai usahanya pada periode 2016–2019. Sebanyak 70,6% UMKM memiliki platform pemasaran digital, tetapi penggunaannya masih terkonsentrasi pada satu saluran utama, terutama Instagram. Orientasi pasar sasaran masih didominasi oleh pasar lokal (58,2%), sedangkan orientasi yang mencakup pasar internasional relatif kecil. Dari aspek tata kelola, mayoritas UMKM tidak memiliki visi (66,2%) dan belum menetapkan target tahunan (59,1%), yang berpotensi melemahkan fokus dan pengukuran keberhasilan program promosi. Dari segi kesiapan administratif dan pengalaman promosi, 56,9% UMKM memiliki Nomor Identifikasi Usaha (NIB). Namun, mayoritas belum pernah berpartisipasi dalam pameran/ekspo (71,7%). Secara deskriptif, UMKM dengan visi dan target tahunan cenderung lebih siap dalam aspek *lain, seperti legalitas, adopsi platform digital, pengalaman ekspo, dan omset rata-rata. Studi ini merekomendasikan model fasilitasi bertahap yang mencakup percepatan legalitas, pelatihan dasar promosi, penguatan saluran pemasaran digital terintegrasi, dan kurasi serta pendampingan pra dan pasca pameran untuk memastikan promosi memiliki dampak yang berkelanjutan.*

Kata Kunci : UMKM; Kesiapan Promosi; Pameran; Pemasaran Digital; Visi; Target Penjualan; NIB; Kota Yogyakarta

INTRODUCTION

The Special Region of Yogyakarta (DIY) is known as a region with a strong Micro, Small, and Medium Enterprises (MSME) ecosystem, supported by tourism, trade, culinary, service, and creative economy activities. In this context, micro and small enterprises not only serve as a source of livelihood for the community but also as drivers of the local supply chain, creators of added value, and supporting destination attractiveness. The availability of official statistics on micro and small industries in DIY emphasizes the need to map business conditions to support more targeted policy interventions, including in aspects of marketing, coaching, and promotional facilitation (BPS D.I.Yogyakarta, 2024). However, despite the large business population, the capacity and readiness of each MSME are not homogeneous. Differences in sectors, business age, and turnover scale create diverse needs for strengthening.

In line with changing consumer behavior, digital marketing has become a crucial channel for MSMEs to expand market reach, build trust, and maintain customer relationships. However, MSME digital transformation is not always a linear process. An OECD report indicates that many MSMEs begin digitizing with basic administrative or marketing functions, while gaps emerge when MSMEs need to integrate technology into more complex business processes, such as customer relationship management, supply chain management, and data utilization (OECD, 2021). Studies on MSME digital marketing also emphasize that the use of digital channels is often tactical—for example, focusing on a single social media platform—requiring strategic reinforcement so that digital activities can drive performance and sustainable market expansion (Taiminen & Karjaluoto, 2015).

Conversely, conventional promotions and exhibitions remain important tools for connecting MSMEs with consumers, distribution networks, and potential partners. Exhibitions can strengthen brand visibility, expand relationships, and open up sales opportunities. However, this potential depends heavily on the internal preparedness of business owners, including the ability to present product value, the readiness of promotional materials, and the capacity to follow up with prospects after the event. At the global level, the WTO emphasizes that small and medium-sized enterprises face disproportionate barriers to accessing broader markets, including limited information, compliance costs, and logistical and marketing constraints (World Trade Organization, 2016). Therefore, facilitating promotions/exhibitions at the regional level should ideally focus not only on event participation but also on improving MSME readiness so that market opportunities can be truly converted into long-term transactions and networks.

In practice, regional promotional facilitation programs often face limitations in participant quotas, organization costs, and the need to curate products to align with exhibition themes. Without data-based mapping, the curation process is potentially subjective, inconsistent, and fails to consider business owners' readiness to meet market demand after gaining exposure. Furthermore, many businesses rely on word-of-mouth promotion, while a limited digital footprint makes it difficult for potential buyers to verify products, locations, or ordering mechanisms. Therefore, descriptive mapping is necessary as a baseline for categorizing MSMEs according to their level of readiness and need for assistance, before more intensive interventions are implemented. Mapping also helps develop realistic success indicators for MSMEs, such as transaction targets, partnership prospects, and post-event customer growth.

The regulatory framework in Indonesia also places legality as a foundation for strengthening MSMEs. Law Number 20 of 2008 establishes the definition, role, and direction of MSME empowerment in national economic development (Government of the Republic of Indonesia, 2008). Furthermore, Government Regulation Number 5 of 2021 concerning the Implementation of Risk-Based Business Licensing strengthens the position of the Business Identification Number (NIB) as a business owners’ identity linked to the business licensing system, making it a crucial prerequisite for various development and partnership programs (Government of the Republic of Indonesia, 2021). In the context of facilitating promotions/exhibitions, legality serves as a marker of administrative readiness, often influencing MSMEs' access to government support, networking, and collaboration opportunities.

Beyond administrative readiness, managerial readiness is a determining factor in whether promotions can translate into measurable performance. Many MSMEs undertake promotions motivated by increasing visibility, but without strategic direction and metrics for success, the promotion risks stalling in the short term. Vision and its communication are linked to business growth because they help clarify direction, build commitment, and mobilize organizational action (Baum et al., 1998). Furthermore, the presence of specific and challenging short-term targets tends to improve performance through mechanisms of focus, persistence, and strategic planning (Locke & Latham, 2002). Thus, the existence of a vision and annual sales targets can be viewed as simple yet relevant indicators for assessing the readiness of MSMEs to utilize promotional activities more strategically.

Based on this background, this study aims to present a descriptive mapping of the condition of MSMEs in Yogyakarta City by integrating indicators commonly available in field data collection, namely business sector category, digital marketing platform ownership, target market orientation (local, national, international), year of business establishment, annual turnover, and the existence of a vision and sales targets. The research's novelty lies in integrating indicators of "market readiness" (target market and digital channels) with indicators of "governance readiness" (vision and annual sales targets) and "administrative readiness" (legality/NIB) into a single, easily readable snapshot of promotional/exhibition readiness for stakeholders. Practically, the research results are expected to provide a basis for segmenting program participants, designing more precise training, and determining the appropriate form of promotional facilitation for each level of readiness. This ensures that promotions do not stop at exposure but instead drive performance improvement and targeted market expansion.

LITERATURE REVIEW

Digital transformation in MSMEs is generally understood as a gradual process—starting with the adoption of simple digital marketing channels (e.g., social media), progressing to the use of more integrated technology to support business processes and value creation. Conceptually, digital transformation is not only about technology use, but also about the organization's strategic response to disruption and changes in work structures and processes (Vial, 2019). Practically, MSMEs often start with easy and affordable channels, but fail to consistently maximize the potential of all digital channels, both in terms of marketing objectives and activity management (Taiminen & Karjaluoto, 2015). This situation is relevant for mapping "promotional readiness" because digital platform ownership does not automatically represent digital marketing maturity or readiness for market expansion.

From a performance and resource perspective, the literature shows that digitalization in MSMEs is influenced by resource availability (e.g., IT capabilities, internal competencies) and has the potential to impact financial performance, but faces unique challenges such as limited expertise, immature digital strategies, and implementation barriers (Eller et al., 2020). Therefore, descriptive studies that capture digital marketing platform ownership need to be read in conjunction with managerial indicators (e.g., vision and sales targets) to avoid the biased interpretation of "digital means ready".

In addition to digital aspects, market orientation is an important dimension in assessing MSME readiness for promotion and outreach. Market orientation is positioned as a construct that emphasizes understanding customer needs, monitoring competitors, and cross-functional coordination to create value; conceptually, market orientation is related to an organization's ability to formulate more relevant strategic responses (Kohli & Jaworski, 1990). Classical studies also show that market orientation correlates with business profitability, thus providing a theoretical basis for linking target markets (local, national, or international) with the potential for strengthening MSME performance (Narver & Slater, 1990). In the context of this article, the variable "target market" can be understood as a descriptive indicator of the direction of market orientation and the scope of MSME marketing reach.

Regarding internal governance, vision and sales targets (goals/targets) have a strong theoretical basis in the management literature. Longitudinal research on entrepreneurial firms shows that vision and vision communication are related to business growth because vision provides direction and unifies organizational behavioral commitment (Baum et al., 1998). Furthermore, goal-setting theory asserts that specific and challenging goals tend to improve performance through mechanisms of motivation, focus, persistence, and work strategies (Locke & Latham, 2002). Meta-analytical findings also emphasize that business planning is related to small business performance, with its influence influenced by contextual factors (e.g., business age and environment) (Brinckmann et al., 2010). Therefore, mapping the existence of vision and sales targets in MSMEs is crucial for assessing readiness to participate in promotional/exhibition programs so that interventions do not stop at exposure but encourage measurable achievements.

MSMEs' promotional readiness is also related to external promotional activities, including exhibitions and export promotion. Studies on export promotion confirm that promotional services can influence MSMEs' international marketing efforts, but their effectiveness depends on the MSMEs' ability to utilize this support as a resource (Wilkinson & Brouthers, 2006). Similarly, post-entry dynamics in MSMEs demonstrate differences in the speed of international sales development among players, making internal readiness and marketing capabilities factors worth mapping before encouraging market expansion (Morgan-Thomas & Jones, 2009). Therefore, indicators such as experience participating in expos/exhibitions, target market orientation, and managerial readiness (vision and targets) can be interpreted as a series of tiered readiness measures for promotional facilitation programs.

RESEARCH METHODS

Method is a method of work that can be used to obtain something. While the research method can be interpreted as a work procedure in the research process, both in searching for data or disclosing existing phenomena (Zulkarnaen, W., et al., 2020:229). This study used a descriptive quantitative approach with a cross-sectional survey design, as its primary objective was to map the conditions and characteristics of MSMEs as they existed during a single data collection period, without testing causal relationships or building complex statistical models (Creswell & Creswell, 2018; Sugiyono, 2019). This descriptive focus was chosen to ensure the research results were operationally relevant for mapping MSME readiness in the context of promotion/exhibition facilitation (Sekaran & Bougie, 2016).

The study population was MSMEs operating in Yogyakarta City, while the sample consisted of 452 MSMEs that participated as survey respondents and were recorded in the analyzed dataset. The sampling technique was non-probability sampling (voluntary response/purposive), as respondents were business owners willing to complete the questionnaire and relevant to the program mapping objectives. This approach is commonly used when a complete population sampling frame is not available and the research focuses on capturing accessible groups (Etikan, Musa, & Alkassim, 2016; Sekaran & Bougie, 2016).

The data used consisted of primary data from a structured questionnaire completed by MSMEs and summarized in spreadsheet format. Variables analyzed included business sector category, year of business start-up, digital marketing platform ownership, target market orientation (local/national/international), legality (NIB), and annual turnover (in 2022). The questionnaire instrument used closed-ended questions (categories/yes-no) and open-ended questions to provide specific information; results were reported in aggregate form to maintain respondent confidentiality (Creswell & Creswell, 2018).

Data analysis was conducted descriptively through editing, cleaning, and coding. Then, they were presented in frequency and percentage tabulations, as well as cross-tabulations, to illustrate MSME profile patterns based on the indicators studied. For numeric variables such as turnover, the analysis utilized descriptive statistical summaries (e.g., minimum–maximum, median/average according to distribution) and grouping of turnover classes for easy interpretation within the context of program mapping (Sugiyono, 2019). All processing was performed using spreadsheet software as needed for tabulation (Sekaran & Bougie, 2016).

RESEARCH RESULTS AND DISCUSSION

This study analyzed 452 MSMEs in Yogyakarta City that participated in a promotional/exhibition facilitation survey. Based on Table 1, the culinary-dominated respondent structure (more than half) can be read as an indication that the MSME ecosystem in Yogyakarta city tends to be strong in fast-moving products. From a promotional/exhibition perspective, this has an impact on the more prominent need for concise promotional materials, stock and logistics readiness, and the ability to manage fluctuating demand when there is a surge in exposure. At the same time, the remaining significant portion of craft and fashion indicates that there is a MSME segment that requires promotion with an emphasis on branding, design differentiation, and product value. Therefore, exhibition support should not only be oriented towards "showcasing products" but also strengthening positioning.

Business age can be a measure of an MSME's readiness for growth. Furthermore, business age is generally directly proportional to business experience, including financial, marketing, production, and human resource management. This experience can vary if a business owner has been operating for a long time but frequently changes sectors, resulting in a low average business age per sector.

The results in Table 2 show that the respondent structure is not homogeneous in terms of maturity. Businesses established between 2016 and 2019 constitute the majority, which can be interpreted as MSMEs in the "ready to move up" phase but do not necessarily have a complete management system. Meanwhile, the presence of businesses established between 2020 and 2022 indicates that new MSME formation continues to occur in the post-pandemic period, so promotional/exhibition assistance needs to consider the readiness gap between newly established businesses and those that have been operating for years.

Business owners' readiness to grow sales through digital marketing is assessed through indicators of digital marketing platform ownership and the variety of channels used, and descriptively linking these to target market orientation (local, national, and/or international). The analysis focuses on whether "digital presence" reflects market expansion readiness, or is still in the initial, tactical stages (e.g., dominance of one channel), as is common among MSMEs (Taiminen & Karjaluoto, 2015; Chaffey & Ellis-Chadwick, 2019).

In more detail, digital platform adoption also differs by business category. MSMEs in the Craft (87.9%) and Fashion (84.6%) sectors have a higher proportion of digital platform ownership than the Culinary (64.1%) and Service (64.2%) sectors. This difference is understandable because creative products (craft/fashion) tend to rely heavily on visuals, branding, and online catalogs, while in some culinary/service businesses, promotion often relies on local networks and repeat customers. However, this finding also suggests room for intervention: strengthening digital promotion capabilities for the culinary/service category so that exposure can be converted into repeat transactions and market expansion (Taiminen & Karjaluoto, 2015).

It's important to remember that "having a digital marketing platform" doesn't necessarily mean an MSME has implemented a comprehensive digital strategy. Many MSMEs are at the presence stage (being present on social channels), but not necessarily at the integration stage (integrating with catalogs, transactions, customer databases, and performance measurement). From a digital transformation perspective, the shift from "mere presence" to "integration" is a critical point for digitalization to have a sustainable business impact (Vial, 2019).

The results in Table 6 show a consistent pattern: MSMEs with digital marketing platforms tend to have a broader market orientation than those without. However, a significant proportion of MSMEs with digital platforms still target the local market (45.8%). This indicates that digitalization is not always interpreted as an expansion strategy, but also as a tool to maintain local markets, strengthen customer communication, and increase visibility in the same region. The adoption of digital platforms often begins with practical needs (simple promotions) and then progresses to a more strategic stage as capabilities and resources increase (Taiminen & Karjaluoto, 2015).

In addition to the marketing function, parameters that can be used to map MSMEs are from the strategic planning aspect, namely the existence of a business vision statement and the existence of annual targets. These two indicators are used because the vision statement determines the long-term goals of a business, while the annual sales target acts as a control instrument that helps the business translate that direction into measurable achievements (Baum et al., 1998; Locke & Latham, 2002). In the context of promotion/exhibition facilitation, the existence of a vision and annual sales targets is important because effective promotion generally does not stop at exposure, but is directed at clear goals (e.g., turnover targets, market expansion, or increasing sales channels).

The findings in Table 8 confirm the existence of governance gaps in the majority of MSME respondents. Substantively, vision serves as a compass that directs strategic choices and guides development priorities, while annual sales targets serve as measuring tools that translate these directions into operational steps. Vision and internal vision communication within a business are related to driving business growth, primarily because vision helps clarify goals and consolidate business owners' commitment to development direction (Baum et al., 1998).

Based on Table 9, more than half of respondents (53.5%) lacked both a vision and annual targets. Managerially, this situation poses two major risks. First, MSMEs tend to struggle to prioritize promotions (which products to highlight, which markets to target, and which channels to optimize) due to the lack of a written strategic direction. Second, without clear sales targets, MSMEs struggle to objectively evaluate the effectiveness of promotions/exhibitions (e.g., whether the expo increased orders, increased turnover, added repeat customers, or expanded partnerships). Within a goal-setting framework, the absence of targets diminishes the power of goals as a driver of motivation, focus, and disciplined execution (Locke & Latham, 2002).

The differences between categories in Table 10 indicate that planning (vision–target) is not uniform. Practically, this is important for designing promotional/exhibition facilities. Craft and fashion MSMEs are better equipped for programs that emphasize branding and market expansion, while culinary and trade MSMEs require a more fundamental management strengthening pathway to ensure that promotions have clear direction, targets, and follow-up.

Table 11 shows a consistent pattern descriptively: MSMEs with a vision and targets tend to be better prepared in other aspects relevant to promotions/exhibitions, such as digital platform ownership, legality (NIB), and ever been to an expo. Furthermore, the median 2022 turnover for businesses with a vision statement and annual sales targets was also higher than for those without either. These findings are not intended to infer causality, but rather indicate that governance maturity often goes hand in hand with business capacity and promotional readiness. Managerially, this aligns with the notion that clear objectives help focus efforts and resource allocation, while a vision helps ensure targets are not merely short-term but linked to growth objectives (Baum et al., 1998; Locke & Latham, 2002).

Based on these overall findings, a practical implication for promotion/exhibition facilitation programs is the need for a phased intervention pathway. The largest group (who do not yet have a vision and annual sales targets) is more appropriately placed in the basic management strengthening stage (formulating a vision, annual targets, and understanding simple business concepts, as well as promotional follow-up plans), while the group of business owners who already have a vision statement and annual sales targets can be directed to a more selective and market-expansion-oriented exhibition program. With this approach, promotions/exhibitions not only generate short-term exposure but also increase the chances of conversion into sales and sustainable partnerships, because they are given to business owners who are more prepared.

CONCLUSION

The conclusion of this study indicates that the readiness of MSMEs in Yogyakarta City to participate in promotional and exhibition facilitation programs has begun to develop, particularly in terms of relatively high digital marketing adoption. However, gaps remain in managerial foundations and administrative prerequisites. Most businesses already have digital marketing platforms, but their market orientation remains predominantly local, and digital channels tend to rely on a single channel, thus not fully functioning as a market expansion engine. At the same time, the majority of MSMEs lack a vision and annual sales targets, indicating that government promotional programs are at risk of operating without clear direction and metrics for success. Furthermore, the uneven distribution of administrative readiness, particularly in the form of legal documents (NIB), reinforces the finding that MSMEs cannot be facilitated with a "one-size-fits-all" approach; instead, segmentation based on their level of readiness is necessary.

The solution proposed based on this research finding is a phased facilitation plan, prioritizing gap-solving so that promotions/exhibitions not only generate short-term exposure but also lead to ongoing transactions and partnerships. The first phase focused on strengthening the foundation through accelerated legality (NIB), simple management assistance (formulating a measurable vision and annual sales targets), and practical training related to promotional materials (business profiles, catalogs, pricing, packaging, and customer service in both

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conventional and digital media). The second phase was directed at strengthening digital marketing from simply “being present on social media” to the use of more integrated channels (standard account/link formats, neat catalogs, clear ordering flows, and customer follow-up mechanisms). The third phase was promotional activation through exhibitions/expos tailored to the level of readiness. For example, MSMEs that already have legality and ready promotional materials were placed in more selective expos, while MSMEs that still lack prerequisites were directed to local/community-scale expos with intensive assistance. With a scheme like this, promotion was positioned as part of the capacity building process, not just an event, so that market expansion opportunities—at least from local to national—became more realistic.

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TABLE AND FIGURE

Table 1. Profile of Respondents' MSME Business Categories

Aspect	Survey Findings	Analysis
Business category composition	Culinary 231 (51.1%), Craft 99 (21.9%), Services 53 (11.7%), Trade 42 (9.3%), Fashion 26 (5.8%)	The dominance of culinary products indicates that the need for promotional/exhibition facilitation is potentially greatest for daily consumer products. The culinary sector generally requires promotional strategies that emphasize trial experience (taste/packaging) and speed of market response. Meanwhile, the significant proportion of craft and fashion products indicates promotional opportunities based on product storytelling and creative value, which are typically strong at exhibitions.
Category diversity	There are five main categories with uneven distribution (one category >50%)	This structure is crucial for program design: a one-size-fits-all promotional approach risks missing the target audience. Program segmentation (e.g., culinary booths vs. craft/fashion booths) is more relevant because the nature of the purchasing process and consumer behavior differ across categories.

Source: Processed by the author (2025)

Table 2. Year of Starting a Business and Maturity Level of MSMEs

Aspect	Survey Findings	Analysis
Distribution of years of starting a business (group)	≤2009 84 (18.6%); 2010–2015 111 (24.6%); 2016–2019 179 (39.6%); 2020–2022 78 (17.3%)	The majority of MSMEs are in the 3–7-year operating phase (2016–2019 groups), which generally means they have passed the initial stage and are beginning to require market acceleration. However, there is also a significant group of new businesses post-2020, which tend to require strengthening their foundations (management, legality, product standards) before being facilitated with more aggressive promotion.

Source: Processed by the author (2025)

Table 3. Overview of Turnover Scale (2022) as a Context of Business Capacity

Aspect	Survey Findings	Analysis
2022 revenue summary	Quartile 1 (Q1) ≈ IDR 3,000,000; Median ≈ IDR 10,000,000; Quartile 3 (Q3) ≈ IDR 30,000,000; Min IDR 50,000; Max IDR 1,000,000,000	The distribution of revenue tends to be wide (wide range), so the median and quartiles are more representative of the "typical MSME" than the average. This is important to prevent promotional program design from focusing solely on a handful of MSMEs with high or low turnover.
Distribution of 2022 revenue groups	< IDR 3 million 108 (23.9%); IDR 3–<10 million 108 (23.9%); IDR 10–<30 million 109 (24.1%); IDR 30–<100 million 89 (19.7%); ≥ IDR 100 million 38 (8.4%)	More than 70% of MSMEs have a turnover of less than IDR 30 million. This indicates limited production/sales capacity for the majority of respondents. Therefore, promotional/exhibition facilitation should be accompanied by strengthening operational readiness (stock, production flow, and service) to prevent promotions from creating unmet "over-demand."
Median revenue 2022 per category	Fashion ≈ IDR 25 million; Craft ≈ IDR 25 million; Culinary ≈ IDR 8 million; Services ≈ IDR 7 million; Trade ≈ IDR 5 million	Descriptively, fashion and craft industries exhibit higher median turnover than other categories in this sample. This means that promotional programs for fashion/craft industries can be more focused on strengthening branding and expanding the market, while culinary/service/trade industries require a combination of promotion and strengthening managerial and operational capacity.

Source: Processed by the author (2025)

Table 4. Digital Marketing Platform Ownership and Channel Diversity Level

Aspect	Survey Findings	Analysis
Digital marketing platform ownership	Have 319 (70.6%); Don't have 133 (29.4%)	The majority of MSMEs already have digital platforms, but more than a quarter still haven't utilized digital marketing at all. This indicates a fundamental readiness gap, especially when promotions/exhibitions require a digital footprint to strengthen credibility and ensure post-event follow-up.

Source: Processed by the author (2025)

Table 5. Digital Platforms Used by MSMEs

Aspect	Survey Findings	Analysis
Instagram	184 (57.7%)	Instagram's dominance indicates that promotion remains strongly focused on visual-based social channels. This is effective for awareness, but requires a catalog system, customer service, and conversion pathways to impact sales (Chaffey & Ellis-Chadwick, 2019).
Website	61 (19.1%)	Websites are still limited, even though they can strengthen credibility, provide portfolios, and provide more consistent product information than social media. This limitation often characterizes the early stages of MSME digital transformation (Vial, 2019).
Facebook	49 (15.4%)	Facebook is still relevant as a community/networking channel, but tends to be used as a supplementary channel.

TikTok	29 (9.1%)	TikTok is gaining adoption, but it's not yet dominant. This is despite the video channel's potential to support product storytelling and customer education, particularly for expanding beyond the local market.
Other platforms (Email, WhatsApp, YouTube, Marketplace, Google/Maps, delivery apps)	Varied but relatively small (<10% each)	The low share of marketplaces and delivery apps indicates that digitalization has yet to fully reach large-scale transaction/sales channels. This is crucial because MSMEs that rely solely on communication channels (reach) often lack a consistent conversion system (Taiminen & Karjaluoto, 2015).

Source: Processed by the author (2025)

Table 6. Target Market and Relationship to Digital Platform Ownership

Aspect	Survey Findings	Analysis
Primary target market (all respondents)	Local 263 (58.2%); National 112 (24.8%); Local+National 32 (7.1%); International 22 (4.9%); Local+National+International 19 (4.2%); National+International 4 (0.9%)	Market orientation remains predominantly local, while international engagement is relatively limited. This situation is normal for many MSMEs, but it indicates opportunities for national expansion through strengthening digital channels and operational readiness.
Target market: MSMEs with digital platforms (n=319)	Local 146 (45.8%); National 103 (32.3%); Local+National 27 (8.5%); International 20 (6.3%); Local+National+International 19 (6.0%); National+International 4 (1.3%)	This group exhibits a more diverse market orientation. Descriptively, 54.2% of MSMEs with digital platforms target markets outside the local market (national/international/combined).
Target market: MSMEs without digital platforms (n=133)	Local 117 (88.0%); National 9 (6.8%); Local+National 5 (3.8%); International 2 (1.5%)	The group without digital platforms is highly concentrated in the local market. Only 12.0% target markets outside the local market. Descriptively, MSMEs with digital platforms are more frequently observed in broader market categories; however, this study does not test statistical associations or causal relationships.

Source: Processed by the author (2025)

Table 7. Market Orientation by Business Sector

Aspect	Survey Findings	Analysis
Craft (n=99)	Local only 15 (15.2%); National only 49 (49.5%); Includes international 28 (28.3%)	Craft has the most expansive market orientation in the sample. This aligns with the nature of creative products, which are more easily marketed across regions through visual catalogs and storytelling.
Fashion (n=26)	Local only 7 (26.9%); National only 11 (42.3%); Includes international 5 (19.2%)	Fashion shows a strong tendency towards national expansion. However, successful expansion typically requires product consistency, standards, and service quality.
Culinary (n=231)	Local only 175 (75.8%); National only 35 (15.2%); Includes international 3 (1.3%)	Culinary is predominantly local. This is understandable due to distribution limitations (product durability, logistics) and dependence on surrounding markets. Relevant interventions typically begin with strengthening packaging, standardization, and ordering channels.

Service (n=53)	Local only 39 (73.6%); National only 6 (11.3%); Includes international 6 (11.3%)	Services tend to be local, but a small portion can serve a broader market (e.g., online-based services). This requires strengthening the digital portfolio and credibility.
Trade (n=42)	Local only 26 (61.9%); National only 11 (26.2%); Includes international 3 (7.1%)	Commerce has opportunities for expansion through marketplaces, but marketplace usage remains low in this data—indicating room for strengthening transaction channels.

Source: Processed by the author (2025)

Table 8. Existence of Respondents' Vision and Annual Targets of MSMEs

Aspect	Survey Findings	Analysis
The existence of a business vision statement	153 (33.8%); 299 (66.2%) not yet available	The majority of MSMEs have not formulated an explicit vision statement. This indicates that many MSMEs still operate on a day-to-day basis without a written strategic direction, resulting in reactive and unfocused promotional decisions.
The existence of an annual sales target	185 (40.9%); 267 (59.1%) not yet available	More than half of MSMEs have not set annual sales targets. However, goal-setting theory asserts that clear and specific goals enhance focus, persistence, and regulate work behavior, ultimately driving performance (Locke & Latham, 2002).
Consistency in answering questions	Respondents who answered "there is a vision" and "there is a target" filled out the vision/target statement in the open-ended column.	This consistency strengthens the descriptive reliability of the data: "exists" is not simply a claim, but is accompanied by a narrative of the vision/target written by respondents.

Source: Processed by the author (2025)

Table 9. Vision–Target Consistency and Planning Maturity Segmentation

Aspect	Survey Findings	Analysis
Having a vision and targets	128 (28.3%)	This group is best prepared in terms of basic governance because it has direction and objectives that can form the basis for promotional/exhibition plans and post-event evaluations.
Having only a vision (without annual sales targets)	25 (5.5%)	This group already has direction, but risks lacking achievement control mechanisms. In practice, promotions can occur without clear measures of success.
Having only an annual sales target (without a vision)	57 (12.6%)	This group has adopted an achievement orientation, but goals can be short-term and pragmatic if not supported by strategic direction.
Having neither a vision nor targets	242 (53.5%)	The largest group. This situation indicates that most MSMEs still need to strengthen basic management before being facilitated with larger-scale promotions to prevent promotions from becoming short-term activities without sustainable impact.

Source: Processed by the author (2025)

Table 10. Existence of Annual Vision and Targets by Business Category

Category	Survey Findings	Analysis
Craft	Vision: 46 (46.5%); Targets: 52 (52.5%)	Businesses in the craft sector demonstrate relatively better basic governance. This aligns with the nature of creative products, which require differentiation, a brand narrative, and consistent quality—which are usually more easily formulated in the form of a vision and targets.
Fashion	Vision: 11 (42.3%); Targets: 13 (50.0%)	Businesses in the fashion sector also have a relatively high level of vision and annual sales targets. This is relevant because fashion is more competitive and requires clear market positioning.
Culinary	Vision: 65 (28.1%); Targets: 87 (37.7%)	The culinary sector is the largest business sector, but has the lowest level of vision and annual sales targets. This indicates that many culinary businesses operate on a daily basis (production, sales, and resale) without structured planning, making basic management strengthening programs crucial.
Service	Vision: 20 (37.7%); Targets: 19 (35.8%)	Businesses in the service sector are at an intermediate level. Vision/target readiness can be improved by strengthening service packages, service standards, and customer targets.
Trade	Vision: 11 (26.2%); Targets: 14 (33.3%)	Businesses in the trade sector have a relatively low level of strategic planning. This requires special attention, given that the trade sector is heavily influenced by distribution channel strategies and volume-based sales targets.

Source: Processed by the author (2025)

Table 11. Indications of Governance Maturity and Promotion Readiness

Group (Vision–Targets)	Has Digital Platform	Has NIB	Ever been to an Expo	Median Revenue 2022	Analysis
Vision+Target (n=128)	112 (87.5%)	94 (73.4%)	58 (45.3%)	IDR 15.300.000	The most "mature" group: more legal credentials, ever been to an expo, and digital channel readiness. This suggests that planning tends to go hand in hand with administrative and promotional readiness.
Target only(n=57)	47 (82.5%)	33 (57.9%)	19 (33.3%)	IDR 11.000.000	While planning is starting to be measured through annual targets, the levels of MSME legality (NIB) and expo participation experience are still lower than in the Vision+Target group.
Vision only (n=25)	18 (72.0%)	13 (52.0%)	6 (24.0%)	IDR 12.000.000	The direction is in place, but it hasn't been translated into consistent annual metrics, so expo readiness remains moderate.
There is no Vision and Target yet (n=242)	142 (58.7%)	117 (48.3%)	45 (18.6%)	IDR 6.500.000	This group needs the most basic intervention: planning, legality, and promotional support. Promotion without this foundation risks becoming unsustainable.

Source: Processed by the author (2025)