

Marketing and Business Strategies Based on the Creative Economy in Efforts to Improve the Competitiveness of MSME Players

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ABSTRACT

This study aimed to analyze the impact of strategic management, specifically marketing and creative-economy-based development strategies, on the competitiveness of culinary enterprises in Makassar. A quantitative research design was employed, using a survey to collect primary data from a representative sample selected through purposive sampling. The data were analyzed using Partial Least Squares Structural Equation Modeling to evaluate structural relationships and test the research hypotheses. The results indicated that creative economy-based marketing strategies had a significant positive effect on competitiveness. Furthermore, development strategies based on the creative economy were found to contribute even more significantly to enterprises' ability to strengthen their competitive position in the local market. These findings emphasize the necessity of adopting innovative and adaptive business models to thrive amid market dynamics. This study provides a solid foundation for enterprise actors and policymakers to enhance creative promotion and strategic development, ensuring long-term business sustainability and competitive advantage.

ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh manajemen strategi yang mencakup strategi pemasaran dan strategi pengembangan berbasis ekonomi kreatif terhadap daya saing pelaku usaha kuliner di Kota Makassar. Desain penelitian kuantitatif diterapkan dengan menggunakan metode survei untuk mengumpulkan data primer dari sampel responden yang representatif melalui teknik purposive sampling. Data dianalisis menggunakan Partial Least Squares - Structural Equation Modeling untuk mengevaluasi hubungan struktural dan menguji hipotesis penelitian. Hasil penelitian menunjukkan bahwa strategi pemasaran berbasis ekonomi kreatif memberikan pengaruh positif yang signifikan terhadap daya saing. Selain itu, strategi pengembangan berbasis ekonomi kreatif ditemukan berkontribusi lebih signifikan dalam memperkuat posisi kompetitif pelaku usaha di pasar kuliner lokal. Temuan ini menegaskan pentingnya penerapan inovasi dan model bisnis yang adaptif untuk berkembang dalam dinamika pasar. Penelitian ini memberikan dasar yang kuat bagi para pelaku usaha dan pemangku kebijakan untuk meningkatkan promosi kreatif dan pengembangan strategis guna memastikan keberlanjutan bisnis serta keunggulan kompetitif jangka panjang.



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INTRODUCTION

The development of Indonesia's national economy prioritizes Micro, Small, and Medium Enterprises (MSMEs) because of their role in supporting the economic structure and reducing social problems, such as poverty. MSMEs contribute to expanding the regional economic base and strengthening national economic resilience, a role that has long been emphasized (Kurniawan, 2011). In the context of regulation, Law Number 20 of 2009, in Article 1, defines a small business as a productive economic enterprise established by an individual or business

entity that is not a subsidiary or branch of a larger enterprise, as explained by Yuliaty et al. (2020). Recent data shows that 99% of businesses in Indonesia are MSMEs, which contribute 60% to the national Gross Domestic Product, but only 16% are integrated into the digital economy ecosystem (Ristek-BRIN, 2020). This condition indicates significant challenges, especially for MSME players in Makassar City, who still face competitiveness issues related to human resource quality, business management, and product quality as they navigate AEC market liberalization (Adam, 2017). In South Sulawesi, the number of MSMEs increased significantly from 944,279 units in 2019 to 1,565,134 units in 2021, indicating strong entrepreneurial dynamics but also signaling the need for sustainability strategies (Bahri et al., 2019). This phenomenon confirms that MSME players must be creative and able to read environmental changes to survive, especially in the culinary and creative industries, as emphasized by Dauda et al. (2023). Therefore, the need for the right business management strategy is increasingly urgent to ensure that MSMEs can achieve their targets and increase their competitiveness.

Previous studies show that marketing and development strategies are important determinants of MSME competitiveness, thereby forming the state-of-the-art foundation for this study. Marketing strategy is understood not only as promotional efforts but also as a series of actions that include product innovation, market orientation, and the ability to read consumer dynamics. Elwisam & Lestari (2019) provide empirical evidence that marketing strategy, creative product innovation, and market orientation can significantly improve MSME performance. This finding is reinforced by Indarto et al. (2020), who emphasize that creativity, the ability to adapt to environmental changes, and entrepreneurial culture are strategic factors that strengthen the competitive advantage of MSME players. Business development strategies in previous studies have mostly focused on creating unique innovations, cross-business collaboration, and effective financial management. For example, the application of SWOT analysis described by Sianturi (2020) is an important tool for designing business development directions, while strategic alliances studied by Khourouh et al. (2019) have been shown to expand the adaptive capacity of MSMEs in the face of market changes. Optimizing financial management, as found by Juniariani et al. (2020), is also an important factor in creating sustainable business stability. In line with the digital era, recent research emphasizes the urgency of integrating technology into business strategy. Research by Farida & Setiawan (2022) confirms a direct relationship among business strategy, innovation, and competitive advantage, while Hendra & Hermawan (2022) highlight the importance of digital technology, product innovation, and brand strength in strengthening MSME competitiveness. Sulistiyawan et al. (2024) show that strategies that integrate product innovation and digital marketing can substantially improve the competitive position of MSMEs. The concept of the creative industry emphasized by Krisna (2024), as well as the elements of e-commerce and data-driven decision-making according to Mardikaningsih & Darmawan (2023), confirm that creativity-based and digitalization approaches are now strategic foundations for MSMEs to achieve sustainable competitiveness.

Although previous studies have provided a strong foundation on the importance of marketing strategies, creative product innovation, and strategic management in driving MSME competitiveness, there remain empirical and theoretical gaps that need clarification in the context of this study – first, most studies, such as those conducted by Elwisam & Lestari (2019), I. Indarto et al. (2020) and Farida & Setiawan (2022) focus on the direct relationship between

business strategy and competitive advantage, but have not deeply integrated the characteristics of the creative industry as a variable inherent in MSMEs, particularly from the perspective of the creative economy that is beginning to grow rapidly in urban areas such as Makassar. In other words, the aspects of creativity, cultural innovation, and the knowledge base that form the foundation of the creative industry have not been systematically integrated into studies of marketing and development strategies in shaping the competitiveness model of MSMEs. Second, existing research still shows a gap between modern business strategy concepts, such as the use of digital technology, data-driven marketing, and digital ecosystem integration, and the empirical conditions of MSMEs in Makassar, which face limitations in human resources, access to technology, and low levels of digital adoption, as illustrated by MSME growth data in South Sulawesi. Third, most previous studies have focused on MSMEs nationally or across regions, rather than on the local context of Makassar, even though the region's market characteristics, business culture, and level of technological readiness differ markedly. Fourth, although recent studies such as Sulistiyawan et al. (2024) and Krisna (2024) emphasize the role of the creative industry in increasing the adaptability of MSMEs, there has been no study that specifically examines the integration of marketing strategies and creative economy strategies in a single strategic management framework to explain the increase in competitiveness of MSMEs in Makassar City.

Based on these gaps, this study offers a novel approach by integrating marketing strategies and creative economy-based development strategies into a single strategic management framework tailored to the context of MSMEs in Makassar City. This approach has not been comprehensively integrated in previous studies. The novelty of this study lies in three main aspects: first, this study explicitly focuses on creative economy-based MSMEs in Makassar, which have different characteristics, market dynamics, and challenges from MSMEs in other regions; second, this study not only looks at traditional marketing strategies but also includes elements of creativity, cultural innovation, and digital technology integration as important parts of creative business strategies relevant in the creative economy era; third, this study examines the simultaneous influence of both strategies on the competitiveness of MSMEs, thereby providing a more complete empirical picture of how the combination of marketing and creative strategies can strengthen competitive position. Thus, the purpose of this study is to analyze and empirically test how marketing strategies and creative economy strategies contribute to increasing the competitiveness of MSME players in Makassar City, as well as to provide scientific evidence that can expand the literature on strategy management and support the formulation of more adaptive policies to strengthen the MSME sector in facing regional and global economic challenges.

Strategic Management

Strategic management is a structured process that involves formulating, implementing, and evaluating decisions and actions to achieve organizational goals sustainably. This concept focuses not only on long-term planning but also on the organization's ability to read the external environment and manage internal resources effectively, as emphasized by Lutfi et al. (2024), who view strategic management as an important foundation for building competitive advantage, especially in small and medium-sized organizations. Through strategic management, organizations can align core competencies with the dynamics of the business

environment, enabling more adaptive, responsive decision-making. Understanding strategic management is also closely related to knowledge management within organizations, because effective strategies can only be built on a strong foundation of knowledge about internal capacities and external opportunities. This is emphasized by Durst et al. (2023), who show that knowledge management in small and medium-sized enterprises is a determining factor in creating relevant and innovative strategies. In this view, strategic management requires organizations to integrate continuous learning into the decision-making process, enabling them to improve their readiness to face market changes. Furthermore, Fitriyani et al. (2025) emphasize that an organization's ability to innovate—especially in product innovation—is an important manifestation of successful strategic management, because effective strategies always require innovation as a differentiator in a competitive environment. The importance of accurate data, market analysis, and the ability to read consumer needs as a basis for strategy is also emphasized by Haris (2025), who shows that the quality of market data collection and analysis greatly determines the accuracy of marketing strategies and the effectiveness of strategic decision-making in various types of organizations.

Strategic management encompasses a series of processes that involve identifying opportunities and threats, assessing internal strengths and weaknesses, and selecting the best strategic alternatives for efficient implementation. This perspective is reinforced by Sulistiyawan et al. (2024), who explain that optimizing strategic management is a fundamental step to ensure that organizations remain competitive in the face of market pressures and technological developments. This strategic process requires organizations to proactively manage change, especially when external conditions pose new challenges that demand rapid adjustments. In the digital era, the strategic management process has become increasingly complex as organizations must consider factors such as digitalization, technology integration, and data-driven consumer behavior. Lestari & Choirunissa (2025) emphasize that digital transformation significantly impacts organizational resilience, as digitalization is not only an operational support tool but also an integral part of the organization's overall strategy. Digital integration in strategic management is also emphasized by Effendi et al. (2022), who show that strategies that combine product innovation and digital marketing can significantly improve organizational performance and competitiveness. The use of this technology shows that strategic management in the modern era must adapt to increasingly digital business patterns, where an organization's ability to collect, process, and utilize information is key to strategic decision-making. Thus, strategic management requires not only precision in analysis but also the ability to innovate and adapt to technological changes. Ultimately, strategic management serves as a comprehensive framework that guides organizations in setting direction, allocating resources, and building sustainable competitive value, enabling organizations to survive and thrive amid increasingly complex global dynamics and competition.

Marketing and Business Strategy

Marketing and business strategies are sets of planned decisions designed to achieve organizational goals through a deep understanding of consumer needs, market conditions, and the competitive value the company seeks to create. This concept emphasizes the importance of how organizations formulate their business direction, identify market segments, determine positioning, and develop a marketing mix aligned with external dynamics and internal capacity.

In the modern marketing framework, strategy is understood not only as an effort to promote products but also as a comprehensive process for building long-term relationships by creating consumer-relevant value. Sharabati et al. (2024) assert that digital marketing has become a core component of marketing strategy because it can increase business visibility and significantly expand market reach, especially for small and medium-sized businesses. Meanwhile, Patrick & Hee (2022) show, through a bibliometric analysis, that marketing strategies in MSMEs have shifted from intuition-based to data- and marketing analytics-based. This change requires organizations to be more oriented towards market information and consumer behavior as the basis for decision-making, rather than merely the practical experience of business owners. Understanding the dynamics of consumer behavior is becoming increasingly important, as emphasized by Kumo (2023), who shows that consumer behavior research can improve the accuracy of marketing strategies by adjusting messages, media, and value propositions to suit market preferences better. In this regard, understanding marketing strategies is crucial because it determines how companies interpret and respond to changes in an increasingly complex business environment.

Business strategy serves as the main direction that guides companies in maintaining business sustainability through a clear vision, selection of competitive advantages, and the ability to adapt to changes in the industry environment. Arista & Hermawan (2025) emphasize that improvements in MSME performance are strongly influenced by how business actors design innovation- and intellectual capital-based business strategies, as strong strategies enable companies to create differentiation that competitors find difficult to imitate. In its implementation, marketing and business strategies cannot be separated from the power of digital technology that drives changes in consumer interaction patterns. Susanto et al. (2024) explain that MSMEs that can implement digitally based marketing strategies, whether through social media, marketplaces, or creative content, will have stronger bargaining power in a competitive market. Digital marketing strategies also require strong analytical skills regarding audience characteristics, as stated by Hakimi et al. (2023), who found that the use of digital marketing and communication technologies can strengthen brand awareness and improve sales performance. Thus, marketing and business strategies can no longer be separated from the integration of technology and innovation, which is the main foundation for creating new value, especially for small companies that rely on flexibility and creativity to survive. Pamungkas et al. (2022) add that a marketing strategy is effective only if the company can identify its internal strengths and formulate realistic steps aligned with the organization's capacity. This narrative emphasizes that marketing and business strategies are two complementary strategic dimensions, with marketing serving as an instrument for creating market value and business strategy providing a long-term direction for maintaining sustainability and competitive advantage. The synergy between these two strategies is essential to facing modern competition that is fast-paced, dynamic, and increasingly shaped by digital technology and shifting consumer behavior.

Creative Economy

The creative economy is an economic system that relies on creativity, ideas, talent, and human innovation as the main resources for generating sustainable added value. This concept emphasizes that creativity is not only the result of individual abilities but also part of an

economic process that combines art, culture, technology, and entrepreneurship to produce highly differentiated products and services. In the context of global economic development, the creative economy has emerged as an alternative modern development strategy, contributing significantly to economic growth through job creation, increased productivity, and the strengthening of national cultural identity. Bernika & Monika (2025) assert that the creative economy has become an important driver in addressing global economic challenges due to its high adaptability and ability to respond to market changes through innovation. The creative economy is also inseparable from advances in digital technology that expand the space for creative production and consumption, as noted by Dellyana et al. (2023), who explain that digital innovative governance plays a major role in driving the transformation of the creative economy, particularly through digital platforms that expand market access and accelerate the distribution process. Digdowiseiso (2023) adds that the development of Indonesia's creative economy after the pandemic demonstrates strong resilience, as this sector survives through the use of digital technology, business model adaptation, and creativity in product development. This idea emphasizes that the creative economy is not just a commercial sector but also a platform for combining cultural creativity with economic opportunities through innovative, knowledge-based approaches.

The creative economy is seen as a foundation for strengthening national competitiveness by leveraging unique, context-specific creative potential. Kusumaningrum et al. (2024) show that the creative industry in Indonesia exhibits high creative resilience because industry players leverage local culture, digital technology, and social networks as sources of sustainable innovation. In this framework, the creative economy not only produces aesthetic products but also shapes economic value through production processes based on creativity and knowledge, as stated by Pramono et al. (2025), who emphasize that arts and culture have the potential to become a source of national competitive advantage if managed as part of a creative industry development strategy. In addition, Pramono et al. (2025) explain that the role of the creative economy is increasingly evident in strengthening Indonesia's economic structure through the creation of new business opportunities, product diversification, and the improvement of human resource quality to foster greater creativity and adaptability. This representation shows that the creative economy differs from traditional economic sectors by treating creativity as the primary capital in the production process, rather than merely a complement. The digital transformation accompanying the development of the creative economy also opens opportunities for cross-sector and cross-regional collaboration, thereby strengthening innovation networks and expanding access to global markets. Thus, the creative economy can be understood as an economic development approach oriented towards innovation, sustainability, and the community's creative capacity to create added value, and as a key strategy for addressing global economic competition and encouraging inclusive and progressive economic growth.

Competitiveness of MSME Actors

The competitiveness of MSME players is their ability to maintain their market position through innovation, efficiency, product quality, adaptability, and sustainable added value. This concept is rooted in the understanding that MSMEs not only function as small economic entities but also as drivers of the modern economic structure that must be able to compete in an open market, especially in the era of digitalization and globalization. The competitive advantage of

MSMEs is largely determined by their ability to manage innovation and knowledge, as explained by Riyanto & Heriyanti (2024), who found that strategic innovation plays a major role in improving the performance of small businesses through the renewal of processes, products, and services that are relevant to market needs. In this context, competitiveness is measured not only by selling price but also by MSMEs' ability to offer differentiated value, supported by creativity, responsiveness, and the capacity to identify opportunities in a dynamic business environment. Digital transformation is a fundamental factor in strengthening this competitiveness, as explained by Bai et al. (2021), who emphasize that MSMEs that can digitize their business processes across marketing, production, and customer interactions can survive amid uncertainty, such as during a pandemic, and have greater growth opportunities. The importance of internal capabilities as a pillar of competitiveness is also emphasized by Auliyah & Agit (2024), who show that the quality of financial reporting capabilities contributes to improved business performance through transparency, information accuracy, and more strategic decision-making. These changes indicate that the competitiveness of MSMEs increasingly depends on their ability to adopt technology and utilize data in decision-making.

The competitiveness of MSME players is greatly influenced by internal capabilities such as creativity, the utilization of intellectual capital, and the ability to adapt to industry dynamics. Octasyilva et al. (2022) emphasize that innovation capabilities are among the main indicators of MSME competitiveness, as these capabilities enable businesses to improvise and develop products in line with market preferences. In this framework, MSME business models must be able to transform continuously, as Wang et al. (2023) show: digitalization drives business model innovation and ultimately positively impacts business performance. Such adaptation requires a strong understanding of consumer needs and market structures, where entrepreneurial orientation and creativity become important differentiators that strengthen competitiveness. Hughes et al. (2021) also emphasize that the strategic orientation of MSMEs, which includes risk-taking, proactivity, and innovation, directly improves business performance and strengthens their competitive position. Cultural creativity and an entrepreneurial mindset contribute significantly to improving SME performance, especially in sectors based on the creative economy. This shows that the competitiveness of SMEs reflects a combination of innovation, technological capabilities, and the utilization of local creativity that merge into a strategic strength.

RESEARCH METHODS

This study employed a quantitative research design and a survey approach to systematically analyze the structural relationships between strategic management factors and enterprise performance. This specific approach was selected to ensure that the phenomena could be analyzed objectively through numerical data and standardized statistical procedures. By employing this method, the researcher was able to accurately describe the complex dynamics between business strategies and competitiveness in a measurable and scientifically accountable manner.

The population in this study comprised all micro, small, and medium enterprise actors operating in the city of Makassar. These participants were chosen as the primary subjects of the research because they possess direct experience in managing the strategic and operational aspects of their businesses. A purposive sampling technique was used to select the final

participants based on specific criteria, such as the business's active operational status and the owners' willingness to participate. The sample size was carefully determined to ensure the data were sufficient for the advanced structural analysis required to produce valid, representative conclusions.

Data collection was carried out by distributing a structured questionnaire with closed-ended questions designed to capture participants' perceptions. The research instrument was developed based on indicators derived from established marketing and development theories and was measured using a five-point Likert scale. The questionnaires were distributed directly to respondents to ensure a high response rate and to enable the researcher to obtain primary data. Before the final data processing, the instrument underwent rigorous testing for validity and reliability to guarantee that the measurement tools were both consistent and precise.

The primary analytical technique employed in this study was Partial Least Squares - Structural Equation Modeling. This advanced statistical framework was selected for its effectiveness in simultaneously evaluating both the measurement and structural aspects of a model. The analysis was executed in two distinct phases. The first phase involved evaluating the measurement model to ensure that all constructs met the requirements for internal consistency and convergent validity by assessing factor loadings and reliability coefficients. The second phase focused on the structural model to test the research hypotheses using bootstrapping procedures. This allowed for a precise determination of the significance and direction of the impact of marketing and development strategies on the competitiveness of the enterprises.

RESULTS AND DISCUSSION

Results

The descriptive statistical analysis was conducted to provide an overview of the distribution of the data for each research variable. The metrics used for this evaluation included the minimum and maximum scores, the mean, and the standard deviation. These values illustrate respondents' general perceptions of the implementation of marketing and development strategies and of the level of competitiveness.

Table 1 *Descriptive statistics of the variables*

Variable	Minimum	Maximum	Mean	Std. Deviation
Marketing Strategy (MKS)	3.00	5.00	4.177	0.443
Development Strategy (DVS)	3.33	4.67	4.007	0.413
MSME Competitiveness (CMP)	3.00	5.00	4.390	0.322

The results in Table 1 indicated that the respondents generally gave high ratings across all variables. Marketing Strategy recorded a mean score of 4.177, while Development Strategy showed a mean of 4.007. The highest mean score was observed in MSME Competitiveness at 4.390. The relatively small standard deviations, ranging from 0.322 to 0.443, suggested that the responses were consistent and did not deviate significantly from the mean. This indicated that the micro, small, and medium enterprises under study had a strong foundation in both strategic implementation and competitive positioning.

The measurement model was evaluated to ensure that all constructs fulfilled the requirements for reliability and validity. The criteria for this assessment included factor loadings for indicator validity, Cronbach's Alpha and Composite Reliability for internal consistency, and Average Variance Extracted for convergent validity. According to established standards, factor loadings should exceed 0.70, while reliability coefficients and the average variance extracted should surpass 0.70 and 0.50, respectively.

Table 2 Measurement model evaluation (Outer Model)

Indicator	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE	Conclusion
MKS		0.804	0.865	0.552	Valid & Reliable
MKS1	0.829				
MKS2	0.857				
MKS3	0.862				
MKS4	0.750				
MKS5	0.710				
MKS6	0.730				
DVS		0.724	0.812	0.525	Valid & Reliable
DVS1	0.839				
DVS2	0.744				
DVS3	0.823				
DVS4	0.715				
DVS5	0.705				
CMP		0.6738	0.785	0.505	Valid & Reliable
CMP1	0.737				
CMP2	0.845				
CMP3	0.798				
CMP4	0.710				
CMP5	0.705				
CMP6	0.700				

Based on the evaluation results in Table 2, all research constructs were confirmed to be valid and reliable. Marketing Strategy achieved a Cronbach's Alpha of 0.804 and a Composite Reliability of 0.865, while Development Strategy recorded 0.724 and 0.812 for the same metrics. MSME Competitiveness also demonstrated adequate consistency with a Composite Reliability of 0.785. Furthermore, all Average Variance Extracted values ranged from 0.505 to 0.552, and the factor loadings for all indicators were above the required 0.70 threshold. These findings established that the measurement model was robust and suitable for structural analysis.

A collinearity assessment was performed to verify that the independent variables did not possess excessive correlations that could bias the structural estimates. The Variance Inflation Factor was utilized for this purpose, with a threshold of below 3.3. Additionally, the quality of the structural model was determined using fit indices, explanatory power through the coefficient of determination, and predictive relevance.

Table 3 *Collinearity Assessment (Inner VIF Values)*

Independent Variable	VIF Value	Threshold	Conclusion
Marketing Strategy (MKS)	1.452	< 3.3	No multicollinearity
Development Strategy (DVS)	1.452	< 3.3	No multicollinearity

The diagnostic results confirmed that the model was free of multicollinearity, as both Marketing Strategy and Development Strategy had a Variance Inflation Factor of 1.452. In terms of model fit, the Standardized Root Mean Square Residual was 0.062, and the Normed Fit Index was 0.875, both indicating an acceptable fit. The R-Square value of 0.454 indicated that the combined influence of the strategies explained 45.4 percent of the variance in MSME Competitiveness, a moderate level of explained variance. Finally, the Q-Square value of 0.218 confirmed that the model possessed adequate predictive relevance.

Table 4 *Goodness of Fit (GoF) and Predictive Relevance*

Evaluation Category	Fit Criteria	Value	Conclusion
Global Model Fit	SRMR	0.062	Good Fit (< 0.08)
	NFI	0.875	Acceptable Fit
Explanatory Power	R-Square (R ²)	0.454	Moderate
Predictive Relevance	Q-Square (Q ²)	0.218	Predictive relevance established (> 0)

The final stage of the analysis involved testing the hypothesized relationships through a bootstrapping procedure to determine the significance and magnitude of the effects. Statistical significance was established based on a T-statistic greater than 1.96 and a P-value of less than 0.05. The path coefficients were analyzed to assess the strength of each predictor's effect on enterprise competitiveness.

Table 5 *Structural model*

Hypothesis	Path Relationship	Original Sample (O)	T-Statistic	P-Value
H1	MKS to CMP	0.500	6.545	0.000
H2	DVS to CMP	0.557	7.294	0.000

The hypothesis testing results summarized in Table 5 demonstrated that both proposed hypotheses were supported. The first hypothesis regarding the impact of Marketing Strategy on MSME Competitiveness was significant, with a path coefficient of 0.500, a T-statistic of 6.545, and a P-value of 0.000. Similarly, the second hypothesis regarding the effect of Development Strategy on MSME Competitiveness was supported, with a path coefficient of 0.557, a T-statistic of 7.294, and a P-value of 0.000. These results identified Development Strategy as the slightly more dominant driver of competitiveness, although both factors played critical, positive roles in enhancing the enterprises' performance.

Discussion

The Effect of Marketing Strategies on Improving the Competitiveness of MSME Players

The results of the study show that marketing strategies have a positive and significant influence on increasing the competitiveness of MSME players. These findings confirm that

appropriately formulated marketing strategies directly contribute to MSMEs' ability to maintain their competitive position in the market. In the context of increasingly complex business competition, MSME players need marketing strategies that can accurately identify consumer needs, understand market trends, and develop tailored approaches to meet consumer preferences. The accuracy of the strategy is reflected not only in increased sales but also in MSMEs' ability to build brand image, increase customer loyalty, and expand market reach through various marketing channels. Conversely, weak or unfocused marketing strategies can reduce competitiveness because MSMEs fail to respond to market dynamics and shifts in consumer needs. Therefore, the findings of this study indicate that the success of MSMEs in competition is determined not only by product quality but also by how the product is introduced, communicated, and integrated into a comprehensive marketing strategy. An effective marketing strategy also includes the ability to read the competition, identify opportunities, and adjust marketing tactics based on valid market information. This confirms that marketing is not just a promotional activity but a process that requires in-depth analysis of internal and external factors affecting business dynamics.

Interpretation of these findings indicates that MSME players who can design marketing strategies that are focused, measurable, and aligned with customer needs have a greater chance of achieving sustainable competitive advantage. Marketing strategies serve as a framework for regulating how MSMEs manage relationships with consumers, develop product differentiation, and build unique added value for the target market. In practice, marketing strategies combine several key elements, such as understanding consumer behavior, market segmentation, product positioning, and developing a marketing mix that covers product, price, promotion, and distribution. MSME players who implement marketing strategies systematically tend to be better prepared to face changes in demand, new competition, and potential threats from substitute products. In addition, a strong marketing strategy enables MSMEs to manage resources more effectively, direct promotional investments to the most impactful channels, and create differentiation that is difficult for competitors to imitate. When all marketing elements are executed harmoniously, MSMEs will be able to display competitive, adaptive, and responsive business characteristics in response to market developments.

These findings are even more relevant when linked to the development of the creative economy, a driving force behind MSME competitiveness. The creative economy can address the challenges of an increasingly competitive global economy, as explained by Daulay (2018), who asserts that it has the potential to replace conventional economic systems that are less adaptable to change. Furthermore, Yuliaty et al. (2020) explain that the creative economy differs from the traditional economy, as it relies on creativity, ideas, and innovation as the main values that differentiate products and services in the modern market. These differentiating factors often emerge through design innovation, creative promotion, packaging, and marketing strategies that utilize digital technology. Thus, marketing strategies aligned with the principles of the creative economy offer significant opportunities for MSMEs to enhance their competitiveness through product differentiation and a stronger brand image. In strengthening the conceptual argument regarding the relationship between marketing strategies and MSME competitiveness, Porter's Five Forces theory is a relevant framework for explaining the competitive dynamics that businesses must face. Porter explains that competitiveness is influenced by five main forces: the threat of new entrants, the bargaining power of suppliers, the bargaining power of buyers, the

threat of substitutes, and the intensity of rivalry within the industry. When applied to the context of MSMEs, this theory shows that effective marketing strategies are an important tool for anticipating external pressures from competitors and changes in consumer preferences. By understanding these forces, MSME players can determine the right strategy, such as determining a more specific market segment, strengthening value propositions, or creating product differentiation that is difficult for competitors to imitate.

When linked to previous research, these findings are consistent with various previous studies. Setiawan & Aeni (2020) found that marketing strategies implemented effectively by MSMEs positively impact business competitiveness, particularly by increasing product visibility and enhancing competitive ability. Furthermore, Musa's (2022) research shows that choosing the right marketing strategy and utilizing digital technology can improve MSMEs' ability to market their products effectively. Both studies reinforce the results of this study, which confirms that marketing strategy is a key factor in improving the competitiveness of MSMEs. In addition, these findings do not contradict previous studies but rather broaden the understanding of how creative economy-based marketing strategies can strengthen the position of MSMEs in an increasingly complex competition.

The Effect of Development Strategies on Improving the Competitiveness of MSME Actors

The results of the study indicate that Development Strategies have a positive and significant influence on improving the competitiveness of MSME players. These findings show that the better the implementation of development strategies designed by MSME players, the higher their ability to maintain and expand their competitiveness amid market dynamics. Conversely, development strategies that are unfocused or inconsistent will reduce MSMEs' capacity to compete, both at the local level and in a broader competitive context. Interpretation of these results indicates that development strategies are not only related to business expansion efforts, but also concern the ability of MSMEs to improve quality, innovation, and responsiveness to changes in consumer preferences. In other words, effective development strategies provide a foundation for MSMEs to strengthen their internal capabilities, expand their marketing networks, and maximize market opportunities through a focused and measurable approach. This understanding shows that systematically managed business capacity development is one of the keys to MSMEs maintaining their relevance and long-term competitiveness.

Within the framework of strategic management, development strategies are also understood as an integral part of the planning process, which includes the formulation, implementation, and evaluation of organizational strategies. This aligns with the view that strategic management is the science, theory, and art of managing an organization through the process of making and implementing strategic decisions. Effectively executed development strategies help organizations determine the direction and priorities for actions to strengthen business capacity. In the context of Porter's Five Forces, development strategies can be used to adjust business orientation to competitive pressures, including threats from new entrants, supplier power, buyer power, and substitutes. According to this theory, MSMEs require adaptive development strategies to address external pressures and capitalize on opportunities arising from market dynamics. When development strategies are implemented by considering internal strengths and weaknesses as well as external opportunities and threats, MSMEs will be

able to create a stronger competitive position, increase efficiency, and expand access to broader resources and markets. The theoretical implications of these research results underscore the importance of a development strategy as the foundation for sustainable business growth, especially in a creative economy ecosystem that demands greater innovation and flexibility.

This finding is further reinforced by the fact that the creative economy offers significant opportunities for MSMEs to add value to their products and increase differentiation as a competitive strategy. From a creative economy perspective, business development relies not only on traditional production factors but also on the added value generated through creativity and innovation, as explained by Daulay (2018), who views the creative economy as a solution for the transition of the global economic system. Yuliaty et al. (2020) also emphasize that the creative economy offers a new economic concept that prioritizes ideas, creativity, and innovative capabilities as the main sources of competitive advantage. When MSME development strategies focus on strengthening creativity, product innovation, business model development, and service quality, MSME competitiveness will increase. Thus, creative economy-based development strategies are a logical and strategic approach to strengthening the position of MSMEs amid increasingly competitive challenges.

The results of this study are also consistent with previous studies. Wijiharjono (2020) shows that implementing a sound development strategy positively impacts the competitiveness of MSMEs. The study emphasizes that structured business development, including improving product quality, refining production processes, and strengthening marketing, contributes significantly to the competitive position of MSMEs. In addition, Ariani & Utomo (2017) explain that, based on internal and external analyses of MSMEs, the main strategy to be implemented is a growth or development strategy. This strategy includes steps to increase business capacity, expand markets, innovate products, and strengthen business networks, all of which positively affect the competitiveness of MSMEs. Both studies show consistent findings that development strategies are an important determinant of MSMEs' competitive advantage. No significant contradictions were found between this study's results and those of previous studies, so the findings of this study can be said to strengthen the empirical basis for the importance of development strategies in increasing the competitiveness of MSMEs.

CONCLUSION

This study confirms that marketing and development strategies play an important role in enhancing the competitiveness of MSMEs, especially in the culinary sector in Makassar City. The findings consistently show that implementing appropriate, targeted strategies aligned with market needs can strengthen the competitive position of MSMEs amid increasingly complex competition. This study also shows that business development grounded in creativity, innovation, and an understanding of internal and external environments is a strategic element that can strengthen MSMEs' sustainability. Thus, this study emphasizes the importance of marketing and development strategies in building the competitive advantage of MSMEs in the creative economy era.

The importance of this research lies not only in its contribution to scientific development but also in its implications for MSME management practices. Theoretically, this research contributes to understanding how marketing and development strategies can be integrated within the framework of MSME competitiveness. This study also offers a richer perspective on

the role of creativity, innovation, and market responsiveness as sources of competitive advantage. From a practical and managerial perspective, the results of this study guide MSME actors in the culinary sector in Makassar City to intensify the use of modern marketing strategies, improve product quality and differentiation, and strengthen business development through digital technology and creative economic opportunities.

The originality of this study lies in its focus on culinary MSMEs, the integration of creative economy elements, and the mapping of strategic relationships between marketing variables, business development, and competitiveness in the local context of Makassar City. This study has several limitations that warrant further research.

The main limitations are the relatively small sample size and the limited scope of the study, which focuses only on culinary SMEs in Makassar City. In addition, this study uses only two independent variables, thereby not covering other strategic factors that may affect the competitiveness of SMEs, such as digital literacy, entrepreneurial orientation, product innovation, service quality, or business collaboration. Therefore, future research is recommended to expand the sample size and research scope, include additional strategic variables, and employ more diverse methodological approaches, such as a mixed-methods approach, to provide a more in-depth understanding. Subsequent researchers can also examine differences in competitiveness strategies between MSME sectors or explore mediation and moderation relationships that can enrich the conceptual model of MSME competitiveness. Thus, further research is expected to provide a more comprehensive contribution to strengthening the competitiveness of MSMEs in the future.

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