

Contributions to Management Science

Baker Ahmad Alserhan
Veland Ramadani
Jusuf Zeqiri
Léo-Paul Dana *Editors*

Strategic Islamic Marketing

A Roadmap for Engaging Muslim
Consumers

 Springer

Contributions to Management Science

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This book series is indexed in Scopus.

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ISSN 1431-1941

ISSN 2197-716X (electronic)

Contributions to Management Science

ISBN 978-3-030-98159-4

ISBN 978-3-030-98160-0 (eBook)

<https://doi.org/10.1007/978-3-030-98160-0>

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Small and Medium Enterprises and Strategic Marketing in an Emerging Muslim Country: The Case of Indonesia



Ahmad Rafiki, Miftahuddin, and Atika Rizki

Abstract This chapter aims to elaborate and discuss the development of SMEs in Indonesia, an emerging Muslim majority country. There are important practices that are adopted by SMEs in other countries such as in education, training, policies and financial supports, marketing and promotion of SMEs' products and services, the role of SMEs and studies of SMEs. This explorative approach is expected to give insights for improvement of SMEs and can be used as a benchmark to analyse its progresses.

1 A General Review of SMEs

The changes in the political climate and system have brought certain effects to the SMEs' policies in Indonesia through increased transparency and improvements in government bureaucracy. Major restructuring had taken place, facilitating various opportunities for SMEs (Tambunan, 2008a), while a challenge of anticipating global markets is opened to those enterprises that must be efficient, creative and competitive. SMEs exist in various industries, namely, food and beverages, footwear, textile and garments, wood and leather, handicrafts, metal products and electronics (Thee, 2006; Tambunan, 2008b).

In 2019, there were 64.2 million MSMEs spread across Indonesia. The number continues to increase; in 2020, the number of MSMEs reached 65.3 million (MSME, 2020). The increase of the number of MSMEs indicate a positive development that was mainly supported by the government and the dedication of owner-managers in running the businesses. These MSMEs made a contribution of 60.23% to GDP (before Covid-19 pandemic) in 2019 but decreased to 37.8% in 2020 (MSME, 2019, 2020).

Table 1 shows the firms and GDP structures by sectors that are dominated by trading, hotel and restaurant (98.9%) and agriculture (95.92%) for SME structures. Large firms are more concentrated in electricity, gas, water and mining and

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Table 1 The firms and GDP structures by sectors, 2019 in Indonesia

No	Indicators	Total unit		GDP (%)	
		SMEs	LEs	SMEs	LEs
a	Agriculture	26,900,869	882	95.92	4.08
b	Mining and exploration	261,341	92	11.4	88.6
c	Manufacturing	4,810,111	1809	28.1	71.9
d	Electricity, gas and water	18,622	140	8.8	91.2
e	Construction	214,359	312	35.88	64.12
f	Trading, hotel and restaurant	17,813,950	1956	98.9	1.1
g	Transportation and communication	4,605,025	319	44.2	55.8
h	Financial and retail	997,511	654	60.56	39.44
i	Other services	7,378,749	197	95.6	4.4

Source: BPS (2019) and Ministry of Cooperative and SMEs (2019)

exploration sectors, by 91.2% and 88.6%, respectively. The agricultural sector is located in rural areas, while those that are located in urban areas engage in trading, financial and retail and the manufacturing sector. These SMEs served as the biggest source of employment and income for more than 98% of the country's workforce in 2019 (BPS, 2019). The government planned to increase the absorption of workforce by 5–7% annually.

The number of large firms is less compared to the number of SMEs, but its output is more than the SMEs' outputs, in other words, a high output from SMEs would be attributed to their large number of units and not because of a higher level of productivity. Innovation, proactiveness, creativity and financial support are among the constraints faced by SMES, particularly for firms in the manufacturing sector that are unable to meet or come up with new or modified products. In order for products or services to be of international standards, they must indicate quality and competitiveness and thus would fulfil the demands and expectations of the international markets.

During the Asian financial crisis, many countries' industrial productions were severely affected, and most companies closed down its businesses. However, the SMEs in Indonesia managed to survive with the support of accommodative policies by the government and other identified reasons. Unlike large enterprises, SMEs depend less on the financial and banking sectors, which make them less affected by the financial crisis. They were not affected by the sudden shock and were able to quickly adapt to changes. Perhaps their contribution to the country's export was minimal (about 20%); thus they were less affected by this low percentage of export. Furthermore, their productions were focused on consumers' goods instead of luxury products whereby the demand towards the consumers' goods is relatively high and less sensitive to purchasing power. Finally, they have the advantage of cost reduction based on the dependency of local raw materials compared to larger enterprises. It can be confirmed that SMEs bring a solution for a resilient economy based on these various aspects.

The government (after the 1997/1998 Asian financial crisis) took some initiatives and policies which were based on six action plans that were aimed at promoting SMEs (Tambunan, 2009b) as well as alignment with the 2005–2009 strategic plan of SMEs established by the Ministry of Industry. The six main action plans are as follows:

1. Creating a business-conducive environment. The government attempts to create accommodative regulations or other supportive actions needed by SMEs.
2. Supporting market access. The government initiates to open access to markets domestically and internationally.
3. Providing financial access. There are two roles of government: (1) provide a special scheme for SMEs or (2) with cooperation of financial institutions to provide financial resources for SMEs.
4. Facilitating information access. The government provides updated data to be used in marketing plans and supports business networks via information technology.
5. Enhancing technology sharing. The government helps and encourages SMEs through awareness programmes to apply proper technology to the enhancement of competitiveness.
6. Improving human resource development. The government provides training programmes to improve organization and management capacity.

It has been noted that SMEs face the common constraints in terms of expanding their businesses, maintaining stable cash flows, visioning future opportunities and providing benefits to society. As such, the SMEs should ideally join the business associations to help out in filtering potential resources, guide them towards having better productivity and resolve the challenges. Unfortunately, only 10% of the total registered (small and medium) are members of trade associations (MCSME, 2019). Other aspects of SMEs including policies, education and training, financial support, marketing and promotion will be presented in the next sections. The elaborations in this chapter could be used as a reference to compare with the development of SMEs in other countries.

1.1 SME Development Programmes

The Indonesian government has recognized the importance of SMEs in many official statements. Various types of development programmes have been formulated and implemented to support the SMEs, for example, the actions towards financial credit, establishment of small rural development banks, human resource development trainings in production technique, general management, management quality systems ISO-9000, provision of total quality control advice, technology access, setting up of cooperatives of small-scale industries in clusters, development of infrastructure, building small-scale industrial areas, partnership programme, small business consultancy clinic, creation of common service facilities of supported clusters, establishment of business development services and implementation of an

entrepreneurial-incubator system for promoting the development of new entrepreneurs (Tambunan, 2010).

There are ministries/government agencies that deal with the promotion of SMEs in Indonesia such as the Ministry of Cooperative and Small and Medium Enterprises, the Ministry of Industry, the Ministry of Trade, the Ministry of Manpower and Transmigration and the National Development Planning Agency. All of them have set up a number of institutional mechanisms and support systems for the development of SMEs, specifically through the Directorate General of Small-Scale Industry, the Agency for Research and Development for Industry, the National Industrial Centre, the Technology Business Centre and SME-Cooperative Development Agency.

Since 2011 up to date, the Ministry of Cooperative and SMEs had outlined the activities intended to develop entrepreneurship, namely, (1) the National Entrepreneurship Movement, aimed to push forward the participation of all stakeholders in developing the entrepreneurship; (2) the National Entrepreneurship Training, aimed to increase the motivation among the society; (3) the National Internship Programmes, aimed to provide better understanding on new ventures and add the knowledge and skills related to business which is aimed at young and unemployed people; and (4) the National Competitiveness Working Standard of Indonesia, aimed to enhance the SMEs' human resources in retail trade and exports.

In addition to provide continuous support, the government agencies, namely, SMEs Centre of Development (CD) and Sustainable Trade and Innovation Centre (STIC) are established to (1) promote strong SME competitiveness and create a friendly business environment and (2) develop sustainable SMEs through various initiatives, among others, expanding networks and capacity building. These goals could be achieved through intense efforts on diffusion of business information and attendance of entrepreneurs to training, business forums and international exhibitions.

1.2 Policy Support for SMEs

Policy support on the development of SMEs is mainly formulated by the Ministry of Cooperative and Small and Medium Enterprises. This ministry governs all 34 provincial and 508 municipalities/cities' offices throughout the country. Like in other developing countries, the SMEs' activities in Indonesia are related to (1) education and training, (2) financial or credit and (3) marketing and promotions. The discussions on these assistances are presented below.

1.3 Education and Training Programmes for SMEs

The entrepreneurs need to possess sufficient education and skills. A lack of these is considered as constraints faced by SMEs' entrepreneurs and has now been paid attention to by the government. As such, the student's enrolment at higher learning institutions who choose entrepreneurship-related courses such as economics, business and management has increased by 12% from 1,485,008 students in 2017 to 1,663,209 in 2019 (Ministry of National Education, 2019). Another initiative that has been undertaken is to collaborate with government-linked companies that offer internship or short course programmes. However, the deliverance of well-implemented education and training programmes can be seen only through the effectiveness of technology adoption and innovative approaches of doing business. Unfortunately, only 18.70% of SMEs' entrepreneurs are university graduates as of 2019.

With regard to the entrepreneurs' attendances in Islamic-based education institutions, the data is not available. Meanwhile, using 18.1% ratio of students' enrolment in conventional and Islamic education institutions (MoNE, 2019), it found that a total of 411,200 students are majoring in Islamic entrepreneurship-related courses. These potential numbers are expected to help SME's development through understanding of Islamic ways of running businesses.

Meanwhile, the importance of training programmes has been highlighted by the government. As such, the Ministry of Cooperative and SMEs increased the budget for training programmes from 9.6 to 13.2% and had invited 16,233 participants in 2019 (MSME, 2019). Further, with the cooperation of higher educational institutions in 16 provinces, the ministry has held 20 incubators for entrepreneurship exercises which provide the skills training and consultancy services. Additionally, the Ministry of Manpower and Transmigration has conducted the entrepreneurship training programmes to over 16,500 participants in 2019 (MoMT, 2019). Unfortunately, the data on training programmes initiated by private sectors is hard to find (Table 2).

A constraint occurs in getting detailed information on Islamic training programmes which have recently been more widespread in commercial activities. Among others that have held such programmes are the Indonesian Association of

Table 2 Structure of SME training programmes, 2019

Type of programmes
Social and entrepreneurship development
Improvement in capacity and competency of entrepreneurs
Improvement of the role of society in human resources
Improvement in SMEs' competitiveness
Monitoring and evaluation of human resource development
Improvement in capacity and competitiveness of human resources' administrators
Revitalization and venture development

Source: Ministry of Cooperative and SMEs (2019)

Muslim Intellectuals (ICMI), the Indonesian Association of Muslim Entrepreneurs (APMI) and other joint groups of private business training.

1.4 Financial Support of SMEs

Based on data from Bank Indonesia (BI), national banking MSME loans as of February 2021 reached IDR 1010.3 trillion or 18.6% of total loans of IDR 5417.3 trillion (BI, 2019a). Data from the Financial Services Authority (OJK) shows that sharia financing to the MSME segment increased significantly by 14.72% year on year (yoy) as of September 2020. This increase exceeded the growth of sharia financing to the non-MSME segment by 7.52% yoy. However, the portion of MSME financing is still low at 18.40% of the total sharia financing. This figure is far below the portion of non-MSME financing of 81.60% (BI, 2019b).

Meanwhile, Islamic banking in Indonesia shows a positive development, where the SMEs' credits remain as the main financing in Islamic commercial and business units by a ratio 3.2% but not for the Islamic rural banks, in which the contribution of non-SMEs' credits is more than for the SMEs. In the past 2 years, the government continues to enhance financial access by opening more formal credit opportunities including the KUR (people's business credit) schemes in order to upgrade the SMEs' competencies.

1.5 Marketing and Promotions

The government has an objective to help SMEs in product promotions and in developing marketing strategy. Its commitment has resulted in the increase of total invitations of SMEs' participation in trade exhibitions, improvement in export policies on the potential products abroad and establishing venture service centres throughout the country. A total allocation of US\$9.6 million has been spent for the year 2019 for these initiatives. Moreover, there are 22 international and 64 local exhibitions that have been attended by SMEs with the coordination of the Ministry of Cooperative and SMEs. Table 3 presents the programmes offered in relation to marketing enhancements for SMEs in 2019.

1.5.1 Product Certification

There are several product certifications commonly applied by SMEs such as the National Standard of Indonesia (SNI), the Food Industrial for Home Industry (PIRT) and the Intellectual Copyright (HAKI). One of the emerging and important certifications is the *halal* certification. The agency in charge on the issuance of this certification is the Bureau of Food, Drugs and Cosmetics Research of the Indonesian

Table 3 Marketing and venture development of SMEs, 2019

Programmes	Participants (ventures)
Development of marketing networks and products	6730
Improvement in export markets	690
Improvement in facilities of ventures' markets	367
Development of partnership	2750
Development of product promotion	940
Total	11,477

Source: Ministry of Cooperative and SMEs (2019)

Ulama Council (LPPOM-MUI) that has appointed 44 halal certifying bodies. Unfortunately, despite the increase in the application of *halal* certification every year since 2005, the registration development of such certification in Indonesia is not impressive, as evidenced by a total of 58% of products that have failed to attain *halal* certification, while only 58,000 out of the 142,000 registered products have been labelled as *halal* by LPPOM-MUI. It needs to be noted though that no specific data on *halal* certification is applied by SMEs.

To build an awareness on application procedures for relevant parties, LPPOM-MUI provides training and consultancy sessions. It also collaborates with government-linked companies to create awareness among owner-managers and customers on the importance of obtaining *halal* certification. In addition, it also holds local and international seminars. These supports have been seriously monitored by the government on delivering quality products.

1.5.2 Trade and Business Association of SMEs

There are numerous trade associations in Indonesia that are widely participated by the SMEs. The general role of these associations is to initiate networks and interactions at the firm level, develop the strength and capacity of all ventures and enhance participations of owner-managers or entrepreneurs in creating a conducive business environment. The government established the Indonesian Chamber of Commerce and Industry that is otherwise referred to as KADIN. This agency has a mandate in organizing all 170 Indonesian registered business associations with a nationwide network of 34 provincial chambers and 440 regional branches. It is highly committed in tapping potentials of the national economy and speaks on behalf of private businesses, while maintaining a privileged liaison with the government.

The category of business associations is based on a firms' respective sectors or industries. Several associations that are participated by most of SMEs' firms in both categories, among others, are the Indonesian Young Entrepreneurs Association (HIPMI), the Indonesian Employers Association (APINDO), the Indonesian Small-sized Industry Association (HIKSI), the Indonesian Medium-sized Enterprises Association (AUMI) and the Indonesian Small and Medium-sized Enterprises Association (KUKMI). The number of Islamic-based trade associations is still

limited and is newly established. Examples are the Indonesian Muslim Entrepreneurs Association (APMI), the Indonesian Muslim Merchant Association (ISMI) and the Indonesian Muslim Entrepreneurs Network. All of these mentioned associations are not under the supervision of KADIN.

2 The Role of SMEs in the Indonesian Context

In comparison with large firms, the SMEs positively influence the domestic economic activities in Indonesia, for example, in poverty reduction, decreasing unemployment and increasing GDP. Despite the government initiatives to attract foreign companies' investment in large firms, they are currently facing the constraints of the global economic crisis. This recession in Western countries has affected those firms that are mainly engaged in mining, construction, electricity, gas and water and manufacturing sectors. However, the remaining small firms are more resilient and are able to contribute to the economic development with or without the support of large firms. Given that 98% of business enterprises in Indonesia are SMEs, its expected role is to influence the business environment and economic development. Based on review of existing studies by Tambunan (2008a, 2009a), the World Bank (2019) and the official statements by the Indonesia Ministry of Cooperative and Small and Medium Enterprises, the following five roles of SMEs have been identified:

1. Development of rural areas

As the number of SMEs is huge and scattered widely in isolated areas, it is significant to accommodate the local household demand and is labour-intensive. People mobilization in ventures would reduce unemployment or create job opportunities. The importance of rural economic development is aligned with the National Entrepreneurship Movement that was initiated in 2010 which is concerned with engaging in production rather than consumption.

2. Increase in products' diversification

Each of the municipalities or cities has their own potential products that are unique and of high quality. With its creativity and unexplored materials, the SMEs would propose new potential products and add variety to the existing product range in the market. Eventually, the local government is keen to promote these products. Some of the products are exported and purchased by the middle-income group. This would then increase competitiveness and the products' choices.

3. Reducing reliance on imported products

One of the dominant sectors of SMEs is agriculture. They adopt a less advanced technology. The development of this sector increases the output of local products and reduces the reliance of imported materials. A decrease in the number of imported products will affect stable product prices.

4. Low risk to economic turbulence

SMEs have limited access to financial capital from private and public banks. They overwhelmingly depend on personal savings, supplemented by gifts or loans from relatives or from local informal money lenders. This makes them free from monetary policy problems such as interest rate, foreign loans and exchange rates because they rely on local materials for production and are less linked with foreign traders, all of which are faced by large firms. Moreover, the capital sources of SMEs are mostly used to finance the running of business operations rather than investment in technologies as compared to large firms, thus creating lower financial risks.

5. High dynamism of production

Although the number of small firms is not determined by their outputs, it has dynamic development that often achieve rising productivity over time through both investment and technological change. The technologies employed by SMEs in Indonesia are more applicable and proportionate to production factors of local conditions compared to the modern technologies in large firms. It creates compatibility in production by offering reasonable prices, which could be consumed by the low- and middle-income group. This also will lead to maintaining consumers' purchasing power.

3 Studies of SMEs

Most studies of SMEs in Indonesia discuss the SMEs from a national point of view rather than at the regional level. The review of available studies has focused on government policies, trade and export, competitive strategies and performance, innovation of distribution and cost efficiency, politics and policies and cluster formation and approaches. Only a few of them are considered as current researches, while others are discussed on certain aspects that have been prioritized at a particular time, which are based on secondary data.

With regard to the studies on firm performance, Rosli et al. (2012) compared the competitive strategies between Indonesian and Malaysian SMEs ($N = 386$) in which they found that both countries have different areas of emphasis. For example, Malaysian SMEs are more concerned on internal functional dimensions of human resource management, while its Indonesian counterparts give more priority not only towards internal functions of marketing but also on dynamic capabilities (global orientation). Further findings have revealed that Indonesian SMEs have outperformed that of Malaysian SMEs in nearly all investigated performance indicators. In another study by Kuswanto et al. (2012), which was based on the survey of 120 export-oriented SMEs in Indonesia, the study concluded that the innovation in distribution channel activities of information sharing, transportation coordination, assortment and warehousing innovation activities would improve efficiency that then lead to better performances. More importantly, despite the limited support given by the government for SMEs, they are able to find a solution by becoming more innovative in their distribution channels.

A study by Setyawati et al. (2011) discusses on successful entrepreneurs of SMEs in Jepara, Central Java, Indonesia. Using the structural equation model (SEM), their study found out that learning, networking and innovation adoption behaviour have a significant positive effect on the success of entrepreneurs. They therefore suggested that the networking of the entrepreneurs need to be improvised in order to generate the opportunity in doing innovation. The enhancement could be internal and external networking through increasing the contacts and frequency of interactions with other stakeholders. The innovation implementation is a main reason effect towards the entrepreneurs' success. Even though there may be different results in other industries, this study has indicated that innovation has an important contribution to the entrepreneurs' success as well as the learning and networking.

Lastly, Tambunan (2009a) investigated the effectiveness of marketing promotion and performance of SMEs in Indonesia. He found that trade and exhibition are the best promotion activities compared to other types of promotion such as business gatherings or associations. Despite the problem of costs being incurred, these promotions contribute to financially better performances based on the increase of the average profits of 30.07% compared to the previous year.

Other studies on SMEs are more concerned about government policies. Among those studies include Venkataramany and Bhasin (2010) based on previous studies by Susanto (2005), Indrati and Langenberg (2004) and Tambunan (2008a). They have stated that government policies are one of the main factors that influence SME performance. Despite the shift to a decentralized system of the reformation era, there needs to be persistent and consistent improvement in policies that support SMEs to continuously grow.

4 Strategic Marketing of SMEs

The strategic marketing in SMEs is different compared to what is applied in large companies. The differences are in terms of strategic marketing decisions, methods and internal and external contextual factors (Jocumsen, 2004). Firstly, the strategic marketing decision in SMEs relates to the long-term objectives and financial performance, whereby some owner-managers are not aware of these. Formulating the long-term objectives needs benchmarking or a competitive analysis, and these would take time and need to be undertaken by a professional or core team in an organization. Secondly, the SMEs could be taking decisions with too much ease due to limited or short processes where the owner-managers are independently able to decide management-related matters. Thirdly, the attitudes and behaviours of employees in SMEs are easily adaptable, but this strategic marketing application needs a strong commitment. Every employee needs to be motivated and coached by the top management or at least by those at the supervisory level (Van de Ven, 1992). Fourthly, the owner-managers must understand and decide which method is acceptable; otherwise the implementation process would be disturbed. Fifthly, internal contextual factors are those characteristics associated with the manager and the

business or organization itself, which may impact upon the ways in which strategic marketing decision-making is conducted, and, finally, external contextual factors are those forces external to the business which may impact upon the ways in which strategic marketing decision-making is conducted.

It is crucial for the SMEs to learn on strategic marketing although no guarantee will achieve superior performance (Ackelsberg & Arlow, 1985; McKiernan & Morris, 1994). On the contrary, other studies by Jones (1982), Bracker and Pearson (1986) and Bracker et al. (1988) mentioned that successful SMEs are generally more aware of the existence of strategic planning tools and also make greater use of them in planning their activities. Meanwhile, a good strategic marketing which will affect the better performance of the company must be based on the findings of marketing results (Schlegelmilch et al., 1985). Moreover, the companies that have strategic marketing probably will be more proactive rather than reactive towards particular situations or business environments (Saunders & Wong, 1985; Hooley & Jobber, 1986).

In strategic marketing, one of the important elements is to have networks where information on updated market potentials could be used to develop future necessary actions (Wei & Christodoulou, 1997; Numazaki, 1997; Liu & Brookfield, 2000). An example is Taiwanese SMEs that are concerned on an action-driven approach and make strategic decisions to be competitive (Haley & Tan, 1996), while in Indonesia, SMEs tend to ignore such crucial concepts that define precise business orientations. It is acknowledged that strategic marketing is used to see issues comprehensively, especially for medium enterprises which have sufficient resources compared to micro or small enterprises. Some risks are also discussed when preparing for strategic marketing; thus the enterprises are able to continuously maintain business operations. Changes in certain standards or procedures should be conducted to be able to respond with unexpected problems.

Brooksbank et al. (1992) mentioned that the higher-performing SMEs are more likely to adopt a strategic focus based on increasing the volume of production, for example, by expanding or penetrating existing markets, rather than productivity improvements, for example, by increasing price, reducing costs or rationalizing the product mix. Empirical findings suggest that better performing companies compete more on the basis of providing value to the customer, for example, by offering broad product lines and producing customized products, than just on price alone (Chaganti & Chaganti, 1983; Brooksbank et al., 1992). Brooksbank et al. (1992) reveal that small firm performance is related to innovation in business practice, but not to new product development.

Strategic marketing in SMEs relates to the export initiatives, increasing volume in production, investment in research and development, lower cost structures and the development of purchasing know-how (Aw & Batra, 1998). Haley (1997) proposes that Chinese firms compete with specialized knowledge and information, produce goods in an 'information void' environment that they create and perpetuate and provide perceived benefits to customers. Huang (2001) finds that continuous improvement of products/services and constantly seeking new business opportunities contribute to the overall performance of Taiwanese firms. This is an example of

the impact of strategic marketing to emphasize on quality and research and development (Liu et al., 1999). It is known that the business operations in SMEs tend to be done in conventional ways or approaches; thus understanding better concept of strategic marketing would be another issue. Finally the importance of the topic is coinciding with the findings of 391 documents (related to SMEs and strategic marketing) that are published in journals indexed by the Scopus database.

5 Analysis on Title, Abstract, Author and Keyword on SMEs in Indonesia

An analysis using the Scopus database on two keywords, SMEs and Indonesia, there are titles and abstracts related such as ‘performance’, ‘development technology’, ‘relationship’, ‘innovation’, ‘government’, ‘competitive advantage’ and ‘process’, which potentially could be explored for future studies (Fig. 1).

The figure below shows the author analysis related to the topic of SMEs and Indonesia. There are nine authors, among others Sanny, I., Novita, S., Gunawan, D., Prayoga, M., Novela, S. and Angelina, V. who have written the most articles. It is expected that more authors will be interested in discussing this topic in the future (Fig. 2).

As depicted in the figure below, it shows that there are 32 keywords that are exactly related to SMEs and Indonesia, among others ‘business performance’,

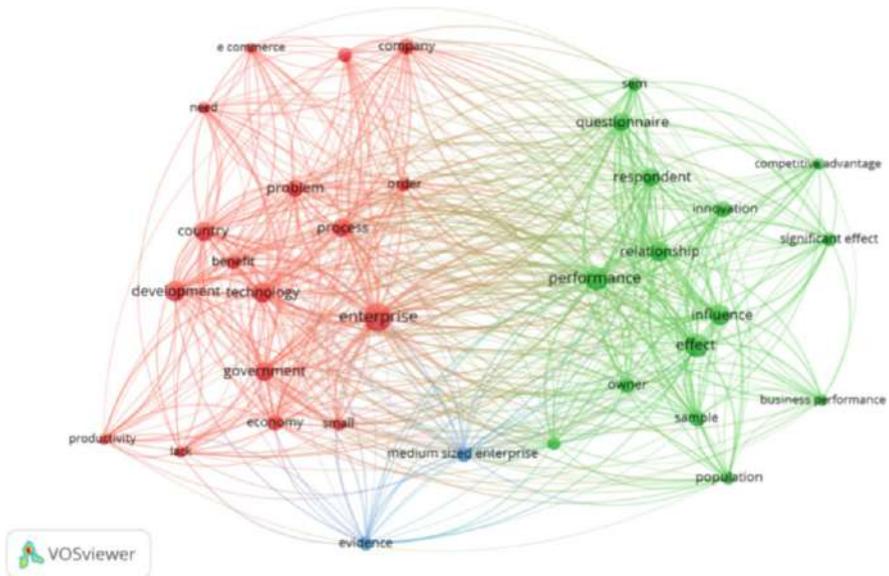


Fig. 1 Title and abstract analysis

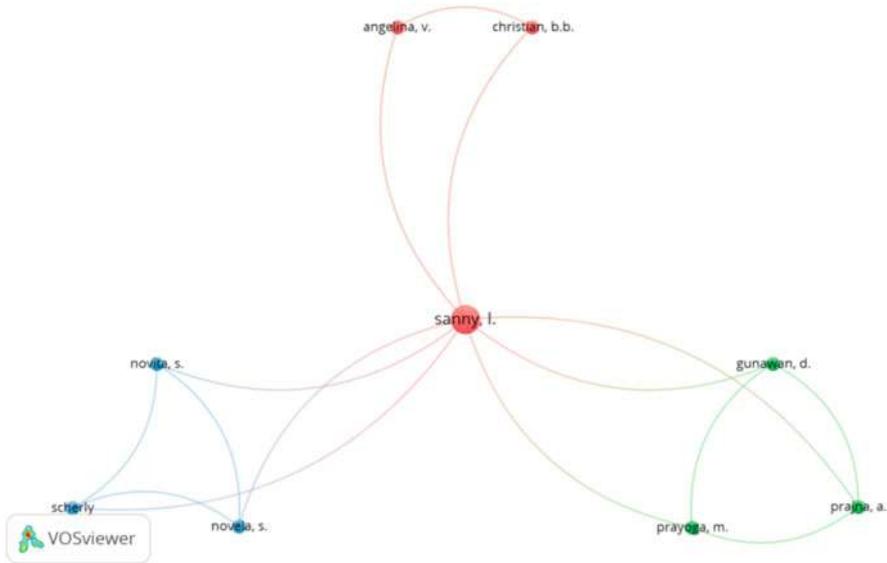


Fig. 2 Authors' analysis

'competitive advantage', 'marketing performance', 'commerce', 'marketing strategy', 'SMEs', 'ergonomics', 'websites', 'technology', 'learning systems', 'access to finance', 'internet users' and 'exports', which crucially need to be explored. These keywords are the indicators of potential areas to be considered in analysing studies across disciplines (Fig. 3).

6 Conclusion

This chapter elaborates the development of small and medium enterprises (SMEs) in Indonesia, the most populous Muslim majority country in the world. There have been a variety of aspects discussed such as policies, education, financial support, marketing and promotion (certification and trade/business) as well as the role and studies of SMEs in Indonesia. Other countries may have different experiences of establishing such a holistic and integrated system for SMEs' development. As a country which have adopted Islamic values and learned on Islam principles, there are specific best practices that contribute to the better performance of SMEs and the country's economy. This chapter also discusses on strategic marketing of SMEs, where some SMEs realize its importance, while some ignore it. Finally, the VOSviewer software is used to analyse three important things of title, abstract, authors and keywords that are related to the SMEs and Indonesia which are derived from the Scopus database (the highest reputable database in academic field and

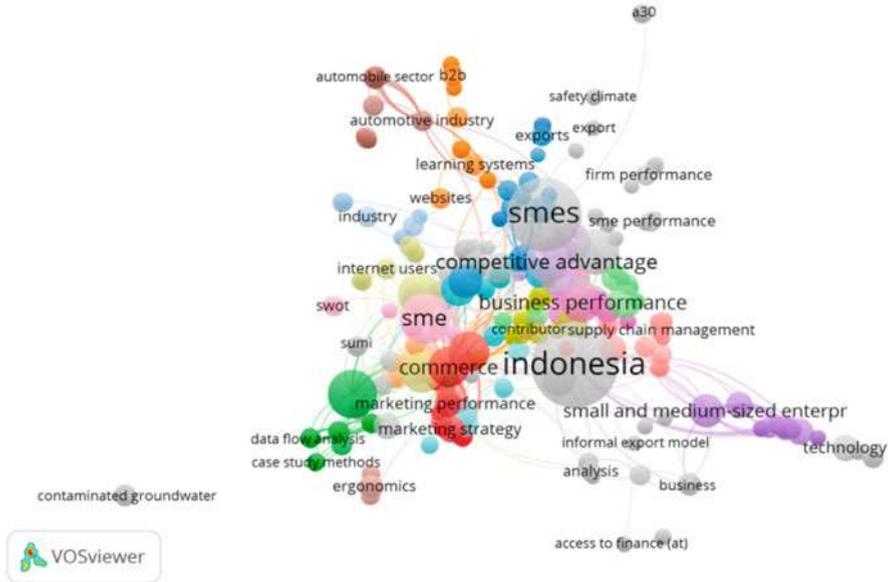


Fig. 3 Keywords analysis

reference). The presented data can be used and referred to for future studies that may include additional factors in an unpredictable business environment.

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