



**ENTREPRENEURIAL MARKETING IN FAMILY-OWNED STITCHING
FASHION OF MSME: A SYSTEMATIC REVIEW OF MARKET
ORIENTATION AND PERFORMANCE OUTCOMES**

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ABSTRACT

Entrepreneurial marketing (EM) has become a critical strategy for Micro, Small, and Medium Enterprises (MSMEs), especially for family-owned businesses in niche industries like Stitching fashion. This systematic review focuses on how entrepreneurial marketing practices in family-owned Stitching fashion MSMEs impact market orientation and performance outcomes. Using the PRISMA methodology, we analyze a range of studies related to entrepreneurial marketing, familiness, social capital, and market orientation in family firms. Findings reveal that market orientation, coupled with strong family dynamics, positively influences business performance, especially in industries that rely on craftsmanship and personalization. The study offers insights for MSMEs seeking to enhance their competitiveness in a market dominated by mass-produced goods. EM and MO: Both family and non-family businesses benefit from integrating entrepreneurial marketing, but family businesses tend to have deeper market connections due to their long-standing relationships and the familiness aspect, allowing for more sustainable EM practices. Familiness and Social Capital in MO in family businesses have a competitive edge due to the interpersonal trust and relational social capital they build over generations, which non-family businesses often lack. This leads to stronger customer relationships and a more effective market orientation. Family businesses show superior performance in market-oriented strategies, particularly when focusing on financial outcomes and customer relationships. However, their reluctance to pursue high-risk strategies, such as those involving technological innovation or optimization-based metrics, can sometimes limit their growth potential compared to non-family firms

Keywords: Entrepreneurial marketing, MSME, family-owned business, Stitching fashion, market orientation, performance outcomes.

A. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are vital contributors to the economy, particularly in Indonesia, where family-owned businesses dominate industries such as Stitching fashion. The uniqueness of family-owned MSMEs lies in their reliance on craftsmanship, creativity, and personalized services, which distinguish them from mass-produced fashion. The fashion industry plays a crucial role in the creative economy and makes a significant contribution to Indonesia's economic growth. Micro, Small, and Medium Enterprises (MSMEs) involved in Stitching fashion stand out from the mass fashion industry due to their distinctive features, such as high-quality products, personalized items, and creative designs. Despite these strengths, MSMEs in this sector face considerable challenges, including limited resources, competition with mass-produced goods, and the fast-paced shifts in consumer trends and preferences (Agustin, 2024).

MSME play a significant role in Indonesia's economy. The sector contributes approximately 60% of the national GDP and serves as the primary provider of employment for the population. Within this sector, the fashion industry is crucial to the development of the creative economy. MSME in traditional textile-based fashion, such as handwoven or Stitching garments, are unique because they blend traditional art with modern innovation. MSME hold a critical role in Indonesia's economy, especially as drivers of local and national economic

growth. In the fashion sector, MSME contribute to the creative economy by innovating products, including Stitching textiles, which combine cultural values with modern aesthetics.

Despite their strengths, these businesses face significant challenges, including resource constraints, competition, and rapidly shifting consumer preferences. Entrepreneurial marketing (EM) has emerged as a strategic approach that integrates innovative marketing with entrepreneurship to improve market orientation and performance in such businesses (Morris et al., 2002).

In Indonesia, there are numerous types of creative industries that contribute significantly to economic growth. A large portion of these creative industries operates at the micro, small, and medium enterprise (MSME) level and is often managed as family-based businesses. However, there is still limited research focusing on family businesses within the creative industries, particularly in the Stitching Fashion sector. Family businesses represent one of the oldest systems across various industries, ranging from multinational corporations to small local shops. In the context of emerging market economies, Stern (2015) notes that among the 920 companies included in the "Credit Suisse Global Family 900 universe," over 64% are based in the emerging Asian market. These companies collectively possess a market capitalization exceeding one billion USD, with at least 20% of their ownership held by families.

In this paper, researcher conduct a systematic review of the existing literature on entrepreneurial marketing in family-owned MSMEs, focusing specifically on the Stitching fashion sector. We aim to assess the role of market orientation and family dynamics in driving business performance outcomes, identifying key strategies that these firms can adopt to remain competitive.

B. LITERATURE REVIEW

In the structure of the literature review for this research, a systematic approach is utilized. Various sources are accessed through multiple research databases, with a focus on carefully selecting literature and following detailed procedures. Google Scholar, ScienceDirect, Sage, Emerald and others publications that have good reputation serves as one of the primary resources for the literature search. The selection process starts by identifying keywords relevant to the research scope, including terms such as Entrepreneurial marketing, MSME, family-owned business, Stitching fashion, market orientation, performance outcomes and other related concepts. This initial step ensures that the chosen keywords align with the research question. The literature search is conducted meticulously, ensuring that the sources come from credible databases and are appropriate to the research field. The types of materials sought include scientific articles, books, journals, and other publications that concentrate on social media and promotions. Each source found undergoes a thorough analysis, with particular attention to quality and relevance. An evaluation is conducted to confirm that the selected literature is of high quality and supports the conceptual framework of the research. The entire literature search process is performed systematically, ensuring precision and completeness in building a strong and relevant theoretical foundation for this study

C. RESEARCH METHODOLOGY

The article selection process in this study follows the Preferred Reporting Systematic Reviews and Meta-Analysis (PRISMA) guidelines, which provide a systematic and structured framework for conducting a literature review. The literature search was conducted using databases such as Google Scholar, ScienceDirect, and Emerald Insight, focusing on articles published between 2019 and 2023. The keywords used included "entrepreneurial marketing," "family business," "market orientation," "performance outcomes," and "Stitching fashion MSMEs."

During this phase, 20 articles were initially identified as potential materials for the research. The next step involves a screening process, where these articles undergo further analysis. This stage includes an in-depth examination of the articles' relevance to the research focus, their methodological quality, and alignment with the research objectives.

Through this careful screening, a robust foundation is established to ensure that the selected articles are both high-quality and relevant to the study's aims. Following this evaluation, 10 articles were chosen to advance to the next stage, which involved an extensive literature review to explore insights and findings from prior studies.

1. Inclusion Criteria

- Studies related to entrepreneurial marketing in MSMEs or family-owned businesses.
- Research focused on market orientation and performance outcomes.
- Articles addressing the role of family dynamics or familiness in business strategies.
- Papers published in peer-reviewed journals between 2019 until 2023.

2. Exclusion Criteria

- Studies focused on large-scale corporations.
- Articles that did not examine market orientation or performance outcomes.
- Papers not available in English.

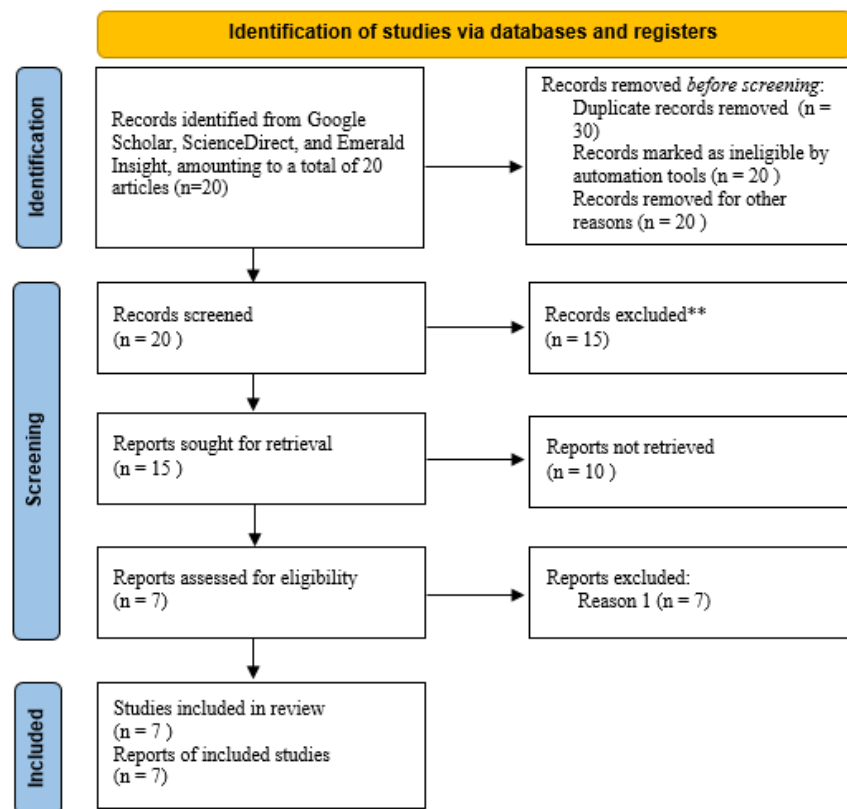


Figure 1. PRISMA Diagram

This entire process demonstrates a thorough research approach that emphasizes the quality and relevance of the literature. The in-depth and selective review aims to ensure that every article included contributes significantly to the understanding of the relevant issues. As a result, the research findings are expected to offer valuable insights about Entrepreneurial marketing, MSME, family-owned business, Stitching fashion, market orientation, performance outcomes. This approach also highlights the

researcher's dedication to building a strong, informed knowledge base that supports the study's conclusions.

At the final evaluation stage, the 7 selected articles were rigorously assessed based on pre-established criteria, ensuring that each article met the necessary standards of methodological soundness, relevance, and quality of data presentation. The evaluation confirmed that these articles were of high quality and fit for inclusion in the final literature review report. The selection process reflects a meticulous and systematic approach in line with PRISMA guidelines, ensuring that only top-tier literature is used in the research. This rigorous approach helps to produce reliable results that make a significant contribution to current understanding and maintain high standards of scientific integrity and validity.

D. RESEARCH RESULTS AND DISCUSSION

Table 1
Entrepreneurial marketing, MSME, family-owned business, Stitching fashion, market orientation, performance outcomes

Title and Researchers	Objective	Results
Opening up the black box of family entrepreneurship across generations: A systematic literature review (Capolupo et.al, 2023)	Identifying family-related factors that drive the pursuit of new entrepreneurial ventures across generations and connecting these factors to various forms of entrepreneurial activities.	The factors influencing the pursuit of new entrepreneurial activities include generational development, intergenerational dynamics, characteristics of the next generation, characteristics of the incumbent generation, family resources, family values, and family control. The literature on external entrepreneurial activities is more limited compared to internal activities. While one reason may be that entrepreneurial families (EFs) tend to organize their entrepreneurial endeavors internally, this also underscores the tendency to focus on a specific family business rather than the diverse entrepreneurial activities that an EF may engage in.
The Determinants of International Performance for Family Firms: Understanding the Effects of Resources, Capabilities, and Market Orientation (Lobo, et. al, 2023)	The aim of this study is to investigate the role of resources (such as internationalization networks), capabilities (including employee characteristics and knowledge), and market orientation (such as internationalization motivations), and how these factors impact the international performance of family firms (FFs).	Resources and capabilities have a significant positive impact on international performance, with both showing a strong positive effect on international performance. Additionally, proactive internationalization motivations also have a significant positive effect on international performance.
Comparative analysis of the role of strategic orientation, strategic performance metric focus and strategic audacity in driving	The aim of this study is to understand how strategy-level models can be misinterpreted if family involvement is not taken into	The results reveal that among the performance drivers for family businesses, some are insignificant (such as strategic audacity), while

firm performance: family businesses vs nonfamily businesses (Vlastic, 2023)	account. The focus is on examining the extent to which strategic orientations (market orientation and technology orientation, reflecting strategic approaches), strategic performance metric focus (financial-based, optimization-based, and market-based metrics, reflecting strategy evaluations), and strategic audacity (representing boldness in envisioning and executing strategic outcomes) influence firm performance in family businesses compared to non-family businesses.	others even have a negative impact (such as a focus on optimization-based performance measures) on the performance of family businesses. Additionally, the findings indicate that certain drivers of performance for family businesses, such as market orientation and a focus on financial-based performance measures, do not serve as drivers of exceptional performance in non-family businesses.
Family-owned enterprises and their role in entrepreneurial development: a bibliometric and content analysis of the literature (Kumar, 2023)	This paper aims to explore the multifaceted perspective of family business research in the field of entrepreneurship and identifies the key themes discussed by researchers.	The literature review on family business in entrepreneurship highlights the learning, antecedents, and influences driven by the family aspect. The studies emphasize the antecedents of family business acceptance and utilization, showing the importance of understanding the integration of entrepreneurial business attributes (such as resource mobilization) and personal characteristics (such as in directorship).
Familiness, social capital and market orientation in the family firm (Martin-Santana, 2020)	This paper aims to analyze whether family influence on the firm, along with the relational dynamics within the family and the firm, can create specific familiness resources that contribute to a stronger market orientation (MO) in family firms (FFs).	The results indicate that managers of family firms (FFs) perceive a strong presence of familiness resources, as variables like "positive family climate," "identification with the family firm," and "interpersonal trust" all score above 3. Additionally, FF managers perceive their firms as having a high level of market orientation (MO). Family managers report a higher level of interpersonal trust compared to non-family members and also perceive a higher level of MO in their FFs than non-relatives do.
The Effects of Internal Marketing and Entrepreneurial Orientation on Innovation in Family Businesses (Jalilvand, 2019)	The purpose of this paper is to examine the impact of internal marketing and entrepreneurial orientation on innovation within family businesses. Through a review of relevant literature, the relationships between internal marketing, entrepreneurial orientation, and innovation were hypothesized.	The results of the SEM model indicate that both internal marketing and entrepreneurial orientation serve as key drivers of innovation in family businesses. Additionally, it was revealed that internal marketing is a crucial determinant of entrepreneurial orientation in the family business context. This study contributes to the literature by highlighting the

		pathways through which internal marketing and entrepreneurial orientation influence innovation in family businesses.
Staying alive: entrepreneurship in family-owned media across generations (Powers, 2019)	This study offers a unique opportunity to analyze five generations of a small but continually evolving family-owned media organization with multiple media outlets operating across various delivery platforms. The purpose of this paper is to identify the key variables that have contributed to entrepreneurship and sustainability, enabling the family business to remain intact for over 100 years.	The company in this study began in 1904 with the acquisition of newspapers and the launch of a news service. By the third generation, entrepreneurial ventures expanded to include additional newspapers and a television start-up. In the fourth and fifth generations, the company transformed into what the family referred to as a "media development company," diversifying its revenue streams through platforms such as electronic newspapers, websites, radio stations, live events, and syndicated programming.

Source: Data processed by researchers, (2025)

Entrepreneurial Marketing and Market Orientation

Entrepreneurial marketing combines entrepreneurial innovation with marketing tactics to enhance competitive positioning, particularly in niche industries like Stitching fashion. Market orientation plays a critical role in the success of entrepreneurial marketing strategies by focusing on customer needs and adapting to market changes. Studies show that family-owned businesses, due to their close-knit structure and long-term outlook, often excel in maintaining high levels of market orientation (Miller, 1983; Khajeheian, 2017). Research by Narver and Slater (1990) emphasizes that businesses with strong market orientation outperform those with weak customer focus, as they are better equipped to anticipate and respond to consumer trends. In the Stitching fashion sector, maintaining market orientation allows MSMEs to stay competitive against mass-produced alternatives by offering personalized, high-quality products that resonate with niche markets (Penco et al., 2020).

Entrepreneurial Marketing (EM) and Market Orientation (MO) are particularly relevant in family businesses, as discussed in various articles. Powers and Zhao (2019) explore the role of entrepreneurship in a family-owned media business, highlighting how entrepreneurial initiatives such as diversification into digital platforms sustained the business over generations. This aligns with EM principles, which focus on innovative approaches to capture markets. In family businesses, entrepreneurial behavior linked to MO often centers on fostering close customer relationships, leveraging family networks to identify market needs, and using internal marketing to boost innovation.

Additionally, Lobo et al. (2023) demonstrate how resources (networks) and capabilities (employee knowledge) support the international performance of family firms by enhancing their market orientation. Their findings underscore that proactive internationalization motivations and market orientation positively impact international performance. Thus, EM practices, when combined with MO, drive growth and performance, particularly in competitive markets, making it crucial for family firms to integrate both strategic orientations. In EM and MO, both family and non-family businesses benefit from integrating entrepreneurial marketing, but family businesses tend to have deeper market connections due to their long-standing relationships and the familiness aspect, allowing for more sustainable EM practices.

Familiness and Social Capital in Market Orientation

The concept of familiness—the unique resources and capabilities generated by family involvement—significantly impacts market orientation and performance outcomes in family-owned businesses. Cabrera-Suárez et al. (2020) argue that the social capital within family firms, characterized by trust, shared values, and strong interpersonal relationships, fosters higher levels of market orientation. This, in turn, drives business performance, as family members are often more committed to sustaining the business and ensuring long-term success (Sorenson, 2014). Familiness, as discussed by Martín-Santana et al. (2020), contributes to the development of social capital, which is directly linked to market orientation in family firms. Familiness resources such as interpersonal trust and family identification with the firm create a strong relational dynamic that reinforces MO.

This highlights the importance of internal relational factors, including trust and family cohesion, in fostering a customer-oriented approach that enhances competitiveness. These social capital elements, unique to family businesses, become crucial in creating value and promoting MO, particularly when family managers focus on aligning leadership with market demands. Furthermore, social capital and familiness resources enable the family firm to remain agile and responsive to market changes. This is emphasized in the analysis of family businesses' internationalization strategies, where leveraging familiness enhances market entry and performance on a global scale. Familiness and Social Capital in MO in family businesses have a competitive edge due to the interpersonal trust and relational social capital they build over generations, which non-family businesses often lack. This leads to stronger customer relationships and a more effective market orientation.

Performance Outcomes in Family-Owned MSMEs

Performance outcomes in family-owned MSMEs are influenced by both entrepreneurial marketing strategies and market orientation. Studies have shown that businesses with a strong focus on customer needs and market adaptation tend to perform better in terms of sales growth, customer loyalty, and brand reputation (Beck et al., 2011). In the Stitching fashion sector, businesses that leverage their familiness and adopt proactive marketing approaches are more likely to achieve competitive advantages over time (Gallucci et al., 2015).

The systematic review highlights that entrepreneurial marketing, when aligned with market orientation and supported by strong family dynamics, can significantly enhance the performance of family-owned MSMEs in the Stitching fashion sector. The familiness factor provides these businesses with a competitive edge, enabling them to offer personalized products and maintain strong customer relationships. However, challenges remain, particularly in adapting to changing market conditions and competing with mass-produced fashion. Family-owned MSMEs must continue to innovate in their marketing strategies and invest in maintaining close connections with their customers to remain relevant. The comparative analysis of family versus non-family businesses highlights different performance outcomes. In particular, market orientation and financial-based performance metrics positively impact family businesses more significantly than in non-family businesses. Vlastic (2022) shows that while strategic audacity is insignificant in family businesses, financial and market-based performance metrics are critical drivers of firm performance. This emphasizes the conservative risk-averse nature of family firms, which can focus more on long-term market positioning rather than aggressive strategic moves.

In smaller family-owned enterprises (MSMEs), Kumar and Dubey (2021) suggest that the use of family networks and social capital plays a significant role in entrepreneurial development. Performance outcomes are thus often dependent on the effective mobilization of familiness resources, with family firms outperforming their non-family counterparts in sectors where trust, reputation, and customer loyalty are central to success. Performance Outcomes in Family-Owned MSMEs in family businesses show superior performance in market-oriented strategies, particularly when focusing on financial outcomes and customer relationships. However, their reluctance to pursue high-risk strategies, such as those involving technological innovation or

optimization-based metrics, can sometimes limit their growth potential compared to non-family firms.

E. CONCLUSION AND SUGGESTION

This systematic review demonstrates that entrepreneurial marketing, combined with a strong focus on market orientation and familiness, can drive the success of family-owned MSMEs in the Stitching fashion sector. By leveraging their unique characteristics, these businesses can outperform larger competitors and achieve sustainable growth.

The role of familiness, social capital, and a customer-centric MO is vital for family-owned MSMEs' success. Entrepreneurial marketing practices intertwined with these unique family firm attributes ensure sustained performance and adaptability across generations. These dynamics highlight the need for family firms to capitalize on their social and familial resources while balancing market-driven strategies for long-term performance.

Future research should explore the role of digital marketing and e-commerce as additional strategies for family-owned MSMEs to enhance their market orientation and reach broader audiences..

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