

TECHNO-SOCIAL COMMERCEPRENEURSHIP: OPPORTUNITIES AND CHALLENGES FOR CULINARY MSMES

Suliyanto *, Weni Novandari², Dian Purnomo³ Jati, Daffa Redika Fauzi⁴

^{1*} Universitas Jendral Soedirman, suliyanto@yahoo.com Indonesia
*corresponding author

ABSTRACT

This study aims to determine the strategic position of Culinary Small and Medium Enterprises (MSMEs) in Banyumas Regency that use social media to run their business. The respondents in this research are culinary MSMEs in Banyumas Regency who use social media to run their business. To determine the strategic position, General Electrics (GE) analysis is used. The research results show that the strategic position of culinary MSMEs in Banyumas Regency is use social media to run their business has medium attractiveness and average competitive strength, so a suitable development strategy is to identify growth segments, specialize and invest selectively.

Keywords: *culinary MSMEs, social media, SWOT analysis, General Electric (GE) analysis.*

1. Introduction

Micro, Small and Medium Enterprises (MSMEs) have a very important role in the Indonesian economy (Curatman et al., 2022; Suliyanto et al., 2019). This vital position in the economy is realized by MSMEs in creating jobs, exports and innovation (Arshad, 2020). Indonesia is dependent on the productivity of MSMEs, because of their ability to absorb up to 97% of the workforce and be able to absorb investment up to 60.4% of the total investment in Indonesia (Sulastri, 2022). The large contribution of MSMEs to the economy is the main reason the Indonesian Government is trying to increase community entrepreneurship. In line with this, the government targets to be able to create an entrepreneurship ratio of 4% of the total population of Indonesia by 2024 (Rahma, 2023). The manifestation of entrepreneurship can be seen from the number of MSMEs in Indonesia with the highest position in the MSME sector being occupied in

the culinary sector with the number of MSMEs in the food sector reaching 1.5 million while the number of MSMEs in the beverage sector is 93,200(Ahdiat, 2022).

The development of MSMEs recently has not only moved conventionally, but with the development of the internet, the impact of which has begun to be felt in various aspects of life. The presence of the internet provides various benefits for MSMEs(Puriwat & Tripopsakul, 2021). The emergence of the internet has begun to intervene in the global economy, apart from being able to support globalization, it has also increased competence between companies(Borah et al., 2022). Technological intervention, which has penetrated various lines, has also changed people's consumption behavior, which was initially carried out offline, but now transactions and shopping can be done online. Of course, these changes can open up various business opportunities by taking a role in the development of the internet(Aziz & Omar, 2013).

Based on studies conducted by(Li et al., 2020)Currently, people from the government, suppliers, consumers, distributors and others prefer to use social media, because they can obtain various kinds of information. The use of social media has benefits for MSME performance such as efficiency, profits, growth, liquidity, size and market share(Li et al., 2020). Another benefit for MSMEs when using social media is increasing their competence(Mount & Martinez, 2014), then has implications for business performance(Li et al., 2020). Based on the results of several studies that have been conducted, it shows that the existence of social media influences customer behavior(Fischer & Reuber, 2011), social media provides support to consumer relationships with sellers(Jussila et al., 2014), and with social media companies can maintain their networks with customers more progressively than using traditional methods, social media also makes it easier for MSMEs to obtain and disseminate information to the government, suppliers and customers(Li et al., 2020). Supported by research conducted byHan et al. (2018)which states that the theme of social ecommerce often appears in studies regarding user behavior and produces at least 199 study results.Baethge et al. (2016)stated that research on social ecommerce totaled around 116 articles with the majority being research on user behavior around 26%, while research discussing its influence on company performance only reached 4%.Busalim & Hussin (2016)explained that there were only 2 studies in 2010-2016 that discussed the influence of social e-commerce on company performance. Thus, research discussing social commerce is still limited, especially on culinary MSMEs, so further research is needed to determine MSMEs' interest in using social commerce and their ability to become entities with technopreneurship value by looking at the opportunities and challenges in its use.

2. Literature Review

3. Research Methodology

The population in this research are culinary MSMEs in Banyumas who use social media to run their business. The sampling technique in this research uses a purposive sampling approach. This method is carried out by determining samples that have similar criteria or research objectives (Indriantoro and Supomo, 1999). Purposive sampling can help research to obtain information that meets needs based on the suitability of the object. This research gathered information by interviewing culinary MSME owners and local government officials. The focus group discussion

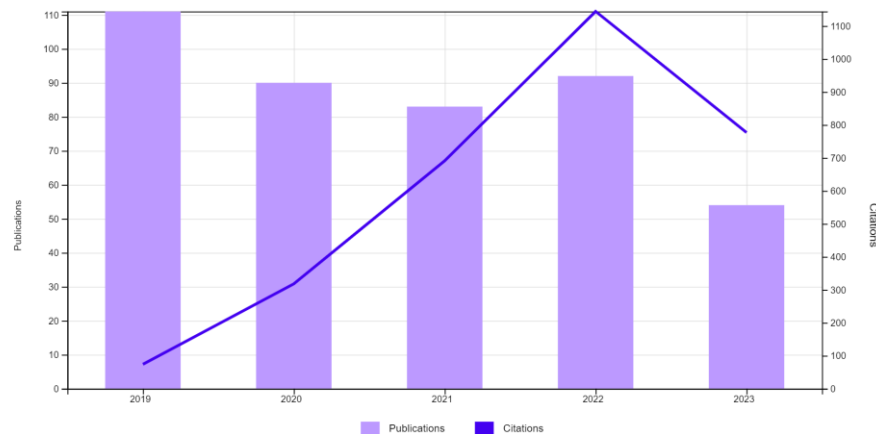
approach is carried out in an unstructured way, meaning that the list of questions is not made sequentially. The information that has been obtained is then reduced and simplified based on the internal and external environmental categories experienced by culinary MSME actors. The data that has been obtained is then analyzed using the SWOT matrix (Strengths, Weaknesses, Opportunities, and Threats).

4. Results

4.1 Descriptive analysis

The data found from the search results on the WoS document is 1668. After filtering by the last five-year period (2019-2023), only articles selected in English obtained 430 remaining article documents. The number of citations for papers analysed was 3,004 and 2,522 (without self-citations), with an average document citation of 6.99 with an H-Index of 25. Figure 1 shows the number of publications and citations since 2019.

Figure 1. Number of publications and citations on business incubator



4.2 Bibliographic coupling

Based on 430 documents analysed with a bibliography coupling, 43 met the threshold with a minimum citation of 20 per document. This analysis yielded six significant clusters (Figure 2). From the total link strength (TLS), the top 3 documents in the bibliographic coupling are Sansone et al. (2020) with 257 TLS, Good et al. (2019) with 246 TLS, and Lukeš et al. (2019) with 186 TLS. To see the full view of the bibliographic coupling document can be seen in Table 2.

The six clusters formed show specific themes based on keywords and elaborated to forecast trends in particular areas (Donthu et al., 2021). The clusters formed are labelled from the author's interpretation and discussed based on current trends and future development.

Cluster 1 (red): eleven documents labelled "Positive effects of incubators on the entrepreneurial ecosystem." Business incubators have given rise to and developed an entrepreneurial spirit (Li et al., 2020). In addition, the effect of business incubators on campus has also contributed to the nature of developing new businesses (Redondo et al., 2022). Services provided through networks,

capital, and training have created creative innovations, creating new jobs (Lukeš et al., 2019). Emerging creativity has penetrated the use of waste as a new economic model known as the circular economy (Millette et al., 2020). Business incubators are proven to have a positive effect on the entrepreneurial ecosystem but must be supported by effective communication to attract other incubates with creative business ideas. Therefore, incubators need to continue providing constructive inputs in mentoring incubate in pitching with investors who will become business partners (van Werven et al., 2019). As an incubation hub, business incubators must realise the importance of nurturing and developing internal and external networks to maintain an entrepreneurial ecosystem supporting startup success (Salimi, 2021) and have an entrepreneurial spirit (Boutris & Salimi, 2022).

Cluster 2 (green): ten documents labelled "Business incubator supports growth". Sustainable growth is expected not only under normal conditions. In abnormal conditions, the role of business incubators is also needed to raise the economic dignity of individuals or groups in exile (Meister & Mauer, 2019). Growth acceleration can be initiated through acceleration programs that involve the use of technology so that product or service startups can be launched quickly and efficiently (Stayton & Mangematin, 2019) and sustainable growth goals can be achieved (Surana et al., 2020). Empirically, business incubators can be a forum for actualising young people who have innovative business ideas that trigger them to choose their life careers to become entrepreneurs (Guerrero et al., 2020). The context of cluster 2, the expected growth of the business incubator effect, is not only on the growth of the number of entrepreneurs but also on the economic growth of a country.

Table 2. Top ten documents in bibliographic coupling

Rank	Publication by	Main focus	Journal	Citation	TLS
1	(Sansone et al., 2020)	Social effects of incubators on startups	Technological Forecasting and Social Change	42	257
2	(Good et al., 2019)	Design of the organisational ecosystem of the technology transfer process	Technovation	69	246
3	(Lukeš et al., 2019)	The effectiveness of business incubators for innovative startups.	Technovation	69	186
4	(Del Sarto et al., 2020)	The role of accelerators in the survival of startup companies	Technovation	47	176
5	(Nicholls-Nixon et al., 2021)	Dynamics of University Business Incubators	International Entrepreneurship and Management Journal	24	170
6	(Klofsten et al., 2020)	The importance of incubator size and specialisation	Technological Forecasting & Social Change	24	167
7	(Surana et al., 2020)	The role of incubators in supporting entrepreneurship	Technological Forecasting and Social Change	34	154

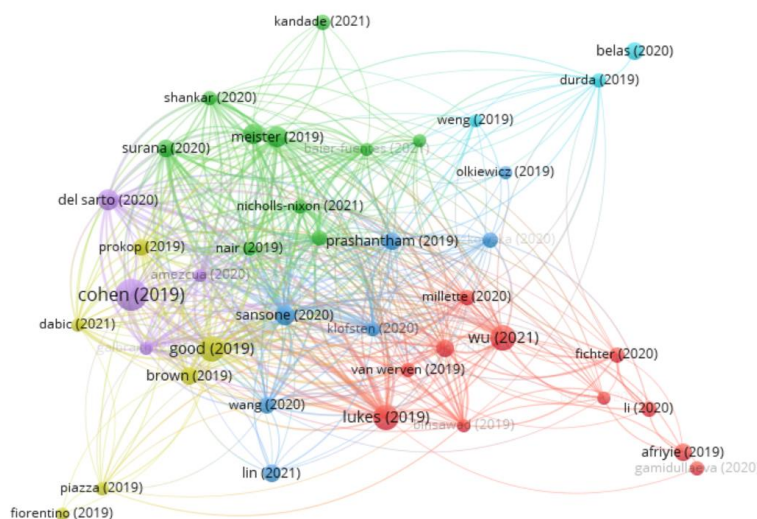
8	(Meister & Mauer, 2019)	The contribution of business incubators to refugees in business	International Journal of Entrepreneurial Behavior & Research	47	151
9	(Galbraith et al., 2021)	Incubation challenges and expansion with diverse models ahead	IEEE Transactions on Engineering Management	20	148
10	(Guerrero et al., 2020)	University entrepreneurial ecosystem and graduate career patterns	Journal of Management Development	28	140

Ahmed et al. (2022) state that business incubators positively and significantly influence the sustainability of entrepreneurial growth. Chen et al. (2023) found that companies' income in technology business incubators increased.

Cluster 3 (blue): seven documents labeled "Challenges for social incubators". Social incubators have challenges in their operations because they do not have much economic motive. Even so, in terms of efficiency, they must be like business incubators and mix (Sansone et al., 2020); they must influence innovation (Wang et al., 2020) and have a positive relationship with partner institutions (Klofsten et al., 2020). They can contribute to product innovation (Gorączkowska, 2020). Research shows that social incubators have encouraged competition and created new social value (Nascimento et al., 2021).

Cluster 4 (yellow): six documents labeled "The importance of technology for cross-border promotion." Naturally, product and service innovations should be promoted. Business incubators must also facilitate cross-border promotion (Good et al., 2019) amid massive technological developments. On the other hand, the power of innovation networks also affects innovation capabilities (Brown et al., 2019).

Figure 2. Bibliographic coupling analysis



Cluster 5 (purple): four documents labelled "Acceleration of building an entrepreneurial ecosystem." The phenomenon, role, and variety of business incubators are essential to the

entrepreneurial ecosystem (Cohen et al., 2019; Del Sarto et al., 2020). However, in practice, it is not always a good thing for startups to join a business incubator or accelerated business. Many aspects of business incubation practices negatively impact the early stages. Be careful in choosing an incubation program (Lukosiute et al., 2020).

Cluster 6 (cyan): three documents labelled "Social networks in startup development." Social networks are becoming an essential point in startup development. Social networks can help startups establish and develop themselves. The results showed that 63 per cent of startups use assistance from their business incubators, meaning that business incubators are still weak external networks (Durda & Ključnikov, 2019).

The summary of the bibliographic coupling analysis on business incubators can be seen in Table 3.

Table 3. Summary of bibliographic coupling analysis on business incubator

Cluster number and colour	Cluster label	Publication documents	Representative publication
1 (red)	The positive effect of incubators on the entrepreneurial ecosystem	11	(Wu et al., 2021), (Millette et al., 2020), (Li et al., 2020), (Redondo & Camarero, 2019), (Lukeš et al., 2019), (van Werven et al., 2019)
2 (green)	The business incubator supports growth	10	(Meister & Mauer, 2019), (Stayton & Mangematin, 2019), (Surana et al., 2020), (Guerrero et al., 2020), (Nair & Blomquist, 2019)
3 (blue)	Challenges for social Incubators	7	(Sansone et al., 2020), (Wang et al., 2020), (Klofsten et al., 2020), (Gorączkowska, 2020)
4 (yellow)	The importance of technology for cross-border promotion	6	(Brown et al., 2019), (Piazza et al., 2019)
5 (purple)	Acceleration of building an entrepreneurial ecosystem	4	(Cohen et al., 2019), (Del Sarto et al., 2020)
6 (cyan)	Social networking in startup development	3	(Durda & Ključnikov, 2019)

4.3 Co-word analysis

A co-word analysis produced 50 keywords from 1996 with threshold values of 12 and 5 clusters. The network structure of the co-word analysis shows the proximity between clusters (c) and crosses each other. Crosses can be seen on clusters 1, 2, and 4 and clusters 1, 2, 3, and 5, indicating that these five themes are future trends related to research in business incubators.

Figure 3. Co-word analysis

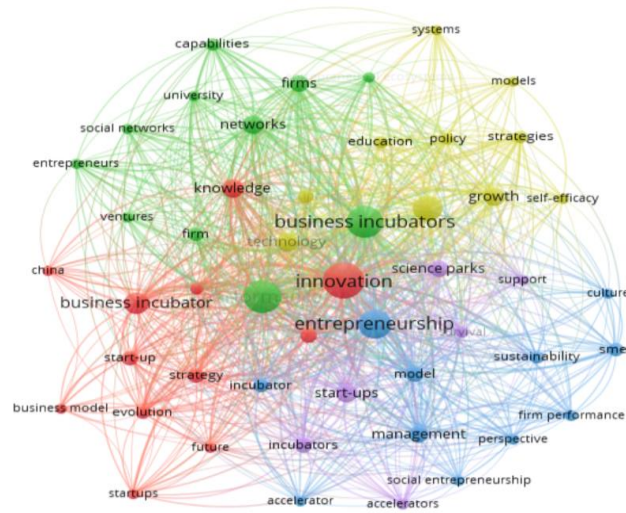


Table 4. Top ten keywords of co-word analysis

Rank	Keyword	Occurrence	TLS
1	Innovation (c.1)	152	612
2	Performance (c.2)	123	540
3	Business incubators (c.2)	117	486
4	Entrepreneurship (c.3)	98	411
5	Impact (c.4)	75	294
6	Business incubator (c.1)	54	175
7	Networks (c.2)	40	195
8	Growth (c.4)	40	182
9	Knowledge (c.1)	39	189
10	Startups (c.5)	39	170

Cluster 1 (red): with twelve keywords labeled "Innovation in business incubators." Innovation is always the expectation of business incubators, although not all incubates always have innovative business ideas. Innovation born from business incubators is influenced by many factors, including technical capabilities (Sedita et al., 2019) and capitalisation (Morrish et al., 2019). In addition, sometimes incubators that do not have a robust financial network will think that the innovations developed by incubate are very risky (Bessant & Tidd, 2015). Thus, innovation can run slowly and even stop.

Cluster 2 (green): with eleven keywords labeled "business incubators and networks". The incubator should mediate incubator firms' relationships conducive to business development. The network horizon is crucial because it describes how the mediating actor can identify relevant network structures (Holmen et al., 2013; Huemer, 2017). The incubator network can be a determinant of the success of incubate. Incubator with an extensive internal and external network to realize their business idea successfully (Wu et al., 2021) because business incubators can empower their networks in mentoring at the stages of the incubation and post-incubation process (Millette et al., 2020), so incubators with a vast network are preferred.

Cluster 3 (blue): with eleven keywords labeled "Business incubator and social entrepreneurship." The meaning of social entrepreneurship is to generate social benefits for society (Zulkefly et al., 2022). Social entrepreneurship has become a significant issue these days. However, few social incubators are willing to get involved because the approach is more social than economic (Sansone et al., 2020). Social entrepreneurship is needed to develop the entrepreneurial spirit of a particular community. So that they can create jobs collectively and still get economic benefits (Esfandiar et al., 2019).

Cluster 4 (yellow): with ten keywords labeled "Impact of the business incubator." The impact of the business incubator is the increase in enthusiasm for business success and entrepreneurial growth (Albort-Morant & Ribeiro-Soriano, 2016). Many studies prove its impact, including studies conducted (Ahmed et al., 2022; Binsawad et al., 2019; Machado et al., 2020; Olkiewicz et al., 2019; Soetanto & Jack, 2016). So regardless of the advantages and disadvantages, business incubators are still needed and improved in performance.

Table 5. Summary of co-word analysis on business incubator

Cluster number and colour	Cluster labelled	Number of keywords	Representative keywords
Cluster 1 (red)	Innovation in business incubators	12	Innovation, business incubator, startup, business model, creation, knowledge
Cluster 2 (green)	Business incubators and networks	11	Performance, Business incubators, firms, ventures, entrepreneurs, networks, social networks
Cluster 3 (blue)	Business incubator and social entrepreneurship	11	Entrepreneurship, incubator, model, management, social entrepreneurship
Cluster 4 (yellow)	Impact of the Business Incubator	10	Impact, growth, technology, business incubation, policy
Cluster 5 (purple)	Business incubator and survival	6	Startups, science parks, incubators, survival

Cluster 5 (purple): with six keywords labeled "Business incubator and survival." Business incubators must be creative in maintaining good relationships with incubatees, investors or sponsors to survive (Manconi et al., 2022). Because business incubators cannot live sustainably without supporting partners (Fernández Fernández et al., 2015; Lose & Tengeh, 2015).

The summary of the co-word analysis on business incubators can be seen in Table 5.

5. Discussion

5.1 Theory implications

The role of business incubators in creating new entrepreneurs must be recognised, although not all incubations are successful (Slesarev, 2022). The success of incubators in assisting incubate cannot be separated from the interdependence between them. The strength of the incubator's internal and external networks is also a determining factor in choosing an incubate to join an incubator. The chain of interdependence on success in the incubation process depends on the existing ecosystem.

Stam & van de Ven (2021) conveyed his findings that high-growth companies in a region are closely related to the quality of their entrepreneurial ecosystem.

A business incubation theory is needed to integrate the factors that allow us to predict and explain the outcome of incubation (Hackett & Dilts, 2004). Incubator networks as social capital determine the emergence of innovations in business and industry (Bessant & Tidd, 2015). The strength of the actor incubator network is a critical factor in building and developing a favorable entrepreneurial ecosystem (Fubah, 2021). The results showed that many incubate utilise the incubator's external network to develop their business (Redondo & Camarero, 2019).

Theoretically, the power of networks becomes the social capital of incubator actors. Incubator social capital is significant in building a conducive and mutually beneficial entrepreneurial ecosystem (Neumeyer et al., 2019). Incubation theory includes principles that guide the incubation process in resolving competition conflicts and market failures (Maital et al., 2008). However, incubation theory is still unsatisfactory in explaining what theory should be used to explain the importance of entrepreneurial ecosystems in supporting incubator and incubation success. Several theories are often used to explain entrepreneurial ecosystems, such as cluster theory, process theory, resource dependency theory, systems theory, network theory, stakeholder theory, and others. However, social capital theory is considered more appropriate when viewed from the relationship between actors (incubate and incubator) (Fubah, 2021). This condition can be considered for research on the success of incubators and incubates in the future.

5.2 Practical implication

The review results provide practical implications for incubator managers that the power of social capital is critical to partnering and developing entrepreneurship. However, managers must improve other elements because internal and external networks are part of the entrepreneurial ecosystem (institutional arrangement). According to E Stam & Ven (2021), other elements are divided into two, namely institutional arrangement (formal institution, culture, and network) and endowment resources (physical infrastructure, demand, intermediaries, talent, knowledge, leadership, and finance). In practice, these elements should be available but must still be adjusted to the conditions of each incubator.

6. Conclusion

This study aims to see the condition of culinary MSMEs in Banyumas Regency in maximizing business activities using social commerce. Based on the results of the SWOT analysis that has been carried out, it can be seen that culinary MSMEs in Banyumas Regency have a community of fellow MSMEs that support them within the business and regional scope, MSMEs have the ability in diversifying the products produced, and the products produced are unique for each producer. However, in the development of culinary MSMEs in Banyumas, they lack the ability to optimize social media as a medium for product promotion, inconsistencies in marketing products on social media are the basis for low traction, so the product is not yet generally known.

The opportunity side for MSMEs in the SWOT analysis can be seen from internet and social media users which continue to increase along with the ongoing transformation of the times, changes in consumer behavior as a result of developments in information technology with the transition of

the times making consumer behavior shift from conventional approaches to digital, potential An open market also strengthens the opportunities for MSMEs to maximize potential in the market, and better public education makes people's ability to master technology easier and more adaptive. Even though it has a lot of potential, developing MSMEs with digital marketing also has threats, including the increasing number of competitors using digital marketing which can have an impact on the similarity of information held by consumers.

References

- Ahdiat, A. (2022). The majority of micro-small industries operate in the food sector. Databox. <https://databoks.katadata.co.id/datapublish/2022/03/30/mayoritas-industri-mikro-minimal-bermobil-di-sector-makanan>
- Arshad, M. (2020). The importance of learning orientation and entrepreneurial orientation on SMEs performance. *Int. J. Disaster Recovery Bus. Continuity*, 11(1), 1220–1228.
- Baethge, C., Klier, J., & Klier, M. (2016). Social commerce—state-of-the-art and future research directions. *Electronic Markets*, 26, 269–290.
- Borah, P.S., Iqbal, S., & Akhtar, S. (2022). Linking social media usage and SME's sustainable performance: The role of digital leadership and innovation capabilities. *Technology in Society*, 68, 101900. <https://doi.org/https://doi.org/10.1016/j.techsoc.2022.101900>
- Busalim, AH, & Hussin, ARC (2016). Understanding social commerce: A systematic literature review and directions for further research. *International Journal of Information Management*, 36(6), 1075–1088. <https://doi.org/10.1016/j.ijinfomgt.2016.06.005>
- Fischer, E., & Reuber, A. R. (2011). Social interaction via new social media: (How) can interactions on Twitter affect effective thinking and behavior? *Journal of Business Venturing*, 26(1), 1–18. <https://doi.org/https://doi.org/10.1016/j.jbusvent.2010.09.002>
- Han, H., Xu, H., & Chen, H. (2018). Social commerce: A systematic review and data synthesis. *Electronic Commerce Research and Applications*, 30(May), 38–50. <https://doi.org/10.1016/j.elerap.2018.05.005>
- Indriantoro, N., & Supomo, B. (1999). *Research and business methodology*. Yogyakarta: BPFE Yogyakarta.
- Jussila, J. J., Kärkkäinen, H., & Aramo-Immonen, H. (2014). Social media utilization in business-to-business relationships of technology industry firms. *Computers in Human Behavior*, 30, 606–613. <https://doi.org/https://doi.org/10.1016/j.chb.2013.07.047>
- Li, X., He, X., & Zhang, Y. (2020). The impact of social media on the business performance of small firms in China. *Information Technology for Development*, 26(2), 346–368. <https://doi.org/10.1080/02681102.2019.1594661>
- Puriwat, W., & Tripopsakul, S. (2021). Explaining Social Media Adoption for a Business Purpose: An Application of the UTAUT Model. In *Sustainability* (Vol. 13, Issue 4). <https://doi.org/10.3390/su13042082>
- Rahma, NN (2023). Indonesia's Entrepreneurship Ratio Must Be 4% To Become A Developed Country. *Valid News*. <https://validnews.id/economic/rasio-kewirausahaan-indonesia-besar-4-untuk-jadi-negara-maju>
- Sulastri. (2022). The Important Role of MSMEs in the Threat of Recession Issues. Ministry of Finance of the Republic of Indonesia. <https://www.djkn.kemenkeu.go.id/kpkn1-baikpapan/baca->

article/15677/Peran-Penting-UMKM-dalam-Ancaman-Isu-Resesi.html#:~:text=UMKM is able to absorb 97 percent , the absorption of labor is very large.