

Could Small and Medium Enterprises (SMEs) Entering to Global Market? Evidence of SMEs in Central Java

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Abstract: Entering the international market is a challenge especially for Small and Medium Enterprises (SMEs). Limited market access, capital, competitiveness, product standardization, managerial capability and competitive conditions that have caused the non-conducive business climate to become the main obstacle for SMEs to penetrate the global market. To achieve it, a strategy and support from various parties is needed to produce SMEs that have competitiveness and independence to be able to exist in the global market. The purpose of this study is to analyze the capabilities and conditions of SMEs in Central Java in entering the export market. This research method is purposive sampling, which a sample chosen based on certain criteria and applied according to the research objectives. The population in this study were all SMEs in Central Java with a total sample of 162 (n = 162). The results of this study indicate that SMEs have been able to penetrate export by 9.7% while others are still focused on the domestic market. Some problems that include labor unpreparedness (lack of skill labor), non-standardized products, market access, promotion and marketing systems, capital and supply chains cause low competitiveness of SME products making it difficult to penetrate international markets. The implications of this research are the need for synergy and collaboration between government, academics (colleges and secondary education), financial institutions, private sector, media and industry associations to enhance the role of SMEs through empowerment, integrated coaching, mentoring and technical support.

1 INTRODUCTION

The expansion of market heading to global market becomes a challenge for small and medium enterprises (SMEs), especially for those who are from developing country. Indonesia as one of the developing countries has pretty hard challenges in developing and improving the roles of small and medium enterprises as one of the economic supports which is sticky when shock happens. The contribution of SMEs towards Indonesia's total of export is relatively small, which is around 15.8% in 2016 and it is still below Thailand and Philippines which are 29,5% and 20%. This can happen because the changes of international trade policy which are relatively fast especially the involvement in free trade treaty which is either bilateral or multilateral. The free trade will create a competitive climate business because there are a lot of foreign company operations in the country and the product's price is

cheap. This condition affects to the huge chance of SMEs to export and expand to international market. However, this cannot be optimized by Indonesian SMEs in which the limited source and infant industries condition as one of the reasons.

The studies about internationalization of SMEs have been done (Anonim, 2002); (Jones, 2006); (Lis, Nienstedt, Proner, & Yalazi, 2012); (Olejnik & Swoboda, 2012); (Veilleux, Haskell, & Pons, 2012); (Ng & Kee, 2017); ((Ngoma, Ernest, Nangoli, & Christopher, 2017); and (Torkkeli, Nummela, & Saarenketo, 2018). There are 2 factors detain the internationalization SMEs which are internal and external factor. Internal, human resources berries, either the owner or the manager towards the access mode to export and domestic oriented market is more dominant (El-Gohary et al., 2013); the limit of experieces and knowledge of the manager about the export activities (Athanasios & Nigh, 2000) and (Ruzzier et al., 2007) the limit access and knowledge about export target (Liesch & Knight, 1999).

External, lack of government support and assistance especially in providing policy framework in accordance with the export practices or guidances (Leonidou, 2004); the demands of global consumers in improving the added value faced the lead time which is relatively short in verifying product as the form of building competitiveness (Kotabe & Murray, 2004); information of international market is inefficient, the lack of capital access (company source and expert source), difficult to fulfill the import needs, the decadency of economy in the home country, currency fluctuation, the obstacles of sociocultural and marketing (Al-Hyari et al., 2012); different of language, background of social condition, politic condition in the country which are unstable, complexity procedure of export, inaction of export service and corruption in the home country (Rahman et al., 2017).

Besides, the success of SMEs entering export market is decided by some important factors which are the ability in utilizing network access and market (through group/cluster) and innovation fit with the changes of company/market (Villar & Pla-Barber, 2018); strong commitment from companies to do an export, innovation and joint business/partnership (Maurel, 2009); product and service quality, market diversification and company orientation to international markets (Larimo, 2006). In overcoming obstacles related to internationalization of SMEs, a modern approach is needed, which is external barriers that include procedural barriers (style of communication with consumers, access to finance, experience and knowledge, and many more), governmental barriers (support, empowerment and technical assistance), task barriers (conditions of economy, taste, habits, and climate conditions), and external environmental barriers (exogenous variables) (Narayanan, 2015). In addition, entrepreneurial spirit, experience and knowledge, business innovation, differentiation and orientation to export and competitors become one of the success entering the global market (Hsieh, et al., 2018), strong institutional support and infrastructure are also the factor for SMEs to penetrate the international market (Deng & Zhang, 2018) and (Synovics, Kurt, & Syncovics, 2018) e-commerce platform as one of the driving forces in accessing new markets (exports), global value-chains, creating value added, services and new business models, and market expansion towards global competition (Savrul, Incekara, & Sener, 2014).

Central Java as one of the Provinces in Indonesia has a unique characteristic of SMEs, in which industries created follow the topography in this region. The SMEs in this area reached 4.1 million in 2016 and was able to create jobs up to 90% of the available labor force. However, if seen from the

export performance, the export contribution of Central Java SMEs to total regional exports is still below the contribution of national SMEs. The support of the regional government in terms of policy is large, this can be seen from the Central Java Regional Medium-Term Development Plan where the SMEs are one of the strategic issues and policy agendas at national and global levels. Besides, the regional government through the Office of Cooperatives of Small and Medium Enterprises develops the concept of One Village One Product (OVOP) for SMEs as a form of product innovation and the creation of superior products (regional superior products). However, this support is only at the policy level, while it is still very small at the implementation and technical level. The total of SMEs under the guidance of the regional government is 115,751 units or 2.8% of the total SMEs in Central Java. This has an impact on the less competitive SMEs, especially on classic issues, access to marketing and investment, development of human resources, access to capital and other technical supports.

The objective of this study is to analyze how the readiness of Central Java SMEs to enter the global market, especially exports. Referring to these researches (Synovics, Kurt, & Sinkovics, 2018); (Savrul, Incekara, & Sener, 2014); (Deng & Zhang, 2018); (Narayanan, 2015) and (Rahman, Uddin, & Lodorfos, 2017) these studies tried to develop several independent variables to develop the model. This research used quantitative and qualitative analysis. This paper consists of several parts, the next section discusses the literature review, which is about patterns of entering international markets conducted by SMEs and various policies related to the development model of SMEs. The third part contains research methods that were used as analytical tools both quantitatively and qualitatively, data and how to obtain them. The next section discusses empirical results and discussion, and the last section contains conclusions, implications of the results of this study and the limitation of study based on the researchers' side.

2 LITERATURE REVIEW

Internationalization is a process at the company level that crosses borders between countries with various approaches, which can be done through exports, licenses, franchising, joint ventures, and direct investment (Zekiri & Angelova, 2011) and (El-Gohary et al. , 2013). Meanwhile, in line with the SMEs approach as a business actor who runs a business that is natural, internationalization (export)

is a process of developing networks related to business with other countries through penetration and integration (Johanson & Vahlne, 1990) and (Ngoma et al., 2017). In the process of internationalizing SMEs, there are 3 patterns of internationalization, which are gradual internationalization, the international organization called born globals and international ventures or born again global firms (Olejnik & Swoboda, 2012).

2.1 Internationalization of Uppsala Model

The Uppsala model emerges as a form of criticism of behavioral theories d by (Cyert & March, 1963) and (Vernon, 1966). This theory was put forward by Johanson & Vahlne (1977) that the process of internationalization of the company was conducted step by step to increase its role internationally through additional approaches and made it possible to benefit from the effects of learning. This is due to human resources and lack of knowledge and understanding of the market when they decide to go international (Dominguez & Mayrhofer, 2017). Lack of knowledge about international markets is influenced by many factors, including physical distance between countries, differences in language, education systems, managerial practice, socio-cultural and industrial development. The distance factor is one of the dominant things, where this factor is able to disrupt the transmission of information between the company and the market. Although market information can be accessed online (Savrul, Incekara, & Sener, 2014), more comprehensive information is less able to be captured. The distance factor will affect managers/companies subjectively to the psychic so that the lack of knowledge about the market will have an impact on the barriers to the expansion of the export market. Companies will tend to carry out international expansion through exports with markets aimed at nearby countries/neighbors by limiting resource commitments, because physical distance has a negative impact on exports (Ekanayake et al., 2010). Distance is not an obstacle for companies when they have broader experience in the internationalization process and have high resource commitments to invest in international markets.

The stages of internationalization in the Uppsala model consist of four stages (Hollensen, 2017), (i) no export activities on a regular basis (sporadic export); (ii) export activities through agency/export (export mode); (iii) establishment of a foreign sales subsidiary; and (iv) foreign production/manufacturing units. Internationalization activities require market commitment, which are committed resources and the degree of commitment. Besides, the internationalization process requires

general knowledge and market-specific knowledge, in which specific knowledge is gained from experience in the market while operating knowledge is obtained through transferred knowledge from other countries. So that market knowledge and market commitment are dimensions of human resources. This condition implies that the broader knowledge about the market, the more valuable resources and market commitments (Hollensen, 2017).

2.2 Modern Concept of Internationalization

The development of technology and communication brings success in business practices and creates new opportunities in international business. This disputes the previous theory, in which Uppsala models focus more on internal conditions and ignore external factors such as market potential, demand conditions and competitive forces. In addition, some economists criticize the internationalization of the Uppsala model, where the model is unable to explain how the initial process of internationalization activities took place, how the internationalization process took place, when the process took place and began, the inequality and consistent speed of internationalization (Oviatt & McDougall, 1994) and (Buckley & Casson, 1998), how to enter the international market with a relatively small level of risk and able to control the market (Doole & Lowe, 2008), the existence of geographical diversification and changes in the global environment (Dominguez & Mayrhofer, 2017).

The emergence of global companies does not always go through the stages as explained by previous theory (domestic, sporadic export, export mode, subsidiary etc) where they were born as global companies (born global). Born global is a firm that has a vision of becoming a global company since they were established without going through a domestic period, exports and long-term internationalization (Gabrielsson & Kirpalani, 2004). Born global is characterized as SMEs with a workforce of less than 500 people and large depend on the latest technology in supporting the innovation process (Hollensen, 2017).

This company tends to be initiated and managed by young entrepreneurs who have the dedication and visionary souls who see the world as a single market without restrictions. Another variation of this kind is Born-again global, this company was originally a domestic company and then transformed into a relatively fast international company, where the transformation process was caused by changes in ownership, management changes, takeovers by other companies and other critical events (Bell, McNaughton, & Young, 2001). With this way, it is possible for the company to gain access to financial

resources, managerial capabilities and a wider international market. Born-regional global is a company with international activities since the company stood and owned international shares, but international activities are only carried out in the home region (Lopez, Kundu, & Ciravegna, 2009). The development of the internet and darling media are factors that influence the emergence of this theory. Today, many SMEs and small companies are born with e-commerce platforms with an internet start-up base and sell to global communities. They put forward e-commerce platforms as a media campaign in the global market and still maintain the conventional model in its operationalization (production processes, physical distribution channels, control of stock handling, sales and other physical activities) (Hollensen, 2017). Another study stated that born global companies initially chose psychological proxies to reduce business risk, but in its development, the company is able to use business networks, expertise and entrepreneurial skills to expand quickly to markets that are psychologically distant (Trudgen & Freeman, 2014).

2.3 SMEs Views

The ability of SMEs to penetrate to the international markets depends on internal and external conditions of the company. The capability of the resources owned is the main factor for the success of SMEs in going international. The limitations of market knowledge possessed by the owner, manager and sales will influence company in penetrating export markets. Internal factors such as owner and manager expertise, support from the government and company commitment, high resource ownership, business size, type of product produced, the company's orientation to the international market, export handling costs, the level of competition in the domestic market, and product life cycle in the local market have a significant influence on the company in determining the mode of entry of export markets (El-Gohary et al., 2013). The age of the company, business scope, scale of production, experience in internationalization, number of subsidiaries, orientation to international markets, capabilities in communicating with markets, and marketing mix become variables that influence the pattern of entry into international markets (Olejnik & Swoboda, 2012).

In order for SMEs to be able to internationalize, the support from various parties is needed, which come from government and agencies including financial service companies (export credit agencies), agents or liaisons between local and international businesses, local governments that handle the development of SMEs, chambers of commerce at the regional level, business associations, private

companies affiliated with export activities, consultants, and academics (Sear & Hamilton, 2004) networking patterns between SMEs, focus on government support and interactive communication patterns with markets through online media or through other digital new media (Wright, ul-Haq, & Oktengil, 2005). In addition, knowledge, understanding and experience in export activities are needed, a strong commitment to export, a business network and a reliable entrepreneurial spirit (Synovics, Kurt, & Sinkovics, 2018).

2.4 SMEs Policy in Indonesia

Indonesia as a developing country has crucial problems in developing SMEs. As in other developing countries, the problems of SMEs are more on external factors, from capital, market access and marketing, to product standardization. SMEs in Indonesia, including Central Java, are as production bases, which are able to absorb more than 90% of the total workforce. However, in terms of contribution to GDP and exports, SMEs can only contribute to the formation of GDP of less than 60% and the rest are large scale companies. Meanwhile in terms of export performance, SMEs can only contribute around 15% of total national exports. It also happens in Central Java. When viewed from the form of government support, the government continues to encourage SMEs to grow and develop in order to have competitiveness in the local and global markets. Implementation of this support is the inclusion of SMEs in the national framework through the 2015-2019 National Long Term Development Plan as strategic direction and policy. The efforts and strategies undertaken include (i) coordinating the location of land redistribution and the legalization of assets with community empowerment programs; (ii) development of agricultural technology and processing of agricultural products; (iii) the establishment and strengthening of microfinance institutions and (iv) building connections between farmer businesses, and SMEs with the industrial world (RPJMN 2015-2019, 2018).

At the regional level, Central Java, the government support for the SMEs is also implemented in the form of a strategic 2018-2023 Long Term Development Plan. The problem of SMEs in Central Java is the lack of optimal existence of SMEs as a base and stimulator of the regional economy, related to institutions, human resources, markets access and capital as well as product quality. Meanwhile the policy direction occupied by the regional government is to support the growth of SMEs through (i) improving quality of work (education level and managerial quality), (ii) providing business facilities for SMEs, (iii)

facilitating access to capital from banks, (iv) increasing market access through digital economy development, (v) improvement of production, distribution, promotion and marketing network infrastructure, (vi) development of technological innovations, (vii) development of techno-park, and (viii) facilitation of product standardization and certification of SMEs (RPJMD 201-2023, 2018). However, the lack of adequate government support in terms of developing the SMEs has become a problem for the government in order to encourage SMEs to increase their role and contribute to the support of the regional and national economy.

3 RESEARCH METHOD

The objective of this study is to analyze how the readiness of MSMEs in Central Java in penetrating the export market. The studies related to patterns/modes carried out by SMEs in the international world are (Wright, ul-Haq, & Oktengil, 2005), (Maurel, 2009), (Olejnik & Swoboda, 2012), (Dominguez & Mayrhofer, 2017) and (Hsieh, et al., 2018). The author developed several variables based on the context that had been studied in several previous studies. The population in this study are SMEs in Central Java Province under the guidance of local governments or who are members of Forum for Economic Development and Employment Promotion (FEDEP) and Local Economic Development (PEL). The data collection was conducted through focus group discussions (FGDs) deep interview, in which UKM members were invited to be accompanied by the Central Java provincial government. The sample was selected according to the SME criteria of 160 units and the interview process was conducted in depth to obtain accurate data and information. The process of collecting data through FGDs and in-depth interviews was conducted within the period September-November 2018.

This study is mix cross-sectional qualitative and quantitative because it makes the study to be conducted in limited time and costs but still provides optimal results (Neuman, 2011) and (Ngoma et al., 2017). The selected SMEs are cross-sectional industries, in which the SMEs are heterogeneous in terms of the products produced but still maintain certain criteria related to the objectives of the study. The product characteristics SMEs are grouped in the agricultural and plantation sectors, manufacturing and services, the manufacturing sector including creative and craft industries. The deep interview

process refers to the prepared questionnaire in which questions were concentrated on how the company (SMEs) is ready to export (understanding and experience of the owner/manager of export markets, financial and capital conditions, promotion and sales, standardization of products and processes, institutions, access to financial resources and conditions of resources owned).

4 RESULT AND FINDING

The focus of this study is to capture the readiness of SMEs in Central Java from the company's internal side. Based on the data obtained through the FGD and in-depth interviews, it obtained explanatory variables that explained the readiness of SMEs to go international. The researchers conducted in-depth interviews and distributing questionnaires to 160 companies, but only 64 respondents or 40% of them who fulfilled the requirements according to the criteria that had been decided.

We also cross-checked with the government, the institutions related to various programs in order to increase the role of SMEs in economic activities. Experience and knowledge of business and international is one of the drivers of companies to enter the international market. Based on the results of analysis and interviews, the average businessmen in Central Java (UKM) has less than five years of experience. From 64 respondents, 70.3% of them said that their business experience was less than five years. This is in line with (Athanasios & Nigh, 2000) and (Ruzzier et al., 2007) studies that stated that experience in business/internationalization has an impact on international mode. This condition is one of the causes of the small number of Central Java SMEs that do an export activities. SMEs in Central Java that have been able to export themselves and export directly are only 9.7% or 6 entrepreneurs. If it is viewed from potential resources, Central Java are one of the icons of national superior products, which are Batik, Furniture, and Textiles and Textile Products. If it is viewed from the quality of the product, 17.8% of them said that their products sold abroad and 17% of them stated that their products were supplied to collectors trading companies who redesigned and packed products, and exported by the trading companies. Thus, this can be underlined that the problem of the SMEs is still lack of capacity in

export, influenced by access to international markets.

The commitment and orientation to customers and the international market is an important factor in penetrating international markets. The dynamic taste of global consumers and enormous market competition requires producers (SMEs) to be able to produce products that have unit characteristics and value added for consumers. Even though some Central Java SMES products have penetrated the export market, but most or 81.25% of the products produced by Central Java SMEs have not been standardized nationally, even internationally. This is also caused by the production process which has not all clearly used standard standard operating procedures, in which more than 50% of SMEs stated that their production processes do not have the right procedures. Apart from quality, global consumers also demand intime delivery, they do not tolerate delays in the delivery of goods caused by human factors.

The delay in delivery as a result of late production and or availability of raw materials is one factor in customer dissatisfaction. For the SMEs in Central Java, the delay in the supply of raw materials caused by natural factors, transportation and many more are still common. 48.4% of respondents stated that they often faced problems in delay in the supply of raw materials due to weather factors, the import process (custom) was not finished because some raw materials were imported and so on. Product and production problems for Central Java SMEs require special treatment and support from all parties, not only B to B but also the role of the government in order to facilitate the flow of goods. This finding supports the opinion of Larimo (2006) who stated that how important the product and service quality for consumers as one of the international market entry modes. The researchers argued that in the process of product distribution (both raw material, intermediate and final goods) an integrated supply chain logistic is needed starting from raw material sources to end customers involving all transportation associations in Central Java, traders, SMEs, large industries and the government. The government has a very big role related to the policy of goods distribution, transportation, warehousing and business infrastructure and licensing.

Market and marketing are one of the obstacles for SMEs, especially in developing countries, including in Indonesia. In business, marketing is the

spearhead for the survival of the company. Knowledge and understanding of the market is an important factor for the success of the marketing process. Promotional media, owners/workers who understand the market and promotion are the most important factors in the marketing process. But for SMEs, these three factors are basic and traditional obstacles in accessing markets. Understanding of market demand can be known through a research process and market survey by someone who is competent.

Based on the survey results, 72% of respondents stated that they did not have workers who were experts in marketing both locally and internationally. This implies that, SMEs in Central Java do not have managerial skills in terms of marketing, so understanding and knowledge of the market is crucial to solve. These results are in line with the studies of Dominguez & Mayrhofer (2017) and Synovics, Kurt, & Synovics (2018) in relation to understanding and knowledge for SMEs in the process of internationalization. Media promotion is the main thing related to the creation of brands and imagery in the community. Media promotion through e-commerce platforms is a current trend in introducing products. Media promotion through social media has become a trend in the last five years, this is reflected in the many uses of social media by SMEs in Central Java during the promotion process. Based on the results of the interview, 51.7% of them use social media as a tool of promotion. However, this does not converge with the use of computer/website, in which 10.9% of them use websites as a tool of promotion. If seen from its scope, especially for accessing international markets, the website is far wider compared to social media. On the other hand social media is more user friendly and mobile when compared to using personal computer/laptop connected to the internet to do promotions. In addition, e-commerce platforms also offer promotional costs that are much smaller when compared to other media. Apart from the use of internet/social media as an e-commerce platform, conventional promotion is still very much needed.

This is very closely related to convincing prospective buyers, cultural and social differences are the differentiating factors, some customers from certain countries have to meet and negotiate with sellers. This requires the company to spend more in the framework of promotion, even many large companies allocate costs for promotion to reach 20% of sales. SMEs in Central Java are less concerned

about promotion, as many as 50% of companies allocate special costs for promotions, and even then it is only 2.5% of total sales and there is only one entrepreneur allocating promotional costs up to 20% of total turnover (IDR 1,000,000,000) Based on this, it is necessary to transfer the knowledge of the importance of marketing as a means to know and understand the market and as a means to maintain the survival of the company.

The legality/corporate legal entity are one of the tools to access funding sources and various forms of technical assistance from both the government and the private sector/association. Legality is also a form of recognition and image formation in the eyes of consumers. Based on the results of the FGD with SMEs and the Regional Planning and Development Agency of Central Java Province, companies that do not yet have legality (PT, VD and UD) are 62.7%. Meanwhile, others that have legality are mostly in the form of CV. This influences on the lack of access from financial resources and various business facilities/ease of business from the government. Meanwhile, in terms of companies that have access to financial resources, 57.8% do not have access to financial institutions. This means that in terms of meeting working capital needs, they do not use the facilities provided by financial institutions through credit schemes. In discussions with entrepreneurs (SMEs), capital becomes one of the main problems for them. Less information about the facilities of financial institutions and psychological factors are obstacles for SMEs in accessing financial resources.

The supports from the government through empowerment, coaching, mentoring and technical assistance are important factors in developing SMEs as infant industries. When viewed from various government policies and programs through national and regional development strategy plans, government policies are very supportive to create a business climate and increase competitiveness for SMEs. Based on the results of discussions with entrepreneurs (SMEs), it showed that 48 SMEs or 72% of the have never received any form of assistance either from the local government or from the central government. This condition was clearly very unfavorable for the growth and development of SMEs, especially for areas that have geographical/physical difficulties in access. The help from government tends to be more stable and large in size and in business groups/clusters. This has led to an unfavorable assessment of the government regarding this matter. 43.75% of them gave a very

poor assessment of the government's role in supporting SMEs to continue to grow and develop as one of the pillars of the national economy role model. These results support the findings of Sear & Hamilton (2004); Leonidou (2004) and Wright et al. (2005) who emphasized the importance of the role of government in encouraging and supporting SMEs to be able to go-international through empowerment, assistance, guidance and development.

5 CONCLUSIONS

The development of SMEs in developing countries, especially Central Java is faced with various internal factors and traditional traits. The step towards internationalization is very difficult with these obstacles. Human resources, weak expertise, knowledge and skills of the owner / manager of the most dominant market. The readiness of the company towards internationalization is constrained by various obstacles, managerial and English skills which are still low, do not have workers in the field of export-import, low international knowledge and experience are obstacles to the process of internationalization. Market and trade barriers are a significant part of SMEs, on average they do not allocate sufficient costs for promotion. They use social media as a promotional media without links between socio-cultural and social variables between countries.

SMEs in Central Java tend to be production-based, so they focus more on producing goods and paying less attention to the value of goods to consumers and how they are acceptable to consumers. The lack of innovation in production and service causes the brand of goods to be less acceptable to the market, as a result there is idle capacity and uncompetitive prices. Product standards are still low, so they seem to pay little attention to the safety and comfort aspects of their products. This causes goods to be less attractive to the market, especially global markets that are very dynamic and competitive. Logistics problems as one of the causes of delays in the production and delivery of goods have an impact on service images that are not in-time delivery.

Government support is relatively low, especially technical, marketing and licensing support. SMEs have limitations, especially access to international markets. This is the duty of the government to promote SMEs to foreign markets through ITPCs

abroad. The government must encourage SMEs continuously through empowering, fostering and mentoring all existing SMEs in an area through providing technical training and increasing expertise / capabilities to members of SMEs, expanding local and international markets, facilitating trade shows both nationally and internationally, expanding business centers, development of e-commerce platforms through start-up as one of the promotion media, providing assistance and support in an integrated, measurable and synchronized government work program with SMEs.

Collaboration and synergy between SMEs, government, large-scale companies, business associations, traders, logistics companies, provider companies, media and academics (both university and secondary level) are needed as transmission and integrated business supply chain. Integration is not only at the policy level but must be implemented. Academics as a center of excellent and agents of change must be able to produce output that has the spirit of entrepreneurship, a center of innovation and prepare output that controls the market and has a vision of the market. Large-scale companies, traders, providers, business associations and the government must be able to create a business climate and logistic system by increasing the role of SMEs in order to have stronger competitiveness and be able to create larger and more stable economic activities.

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