

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market



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ABSTRACT: The Riau Malay Songket Woven Cloth Enterprise - Wan Fitri is a market leader in the production process of Malay Songket woven cloth in Pekanbaru City, Riau Province - Indonesia which has been established since 1969. It has the potential to be marketed to various countries in Southeast Asia, especially to the Malaysian market considering the origins of the Riau Malay Songket were also derivative from Trengganu - Malaysia. The purpose of this research is to identify the strategic business factors to realize the process of product internationalization to the Malaysian market. This study uses a qualitative research method with a case study approach and SWOT analysis. The data collection of this research was carried out through interviews, observation, documentation, and a triangulation process. The results of this study showed that the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri is in a Growth Position (cautious) and has the potential to penetrate the international market with medium and long-term strategies plans with the exporting target to the Malaysian market because it has a same cultural tendency, especially in using Malay Songket woven cloth.

KEYWORDS: Internationalization of SMEs, Weaving Business, Riau Malay Songket, Wan Fitri Songket, SWOT Analysis.

I. INTRODUCTION

The Riau Malay Songket Woven Cloth is a derivative woven from the Siak area of Riau Province - Indonesia. Songket cloth was originally introduced by the Malay tribe from Trengganu Malaysia. Craftsmen were brought directly from the Terengganu Kingdom during the Siak Kingdom in Riau, which was ruled by Sultan Sayyid Ali. The craftsman was Wan Siti Binti Wan Karim, who was brought to Siak Sri Indrapura. At that time, the relationship between the Siak Sultanate and the Malay lands on the Malaysian peninsula was very close, especially in arts and culture. Sultan Sayyid Ali assigned Encik Siti to teach the nobles of the Siak Sultanate about weaving procedures. Encik Siti who has skilled in weaving teaches how to weave songket cloth. Because the teaching was intended for the nobility of the Siak Sultanate, the existence of this craft was only to meet the clothing needs of the nobility. This weaving became a symbol of majesty and authority for the Siak nobility and became a symbol of the royal members' devotion to the sultan and his family (Lestari & Riyanti, 2017).

Songket is a cloth woven using gold or silver thread that is produced from certain areas, such as the Palembang Songket, the Minangkabau Songket, the Samarinda Songket, and other Songkets including the Riau Malay Songket. In addition to gold or silver thread, there are types of colored silk thread, embroidery thread, colored cotton thread, and so on. All types of threads are used to decorate the surface of woven cloths. They look like embroidery and are made at the same time as weaving the base cloth. Songket with the best quality has great art and high cultural value (Lestari & Riyanti, 2017).

The Riau Malay Songket Woven Cloth Enterprise - Wan Fitri is a hereditary family business originating from Bukit Batu Bengkalis which was founded in 1969. This business was originally founded by Hj. Mursidah is a Malay woman who has had a talent for weaving since she was young. The initiative to establish this business initially occurred because of Hj. Mursidah felt summoned after accidentally reading the news in a local newspaper stating that the Riau Malay Songket would become extinct because there was no effort by the community or the local government to preserve it. Having the skill of weaving Malay Songket since he was young, she initiated to start a Malay Songket weaving business as a household business to improve the family's economy and preserve the culture. Business development has occurred significantly since 1993 and has been widely recognized by consumers. Business development was also supported by PT. Caltex Pacific Indonesia was an oil mining company operating in Riau Province then. The name Wan Fitri is taken from the name of the youngest daughter of the business founder. At this time the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri is widely known by the people of Riau. The Songket motifs produced have different characteristics from other Songket motifs, such as the Palembang Songket, the Pandai Sikek Songket from West Sumatra,

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market

and Songket from other regions.

The success achieved by the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri is because this business is the market leader of the Malay Songket woven cloth in Pekanbaru City, Riau Province - Indonesia. In addition, the success achieved by this business is due to the support of the local government such as Indonesia State-Owned Enterprise employees, civil servants, kindergarten to high school teachers, as well as urban and rural government circles are encouraged to wear the Riau Malay clothing every Friday so that Malay Songket in the province Riau is the clothes that are always needed. Besides that, the need for Malay Songket is also growing for wedding dresses using Riau Malay customs.



Figure 1: Raw materials, production processes, and various products of the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri

The marketing process for the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri products is carried out via Instagram, Facebook, and online stores such as Sophie, and information about the products can be searched on Google. Customers or other potential buyers who are interested in buying the products can come directly to the marketing office located on Jl. Kayu Manis No. 44, Payung Sekaki District, Pekanbaru City, Riau - Indonesia.

Based on geography, the Malay nation is currently found in Southeast Asian countries such as Malaysia, Brunei Darussalam, Singapore, Southern Thailand, Philippines, Indonesia, and several regions in other Southeast Asian countries. The development of the Malay race in Southeast Asia includes aspects of language, cultural factors, and also various aspects of human life. Malay as a social culture also suffers from social integration in Southeast Asia through clothing, food, dance, music, mindset, and philosophy. Based on the history of its development, Malay Songket has been known and used by the Malays for a long time in Southern Thailand, and several states in Peninsular Malaysia, such as Selangor, Kelantan, and Trengganu, even Brunei Darussalam. Given the similarities in Malay culture in Southeast Asian countries, especially in terms of clothing and the use of Songket, the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri has the potential to be marketed to various countries in Southeast Asia especially to Malaysia because the origins of Riau Malay Songket is also a derivative of Trengganu - Malaysia.

To realize the internationalization plan for the products of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri, an internationalization strategy is needed to determine strategic steps for improving its future business by conducting a SWOT analysis. SWOT analysis is often used in planning organizational strategies both in public organizations and various SMEs. Researchers in management strategy have tested that SWOT analysis provides a basis for realizing the desired alignment of the problems faced by an organization, including from the perspective of SME internationalization. Therefore, the purpose of this study is to identify the strategic factors of the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri to realize the internationalizing process of their products to Malaysian Country.

II. LITERATURE REVIEW

A. Internationalization of SMEs

Zweig (2002) defines internationalization as "the expansion of the flows of goods, services and people across national boundaries, thereby increasing the share of transnational exchange relative to the domestic, together with decreasing the level of regulation

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market

affecting those flows. Internationalization is understood as a process that is incremental, cumulative in nature, and linear, consisting of a series of stages that must be passed by every company wishing to expand into foreign markets (Dominguez, 2018).

In general, the definition of international activities can be related to the resources required for internationalization. Referring to the Resource-Based View theory, the internationalization process of SMEs can be seen as mobilizing the availability of unique and interdependent resources that contribute to business internationalization activities. This perspective also combines internationalization in economic and social aspects where internationalization is defined as the flow of raw materials, semi-finished materials, finished products, services, money, ideas, and people between two or more countries.

Based on the perspective above, it can be concluded that internationalization in general is : (1) A process in which a business gradually increases awareness of foreign markets and engages in business activities with other countries by considering aspects of strategy, structure, and company resources to achieve organizational goals, and (2) Entry and exit of products, services, and resources that cross the boundaries of the countries where the company operates or business activities that result in cross-border transactions.

B. Resource-Based View

The resource-based view (RBV) emphasizes the use of firm resources as a tool for achieving sustainable competitive advantage. The resources of SMEs are very important to support the internationalization process because SMEs cannot compete with large companies without adequate resources. Lack of resources has been identified as the main obstacle facing SMEs in gaining access to international markets. The RBV literature has described that tangible and intangible resources, human capital resources, and organizational capital resources are the most frequently mentioned types of resources (Othman et al., 2015).

C. Knowledge-Based Knowledge

Knowledge of international markets is essential for all companies that are internationalizing. International market knowledge assists SMEs during the initial internationalization process and expands post-internationalization geographic markets. SMEs acquire international market knowledge from both domestic and international networks. The scope of operations and the mode used to enter foreign markets determine the extent of international market knowledge acquired by SMEs. Lack of market knowledge generates uncertainty and risk in the internationalization process of SMEs. In a dynamic business environment, companies need critical information such as market knowledge to identify and exploit opportunities faster and more effectively. Knowledge of international markets is closely related to understanding the national culture of other countries. Social knowledge about the culture, traditions, and values of a particular society is very important for understanding foreign markets. It will help SMEs to deal with foreign business partners and enhance product innovation capabilities. Active engagement with local and international networks, industry associations, and international exhibitions and trade is key to the internationalization of SMEs (Handoyo et al., 2021).

D. Network Theory

Network theory emphasizes that the internationalization of firms is driven by the linkages and relationships between SME managers or owners and network members. Intra and inter-organizational networks are very important for a successful internationalization process. Network theory assumes that interactions with various parties provide SMEs with access to knowledge that influences their ability to expand into foreign markets. The network enables SMEs to identify and take advantage of opportunities, including opportunities in foreign markets. Networks benefit SMEs in the internationalization process by reducing foreign market risks, transaction costs, and process integration. Within the network, SMEs develop relationships with various parties, such as consumers, suppliers, competitors, government agencies, agents, distributors, financial institutions, colleagues, and families that support the internationalization process. Involvement in the network can accelerate SME access to international markets by leveraging the resources of network members. The network allows SMEs to gain new knowledge from other network members. Involvement in the network allows SMEs to identify and take advantage of market opportunities, including in international markets. Oparaocha (2015) classifies network typologies into three categories: 1) Social Networks, 2) Business Networks, and 3) Institutional Networks (Oparaocha, 2015).

E. The Uppsala Internationalization Model

Johanson and Vahlne (1977, 1990) developed a model of firm internationalization known as the Uppsala Model. In this model, companies increasing their involvement in international activities will take gradual and sequential small steps. Companies start their international activities from foreign markets that have less physical distance or are considered similar to the domestic market. In the initial stages of entering foreign markets, companies will start by exporting through agents, joint ventures, licenses, or franchises, depending on the nature of each company. As companies accumulate market knowledge, they are willing to make

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market

more commitments to intensify their international activities by changing the mode of operation to a sales subsidiary and eventually a wholly owned subsidiary. Each stage of internationalization can be considered as the adoption of the innovation process or innovation-type behavior (Mohamad Dian Revindo, 2017). In general, there are three general stages in export activities: the pre-export stage; the initial export stage; and the advanced export stage where the company is already a regular exporter with extensive international experience (Lonidas C. Leonidou & Katsikeas, 1996).

F. Internationalization Process and Strategy

Johanson and Wiedersheim-Paul (1975) distinguish four stages of internationalization, including:

- 1) Sporadic export activities
- 2) Export through independent representatives (agents)
- 3) Establishment of sales subsidiaries in foreign markets
- 4) Production/manufacturing in foreign markets.

Johanson and Vahlne (1977) suggest that firms will initially enter new markets with less psychic distance (fewer differences in culture, language, political system, and level of education) before expanding into markets with greater psychic distance. Johanson and Vahlne (1977) proposed a dynamic model in which decisions on a firm's internationalization process are the result of interactions between knowledge of foreign markets and operations, the commitment of resources to foreign market operations, and the performance of current business activities. Alternatively, the internationalization process can be thought of as a series of questions that must be answered by companies in their process of becoming exporters. Negrusa (2009) proposes a six-step internationalization process including export motivation factors (why), company situation (SWOT analysis), product selection (what), target market selection (where), mode of entry (how) and point of entry (when) (Mohamad D Revindo & Gan, 2016).

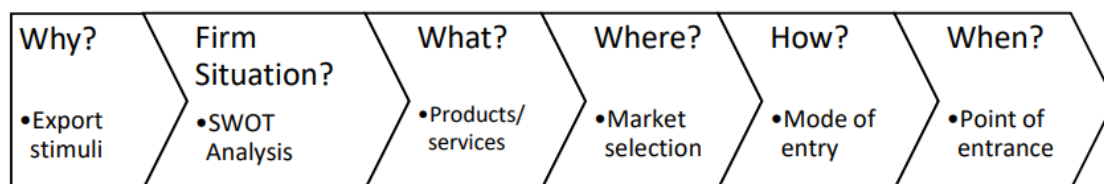


Figure 2: Six-Step model of the Internationalization Process

III. RESEARCH METHODOLOGY

This study is a qualitative research model with a case study approach. The object of this research is the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri in Pekanbaru, Riau Province, Indonesia. The main informants in this study are business owners, while the supporting informants are employees. The process of research data collection was carried out through a process of interviews, observation, documentation, and triangulation process to strengthen the research results.

The data analysis techniques in this study used SWOT analysis (Strength, Weakness, Opportunity, and Threat) consisting of the IFAS (Internal Factor Analysis System) table, the EFAS (External Factor Analysis System) table, and the SFAS (Strategic Factor Analysis Summary) matrix. The SFAS Matrix summarizes the SME's strategic factors by combining external factors from the EFAS Table with internal factors from the IFAS Table. The SFAS matrix consists of selected strengths, weaknesses, opportunities, and threats into less than 10 strategic factors. This is conducted by reviewing and revising the weights of each factor. The revised weight reflects the priority of each factor as a determinant of the company's success in the future. The EFAS and IFAS factors with the highest weights must appear in the SFAS Matrix.

According to (Wheelen & J. David Hunger, 2012) the steps in the SWOT analysis are as follows:

- 1) In Column 1 (Strategic Factors), list the most important EFAS and IFAS items. After each factor, indicate whether it is a Strength (S), Weakness (W), Opportunity (O), or Threat (T).
- 2) In Column 2 (Weight), assign weights for all of the internal and external strategic factors. As with the EFAS and IFAS Tables presented earlier, the weight column must total 1.00. This means that the weights calculated earlier for EFAS and IFAS will probably have to be adjusted.
- 3) In Column 3 (Rating), assign a rating of how the SME's management is responding to each of the strategic factors. These ratings will probably (but not always) be the same as those listed in the EFAS and IFAS Tables. There are 5 rankings available based on the importance level of strategic factors, including: (1) Not Important, (2) Important, (3) More Important, (4) Very Important, and (5) Very-very Important.
- 4) In Column 4 (Weighted Score), multiply the weight in Column 2 for each factor by its rating in Column 3 to obtain the factor's

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market

rated score.

- 5) In Column 5 (Duration), indicate short-term (less than one year), intermediate term (one to three years), or long-term (three years and beyond).
- 6) In Column 6 (Comments), repeat or revise your comments for each strategic factor from the previous EFAS and IFAS Tables. The total weighted score for the average firm in an industry is always 3.0.
- 7) Finally, add the weighted scores for all the internal factors in Column 4 to determine the total weighted score for that particular company. The total weighted score indicates how well a particular company is responding to current and expected factors in its internal environment. The score can be used to compare that firm to other firms in its industry. Check to ensure that the total weighted score truly reflects the company's current performance. The total weighted score for an average firm in an industry is 3.0.

IV. ANALYSIS RESULT AND DISCUSSION

The preparation of internal factors and external factors was formulated based on interviews, observations, and references from several kinds of literature. After the strategic factors of SWOT were formulated, then all factors will be assigned a rating based on the informant's response. The results of the internal factor analysis (IFAS) are in table-1 and the results of the external factor analysis (EFAS) are in the following table 2:

Tabel-1. Internal Factor Analysis System (IFAS) Matrix for Riau Malay Songket Woven Cloth Enterprise -Wan Fitri

Internal Strategic Factors		Weight	Rating	Weighted Score	Comments
S1	Market Leader of Riau Malay Songket Woven Cloth	0.13	5.00	0.67	Product dominance
S2	Full support from the government	0.10	4.00	0.40	Support in Local and International marketing access
S3	The product innovation follows market appetite	0.10	4.00	0.40	Product diversification available
S4	New technology implementation in the production process	0.10	3.00	0.30	Machine looms have been implemented
S5	Provide reliable resources	0.10	3.00	0.30	Resources for digital marketing & Export are limited
S6	Establish partnerships with other craftsmen	0.07	2.00	0.13	Partnership and collaboration have been built
W1	Digital marketing strategy	0.10	4.00	0.40	Digital marketing implementation for the export target
W2	Limited in sales outlets	0.03	2.00	0.07	The product has been recognized by the customer
W4	Product design imitated by competitors	0.07	3.00	0.20	Product brands can be identified by the customers
W5	Promotion intensity	0.10	3.00	0.30	Promotion is using social media
W6	Network expansion	0.10	3.00	0.30	Network expansion through social media and expo events
Total Scores		1.00		3.47	

Tabel-2. External Factor Analysis System (EFAS) Matrix for Riau Malay Songket Woven Cloth Enterprise -Wan Fitri

External Strategic Factors		Weight	Rating	Weighted Score	Comments
O1	Product marketing to all national markets	0.04	2.0	0.07	Marketing target focus on local customers and Malay neighboring country
O2	Increasing customer	0.15	4.0	0.59	Government intervention in

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market

	interest in using the product				cultivating the wearing of Malay clothing on certain days
O3	Product marketing to neighboring countries that have the same culture (Malaysia)	0.11	3.0	0.33	Export destination plan to Malaysia
O4	Produce other related derivative products	0.11	4.0	0.44	Product diversification available
O5	Product development follows the updated fashion style.	0.15	5.0	0.74	Product innovation according to the current trends
T1	The threat of new competitors	0.11	3.0	0.33	Product branding will be patented
T2	Product competition with another producer	0.11	4.0	0.44	Maintain product quality assurance
T3	Price competition	0.11	3.0	0.33	The product has been recognized by the customer
T4	The Covid-19 pandemic effect	0.07	2.0	0.15	Not too effect
T5	Inflation effect	0.04	2.0	0.07	Not too effect
Total Scores		1.00		3.52	

Based on the results of the interpretation between internal factors and external factors refer to (Meldona et al., 2022) using table 3 below, it is known that the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri is in quadrant VI which means the firm is in the Growth Position (cautious).

Tabel-3. Internal – External Matrix Interpretation

	Very Strong 4.00 – 5.00	Strong 3.00 – 3.99	Weak 2.0 – 2.99	Very Weak 1.00 – 1.99
Very Likely 4.00 – 5.00	I GROWTH (Connection on vertical integration)	II GROWTH (Connection on horizontal integration)	III STABILITY (Internal connection)	IV RETRENCHMENT (Switch to scoping)
Opportunity 3.00 – 3.99	V GROWTH (Fast)	VI GROWTH (Cautious)	VII STABILITY (Internal integration)	VIII RETRENCHMENT (Scoping)
Threatened 2.00 – 2.99	IX GROWTH (Concentric diversification)	X GROWTH (Concentric diversification)	XI STABILITY (Conglomerate diversification)	XII RETRENCHMENT (Bankruptcy and liquidation)
Highly Threatened 1.00 – 1.99	XIII GROWTH (Concentric diversification)	XIV GROWTH (Concentric diversification)	XV STABILITY (Conglomerate diversification)	XVI RETRENCHMENT (Bankruptcy and liquidation)

Internal factors as the strength of the business strategy that the firm is the market leader in the production of Riau Malay Songket Woven Cloths which continues to receive full support from the government of Indonesia because the business sector is related to cultural preservation. The other strategic factor is product innovation which is continuously carried out to follow market appetites. While the weaknesses of Wan Fitri's enterprise which will be the attention of the company to compete in the future include: implementing a digital marketing strategy, increasing promotion intensity, and expanding business networks both locally and internationally with the target international market in neighboring Malaysia. Wan Fitri's enterprise must focus on covering all of its weaknesses to wind the competition in both local and international markets.

The external factors which will be the attention of Wan Fitri enterprise are to focus on increasing customer interest in using the product through government intervention, taking advantage of international market opportunities to neighboring Malaysia which has the same culture in using Malay Songket cloth, creating other product diversifications such as tablecloths, sandals, Malay Tanjaks in the form of head coverings for men, headscarves, and Malay traditional wedding attire. Another opportunity of

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market

Wan Fitri's enterprise is product development continuation according to the current fashion style to get more broad market. Meanwhile, the business threats that must be aware of is product quality competition with competitors, the emergence of new similar businesses, and price competition. For this reason, the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri must carry out precise strategies such as maintaining product quality, patenting its products, and creating a product identification code that can be recognized by customers.

All internal and external strategic factors of the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri are listed in Table 4 below:

Tabel-4. Strategic Factor Analysis Summary (SFAS) Matrix for Riau Malay Songket Woven Cloth Enterprise -Wan Fitri

Strategic Factor Analysis Summary		Weight	Rating	Weighted Score	Duration			Comments
					Short	Intermediate	Long	
S1	Market Leader of Riau Malay Songket Woven Cloth	0.13	5.00	0.63	X	X		Product dominance
S2	Full support from the government	0.09	4.00	0.38	X	X	X	Support in Local and International marketing access
S3	The product innovation follows market appetite	0.09	4.00	0.38	X	X		Product diversification available
W1	Digital marketing strategy	0.09	4.00	0.38	X			Digital marketing implementation for the export target
O2	Increasing customer interest in using the product	0.14	4.0	0.56		X	X	Government intervention in cultivating the wearing of Malay clothing on certain days
O3	Product marketing to neighboring countries that have the same culture (Malaysia)	0.10	3.0	0.31		X	X	Export destination plan to Malaysia
O4	Produce other related derivative products	0.10	4.0	0.42	X			Product diversification available
O5	Product development follows the updated fashion style.	0.14	5.0	0.70	X			Product innovation according to the current trends
T2	Product competition with another producer	0.10	4.0	0.42		X	X	Maintain product quality assurance
Total Scores		1.00		4.16				

Each strategic factor is completed with the target duration such as short-term achievement targets (less than 1 year), intermediate-term (1-3 years), and long-term (above 3 years). Especially for the internationalization target will be an intermediate and long-term strategy for Wan Fitri's enterprise, because for the short-term strategy Wan Fitri's enterprise must be focused on other things such as getting support from the government for export plans, making product innovations according to the market appetites in export destination countries and carry out digital marketing for product promotion and selling strategy. Meanwhile, for the internationalization process implementation, Wan Fitri's enterprise can follow the Uppsala Internationalization Model, by using gradual and sequential small steps. The firm can start its international activities in the Malaysian market because they have smaller physical distances, have a similar language, and have cultural similarities in the use of Malay Songket. In the early stages of the export process, it can start by exporting through agents, and as the firm accumulates market knowledge, it can make it

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market

sales model by opening a branch in that country.

In Table 5 below, an alternative strategy is presented in the form of a SWOT matrix between Strengths (S), Weaknesses (W), Opportunities (O), and Threats (T) for future business development of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri.

Tabel-5. Alternative Strategy Using SWOT Matrix For the Riau Malay Songket Woven Cloth Enterprise -Wan Fitri

<p>Internal Factors (IFAS)</p> <p>External Factors (EFAS)</p>	<p>Strengths (S)</p> <p>Market Leader of Riau Malay Songket Woven Cloth</p> <p>Full support from the government</p> <p>The product innovation follows market appetite</p> <p>New technology implementation in the production process</p> <p>Provide reliable resources</p> <p>Establish partnerships with other craftsmen.</p>	<p>Weaknesses (W)</p> <p>Digital marketing strategy</p> <p>Limited in sales outlets</p> <p>Product design imitated by competitors</p> <p>Promotion intensity</p> <p>Network expansion</p>
<p>Opportunity (O)</p> <p>Product marketing to all national markets</p> <p>Increasing customer interest in using the product</p> <p>Product marketing to neighboring countries that have the same culture (Malaysia)</p> <p>Produce other related derivative products</p> <p>Product development follows the updated fashion style.</p>	<p>S-O Strategies</p> <p>Maintain the quality of the product and focus on customer value-oriented</p> <p>More innovation in creating new product models and fashion styles to follow customer appetite</p> <p>Focus on resource development.</p>	<p>W-O Strategies</p> <p>Focus on digital marketing strategies and increasing resources to support the digitization process</p> <p>Maintain customer and institutional network to support long-term strategy</p>
<p>Threat (T)</p> <p>Threat of new competitors</p> <p>Product competition with another producer</p> <p>Price competition</p> <p>The Covid-19 pandemic effect</p> <p>Inflation effect</p>	<p>S-T Strategies</p> <p>Focus on customer relationships and value-oriented</p> <p>Expanding the network to get new customers to increase sales and production amount to press the production costs.</p> <p>Opening international marketing channels</p>	<p>W-T Strategies</p> <p>Focus on digital marketing strategy</p> <p>Maintain the quality of the product</p> <p>Patent the product</p>

V. CONCLUSION

Based on the results of the SWOT analysis on the Riau Wan Fitri Malay Songket Woven Business, the conclusions are as follows:

- 1) The Riau Malay Songket Woven Cloth Enterprises - Wan Fitri is in a Growth Position (caution). Nine business strategic factors for achieving short-term, intermediate-term, and long-term targets are: (1) Becoming the market leader for Malay Songket woven cloth, (2) Getting full support from the government, (3) Product innovation following market appetites, (4) Implementing digital marketing strategies, (5) Increasing customer interest in using the products, (6) Opening export lines to Malaysia, (7) Product diversification, (8) Developing products follow current fashion style, (9) Maintaining product quality to compete with competitors.
- 2) The Riau Malay Songket Woven Cloth Enterprise - Wan Fitri has the potential to penetrate the international market with export destinations to Malaysia because these countries have cultural similarities, especially in using Malay Songket woven cloth. The export target will be an intermediate and long-term strategy for Wan Fitri's enterprise because for the short-term strategy Wan Fitri's enterprise must be focused on other things such as getting support from the government for export plans, making product innovations according to the market appetites in export destination countries and carry out digital marketing

The Business Potential of Riau Malay Songket Woven Cloth Enterprise - Wan Fitri toward the International Market

for product promotion and selling strategy.

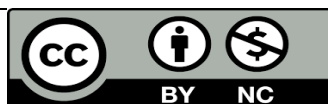
- 3) For the internationalization process implementation, Wan Fitri's enterprise can follow the Uppsala Internationalization Model, by using gradual and sequential small steps. The firm can start its international activities in the Malaysian market because they have smaller physical distances, have a similar language, and have cultural similarities in the use of Malay Songket. In the early stages of the export process, it can start by exporting through agents, and as the firm accumulates market knowledge, it can make its sales model by opening a branch in that country.

VI. SUGGESTION

To support the internationalization process of exporting destinations to the Malaysian market can be carried out properly, it is suggested that the Riau Malay Songket Woven Cloth Enterprise - Wan Fitri can improve its human resources first on digital marketing, build an international business network, focus on getting government support, follow market appetites, maintain product quality and patent their products so that they cannot be claimed by other competitors.

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