

The Role of Networks, Global Collaboration, Diaspora, and Associations in Encouraging the Internationalization of MSMEs (Case Study on Kendang Jimbe MSMEs, Sentul, Blitar, East Java)

Suprianto, Sudarmiatin, Heri Pratikto
State University of Malang, Indonesia

ABSTRACT

This study aims to analyze the role of business networks, global collaboration, diaspora, and associations in driving the internationalization process of MSMEs, particularly in the jimbe drum craft MSME in Sentul Village, Blitar. The approach used is qualitative with a case study method, through in-depth interviews, observation, and documentation. The results are expected to show that business networks have a strategic role in opening international market access, global collaboration increases efficiency and product innovation, diaspora functions as a bridge connecting foreign markets, and business associations strengthen the capacity and competitiveness of MSMEs. The synergy of these four factors is key to improving export performance and business sustainability in the global market.

Keywords: *Business Networks, Global Collaboration, Diaspora, Associations, Internationalization Of Msmes*

Corresponding author

Name: *Suprianto*

Email: *Suprianto2404139@student.um.ac.id*

INTRODUCTION

In the era of globalization, Micro, Small, and Medium Enterprises (MSMEs) are no longer limited to operating within the domestic market but are required to penetrate international markets to enhance competitiveness and business sustainability. The internationalization of MSMEs is a crucial strategy for driving economic growth, expanding market share, and increasing contributions to the national economy. According to Johanson and Vahlne (2009), the internationalization process is influenced not only by a company's internal capacity but also by its involvement in a network of relationships that enable access to global information and opportunities.

One key factor driving the internationalization of MSMEs is the existence of business networks and global collaboration. Networks enable businesses to gain access to market information, export opportunities, technology, and resources that were previously difficult to access. From the perspective of Resource Dependence Theory, organizations

need external relationships to reduce dependence on limited resources (Pfeffer & Salancik, 1978). Furthermore, global collaboration provides opportunities for MSMEs to improve operational efficiency, product innovation, and expand international distribution networks. This aligns with Relational View Theory, which states that competitive advantage can be generated through relationships between organizations (Dyer & Singh, 1998).

On the other hand, the diaspora plays a strategic role as a bridge between domestic and international markets. They serve not only as potential consumers but also as promotional agents, investors, and facilitators in building cross-border business networks. Brinkerhoff (2009) explains that the diaspora has the advantage of understanding two cultures simultaneously, thus serving as an effective bridge in accelerating international market penetration. Thus, the presence of the diaspora can help MSMEs understand the characteristics of the global market and reduce cultural and communication barriers.

Furthermore, business associations also play a crucial role in supporting the development of MSMEs. Associations play a role in providing policy advocacy, training, access to information, and expanding partnership networks. Doner and Schneider (2017) state that business associations serve as collective platforms capable of increasing the capacity of business actors and strengthening their competitiveness at the global level. This support is particularly crucial for MSMEs with limited resources and experience in entering international markets.

Several previous studies also reinforce the importance of these factors in the internationalization process of MSMEs. Yoon et al. (2020) found that business networks significantly influence the international performance of MSMEs. Andres et al. (2022) demonstrated that global collaboration can improve competitiveness and operational efficiency. Meanwhile, Forero and Rojas (2025) emphasized that the diaspora plays a crucial role in expanding international market access. Conversely, Doner and Schneider (2017) also emphasized that business associations contribute to increasing the capacity and competitiveness of MSMEs.

Based on the integration of previous theories and research, it can be understood that the internationalization of MSMEs is not determined by a single factor, but rather by the synergy between business networks, global collaboration, diasporas, and associations. Networks play a role in opening international market access, global collaboration increases innovation and competitiveness, diasporas strengthen global market penetration, and associations improve the capacity and performance of MSMEs. The synergy of these four factors forms a conceptual framework that shows that the internationalization of MSMEs is an ecosystem-based process (*ecosystem-based internationalization*), where various actors interact and strengthen each other in achieving success in the global market.

The Kendang Jimbe MSME in Sentul Village, Blitar, is a culturally based craft business with significant potential for international growth. Its products possess high artistic and cultural value and are in high demand in international markets. However, in practice, this MSME still faces various challenges, such as limited access to the global market, limited international networks, and less than optimal utilization of collaboration and association support. Therefore, this study is crucial to analyze the role of networks, global collaboration,

the diaspora, and associations in driving the internationalization of the Kendang Jimbe MSME in Sentul, Blitar.

Based on this background, this study aims to analyze the role of business networks in supporting the internationalization of MSMEs, examine the contribution of global collaboration in increasing competitiveness, identify the role of the diaspora in expanding international market access, and evaluate the contribution of business associations in MSME development. Furthermore, this study also aims to explain the synergy between networks, collaboration, the diaspora, and associations in improving the international performance of MSMEs in Kendang Jimbe, Sentul, Blitar.

This research is expected to provide theoretical, practical, and academic benefits. Theoretically, this research contributes to the development of management science, particularly in the study of MSME internationalization and business networks. Practically, this research provides insights for MSME actors in developing internationalization strategies based on networks and global collaboration, and becomes a consideration for the government in formulating policies for MSME development based on global networks. In addition, for business associations, this research can serve as a reference in improving mentoring programs and strengthening the capacity of MSMEs. Academically, this research is expected to serve as a reference for further research related to MSME internationalization and business networks

METHOD

This research uses a qualitative approach with a case study method to deeply understand the phenomenon of MSME internationalization from the perspective of business actors. A qualitative approach was chosen because it can explore the meanings, experiences, and social interactions that occur within the context of business networks, global collaborations, diasporas, and business associations. The case study method was used because the research focuses on a specific object that is examined in depth and contextually, thus enabling researchers to gain a comprehensive understanding of the phenomenon under study (Creswell, 2018).

This research was conducted at the Kendang Jimbe MSME located in Sentul Village, Blitar Regency, East Java. The research objectives included business activities, business networking patterns, forms of global collaboration, and interactions with the diaspora and business associations in supporting the internationalization process. This location was chosen based on the consideration that the Kendang Jimbe MSME is a culture-based creative industry with export potential and has reached international markets.

Research informants were determined using purposive sampling, which selects informants based on specific criteria relevant to the research objectives (Sugiyono, 2018). Informants in this study included Kendang Jimbe MSME owners, craftsmen or workers, business partners or distributors, representatives of MSME associations, and diaspora actors involved in export and international marketing activities.

Data collection techniques were carried out through in-depth interviews (*in-depth interview*), direct observation, and documentation. In-depth interviews were used to gather

information regarding business actors' experiences in the internationalization process, including the role of business networks and collaboration. Observations were conducted to directly observe production processes, marketing, and business interactions occurring in the field. Meanwhile, documentation was used to supplement data in the form of photographs, notes, business reports, and documents related to export activities and business partnerships.

The data analysis in this study used the interactive analysis model proposed by Miles and Huberman (1994), which includes three main stages: data reduction, data presentation, and conclusion drawing. Data reduction was carried out by simplifying and organizing the interview and observation data to make it more structured. The data was presented in a systematic, descriptive narrative format to facilitate understanding. Furthermore, conclusions were drawn as the final stage to interpret the research findings comprehensively.

To maintain the validity of the data, this study uses triangulation techniques and *member check*. Triangulation is carried out by comparing various data sources and data collection techniques to ensure consistency of information. *member check* This was done by reconfirming the interview results with the informant to ensure the accuracy and credibility of the data obtained (Creswell, 2018).

FINDING AND DISCUSSION

RESEARCH RESULT

1. General Description of Kendang Jimbe Sentul Blitar MSMEs

The Kendang Jimbe MSME, located in Sentul Village, Blitar Regency, East Java, is a culturally based creative industry that produces percussion instruments made from wood and leather. Jimbe drums possess high artistic value and are recognized not only in the domestic market but also internationally. Some products are marketed through direct orders from abroad or through export intermediaries. This indicates that the MSME has entered the early stages of internationalization, although it still faces limitations in global market access and international networking.

2. The Role of Networks in the Internationalization of MSMEs

The research results show that business networks play a crucial role in opening up access to international markets. MSMEs gain export opportunities through relationships with exporters, international arts communities, overseas customers, and the diaspora in destination countries. These networks serve not only as a distribution channel but also as a source of information regarding consumer preferences, market trends, and new business opportunities.

These findings indicate that networks act as a bridge (*bridge*) in connecting MSMEs with the global market. Furthermore, the network also serves as a learning medium that enables business actors to understand the dynamics of the international market. This is in line with *Network Theory* which emphasizes that social relations are key to creating international opportunities (Johanson & Vahlne, 2009).

3. The Role of Global Collaboration

Global collaborations are carried out with overseas partners, such as distributors and buyer. International collaboration has significantly impacted the competitiveness of MSMEs. This collaboration enables improved product quality, design innovations tailored to global market tastes, and distribution efficiency.

Through this collaboration, MSMEs are able to adapt their products to international standards and increase their added value. This demonstrates that global collaboration serves as a mechanism for increasing capacity and innovation in the face of global competition.

4. The Role of the Diaspora

The diaspora plays a strategic role as a link between MSMEs and international markets. In this study, the diaspora plays a role in promoting products abroad, providing market information, and facilitating cross-cultural communication.

The presence of the diaspora accelerates international market penetration, particularly in countries with strong Indonesian communities. This demonstrates that the diaspora serves not only as consumers but also as a crucial actor in supporting global market expansion.

5. The Role of Business Associations

Business associations contribute to supporting MSME development through training, mentoring, facilitating exhibitions, and providing access to market information. This role helps improve the capacity of business actors to face global competition.

However, research results indicate that the association's role is still suboptimal, particularly in terms of sustainable export support and strengthening international networks. This indicates a gap between its intended function and its implementation on the ground.

6. Synergy Between Factors

The research results show that the internationalization of MSMEs is not influenced by a single factor, but rather the result of synergy between business networks, global collaboration, diasporas, and associations. This synergy forms an interconnected ecosystem that supports the enhancement of MSMEs' global competitiveness.

DISCUSSION

1. Networking as a Foundation for Internationalization

Research findings indicate that business networks are a key foundation in the internationalization process of MSMEs. Networks serve not only as a business communication tool but also as a mechanism for accessing strategic resources such as market information, export opportunities, and building trust between business actors across borders.

In perspective *Network Theory*, internationalization is a process embedded in network relations (*embeddedness*) that enable companies to gain access to global opportunities (Johanson & Vahlne, 2009). This is also supported by research by Yoon et

al. (2020), which states that business networks have a significant influence on the international performance of MSMEs.

2. Global Collaboration as a Source of Competitive Advantage

Global collaboration has been proven to increase the competitiveness of MSMEs through mechanisms *co-creation value*. Collaboration with international partners enables knowledge transfer, product innovation, and quality improvement.

This finding is in line with *Relational View Theory* which states that competitive advantage can stem from inter-organizational relationships (Dyer & Singh, 1998). Furthermore, research by Andres et al. (2022) also shows that global collaboration can improve operational efficiency and product innovation. However, collaboration also presents challenges in the form of dependence on foreign partners and limited negotiation capabilities.

3. Diaspora as a Global Market Connector

Diaspora in this study plays a role as *intermediary actor* which bridges the relationship between MSMEs and international markets. The diaspora's role includes providing market information, product promotion, and facilitating cross-cultural communication.

This aligns with diaspora theory, which states that diasporas play a crucial role in economic development through global networks and knowledge transfer (Brinkerhoff, 2009). This finding is also supported by Forero and Rojas (2025), who assert that diasporas play a role in expanding access to international markets.

4. Associations as a Strengtheners of MSME Capacity

Business associations act as *institutional support system* in supporting MSME development. Support provided includes training, policy advocacy, and business networking facilitation.

This is in accordance with the view of Doner and Schneider (2017) who stated that associations function as *collective action platform* And *capability enhancer*. However, the role of associations in this study is still limited to the domestic sphere and is not yet optimal in supporting global expansion.

5. Ecosystem-Based Internationalization Model

The main finding of this study is the synergy between networks, global collaboration, diasporas, and associations that form an MSME internationalization ecosystem. This model can be referred to as *Ecosystem-Based Internationalization Model*, where:

- a. The network acts as *entry point*
- b. Collaboration as *value creator*
- c. Diaspora as *market connector*
- d. Association as *capacity builder*

These four elements work simultaneously to improve export performance, business sustainability, and global competitiveness.

6. Theoretical and Practical Implications

Theoretically, this research expands *Network Theory* by including the diaspora as part of the international network and integrating *Relational View Theory* in the context of culture-based MSMEs.

Practically, this research implies that MSMEs need to actively build global networks, strategically leverage the diaspora, and develop innovation-based collaborations. Furthermore, the government and business associations need to develop ecosystem-based policies to support MSME internationalization.

7. Final Synthesis

Overall, this research demonstrates that the success of MSME internationalization is determined not only by internal capacity but also by the ability to strategically build and manage global networks. The Kendang Jimbe MSME in Sentul, Blitar, demonstrates that local culture-based businesses have significant global potential when supported by a strong and integrated ecosystem.

CONCLUSION

Based on the research results, it can be concluded that the internationalization process of Kendang Jimbe MSMEs in Sentul, Blitar, is influenced by the strategic role of various integrated factors. Business networks have proven to be a key element in opening international market access and increasing export opportunities through relationships with various global actors. Global collaboration contributes significantly to improving innovation, product quality, and operational efficiency, thereby strengthening the competitiveness of MSMEs in the international market. Furthermore, the diaspora acts as a strategic link that facilitates promotion, the provision of market information, and cross-cultural communication, ultimately accelerating global market penetration. On the other hand, business associations also contribute to MSME capacity development through training, mentoring, and network facilitation, although their role is still not optimal in supporting sustainable international expansion. Overall, this study confirms that the synergy between networks, global collaboration, the diaspora, and associations is a key factor in forming an ecosystem that encourages the success of MSME internationalization.

Based on the research findings, several suggestions can be put forward to support the strengthening of MSME internationalization. For MSME actors, it is important to actively expand international networks and improve their ability to adapt to global market dynamics, particularly in terms of product innovation and understanding international consumer preferences. For the government, it is necessary to strengthen policies that support MSME internationalization, including the development of programs that facilitate connectivity with the diaspora as strategic partners in global market penetration. Furthermore, for business associations, an increased role is needed in providing sustainable export mentoring programs and expanding access to international networks for MSMEs. Meanwhile, for future researchers, it is recommended to use a quantitative approach *or mixed methods* in order to obtain more comprehensive results that can be generalized

more widely, and to develop an ecosystem-based MSME internationalization model in more depth.

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