

Analysis of MSME Marketing Strategies Based on Local Wisdom to Increase Sales

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Keywords: Marketing Strategy, MSMEs, Local Wisdom

Abstract

This study aims to analyze the marketing strategies of Micro, Small, and Medium Enterprises (MSMEs) based on local wisdom in increasing sales. Local wisdom is a competitive advantage that can provide added value to products through the use of culture, traditions, and regional potential as a business identity. The study used a qualitative approach with descriptive methods. Data were obtained through in-depth interviews, observations, and documentation of MSMEs who apply elements of local wisdom in their business activities. Data were analyzed using data reduction, data presentation, and conclusion drawing techniques, while data validity was tested through source triangulation, technical triangulation, and member checking. The results show that the implementation of local wisdom-based marketing strategies can increase product appeal, strengthen brand image, and create differentiation that distinguishes MSME products from competitors. The use of digital media combined with storytelling about the product's cultural values has been proven to expand market reach and increase consumer purchasing interest. In addition, branding that emphasizes local identity provides added value to products, thereby increasing customer trust and loyalty. The study also identified several obstacles, including limited digital marketing capabilities, limited business capital, low innovation in product packaging, and the suboptimal use of cultural values as a promotional strategy. Overall, local wisdom-based marketing strategies have had a positive impact on increasing sales, customer numbers, and the competitiveness of MSMEs, while also contributing to the preservation of local culture and empowering the community's economy. Therefore, support from the government, academics, and various stakeholders is needed through training, mentoring, branding strengthening, and digital marketing development so that local wisdom-based MSMEs can develop sustainably.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are a sector that plays a strategic role in supporting national economic growth. Their contribution to job creation, increased public income, and the formation of Gross Domestic Product (GDP) demonstrates that this sector is the backbone of the Indonesian economy. In various regions, MSMEs function not only as economic actors but also as guardians of cultural identity through the products they produce. A variety of products from crafts, culinary arts, fashion, and creative industries are born from the utilization of local resources and cultural values passed down from generation to generation (Omsa & Susilawaty, 2026). However, amid technological developments and increasing market competition, many MSMEs still face obstacles in developing effective marketing strategies, resulting in products that are not able to compete optimally in regional and national markets. This condition shows that the success of MSMEs is determined not only by product quality, but also by the ability of business

actors to develop marketing strategies that are appropriate to market characteristics and regional potential.

Increasingly dynamic changes in consumer behavior have also influenced the marketing patterns of MSMEs (Dewi et al., 2022). Today's consumers consider not only price and product quality, but also cultural values, uniqueness, authenticity, and the stories behind the products they purchase. This phenomenon opens up significant opportunities for MSMEs to develop marketing strategies based on local wisdom as an added value that can differentiate their products from competitors (Christiana & Kalis, 2023). Local wisdom, manifested through the use of local raw materials, traditional motifs, regional production techniques, and cultural philosophies, can increase product appeal and strengthen brand identity. However, in practice, many MSMEs are still unable to package these local values into attractive and economically valuable marketing strategies. As a result, the potential of local culture, which should be a competitive advantage, is not being optimally utilized to increase sales (Adonara & Flores, 2024).

Local wisdom is an asset with both economic and social value because it reflects the identity, traditions, and characteristics of a region. In a marketing context, local wisdom can be a differentiating element that strengthens a product's positioning in the eyes of consumers. Products that highlight local culture generally have higher authenticity, thereby building customer trust and loyalty. Furthermore, the use of local wisdom aligns with consumption trends that move toward sustainable, environmentally friendly, and culturally valuable products. Marketing strategies that integrate local cultural elements not only aim to increase sales but also contribute to cultural preservation and empower local communities. Therefore, developing a marketing strategy based on local wisdom is a relevant approach in facing increasingly competitive business environments (Gintulangi, 2025).

On the other hand, the development of digital technology has changed the way MSMEs market their products to consumers. The use of social media, marketplaces, websites, and various digital platforms provides broader opportunities to introduce culturally based products to a wider market. However, many MSMEs still use digital media solely as a promotional tool without optimizing the power of the cultural narratives contained within their products. In fact, digital marketing combined with storytelling about product origins, cultural values, traditional production processes, and local uniqueness can create an emotional experience for consumers, thereby increasing purchasing interest. The integration of digital technology and local wisdom is a strategy that can strengthen MSME competitiveness while expanding marketing reach more effectively (Rachma et al., 2021).

Another problem often faced by MSMEs is their limited ability to build a strong brand identity. Many MSME products are of good quality, but are less well-known among the public due to conventional marketing strategies that fail to utilize local advantages as a primary identity. Products are often marketed without emphasizing the historical, cultural, or distinctive characteristics of their region of origin, making it difficult to create a lasting impression on consumers (D. Wahyu et al., 2026). This situation causes sales to stagnate and struggle to grow, despite the high market demand for local products. Therefore, a marketing strategy is needed that is not only oriented towards product promotion but also able to build a brand image based on local culture, so that products have higher added value compared to similar products (Romsumbre & Irwan, 2026).

Various previous studies have shown that marketing strategies that leverage local uniqueness can increase the competitiveness, customer loyalty, and economic value of MSME

products. The application of local wisdom-based marketing concepts provides an opportunity for businesses to create differentiation that is difficult for competitors to imitate. In addition to increasing sales, this strategy also encourages business sustainability because consumers tend to appreciate products with a strong cultural identity (Naina et al., 2026). However, the implementation of local wisdom-based marketing strategies in various regions still faces various challenges, such as limited human resources, low digital marketing capabilities, a lack of product innovation, and minimal integrated promotional support. Therefore, a more in-depth study is needed to determine how local wisdom-based marketing strategies can be effectively implemented according to the characteristics of MSMEs and current market needs (Kamilah et al., 2025).

Based on the description, research on "Analysis of MSME Marketing Strategies Based on Local Wisdom to Increase Sales" is important to conduct. This research aims to analyze how the implementation of marketing strategies that utilize local wisdom values can increase product appeal, strengthen brand identity, expand market reach, and increase MSME sales volume. The results of the research are expected to be able to provide academic contributions in the development of marketing science, especially regarding local culture-based marketing, as well as become practical recommendations for MSME actors, local governments, and various stakeholders in formulating strategies for developing highly competitive MSMEs without eliminating cultural values that are the identity of the region.

METHODS

This study uses a qualitative approach with a descriptive research type. This approach was chosen to gain a deep understanding of the marketing strategies of MSMEs based on local wisdom in increasing sales. The research location was conducted at several MSMEs that utilize elements of culture, tradition, or local potential as part of their marketing strategy. Data sources consisted of primary data obtained through in-depth interviews with MSME owners or managers, observations of marketing activities and products produced, and secondary data derived from books, scientific journals, government reports, business documents, and various relevant literature. Research informants were selected using a purposive sampling technique, namely based on the consideration that they have knowledge and experience in implementing marketing strategies based on local wisdom.

Data collection techniques were conducted through interviews, observation, and documentation. Data analysis employed an interactive model encompassing data reduction, data presentation, and continuous conclusion drawing and verification. Data validity was tested through source triangulation, technical triangulation, and member checking to ensure high credibility. The analysis results were then interpreted descriptively to explain the implementation of local wisdom-based marketing strategies, the factors that support and hinder their implementation, and their contribution to increasing sales and competitiveness of MSMEs.

RESULTS AND DISCUSSION

Implementation of Local Wisdom-Based Marketing Strategies in MSMEs

The research results show that most MSMEs have implemented marketing strategies that utilize elements of local wisdom as the main identity of their products. Local wisdom is manifested through the use of local raw materials, traditional motifs, production techniques passed down through generations, and conveying stories about the product's origins to consumers. This approach not only enhances the aesthetic value of the product but also provides

emotional value that differentiates MSME products from competitors' products. Consumers tend to give higher appreciation to products with a strong cultural identity because they are considered more authentic, unique, and have historical value. This condition shows that a marketing strategy based on local wisdom can become a competitive advantage that is difficult for other business actors to imitate (Silamat & Sulistyaningsih, 2025).

In practice, MSMEs not only sell products but also offer cultural experiences to consumers. For example, culinary products are marketed by highlighting the history of traditional foods, while craft products are promoted through the philosophy of their motifs or production techniques. This approach strengthens the emotional connection between consumers and the product, thereby increasing purchase intention. Research also shows that consumers are more likely to remember products with cultural identity than products marketed in a general manner without any particular uniqueness. Therefore, a marketing strategy based on local wisdom is a crucial factor in building a positive image and increasing the attractiveness of MSME products amidst market competition (Tanjung et al., 2025).

Utilizing Digital Media to Support Local Wisdom-Based Marketing

Research results show that digital media is a crucial tool for expanding the marketing reach of MSMEs. Most businesses utilize social media platforms like Instagram, Facebook, TikTok, and WhatsApp Business to introduce their products to consumers. Furthermore, some MSMEs also utilize marketplaces for online sales. The advent of digital technology provides MSMEs with the opportunity to reach consumers outside their local area without having to open a physical store. This strategy has been proven to significantly increase the number of potential buyers and expand market share.

However, research has found that digital media utilization is not yet fully optimized. Many MSMEs still focus on price promotions and product photos without highlighting the cultural values that are their product's main advantages. However, digital marketing combined with storytelling about local culture, traditional production processes, and the uniqueness of their region of origin can more effectively increase consumer interest. Consumers not only buy products for their function, but also for the stories and cultural values inherent in them. Therefore, integrating digital marketing with local wisdom is a highly potential strategy for sustainably increasing MSME sales (Hadinata et al., 2026).

The Role of Local Wisdom-Based Branding in Increasing Competitiveness

Research shows that branding is a key factor influencing the marketing success of MSMEs. Products with a strong brand identity are more easily recognized and remembered by consumers than those without distinctive characteristics. This identity is built through the use of a local brand name, packaging design that showcases regional cultural elements, a logo that reflects local character, and promotional messages that emphasize traditional values. This branding strategy creates a sense of exclusivity while increasing consumer confidence in the product's quality (Rahayu, 2025).

In addition to increasing brand recognition, branding based on local wisdom also adds value to product prices. Consumers tend to be willing to pay a higher price for products perceived as culturally unique and of high quality. This demonstrates that cultural values can enhance the perception of product quality in consumers' eyes. Thus, branding based on local wisdom serves not only as a marketing identity but also as a strategy to increase competitiveness, strengthen

customer loyalty, and create a sustainable competitive advantage for MSMEs (Ahmadin et al., 2025).

Supporting and Inhibiting Factors of Local Wisdom-Based Marketing Strategies

The research results show that the success of local wisdom-based marketing strategies is influenced by several supporting factors. These factors include consistent product quality, the uniqueness of the region's culture, the creativity of business actors in developing product innovations, government support through training and promotion, and increased public awareness of local products. Furthermore, advances in information technology are also a crucial factor in helping MSMEs expand their marketing networks at relatively low costs (Azizah et al., 2025).

On the other hand, the study also identified various obstacles still faced by MSMEs. These obstacles include limited digital marketing capabilities, limited business capital, limited brand-building skills, low innovation in product design and packaging, and limited access to a wider market. Some business owners also do not yet understand the importance of integrating cultural values into promotional strategies, thus underutilizing the potential of local wisdom. Therefore, synergy is needed between the government, academics, MSME support institutions, and the private sector to increase the capacity of business owners through digital marketing training, branding development, product innovation, and strengthening marketing networks (I. Wahyu et al., 2023).

The Impact of Local Wisdom-Based Marketing Strategies on Increasing Sales

Based on research results, the implementation of a local wisdom-based marketing strategy has a positive impact on increasing MSME sales. Products that emphasize local cultural identity receive a better response from consumers than products marketed without clear differentiation. This improvement is evident in the increasing number of customers, increased frequency of repeat purchases, expanded market reach beyond the region, and increased business revenue. Consumer trust in local products is also growing because they are perceived to possess quality, authenticity, and cultural values that mass-market products lack (Azwar & Pindasari, 2026).

Furthermore, research shows that the success of a local wisdom-based marketing strategy not only provides economic benefits for MSMEs but also has social and cultural impacts. Increased sales encourage more job opportunities, improve community welfare, and help preserve local culture by utilizing local motifs, traditions, and knowledge in economic activities (Widiawati, 2024). Thus, a local wisdom-based marketing strategy is not only an instrument for increasing sales but also an approach to sustainable economic development because it is able to integrate economic, social, and cultural aspects in a balanced manner. These findings confirm that cultural preservation and business development can go hand in hand, thus strengthening MSMEs' competitiveness in facing competition in both local and global markets (Wardhani et al., 2025).

CONCLUSION

Based on the research results, it can be concluded that MSME marketing strategies based on local wisdom play a crucial role in increasing sales and business competitiveness. Utilizing local cultural elements through products, packaging, branding, and promotions can create strong differentiation compared to competing products. Local wisdom not only serves as an identity that strengthens

the product's image but also provides added value that increases consumer appeal. Consumers tend to be more attracted to products that are unique, authentic, and have clear cultural values, so a local wisdom-based marketing strategy can provide a sustainable competitive advantage for MSMEs.

This study also shows that the use of digital media is a crucial supporting factor in expanding the marketing reach of products based on local wisdom. Integrating digital technology with local cultural values can increase promotional effectiveness, strengthen relationships with consumers, and expand market access both nationally and internationally. However, MSMEs still face several obstacles, such as limited digital marketing capabilities, a lack of product and packaging innovation, and weak brand building capabilities. Therefore, support from the government, educational institutions, and various stakeholders is needed to increase the capacity of MSMEs through training, mentoring, and strengthening market access.

Overall, local wisdom-based marketing strategies have been proven to have a positive impact on increasing sales, customer loyalty, and business sustainability. In addition to generating economic benefits, these strategies also contribute to preserving and maintaining local culture as part of regional identity. By optimally leveraging their cultural potential and supported by marketing innovations that are in line with current trends, MSMEs can increase their competitiveness and create sustainable business growth amidst increasingly fierce market competition.

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