

Implementation of a Creative Economy-Based Marketing Innovation Strategy Model to Improve the Competitiveness of Women's MSMEs

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ABSTRACT

Digital transformation has created both opportunities and structural constraints for women-owned micro, small, and medium-sized enterprises (MSMEs), especially in relation to digital capability, access to resources, and market differentiation. This study aimed to implement and evaluate a creative economy-based marketing innovation strategy model for improving the competitiveness of women-owned MSMEs in Belimbing Village, Pupuan District, Tabanan Regency, Bali. The study used an embedded mixed-method design within Participatory Action Research (PAR) and involved 30 women-owned MSMEs that participated in the full cycle of problem identification, planning, action, and reflection. Quantitative data were collected through pre-intervention and post-intervention questionnaires, while qualitative data were obtained through interviews, field observation, and documentation. Quantitative analysis combined descriptive statistics, paired-sample t-tests, effect-size estimation (Cohen's *d*), relative gain analysis, and 95% confidence intervals; qualitative data were analyzed thematically and verified through triangulation. The findings show statistically significant improvements in all five dimensions: digital marketing capability, product innovation, storytelling and branding, partnership and collaboration, and impact and competitiveness. Additional effect-size analysis indicates moderate practical effects across all dimensions, with the strongest gains observed in impact and competitiveness and in partnership and collaboration. Qualitative findings show that local cultural identity strengthens product appeal and brand differentiation, but limited capital, low digital literacy, inconsistent content production, and the absence of a shared promotional platform constrain sustainability. The study concludes that the proposed model is useful for strengthening women-owned MSMEs, although the results should be interpreted as intervention-associated improvements because the design did not include a control group.

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INTRODUCTION

Digital transformation has altered how MSMEs create value, reach consumers, and respond to competition. For women-owned MSMEs, this transition produced a dual reality. On the one hand, digital platforms lower entry barriers and expand market access. On the other hand, women entrepreneurs often face overlapping constraints related to digital literacy, financing, business networks, and gendered social expectations (Ariasih et al. 2024; Madison et al. 2022; Nazaruddin et al. 2024). In rural and village-based settings, these constraints are intensified by limited infrastructure, fragmented promotion, and uneven access to training and market information.

Marketing innovation is therefore not merely a promotional issue but a strategic capability that shapes competitiveness. Previous studies have shown that innovation in branding, communication, and market adaptation contributes to MSME performance and long-term resilience (Garcia et al., 2023; Dwivedi & Pawsey, 2023; Peng et al., 2021). In parallel, the creative economy emphasizes the use of creativity, cultural meaning, and local identity as sources of added value and differentiation (Romdonny & Maulany, 2020; Sonobe et al., 2022; Widjaja et al., 2022). For women-owned MSMEs, these two streams are especially relevant because many businesses rely on local culinary products, household-based production, and community trust, all of which can be transformed into brand assets when supported by appropriate marketing innovations.

Despite this relevance, there remains an important gap in the literature. Existing studies generally discuss digitalization challenges, marketing innovation, women's entrepreneurship, or the creative economy as separate themes. Most studies are explanatory rather than intervention-oriented, and only a limited number explicitly evaluate a field-based model that combines digital capability, product innovation, storytelling, collaboration, and local cultural value in one integrated framework for women-owned MSMEs. This gap is important because rural MSME competitiveness is rarely improved by a single intervention; it usually depends on a bundle of complementary capabilities and stakeholder support.

The novelty of this study lies in its three contributions. First, it proposes an integrated creative economy-based marketing innovation strategy model that combines five practical dimensions: digital marketing capability, product innovation, storytelling and branding, partnership and collaboration, and impact and competitiveness. Second, the model embeds local cultural value not as a background variable but as an operational resource for branding and product differentiation. Third, the model is implemented and evaluated through Participatory Action Research, thereby linking theoretical construction, practical intervention, and measurable pre-post change in the same study. These contributions address the reviewer's concern that the earlier manuscript did not sufficiently explain how the model differs from prior studies and did not visualize the proposed model.

The objectives of this study were: (1) to analyze the implementation process of the creative economy-based marketing innovation strategy model through PAR; (2) to evaluate whether the model improved the competitiveness of women-owned MSMEs in terms of digital marketing capability, product innovation, storytelling and branding, partnership and collaboration, and perceived business impact; (3) to identify stakeholder support during implementation; and (4) to formulate strategic implications for MSME

actors, local governments, village institutions, universities, and other supporting organizations.

LITERATURE REVIEW

Marketing Innovation and MSME Competitiveness

Marketing innovation refers to changes in product presentation, communication channels, branding, customer engagement, and market adaptation that improve an organization's ability to reach and satisfy consumers. In the MSME context, marketing innovation is particularly important because smaller firms often compete through agility, niche positioning, and relational closeness rather than through scale advantages alone (Olexova & Gogolova, 2021; Garcia et al., 2023).

Dwivedi and Pawsey (2023) show that marketing innovation in MSMEs is driven by the ability to combine strategic communication, consumer insight, and organizational adaptation. Peng et al. (2021) further demonstrate that marketing innovation can improve business performance under changing market conditions because it strengthens differentiation and market responsiveness. For women-owned MSMEs, digital marketing capability has become a central mechanism in this process because it enables low-cost visibility, direct communication, and flexible promotion (Kolawole, 2022).

Creative Economy, Local Culture, and Women-Owned MSMEs

The creative economy emphasizes the creation of economic value from ideas, creativity, symbolic meaning, and cultural assets. In practical terms, this means that MSMEs can compete not only by selling products but also by selling stories, identity, and experience (Romdonny & Maulany, 2020; Sonobe et al., 2022). For village-based MSMEs in Bali, cultural value can be mobilized through packaging design, product narratives, local ingredients, ritual relevance, and social authenticity.

Women-owned MSMEs are well positioned to benefit from this logic because many are embedded in household, culinary, and community-based economic activities. However, the conversion of cultural value into market value requires specific capabilities, especially storytelling, branding, collaboration, and digital communication. Ge et al. (2022) and Madison et al. (2022) underline that women entrepreneurs contribute strongly to innovation and household welfare, but their performance depends on the availability of supportive ecosystems, technology use, and institutional backing.

Creative Economy Development

The basic concept of marketing in the creative economy encompasses unique strategies and practices for promoting creative products and services to consumers, with an emphasis on culture. First, creative economy marketing emphasizes the importance of creativity and innovation in developing unique and compelling products and services. This involves the creative process from ideation to product launch, with a focus on differentiation and unique added value. Second, within the context of the creative economy, marketing is oriented toward deep and meaningful consumer experiences. This can be achieved through immersive interactions with creative content, engagement with culture and the arts, or brand experiences that tap into consumers' emotions and values. Furthermore, creative economy marketing often leverages digital technology and social media to reach a wider audience, build engaged communities, and optimize the use of data to personalize marketing campaigns. Finally, creative economy marketing also encompasses cross-sector collaboration, partnerships with artists and creators, and the use

of collaborative platforms to produce engaging and relevant content for consumers (Sonobe et al., 2022). By combining creativity, immersive consumer experiences, digital technology, and collaboration, marketing in the creative economy has become a strategic tool to win the hearts and minds of consumers and achieve sustainable business success (Widjaja et al., 2022). At the Indonesian creative economy governance level, digital innovation also requires institutional coordination, ecosystem governance, and public sector facilitation to strengthen the capacity of creative economy actors (Dellyana et al., 2023).

RESEARCH METHODS

Research Gap and Proposed Model

Table 1 clarifies how the present study differs from previous research and identifies the specific contributions of the proposed model.

Table 1. Previous Research			
Key Study	Primary focus	Main limitation for the present topic	Contribution of this study
Dwivedi & Pawsey (2023)	Drivers of marketing innovation in MSMEs	Does not build a field-based intervention model for women-owned rural MSMEs	Transforms marketing innovation into an operational intervention model
Sonobe et al. (2022)	Creative economy as inclusive and sustainable recovery agenda	Macro-level orientation; limited micro-level implementation evidence	Applies creative-economy logic at village MSME level
Ariasih et al. (2024); Ge et al. (2022)	Women entrepreneurship and business performance	Focus on women entrepreneurs, but not on integrated culture-digital marketing capability	Integrates gendered MSME context with digital, product, branding, and collaboration dimensions
Nazaruddin et al. (2024)	Digitalization challenges in SMEs	Maps barriers but does not test an intervention model	Evaluates intervention-associated change through pre-post evidence and qualitative reflection

Based on this gap, this study proposes a creative economy-based marketing innovation strategy model that integrates external context, stakeholder support, and the PAR learning cycle into five intervention dimensions. Figure 1. visualizes the logic of the model.

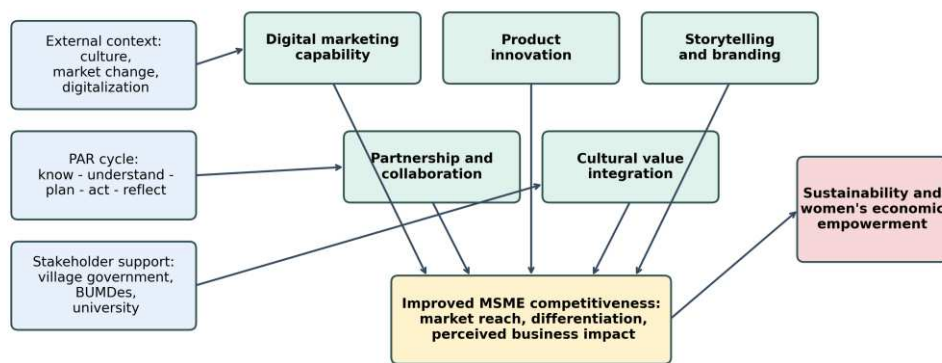


Figure 1. Proposed creative economy-based marketing innovation strategy model for women-owned MSMEs

Research Design

This study used an embedded mixed-method design within Participatory Action Research (PAR). The quantitative component employed a one-group pretest-posttest structure to assess changes in the five dimensions of the model, while the qualitative component was used to interpret implementation processes, contextual barriers, stakeholder support, and participant reflections. PAR was selected because the study did not merely observe women-owned MSMEs but worked with them to identify problems, formulate actions, apply interventions, and reflect on outcomes.

The PAR cycle followed five stages adapted from Lune and Berg (2017): to know, to understand, to plan, to act, and to reflect. In the to know stage, the research team mapped existing marketing practices and constraints. In the to understand stage, researchers and participants jointly diagnosed the root causes of limited competitiveness. In the to plan stage, an intervention model was formulated around digital marketing capability, product innovation, storytelling and branding, collaboration, and perceived business impact. In the to act stage, the model was implemented through training, mentoring, and practical marketing assistance. Finally, the to reflect stage was used to evaluate outcomes and identify lessons for sustainability and replication.

Research Objectives

This study aimed to implement and evaluate a creative economy-based marketing innovation strategy model to improve the competitiveness of women-owned MSMEs in Belimbing Village, Pupuan District, Tabanan Regency, Bali. More specifically, the objectives of this research were: (1) to analyze the process of implementing the creative economy-based marketing innovation strategy model through the Participatory Action Research approach; (2) to examine whether the implementation of the model improved the competitiveness of women-owned MSMEs, particularly in terms of digital marketing capability, product innovation, storytelling and branding, partnership and collaboration, and business impact; (3) to identify the forms of support provided by related stakeholders in sustaining the implementation of the model; and (4) to explore the obstacles encountered during the implementation process, as well as the strategic solutions needed to strengthen the sustainability and replicability of the model.

These objectives were formulated to ensure that the study not only assessed the effectiveness of the intervention quantitatively but also captured the contextual and participatory dimensions of model implementation within the local MSME ecosystem.

Population and Sample

The population of this study consisted of women-owned MSMEs operating in Belimbing Village, Pupuan District, Tabanan Regency, Bali. A purposive sampling technique was employed because the study specifically targeted business actors who were relevant to the objectives of the intervention-based research.

The inclusion criteria were as follows: (1) the business was owned or managed by a woman entrepreneur; (2) the MSME was actively operating during the research period; (3) the business was engaged in the local creative economy, particularly Balinese culinary products and related creative activities; (4) the respondent was willing to participate in all stages of the Participatory Action Research cycle, including identification, planning, implementation, evaluation, and reflection; and (5) the respondent completed both the pre-intervention and post-intervention assessments. Based on these criteria, a total of 30 women-owned MSMEs were selected as respondents in this study. The research was conducted over a period of three months in Belimbing Village, Tabanan Regency.

Types of Data

This study used both quantitative and qualitative data. Quantitative data were collected to measure changes in the competitiveness of women-owned MSMEs before and after the implementation of the creative economy-based marketing innovation strategy model. These data were obtained through a structured questionnaire administered to the respondents using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The questionnaire measured the following five main dimensions: Digital Marketing Capability (DMC), Product Innovation (IPD), storytelling and branding (STM), Partnership and Collaboration (COL), and Impact and Competitiveness (DS).

Qualitative data were collected to explore the implementation process of the model, forms of support provided by related stakeholders, constraints encountered by MSME actors, and solutions needed to sustain the intervention. These data were obtained through in-depth interviews, field observations, and documentation. The qualitative data served to provide contextual understanding and to strengthen the interpretation of the quantitative findings within the Participatory Action Research framework.

Table 2. Summarizes the Analytical Dimensions

Dimension	Operational Focus	Expected Intervention Outcome
Digital Marketing Capability (DMC)	Use of digital media, online promotion, content delivery, and market communication	Improved visibility and ability to use digital channels
Product Innovation (IPD)	Product adaptation, packaging improvement, and responsiveness to customer preference	Stronger product differentiation and market fit
Storytelling and Branding (STM)	Narrative communication, cultural value articulation, and brand identity	Better emotional appeal and recognizability
Partnership and Collaboration (COL)	Networking, collective promotion, and cooperation with institutions or other MSMEs	Broader support ecosystem and shared market access
Impact and Competitiveness (DS)	Perceived market reach, turnover tendency, business confidence, and competitive position	Improved competitiveness and perceived business outcomes

Quantitative data were collected twice: before and after the intervention. Pre-intervention measurements captured the initial condition of each participant, whereas post-intervention measurements captured perceived changes after the implementation process. Qualitative data were collected through in-depth interviews with MSME actors and relevant stakeholders, field observations during all PAR stages, and documentation of training materials, promotional outputs, and field notes.

Using multiple techniques was important because the purpose of the study was not only to determine whether the model was associated with change, but also to understand how and why the changes occurred, what barriers remained, and what institutional support was needed for continuation.

Research Techniques

This study employed multiple data collection techniques within the Participatory Action Research framework. First, quantitative data were collected through a structured questionnaire distributed to 30 women-owned MSMEs before and after the intervention. The questionnaire used a five-point Likert scale and focused on five dimensions: digital marketing capability, product innovation, storytelling and branching, partnership and collaboration, and impact and competitiveness.

Second, qualitative data were collected through in-depth interviews, field observations, and documentation. In-depth interviews were conducted with women MSME actors and relevant local stakeholders to obtain information on their experiences, perceptions, support systems, barriers, and expectations regarding the implementation of the model. Field observations were conducted throughout the stages of identifying problems, planning, implementing, and reflecting on the intervention to examine changes in marketing practices, product presentation, digital media use, and collaboration patterns among MSME actors. Documentation, such as activity records, training materials, promotional content, and field notes, was used to support and validate the evidence obtained through interviews and observations.

The data analysis was conducted in two stages. Qualitative data were analyzed using thematic analysis to identify recurring themes related to the implementation process, support from related parties, obstacles, and strategic solutions. Comparative analysis was also used to compare the conditions before and after the intervention, while triangulation across interviews, observations, documentation, and questionnaire findings was applied to enhance the credibility of the results. In addition, SWOT analysis was employed to identify the strengths, weaknesses, opportunities, and threats associated with the implementation of the model.

Quantitative data were analyzed using descriptive statistics, particularly the mean and standard deviation, to describe respondents' perceptions across the five research dimensions. To assess the effectiveness of the model, a paired sample t-test was used to compare pre-intervention and post-intervention mean scores for each dimension. A significance level of 0.05 was used to determine whether the implementation of the creative economy-based marketing innovation strategy model produced statistically significant changes in MSME competitiveness.

Internal Validity and Trustworthiness

To respond to the reviewer's concern regarding internal validity, several safeguards were applied. First, the same respondents completed the pre-intervention and post-intervention questionnaires, which reduced between-subject variation. Second, the same dimensions

and instrument structure were used at both measurement points to preserve measurement consistency. Third, qualitative findings were triangulated across interviews, observations, documentation, and quantitative results. Fourth, reflective sessions with participants were used as member-checking opportunities to confirm whether the interpretation matched field experience. Fifth, the intervention period was relatively short, which reduced the risk of large external changes unrelated to the intervention, fully explaining the observed differences.

Nevertheless, the design remained a one-group pretest-posttest study without a control group. For that reason, the findings should be interpreted as evidence of intervention-associated improvement rather than definitive causal proof. Potential threats, such as maturation, testing effects, and concurrent environmental influences, cannot be fully eliminated. This limitation is acknowledged explicitly and included in the interpretation of the findings.

Data Analysis

Qualitative data were analyzed thematically to identify recurring patterns related to implementation, stakeholder support, barriers, and strategic responses. SWOT analysis was also used to structure the internal and external conditions affecting model implementation. Credibility was strengthened through triangulation and comparison between pre-intervention and post-intervention conditions.

Quantitative data were analyzed using descriptive statistics (mean and standard deviation), paired-sample t-tests, effect-size estimation (Cohen's d_z), relative gain analysis, and 95% confidence intervals for mean differences. Cohen's d_z was calculated as t divided by the square root of the sample size. Relative gain was calculated as the percentage increase from pre-intervention to post-intervention mean scores. The confidence interval for each mean difference was derived from the reported t-statistic and paired-sample structure. These additional analyses were added to strengthen the quantitative interpretation beyond significance testing alone.

Regression or Structural Equation Modeling (SEM) was not applied because the study did not employ a large cross-sectional dataset designed to test multivariate causal paths. Instead, the study focused on within-case intervention changes in a small purposive sample under a PAR design. Under these conditions, paired comparison, effect-size estimation, and triangulated qualitative interpretation are methodologically more appropriate and defensible than fitting a structural model with insufficient statistical power.

RESULTS AND DISCUSSION

Results

Research Overview

This study was conducted in Belimbing Village, Pupuan District, Tabanan Regency, involving 30 women-owned Micro, Small, and Medium Enterprises (MSMEs), the majority of which operated in the Balinese culinary sector. The study aimed to evaluate the implementation of a creative economy-based marketing innovation strategy model and to examine its contribution to improving MSME competitiveness, while also identifying stakeholder support, implementation barriers, and possible strategic solutions. The empirical work was carried out using a Participatory Action Research (PAR) approach consisting of five stages: to know, to understand, to plan, to act, and to reflect.

Data were collected through questionnaires, in-depth interviews, field observations, and documentation, with quantitative measurement focusing on five dimensions: Digital Marketing Capability (DMC), Product Innovation (IPD), storytelling and branding (STM), Partnership and Collaboration (COL), and Impact and Competitiveness (DS).

Respondent Characteristics

The respondent profile indicated that most MSME actors were in the productive age category of 25–45 years, suggesting that the participating businesses were managed by women in an economically active stage of life. In terms of educational background, most respondents had junior or senior high school education, whereas only a small proportion had tertiary education. This profile is relevant because educational background may influence the ability of MSME actors to adopt digital tools, manage branding strategies, and respond to changes in market demand. In terms of business experience, most respondents had operated their businesses for between one and eight years, with an average of four years, indicating that the enterprises were relatively established, but still in the development stage. Most businesses focus on traditional food products, such as Banten snacks, palm sugar, canang sari, and home-cooked meals, and are generally managed with a small workforce of one to two workers per enterprise.

Table 3. Respondent Profile

Characteristics	Category	Number (n)	Percentage (%)
Age	25-35 years	13	41.7
	36-45 years	10	33.3
	>45 years	7	25
Education	Elementary-Middle School	13	41.7
	Senior High School	13	41.7
	College	4	16.6
Length of Business	≤ 3 years	10	33.3
	4–6 years	13	41.7
	>6 years	7	25
Types of products	Traditional food	23	75
	Make-up services	1	8.3
	Mixture	6	16.7

The implementation began with a joint diagnosis of existing marketing practices and business constraints. Most participants relied on personal networks, WhatsApp status updates, and informal word-of-mouth promotions. Packaging was often functional rather than strategic, and many participants had not yet translated their cultural and product identities into coherent brand messages.

During the planning and action stages, the intervention emphasized product adaptation, simple digital content production, use of social media channels, storytelling rooted in Balinese cultural identity, and collective discussion about possible collaboration mechanisms. The reflection stage indicated that participants became more aware of the importance of branding consistency, digital promotion, and partnership building. However, the reflection stage also showed that capability gains were uneven because some participants still lacked time, devices, and confidence in independently using digital tools.

The Process of Implementing a Creative Economy-Based Marketing Innovation Strategy Model

The implementation of the model followed the logic of Participatory Action Research, which emphasized collaboration between researchers, MSME actors, and local stakeholders. In the initial stage, the research team mapped the existing market conditions, marketing practices, business constraints, and opportunities faced by women-owned MSMEs. This stage was essential for identifying the specific conditions of Belimbing Village and for ensuring that the intervention was grounded in the actual needs of the participants rather than being imposed externally.

In the next stage, researchers and participants jointly analyzed the main obstacles affecting business competitiveness. These include limited digital literacy, inconsistent promotional content, weak business networking, and the absence of a collective digital promotion platform. Based on this diagnosis, the planning stage focuses on designing practical and context-sensitive strategies, including product innovation, the strengthening of cultural storytelling, the use of digital media, and collaborative promotion.

The action stage involved training, mentoring, and direct assistance in the use of digital marketing tools, including the utilization of online platforms to promote MSME products more actively. The reflection stage was then carried out to evaluate the effectiveness of the intervention and to identify lessons for improvement. This process shows that the model was not implemented as a one-way transfer of knowledge but as a participatory learning process that encouraged women entrepreneurs to become active agents of change in their own businesses.

Analysis of Model Strengths, Weaknesses, Advantages and Disadvantages

The SWOT analysis reveals that the main strength of the participating MSMEs lies in their authentic local cultural identity, high enthusiasm for product innovation, and the emerging potential for collaboration among business actors within the village. These strengths indicate that the foundation for a creative economy-based strategy already exists internally, particularly in the form of cultural uniqueness and entrepreneurial motivation.

At the same time, the analysis identifies several opportunities, including improvements in product and packaging adaptation to market preferences, increasing use of digital media such as WhatsApp and Facebook, and a growing awareness of the importance of branding and storytelling. These opportunities suggest that the external environment is increasingly conducive to the adoption of innovation-based marketing practices.

However, the analysis also highlighted important weaknesses and threats. The most prominent weaknesses include low digital literacy, limited social media management skills, inconsistent promotional content creation, and limited human resources and time for business management. The major external threats include the absence of a shared digital platform for collective promotion and limited production and promotional facilities. Overall, the SWOT results indicate that the success of the model depends not only on the motivation of MSME actors but also on continued institutional support, digital capacity building, and collaborative infrastructure development. The results of a SWOT analysis reveal several important findings, as shown in Table 4.

Table 4. Results of SWOT Analysis of the Implementation of the Innovation Strategy Model

No	Information	Findings
1	Strength	- MSME products have a strong and authentic local cultural identity. - Business actors' enthusiasm for product innovation is quite high. - The potential for collaboration between business actors in the village is starting to form
2	Opportunity	- Product and packaging innovations are starting to adapt to market tastes. - The use of digital media, such as WhatsApp and Facebook, is starting to increase. - Awareness of the importance of brand image and storytelling is increasing.
3	Weakness	- Digital literacy and social media management skills are still low. - Promotional content production has not been done consistently. - Limited human resources and time in business management.
4	Threat	- There is no shared digital platform for collective promotion yet. - Production facilities and promotional tools are still limited.

This analysis shows that the potential for model development can be maximized by strengthening institutional support and improving the digital literacy of MSME actors.

Descriptive Statistics

The descriptive results showed that the post-intervention mean scores varied across the five dimensions. Product Innovation (IPD) recorded the highest mean score at 4.2, followed by Impact and Competitiveness (DS) at 3.8, and Digital Marketing Capability (DMC) at 3.4. Meanwhile, Storytelling and Branding (STM) and Partnership and Collaboration (COL) recorded relatively lower mean scores of 3.1 and 3.0, respectively. These results indicate that the intervention produced the strongest response in product-related innovation, while the dimensions related to narrative branding and inter-business collaboration remain comparatively underdeveloped

The relatively high score for product innovation suggests that MSME actors were more prepared to make tangible adjustments to their products and packaging in response to the changing market demand. In contrast, the lower scores in storytelling and collaboration imply that more complex and relational capabilities require a longer development process. Building a strong product story rooted in Balinese cultural identity and establishing sustainable partnerships among MSMEs cannot be achieved solely through short-term intervention. These dimensions require continuous mentoring, repeated practice, and institutional reinforcement. The results of the descriptive analysis of the dimensions are shown in Table 5.

Table 5. Descriptive Statistics of Research Dimensions

Dimensions	Mean	SD	Interpretation
Digital Marketing Capability (DMC)	3.4	0.8	Quite good, but still need to improve digital skills
Product Innovation (IPD)	4.2	0.6	Okay, start adapting to consumer needs
Storytelling & Branding (STM)	3.1	0.7	Low, cultural narrative has not been optimally developed
Partnership & Collaboration (COL)	3	0.9	Low, business networks have not been formed strongly
Impact & Competitiveness (DS)	3.8	0.6	Quite good, there is an increase in turnover and market reach

Post-intervention descriptive statistics showed that product innovation achieved the highest mean score, followed by impact and competitiveness, while storytelling and collaboration remained the lowest. This indicates that participants were more ready to make tangible product and packaging adjustments than to build more abstract capabilities, such as narrative branding and sustained collaboration.

Paired Sample t-Test

To evaluate the effectiveness of the intervention, a paired sample t-test was used to compare pre-intervention and post-intervention scores across the five dimensions. The results show statistically significant improvements in all dimensions at the 0.05 significance level. Digital Marketing Capability increased from 2.8 to 3.4 ($\Delta = +0.6$; $p = 0.010$), Product Innovation increased from 3.7 to 4.2 ($\Delta = +0.5$; $p = 0.015$), Storytelling and Branding increased from 2.6 to 3.1 ($\Delta = +0.5$; $p = 0.019$), Partnership and Collaboration increased from 2.4 to 3.0 ($\Delta = +0.6$; $p = 0.008$), and Impact and Competitiveness increased from 3.2 to 3.8 ($\Delta = +0.6$; $p = 0.006$). The results of the analysis of the mean difference test before and after the implementation of the creative economy-based marketing innovation strategy model are shown in Table 6.

Table 6. Results of the t-Test for the Implementation of the Marketing Innovation Strategy Model

Dimensions	Mean (Pre)	Mean (Post)	Δ	t-count	p-value	Information
Digital Marketing Capability (DMC)	2.8	3.4	+0.6	3.12	0.010	Significant
Product Innovation (IPD)	3.7	4.2	+0.5	2.89	0.015	Significant
Storytelling & Branding (STM)	2.6	3.1	+0.5	2.74	0.019	Significant
Partnership & Collaboration (COL)	2.4	3	+0.6	3.35	0.008	Significant
Impact & Competitiveness (DS)	3.2	3.8	+0.6	3.60	0.006	Significant

Table 7 combines significance testing with effect size and gain analysis. All dimensions improved significantly at the 0.05 level, and the effect sizes indicate moderate practical impact across the five dimensions. This additional analysis strengthens the interpretation because statistical significance alone does not show the magnitude of change.

Table 7. Effect-size and Gain Analysis

Dimensions	Cohen's dz	Gain (%)	95% Confidence Interval of difference
DMC	0.57	21.4	0.21 to 0.99
IPD	0.53	13.5	0.15 to 0.85
STM	0.50	19.2	0.13 to 0.87
COL	0.61	25.0	0.23 to 0.97
DS	0.66	18.7	0.26 to 0.94

These findings indicate that the implementation of the creative economy–based marketing innovation strategy model was effective in generating measurable improvements in the marketing behavior and competitiveness of women-owned MSMEs. The fact that all five dimensions improved significantly suggests that the model worked not only at the level of product presentation but also at the level of digital adoption, collaborative awareness, and perceived business outcomes. The strongest statistical significance was found in the impact and competitiveness dimensions, indicating that participants perceived meaningful business changes following the intervention. At the same time, the increase in digital marketing capability and partnership scores suggests that participatory support and guided practice can stimulate both individual and collective capacity building among MSME actors.

Discussion

The quantitative results indicated that the intervention was associated with improvement across all dimensions, but the pattern of improvement was uneven and therefore analytically important. Product innovation has the highest post-intervention mean score. This suggests that concrete and visible changes, such as packaging refinement, product adaptation, or improved presentation, are easier for participants to adopt in the short term. These forms of innovation require practical adjustment rather than deep organizational restructuring, which helps explain why participants responded relatively quickly. This interpretation is consistent with the view that marketing innovation in MSMEs often begins with incremental and market-facing modifications rather than with sophisticated system-level transformation (Peng et al., 2021; Risdwiyanto et al., 2023).

In contrast, storytelling and branding, as well as partnership and collaboration, remained comparatively weak even after the intervention. This is not simply a technical problem; it reflects the deeper challenge of converting cultural values into consistent communicative practices. In the Belimbing Village context, many products already possess authentic cultural relevance, but authenticity alone does not automatically become a marketable story. Storytelling requires abstraction, visual translation, content discipline, and repeated communication. Similarly, collaboration is difficult because it depends on trust, time coordination, and perceived mutual benefits. Therefore, the lower means in these dimensions reveal an important substantive point: relational and symbolic capabilities usually develop more slowly than product-level capabilities.

From a cultural perspective, the findings show that local Balinese identity is a genuine source of differentiation. Product appeal increased when participants were encouraged to articulate the meaning of ingredients, production processes, or ritual relevance in ways that could be communicated to consumers. This supports the creative-economy argument that symbolic meaning and local identity can function as economic resources when strategically mobilized (Romdonny & Maulany, 2020; Sonobe et al., 2022). At the same time, the results also indicate that culture can remain underutilized if MSME actors do

not receive assistance in translating cultural value into packaging language, captions, visual identity, and customer-facing narratives.

From an economic perspective, resource constraints strongly shape implementation outcomes. Limited capital reduced the ability of participants to improve packaging quality, purchase supporting equipment, maintain product consistency, or outsource design and digital content work. This means that the intervention improved capability awareness and some business practices, but structural constraints still affected the depth and sustainability of the change. Consequently, the model should not be treated as a purely behavioral solution; it also requires linkage with financing access, collective facilities, and low-cost market support mechanisms.

From a technological perspective, the results show progress but also reveal the layered nature of digitalization. Participants became more active in using simple platforms such as WhatsApp and Facebook, yet many still lacked confidence in content planning, visual design, analytics, and broader platform integration. In other words, digital adoption has remained largely operational rather than strategic. This is consistent with the digitalization literature that distinguishes between basic platform use and higher-order digital capability (Nazaruddin et al., 2024; Kolawole, 2022). This finding matters because competitiveness gains will likely plateau if digitalization does not move beyond occasional posting toward routine and data-aware market communication.

The additional effect size analysis strengthens the reading of the results. All five dimensions produced moderate effect sizes, with the largest values found in impact and competitiveness ($d_z = 0.66$), and partnership and collaboration ($d_z = 0.61$). This magnitude is meaningful because the intervention was relatively short and was implemented in a small village-based setting. However, the absence of a control group requires caution. It is possible that some improvement was influenced by factors such as repeated testing, temporary enthusiasm, or contextual changes that occurred during the intervention period. For this reason, this study does not claim definitive causality. Instead, it provides convergent evidence that the proposed model is practically useful and theoretically plausible, while also identifying the boundary conditions of its effectiveness.

Taken together, these findings indicate that the proposed model works best when understood as an ecosystem intervention rather than as a stand-alone training package. Its effectiveness depends on the interaction among cultural resources, digital capability, product adaptation, collaborative support, and institutional facilitation. This integrated reading directly addresses the reviewer's request for a deeper theoretical construction and a more critical discussion of external cultural, economic, and technological factors.

The Implementation of Creative Economy-Based Marketing Innovation Strategies Has a Positive and Significant Impact on the Competitiveness of MSMEs

The implementation of creative economy-based marketing innovation strategies has a positive and significant impact on MSMEs through increased product visibility (especially through digital marketing), differentiation from competitors, operational efficiency, and expansion of market reach, both domestically and internationally. This allows MSMEs to not only survive but also thrive by creating unique products or services that suit market needs. The positive impacts of implementing creative economy-based marketing innovation strategies on MSMEs in Belimbing Village, Tabanan Regency can be identified as follows: (1) Increased competitiveness and visibility, (2) Operational

efficiency and market expansion, (3) Increased revenue and business growth, (4) Strengthening relationships with customers.

Marketing innovation strategies influence the competitiveness of MSMEs because marketing innovation allows MSMEs to differentiate themselves from competitors, reach wider markets, and build stronger customer loyalty. With innovation, MSMEs can increase sales, build greater brand awareness, and adapt to market changes, all of which are important for their survival and growth in a competitive environment. The mechanisms by which marketing innovation strategies can increase the competitiveness of MSMEs are as follows: (1) Creating differentiation advantages, innovation in developing unique products or new business models, making MSMEs different from competitors, and attracting new customers. (2) Expanding market reach, digital marketing, and the use of *e-commerce* allows MSMEs to reach consumers outside their local area without high costs, significantly expanding the customer base. (3) Building customer loyalty by focusing on customer experience, loyalty programs, and direct communication through social media can increase customer satisfaction and retention, which are important assets for long-term competitiveness. (4) Increasing efficiency, technology use, and good information systems in marketing can help MSMEs manage data, understand market trends, and make better strategic decisions, which, in turn, can reduce operational costs and adapt to trends. Marketing innovation also means adjusting strategies to the latest trends, such as using digital platforms and social media for promotion, so that MSMEs remain relevant and do not fall behind their competitors.

Creative Economy-Based Marketing Innovation Strategy

Digital Marketing Capability is a company's ability to market products and services using digital technology to attract customers, build brand awareness, and increase sales. This capability encompasses the skills, processes, and resources needed to effectively plan, implement, and manage digital marketing initiatives and is crucial for achieving competitive advantage and improving business performance in the digital age. This includes integrating multiple data sources, using digital tools, understanding customer needs across digital channels, training employees, and building adaptive organizational structures. The main components of digital marketing capabilities are (1) Information technology resources needed for digital marketing, such as websites, analytics tools, and automation software (2) Human resources, namely employee skills, knowledge, and training in areas such as content creation, data analysis, and social media marketing (3) Business resources include strategies, processes, and organizational structures that support digital marketing efforts, including adapting to market changes and collaborating with partners.

Product Innovation is absolutely necessary because of its many benefits. Products that undergo innovation will receive appreciation from customers so that they can attract more consumers and bring in multiple profits. Product innovation aims to (1) improve quality; as time goes by, the goods created will become increasingly obsolete because they cannot meet current needs. Therefore, the goods must be given additional features and new capabilities to improve their superiority and quality compared to before (2) meet customer needs (3) develop knowledge and insight that product innovation also aims to apply the knowledge possessed by business owners (4) replace products or services that obsolete goods are discontinued because they are no longer in accordance with current conditions but do not eliminate the main function of the obsolete product (5) increase product efficiency that goods that undergo innovation will be able to carry out their tasks on target

without wasting time. Continuous product innovation is expected to enable competition in the market.

Brand storytelling is used by business owners to communicate their purpose and build a brand community that consumers can become a part of. Using brand storytelling can increase customer loyalty, generate brand awareness, and boost sales. Companies can use unique characteristics, settings, and plots to develop their products' brand stories. They can also leverage a company's history, inspiration, purpose, products, and services to create a powerful brand story. Brand storytelling is important because it gives companies the opportunity to personalize their brand and form deeper relationships with their customers. A successful brand storytelling strategy can help customers learn more about the brand.

The results of this study align with the creative economy theory proposed by Howkins (2020) and the findings of the Ministry of Tourism and Creative Economy (2023), which state that creativity and innovation are key factors driving local culture-based economic growth. A significant increase in the t-test indicators indicates that a participatory approach is capable of driving the transformation of marketing practices from conventional to digital. This aligns with previous studies showing that women entrepreneurs contribute to innovation, household welfare, and business performance when supported by adaptive capabilities, technology use, and institutional ecosystems (Ariasih et al., 2024; Ge et al., 2022; Madison et al., 2022). This finding is also consistent with the sustainable marketing perspective, which emphasizes that marketing strategies should create long-term customer value while supporting broader social and environmental objectives (Themistocleous, 2024). Furthermore, the qualitative analysis shows that local cultural elements in products provide significant added value to consumer appeal. The Balinese culture-based storytelling strategy developed in this model is able to strengthen brand identity and product differentiation in the market. However, major obstacles, such as limited capital and digital literacy, still require ongoing intervention. By strengthening digital capacity, expanding collaborative networks, and facilitating microfinance support, this model has great potential for replication in other regions as an instrument for empowering women's MSMEs.

Specific Practical Implications

The following are specific practical implications for specific actor actions and monitorable actions. These results are shown in Table 8.

Table 8. Specific Partical Implications		
Actor	Specific Strategy	Suggested Monitoring Indicator
Local government	Facilitate village-level digital catalogues, packaging assistance, simple branding clinics, and linkage to local exhibitions or tourism events.	Number of participating MSMEs; number of catalogue entries; exhibition participation rate.
BUMDes or village institutions	Develop a shared digital promotion account or marketplace page and coordinate collective product bundling.	Shared platform activity; number of products uploaded; number of collective campaigns.
Women-owned MSMEs	Prepare monthly content calendars, standardize basic product photos, and write short product stories emphasizing local value.	Posting consistency; content completion rate; customer inquiry rate.
Universities	Provide service-learning or mentoring programs in digital marketing, packaging design, and business reflection.	Mentoring frequency; student involvement; documented business outputs.

CONCLUSION

The conclusions of this study are as follows: (1) The implementation of a creative economy-based marketing innovation strategy has proven effective in increasing the competitiveness of women's MSMEs in Belimbing Village, Tabanan. Significant pre-post improvements were found in digital marketing capability, product innovation, storytelling and branding, partnership and collaboration, and impact and competitiveness. Additional effect-size analysis indicated that the practical magnitude of change was moderate across all five dimensions. (2) The process of implementing a creative economy-based marketing innovation strategy model has been proven to significantly increase the competitiveness of MSME products. Marketing innovation strategy indicators show the main strengths of the product's creativity and cultural value, as well as advantages in packaging innovation and market adaptation. The weaknesses lie in digital literacy and limited capital, while the deficiency lies in the absence of a collective promotion platform. (3) Support from external parties, such as the village government, BUMDes, and educational institutions, has a crucial role in strengthening the sustainability of the model. (4) Strategic solutions that can be implemented include increasing the capacity of business actors through digital marketing training, collaboration between MSMEs, and providing microfinance support. The results further show that cultural authenticity alone is insufficient without digital capability, consistent content production, collective promotion mechanisms, and access to supportive infrastructure.

This research confirms that the synergy between creative marketing innovation and the use of digital technology is key to strengthening the competitiveness of MSMEs in the digital era. The Participatory Action Research (PAR) approach has been shown to foster independence and a collaborative spirit among female MSMEs. The study also demonstrates that the model differs from prior work because it integrates five intervention dimensions within a PAR framework and explicitly operationalizes local cultural value as a branding and differentiation resource. The strongest gains appeared in product-related adaptation and perceived business impact, while storytelling and collaboration remained comparatively weaker, indicating that symbolic and relational capabilities require long-term support.

Based on the findings of this study, the following recommendations can be made: (1) MSMEs need to strengthen their competencies in digital marketing innovation and culture-based storytelling to expand their market. (2) Local governments and Village-Owned Enterprises (BUMDes) are expected to facilitate integrated training programs and develop joint digital promotion platforms. (3) Universities and MSME support institutions are advised to conduct ongoing support and further research to measure the long-term impact of implementing marketing innovation models. (4) The private sector and financial institutions need to be involved in providing access to business capital and broader promotional tools.

This study was limited by its small purposive sample, short observation period, and one-group pretest-posttest design without a control group. Therefore, the findings should be interpreted as evidence of intervention-associated improvement rather than a definitive causal effect. Future research should expand the sample, extend the implementation period, include comparison groups where feasible, and develop a multisite validation of the model.

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