

Glocalizing the Micro-Enterprise: The Role of Region-of-Origin and Code-Switching in MSME Export Strategies

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Received: 15 Maret 2026

Revised: 10 April 2026

Accepted: 01 Mei 2026

Abstract: Conventional internationalization theories often fail to represent the dynamics of the expansion of Micro, Small, and Medium Enterprises (MSMEs) in developing countries because they ignore the disruption of digitalization and the urgency of local cultural adaptation. This research aims to explore and deconstruct the strategic mechanism of MSMEs in extracting regional identity (Region-of-Origin) and integrating it into global brand communication in the digital platform ecosystem. This study adopts a qualitative design through a multiple case study approach. Primary data was collected through in-depth semi-structured interviews with strategic decision-makers in five leading MSME exporters in Kediri City, East Java, including the craft and agro-industry sectors. Thematic analysis is applied systematically to reduce data and map patterns of cross-cultural communication strategies. The data analysis identified three main strategic findings: (1) the commodification of local sociocultural heritage into digital visual narratives functions as an authenticity signaling instrument that allows MSMEs to set premium prices; (2) dynamic interaction through live commerce platforms facilitates the formation of parasocial relationships that radically reduce psychological distance and trigger impulse purchase decisions from foreign buyers; and (3) the application of hybrid communication tactics through linguistic code-switching acting as a clever socio-symbolic mechanism in bridging the prestige of the global market with cultural authenticity. This study contributes an original contribution to the international business literature by constructing an integrative framework that synergizes the principles of Network Theory, dynamic capability agility, and cultural localization in the cyber landscape. This study emphatically shifts the focus of the literature from the macro effects of Country-of-Origin to the micro-power of Region-of-Origin, while offering an empirical and managerial blueprint for MSMEs in developing countries to capitalize on the narrative of regionality as a highly competitive intangible asset.

Keywords: Region-of-Origin; Internationalization of MSMEs; cross-cultural brand communication; Code Transfer Tactics; Live Commerce; Developing economies.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a fundamental and crucial role in sustaining Indonesia's national economy, and are increasingly recognized as major actors with significant potential in global value chains (Said & Soi, 2025). Amidst the vortex of increasingly fierce international market competition, massive digital technology disruption, and dynamic shifts in global consumer preferences, internationalization is no longer merely an option, but a strategic imperative for MSMEs to maintain competitiveness, business resilience, and long-term economic growth (Mittal & Soriya, 2025). Nevertheless, this cross-border expansion process is fraught with unique and multidimensional challenges, particularly regarding limited internal resources, weak

institutional structures, and infrastructural gaps frequently experienced by businesses in developing countries (Alam et al., 2022). In the theoretical realm, efforts to understand this phenomenon often rely on traditional internationalization theories, such as the Uppsala Model, which conceptualizes that firms enter foreign markets incrementally through a learning process based on experiential accumulation to mitigate uncertainty (Schweizer & Vahlne, 2022). However, this conventional approach has drawn sharp criticism for oversimplifying contemporary business realities; the model tends to overlook the complexities of political factors, formal and informal institutional barriers, and volatile network dynamics, while erroneously assuming a constantly stable market environment (Agu Igwe & Ochinanwata, 2021a). The limitations of this traditional paradigm explicitly underscore that these theories require profound contextual adaptation to accurately reflect the empirical realities of MSMEs, particularly in fluctuating market landscapes characterized by the void of institutional support that often becomes a daily constraint (Agu Igwe & Ochinanwata, 2021b).

In response to the limitations of traditional internationalization models, digital transformation has emerged as a primary catalyst fundamentally altering the trajectory and pace of MSMEs in penetrating global markets (Said & Soi, 2025). The Transaction Cost Economics approach in a modern context highlights that the adoption of digital platforms, cross-border e-commerce systems, and business model innovations can drastically reduce operational transaction costs, minimize market uncertainty, and facilitate highly efficient foreign market selection processes (Jain et al., 2024). The aggressive utilization of various social media channels, such as Instagram and specifically TikTok, has revolutionized the marketing paradigm by enabling direct consumer engagement, creative content marketing, and direct sales integration that successfully dismantle geographical barriers (Md Faudzi et al., 2024). This acceleration phenomenon aligns closely with the Born Global Theory, where digital technology utilization capabilities allow certain creative MSMEs to undergo massive international expansion even from their inception phase (Alford & Jones, 2025). Although technology presents limitless expansion opportunities, this digitalization process does not occur without substantial structural impediments in practice. MSMEs frequently confront low digital literacy, unequal access to information technology infrastructure, and complex challenges in meeting stringent international export certification standards (Zahoor et al., 2023). These multidimensional barriers clearly indicate that merely adopting cutting-edge technology is insufficient to guarantee sustainable competitiveness (Kusa et al., 2022). True digital transformation demands an organizational cultural shift toward innovation agility, where digital tools are precisely integrated with intangible assets to capture foreign market shares (Campos-García et al., 2020)

In a highly saturated global market ecosystem, where functional parity among products is increasingly thinning, MSMEs are compelled to formulate innovative differentiation strategies through a glocalization approach, namely adapting global penetration ambitions to the uniqueness and authenticity of local contexts (Rizkita et al., 2025). Here, the integration of local cultural narratives into export brand communication strategies plays a highly transformative and irreplaceable role (Rizkita et al., 2025). MSME actors have strategically begun embedding cultural heritage elements—such as traditional crafting techniques, iconic weaving motifs, the authenticity of local raw materials, and ancestral culinary and herbal formulations—into their product development and digital storytelling campaigns (Diatmika & Rahayu, 2025). This robust narrative approach acts not merely as an advertising strategy, but rather as a value creation mechanism that engenders brands with cultural distinctiveness capable of emotionally resonating with international audiences (Diatmika & Rahayu, 2025). Conceptually, emotional storytelling campaigns that explicitly embed values of collectivism, religiosity, and authentic regional identity have proven empirically effective in fostering deep connections and brand loyalty within the minds of global consumers (Wahid et al., 2023). Through packaging mediums conceptually designed to symbolically incorporate traditional visuals, these regional narratives are proactively transmitted across national borders (Wahid et al., 2023). This confirms that cultural localization initiatives are not simply matters of linguistic translation, but rather an orchestration of symbolic meaning designed to highlight specific regional advantages to construct a perception of authenticity deserving of premium appreciation by foreign markets (Darma Putri & Luthfia, 2025).

The effectiveness of integrating these local narratives depends proportionally on the MSMEs' proficiency in designing robust brand communication tactics to bridge the sociocultural divide between the country of origin and the destination country (Rajaguru et al., 2023). One of the prominent best practice pillars in contemporary literature is the implementation of multilingual campaigns and code-switching tactics in digital advertising execution, blending the local or Indonesian language with international English (Slitine et al., 2024b). This linguistic phenomenon transcends the basic function of information delivery; the practice acts as a complex socio-symbolic instrument that intelligently reconciles the authenticity of local cultural heritage with the prestige and aspirations of global modernity (Slitine et al., 2024a). The success of such cross-cultural communication tactics has been proven to significantly influence the enhancement of international consumer trust and ignite their purchase intentions (Slitine et al., 2024a). The interconnectivity of these dynamics can be comprehensively elucidated through the lens of Network Theory and social capital formation, where authentic brand representation serves as a

vital catalyst for weaving business relations, building credibility, and unlocking resource access (Rivai et al., 2023). Amidst limited promotional budgets, the majority of MSMEs rely on the strength of sociocultural networks and virtual interactions on social media as their primary fulcrum for rapid expansion (Rivai et al., 2023). Precisely managed brand storytelling subsequently facilitates the cultivation of mutual trust, which ultimately smooths the path for robust long-term cross-cultural business collaborations for MSMEs and their global aggregators (Nguyen et al., 2025)

Although the urgency regarding the synergy between digital marketing penetration and cultural storytelling has gradually begun to receive broader academic spotlight, the currently dominant literature landscape is still markedly characterized by sharp theoretical segregation and fragmentation (Phan et al., 2022). A series of previous studies often fall into analytical dichotomies; one faction focuses exclusively on calculating innovation adoption metrics and the direct impact of e-commerce, while the other remains fixated on examining macro-level export promotion policy regulations without touching upon essential micro-managerial aspects (Wang & Zhang, 2025). More crucially and urgently, there is a glaring research gap regarding the absence of a conceptual framework capable of integratively combining the currents of digital transformation, the flexibility of local cultural narrative adaptation, and institutional ecosystem support (Shu, 2024). The majority of established theoretical model constructions systematically ignore the crucial mediating role of informal institutions, the resilience of dynamic capabilities, and the grassroots sociocultural contexts that constitute the harsh realities for MSMEs in developing countries (Leckel et al., 2020) The logical consequence of this academic void triggers a serious problematic, wherein orthodox internationalization models fail to offer relevant and capable strategic formulation guidelines for MSMEs striving to export the authentic value of their regional heritage (Puncheva-Michelotti et al., 2018). Therefore, it is highly necessary to formulate a new approach that exhaustively examines how the constellation of cultural elements, technological disruption, and institutional capacity intertwine simultaneously (Fu & Hsu, 2023).

Departing from the comprehensively outlined identification of these research gaps, this empirical study specifically aims to explore and deconstruct the strategic mechanisms of brand value creation relying on the uniqueness of regional narratives among exporting MSMEs (Chiang & Yang, 2018). Anchored in the corridor of qualitative research methodology, this study ambitiously seeks to thoroughly unpack the perspectives and real experiences of managerial-level decision-makers as they navigate the stages of cross-cultural adaptation and integrate local heritage symbolism into the vortex of global digital communication (Fernández & Lewis, 2019a). The investigative focal point is directed toward scrutinizing how business actors meticulously weave

the sophistication of digital transformation alongside the authentic touch of local wisdom to overcome various barriers to foreign market penetration (Fernández & Lewis, 2019b). The primary conceptual contribution envisioned by this research is the genesis of a cutting-edge integrative framework model, projected to bridge the vulnerabilities in traditional internationalization theories by fusing the essential pillars of Network Theory, dynamic capability agility, and cultural localization amidst the cyber ecosystem (Fu & Hsu, 2023). On a theoretical dimension, this research is expected to inject novelty into international business literature by offering a fundamental perspective from a developing country regarding the capitalization of communal regional identity (Afrifa et al., 2022). Applicatively, the conclusions of this research are projected to offer practical strategic references for other MSME entities, accompanied by advocacy recommendations for policymakers to mature a holistic digital literacy support roadmap (Hirschmann, 2025). Overall, this study solidifies the postulate that international competitive advantage rests upon the proficiency in cultivating the roots of local identity (Heredia Pérez et al., 2023).

METHOD

This study adopts a qualitative approach utilizing a multiple case study design. This approach was selected as it is highly pertinent for exploring and answering "how" and "why" questions pertaining to complex sociocultural phenomena, specifically the integration of local narratives and the *Region-of-Origin* effect into global brand communication strategies. A qualitative case study design enables the researcher to conduct an in-depth examination of digital platform utilization and managerial strategies within the real-life context of the enterprises. By investigating multiple cases (MSMEs), this study aims to achieve theoretical replication and strengthen the analytical generalizability of the generated findings. The research is situated in Kediri City, East Java, Indonesia, a region possessing an MSME ecosystem with profound historical narratives and robust local products (such as traditional *ikat* weaving and herbal agro-industry). Participant selection was conducted utilizing a purposive sampling technique to ensure the recruitment of knowledgeable informants. The inclusion criteria for participants in this study required that the MSMEs: (1) operate within Kediri City; (2) have successfully exported products (either directly or through global aggregators) for a minimum of two consecutive years; (3) consciously integrate local identity or *Region-of-Origin* values into their promotional materials; and (4) actively utilize digital platforms or social media to engage international markets. Based on these criteria, 4 to 6 MSME owners or marketing managers will be selected as key informants until theoretical saturation is achieved.

The data collection strategy relies on two primary sources to ensure contextual richness. First,

primary data will be gathered through in-depth semi-structured interviews. The interview protocol is designed to elicit informants' subjective narratives regarding the cross-cultural adaptation process, brand communication tactics, social media storytelling, and internationalization challenges. Each interview is estimated to last between 60 and 90 minutes and will be audio-recorded following the acquisition of participants' informed consent. Second, secondary data will be collected through the observation of digital artifacts and document reviews. This step involves a content analysis of the MSMEs' official social media accounts (e.g., Instagram and TikTok), company profiles, digital product catalogs, and packaging designs to trace the visual and textual footprints of local narrative integration. The collected qualitative data will be analyzed using a thematic analysis approach. All interview recordings will be transcribed verbatim. The analytical process will proceed through three systematic coding stages: (1) *open coding*, wherein the researcher iteratively reads the transcripts to identify basic units of meaning and assign initial labels; (2) *axial coding*, involving the categorization of these initial codes into broader sub-themes and conceptual main themes (e.g., 'Code-Switching Tactics', 'Visualization of Local Heritage', or 'Digital Literacy Barriers'); and (3) *selective coding*, which integrates these themes into a cohesive conceptual framework or model. Computer-Assisted Qualitative Data Analysis Software (CAQDAS), such as NVivo or ATLAS.ti, will be utilized to manage, structure, and visualize the data corpus, thereby enhancing analytical transparency and traceability. To ensure academic rigor and mitigate researcher subjectivity bias, this study implements several qualitative data quality assurance strategies. Triangulation of data sources and methods is conducted by cross-verifying interview findings (verbal claims) with observations of digital marketing artifacts (empirical visual evidence). Furthermore, the study employs member checking techniques, wherein interview transcripts and summaries of preliminary interpretations will be returned to the informants to validate their accuracy and resonance. Finally, the presentation of the report will utilize thick descriptions, incorporating direct quotes from the informants to provide a rich, nuanced context for the readers.

RESULT

Based on a thematic analysis conducted on in-depth interview transcripts, digital artifact observations, and marketing document analyses of five exporting MSMEs in Kediri City, this study identifies three overarching themes elucidating the mechanisms of integrating local narratives (*Region-of-Origin*) into global market penetration strategies. The five participants (hereafter coded as R1 to R5) represent the region's leading sectors, namely traditional crafts (Bandar Kidul *Ikat* Weaving) and agro-industry (including producers of processed herbal tea and local coffee). The first finding reveals that MSMEs consciously eschew cost leadership strategies in the global

market. Instead of competing on price, participants capitalize on the sociocultural heritage of their region of origin as a primary differentiation instrument to create premium added value. Local narratives are transformed into valid authenticity signals for foreign buyers.

This practice of commodifying regional value is highly prominent in the agro-industry sector. R1, an exporter and brand developer of local herbal tea, articulated how narratives regarding geographical location and traditional methods are utilized to penetrate the East Asian market:

"The international market is already saturated with manufactured products. When we entered Hong Kong, what we offered was not merely an herbal tea beverage, but the story behind it. We highlighted that the rhizome and tea leaf raw materials are cultivated in the volcanic soil of Mount Kelud's slopes and processed using ancestral drying methods without chemicals. This narrative of authenticity from Kediri is precisely what foreign buyers seek, making them willing to pay a premium price."

(R1, Agro-industry Marketing Interview)

The aforementioned excerpt demonstrates that *Region-of-Origin* operates beyond mere geographical boundaries; it acts as a psychological construct communicating organic quality, tradition, and exclusivity to global consumers who lack direct knowledge of the region.

The second theme highlights the mechanism of utilizing interactive platforms, specifically TikTok Live Commerce, as a primary medium to disrupt the psychic distance between local producers and international consumers. This study found that live commerce is not merely a distribution channel but an interactional stage facilitating the formation of parasocial relationships—an illusion of personal intimacy and friendship between the host (the MSME actor) and the global audience.

Participants explained that the real-time interactions facilitated by these platforms radically accelerate the trust-building process, a phase that traditionally takes years according to conventional internationalization theories (e.g., the Uppsala Model). This was explicitly elucidated by R2, an *ikat* weaving entrepreneur:

"Previously, to convince buyers from Japan or the Middle East, we had to participate in physical exhibitions costing hundreds of millions [of Rupiah]. Now, through TikTok Live, I can directly invite them on a 'virtual tour' to our workshop. They witness firsthand the women artisans weaving using traditional non-machine looms (ATBM). When someone asks a question in English in the comment section, I answer immediately while holding the fabric. The intimacy and transparency established live trigger numerous spontaneous purchases from abroad that we had never previously

imagined." (R2, Traditional Craft Artisan Interview)

These findings confirm that engagement dynamics in live commerce engender robust parasocial bonds. The real-time broadcasting of the production process transparently validates product authenticity claims while significantly reducing perceived risk for cross-border consumers, which ultimately frequently culminates in impulsive purchasing decisions.

In their efforts to communicate local narratives to a global audience, MSMEs confront a communication dilemma: preserving regional authenticity or adapting entirely to international languages. Data analysis findings indicate that participants navigate this dilemma by implementing linguistic glocalization strategies through code-switching tactics on their product packaging and digital marketing assets. The alternation between English (representing global professionalism) and local languages/terminologies (representing cultural authenticity) is utilized as a socio-symbolic practice. R3, a local coffee aggregator, expounded on the rationale behind this tactic:

"On our Instagram profile and e-commerce website, we design highly modern visual layouts with professional English copywriting to appear credible in global eyes. However, for product variant names or process markers (taglines), we intentionally retain local Kediri terminology. If a prospective buyer from Europe inquires via Direct Message (DM), I interject local greetings or explain the philosophical meaning of the name. This hybrid approach conveys the impression that we are an authentic local entity, yet managed with international operational standards." (R3, Coffee Aggregator Interview)

This code-switching practice demonstrates that marketing adaptation in MSME internationalization is not a unidirectional assimilation. English is utilized to lower cognitive barriers, whereas local linguistic elements are strategically preserved to maintain the exotic charm and exclusivity of the regional brand.

DISCUSSION

The primary findings of this study offer a sharp empirical critique of traditional internationalization models, particularly the Uppsala Model, which posits that foreign market expansion must occur incrementally and relies heavily on linear knowledge accumulation (Jain et al., 2024). In the context of Micro, Small, and Medium Enterprises (MSMEs) in developing countries, this conventional approach proves to have significant limitations as it tends to overlook social network dynamics, formal and informal institutional barriers, and the transformative role of digital technology capable of accelerating market penetration (Agu Igwe & Ochinawata,

2021a). Conversely, the findings of this study strongly align with Network Theory and dynamic capabilities, asserting that MSMEs can overcome internal resource deficits and infrastructural weaknesses by optimally leveraging digital business networks (Caon et al., 2025). Participants in this study effectively utilized digital platforms not merely as reactive distribution channels but as proactive ecosystems to build massive and efficient international connectivity. This confirms that internationalization for small-scale business entities is no longer a decades-long evolutionary process, but rather a strategic leap mediated by organizational agility in adopting technological innovations rapidly (Said & Soi, 2025). By blending global entrepreneurial orientation and structural flexibility, business actors successfully create operational agility enabling them to target specific international market niches directly without having to undergo rigid and costly geographical expansion stages.

Furthermore, this study expands the discourse on global brand value creation by highlighting the strategic transition from the macro *Country-of-Origin* effect to a more specific micro effect, namely *Region-of-Origin* (ROO). Empirical findings demonstrate that MSMEs intentionally avoid cost leadership strategies that frequently trap producers from developing countries in mutually destructive price wars (Derpich et al., 2024) Instead, they capitalize on the richness of local narratives and sociocultural heritage—such as the historical value of traditional weaving or the authenticity of agro-industrial raw materials cultivated on volcanic slopes—as highly valuable primary differentiation instruments (Albats et al., 2022). These regional narratives effectively function as authenticity signaling mechanisms for international consumers who increasingly crave products with clear historical track records and ethical production processes. Through visual and emotional storytelling across various digital platforms, these localized values are no longer perceived as outdated but are reconstructed into symbols of exclusivity, organic quality, and cultural authenticity (Prawira, 2025). This ROO commodification strategy is proven capable of justifying premium pricing in the export market, where foreign consumers exhibit a substantially higher willingness to pay for products possessing strong cultural identity roots compared to anonymous mass-manufactured commodities. This theoretical transformation provides a new foundation that geographical boundaries, previously considered physical barriers, can now be converted into narratives of exotic advantage, making the fortification of regional identity in the global arena a key to business sustainability (Mathiyazhagan et al., 2021). This research also uncovers revolutionary findings regarding how interactive social media platforms, specifically the live commerce ecosystem, act as primary catalysts in dismantling the psychic distance between local producers and global markets. The real-time interaction dynamics presented through live broadcasts serve not merely as conventional advertising mechanisms but

as mediums for forming highly intimate parasocial relationships between business actors and cross-border audiences (Xue et al., 2024). When producers broadcast traditional crafting processes live or showcase the quality of pure herbal raw materials from their origin, this visual transparency drastically reduces foreign consumers' perceived risk while authentically validating product claims. The psychological closeness established virtually proves highly effective in triggering impulsive buying dynamics among international buyers, a consumer behavior phenomenon previously rare in micro-scale export transactions (Fredrickson, 2001)). Parasocial relationships facilitated by live commerce platform algorithms can stimulate a sense of deep emotional involvement and trust, ultimately motivating consumers to execute immediate transactions without needing lengthy and complex product evaluation processes (M.-H. Wu, 2025). This phenomenon contributes significantly to the digital marketing literature by demonstrating that parasocial relationship mediation within the live commerce ecosystem exerts a driving force far exceeding mere static promotional tactics.

To bridge the global sociocultural divide, participants in this study consistently applied hybrid brand communication strategies through code-switching tactics and multilingual approaches. These empirical findings reinforce the theoretical argument that marketing adaptation in the internationalization process cannot be viewed as a rigid, unidirectional linguistic assimilation process (Putri & Luthfia, 2025). Conversely, alternating between English as a professional medium and regional languages or local terminologies as cultural identity markers operates as a highly sophisticated and strategic socio-symbolic practice (Putri & Luthfia, 2025). On one hand, utilizing well-structured English in primary communication elements such as websites, social media profiles, and product descriptions serves to minimize cognitive barriers, signal operational readiness, and build brand prestige in the eyes of international audiences (Osakwe et al., 2020). On the other hand, preserving regional vocabulary in product variant naming or communal greetings in customer service directly maintains brand authenticity and offers an exotic charm highly difficult for competitors to replicate (Okonkwo & Namkousse, 2023). This linguistic orchestration balancing global modernity aspirations and deep local wisdom successfully constructs the perception that consumers are transacting with artisan entities upholding ancestral heritage while possessing well-standardized managerial capacities (Fernández & Lewis, 2019c). Such cultural communication tactics substantively elevate cross-border trust and strengthen emotional bonds.

Although the strategy of integrating local narratives and utilizing digital marketing offers a highly promising shortcut to internationalization, this transformation process continues to face undeniable institutional constraint realities (Shu, 2024). The empirical review in this qualitative

study confirms previous literature underlining that export acceleration effectiveness depends absolutely on the readiness of the overarching institutional ecosystem (Gkypali et al., 2021). Many MSME actors who have successfully built strong brand storytelling in the virtual realm still struggle with tangible operational barriers, such as low standardization of digital literacy among technical workers, exorbitant international export certification costs, and inadequate supporting infrastructure for efficient cross-border logistics (Li, 2022). The gap between agile digital marketing capabilities and frequently sluggish formal institutional capacities demands a more holistic collaborative governance approach (Irwin et al., 2022; Fodouop Kouam, 2025). Policy interventions from local governments can no longer be merely charitable or limited to basic training provision; they must promptly transform into the orchestration of an integrated digital ecosystem involving tight synergy among academics, industry, financial institutions, and communities (A. Wu et al., 2022). This proactive and measurable institutional support model is crucial to ensure the competitive advantages gained from ROO tactics do not evaporate when MSMEs face the complexities of global trade regulations (Rizvi et al., 2024).

As a final synthesis, this empirical research offers a highly meaningful theoretical contribution by proposing a novel conceptual framework marrying the fundamental principles of Network Theory, dynamic capabilities, and cultural localization within the context of digital platform disruption. This integrative model comprehensively demonstrates that sustainable international competitive advantage for business entities in developing countries does not rely solely on technological superiority or cost leadership, but heavily rests on the strategic proficiency in nurturing, packaging, and transmitting the roots of local identity to the world stage (Rizvi et al., 2024). Practically, the managerial implications of these findings provide a highly rational blueprint for MSME owners, particularly in the craft and agro-industry sectors, to confidently exploit authentic ROO narratives as intangible assets possessing immense commercial value in the global market (Broccardo et al., 2023). For policymakers, this holistic study recommends a reorientation of export promotion programs to focus progressively on strengthening advanced digital literacy and facilitating structured communal brand storytelling (Zahoor et al., 2023). For future research agendas, it is highly recommended to conduct quantitative empirical testing to measure the mathematical correlation between implementing multilingual hybrid tactics and live commerce interactions against the enhancement of broad-scale MSME export financial performance.

CONCLUSION

This study concludes that the process of internationalization of Micro, Small, and Medium Enterprises (MSMEs) in the modern era is no longer absolutely dependent on the accumulation

of evolutionary and slow linear experiences, but is driven massively by strategic integration between digital marketing innovations and local cultural narrative storytelling (Said & Soi, 2025). Based on empirical evidence from MSME exporters in Kediri City, these findings confirm that business actors consciously avoid cost leadership strategies, and instead rely on the commodification of the Region-of-Origin (ROO) effect by embedding regional sociocultural heritage into their product innovations and digital narratives (Pedraza-Rodríguez et al., 2023). The use of cutting-edge interactive platforms, specifically live commerce, has been proven to be able to break down the barriers of psychic distance through the formation of authentic and transparent parasocial relationships with global consumers (Nanda & Singh, 2023). In addition, code-switching tactics that balance global language representations with local terminology operate as a socio-symbolic instrument that significantly increases the trust and purchase intent of international consumers, by combining global professionalism with the authenticity of cultural identity (Chen et al., 2021). Theoretically, the study makes a substantial contribution by offering an integrative framework that responds to the weaknesses of traditional internationalization models—such as the Uppsala Model—that have so far ignored the role of digital technologies, institutional factors, and network dynamics (Agu Igwe & Ochinanwata, 2021a, 2021b). This study expands the discourse of the international business literature by shifting the focus of the study from the macro effects of Country-of-Origin to the micro-power of Region-of-Origin, asserting that the identity of communal territories in developing countries can be converted into intangible assets for strategic brand differentiation (Chiang & Yang, 2018). Furthermore, this integrative approach enriches the postulate of Network Theory and dynamic capabilities, proving that the accumulation of social capital and the transmission of brand storytelling in the cyber ecosystem is a crucial mechanism for MSMEs to overcome their internal resource limitations (Xie et al., 2022; Zhukov et al., 2018). At the managerial level and policy implications, this study offers sharp strategic recommendations. For MSME actors, these findings expressly recommend the need for proactive investment in improving digital literacy, cross-cultural content production, and executing multilingual hybrid marketing campaigns to justify the premium price of their products in foreign markets (Adams et al., 2023; Campos-García et al., 2020). For local governments and policymakers, this study highlights the urgency of designing an integrated regulatory framework that shifts from just a partial training program to the development of a holistic digital ecosystem (Widyastuti et al., 2023). Policy interventions must be directed at simplifying the export certification bureaucracy and equitable distribution of technology infrastructure to ensure the sustainability of MSMEs' competitiveness in the global value chain (Dung et al., 2021).

Although it presents comprehensive empirical insights, the use of a qualitative case study design

centered in Kediri City certainly limits the ability to generalize these findings analytically to a broader geographic context. Therefore, a follow-up research agenda is strongly recommended to test the validity of this integrative conceptual model through an empirical quantitative approach with a massive sample size, in order to measure the statistical significance of the Region-of-Origin tactic on improving export financial performance (Bodlaj et al., 2020). The conduct of longitudinal studies evaluating the long-term impact of the adoption of live commerce on foreign consumer retention will also further enhance the scientific landscape of international

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