

STRATEGY OF DEVELOPMENT OF MICRO SMALL AND MEDIUM ENTERPRISES IN SUPPORT OF SMART CITY USING GE- MC KINSEY MATRIX METHODS

Dahmiri^{1*}, Rista Aldila Syafri², Al Parok³, Sigit Indrawijaya⁴,

Idham Khalik⁵, Agus Solikhin⁶

^{1,2,3,4,5)} Faculty of Economics and Business,
Jambi University, Indonesia

Abstract

MSMEs in Jambi City face difficulties in business development, both in the food, beverage, craft, and fashion sectors. This problem is not only related to capital, but also institutional management, inputs, processes, and low output quality. This research aims to find a strategy for MSME development using the GE-McKinsey Matrix method to support Smart City. The focus of the study includes financial management, human resources, operations, and marketing. Research data were obtained from questionnaires, interviews, and FGDs with a sample of 397 MSME actors using the Slovin formula. A mixed method was used, combining qualitative and quantitative approaches, with data analysis through the GE-McKinsey Matrix. The results concluded that MSMEs in Jambi City have advantages in quality products, effective online promotion, and friendly and professional human resources. However, they face weaknesses in payment systems and service processes. The MSME market in Jambi is competitive with fierce price competition, although there are opportunities from economic stability and online information access. MSMEs are strategically positioned in the GE-McKinsey matrix, showing growth potential with intensive marketing strategies. It is recommended to conduct market penetration and market development through competitive pricing, intensive promotion, product development, geographical expansion, and service and distribution innovation.

ISSN: 1533 - 9211

CORRESPONDING AUTHOR:

Dahmiri

dahmiri@unja.ac.id

KEYWORDS:

Strategy, Development, MSME, Smart City, GE-McKinsey Matrix

Received: 02 October 2024

Accepted: 19 October 2024

Published :24 October 2024

TO CITE THIS ARTICLE:

Dahmiri, R., Syafri, R. A., Parok, A., Indrawijaya, S., Khalik, I., & Solikhin, A. (2024). Strategy of development of micro small and medium enterprises in support of smart city using GE-McKinsey matrix methods. *Seybold Report Journal*, 19(10), 54-70.
[DOI:10.5281/zenodo.13984864](https://doi.org/10.5281/zenodo.13984864)

INTRODUCTION

The role of Micro, Small and Medium Enterprises (MSMEs) in Indonesia is very strategic, especially when viewed from the contribution to Indonesia's Gross Domestic Product (GDP) which continues to increase every year. Based on the survey results and calculations of the Central Statistics Agency (BPS), the contribution of SMEs to GDP in 2017 was recorded at 61.41 with the number of SMEs reaching 60 million units. In sustaining and improving the country's economy, MSMEs play a huge role. Its presence is very important because it absorbs the most labor and also on the other hand its contribution to the growth of gross domestic product (GDP) is the largest when compared to the contribution of large businesses (Syuhada & Gambetta, 2013; Kim & Ko, 2012).

In encouraging small and medium enterprises, the basis of government policy is Government Regulation Number 7 of 2021 concerning the Ease, Protection, Empowerment of Cooperatives and Micro, Small and Medium Enterprises. Cooperatives and MSMEs are one of the pillars of the people's economic power that is able to expand employment and play a role in equitable distribution and increase in people's income, encourage economic growth, and realize national stability. Given the importance of cooperatives and MSMEs in the national economy, they must obtain economic political alignments that provide more convenience, support, protection, and empowerment.

Data from the Ministry of Cooperatives explained that 1,785 cooperatives and 16,313 MSME players were affected by the Covid-19 pandemic (Rosita, 2020). Cooperative and MSME managers feel the decline in sales, lack of capital, and obstruction of distribution. At least 39.9 percent of MSMEs decided to reduce their stock of goods during large-scale social restrictions (PSBB) due to Covid-19 and as many as 16.1 percent of MSMEs chose to reduce employees due to physical store closures. The MSME sector has experienced a considerable impact due to the Covid-19 pandemic (PP No. 7 of 2021).

Jambi City is the capital city of Jambi Province, in an effort to realize the implementation of smart cities that are targeted, integrated, systematic, precise and targeted, the Jambi City Government issued Regional Regulation (Perda) Number 1 concerning the Implementation of Smart Cities in 2019. The purpose of the Smart City of Jambi City is to make Jambi City a smart city that can help the community effectively manage available resources and provide accurate and easily obtainable information to the community before the community starts activities or anticipates bad events in advance. The goal of implementing smart city in Jambi City is to adopt six areas, namely smart governance, smart brand, smart economy, smart life, smart society and smart environment. The Bantar Village project is one of the Jambi City Government's main plans to realize a smart city. Bantar Village includes three aspects, namely smart life, smart environment and smart people.

One of the supporting fields of Smart City is Smart Economy, which is the development of economic governance that is able to face challenges and adaptive to changes so that the realization of an ecosystem that supports community economic activities in line with the regional leading economic sector, therefore a reliable MSME sector is needed (Marchesani & Masciarelli, 2024; Satrio & Rochani, 2019; Imran & Armawan, 2019).

The results of an initial survey of MSME players in Jambi City revealed that the Covid-19 pandemic really felt the impact it had on their business performance. Decreased sales turnover, hampered marketing, increased price of tools and raw materials, difficult capital injections are some examples of the obstacles they face. To find solutions to various MSME problems, it is

necessary to make various efforts, one of which from the academic side is to conduct research related to how the right business development strategy is in supporting the government program, namely Smart City, so that it is hoped that the best solution will be found in overcoming various problems in the development of MSMEs in Jambi City (Chopra et al, 2022; Datta & Odendaal, 2019).

Research related to the governance and development strategies of MSMEs by the government and companies has been carried out (Mulbert, 2010; Crowther & Seifi, 2010; Anggraini & Asyik, 2016; Angelidou, 2016; Makiela et al, 2022; Meijer & Bolívar, 2016), but this research is the first to examine the development strategy of MSMEs in Jambi City as an effort to support the achievement of Smart City using the Ge-Mc. Kinsey Matrix Method.

RESEARCH METHODS

Research Design

This research is qualitative and quantitative research, the form of qualitative research design may vary because it is in accordance with the natural form of qualitative research itself which has a sudden nature where phenomena appear according to natural principles, namely phenomena as they are in accordance with what is encountered by a researcher in the research process in the field. This research focuses on assessing the concept of MSME development using the GE-Mc. Kinsey in Jambi City in supporting Smart City.

The instruments used in this research are questionnaires and data recording devices with cameras, stationery and draft structured interview questions containing questions related to the responses of business actors, communities and local governments. The recording device/camera is used to record data provided by informants (response data), while the stationery serves as a tool to record oral data spoken by informants. The questionnaire serves to statistically see respondents' responses related to MSME development strategies in Jambi City.

The research population is all business actors categorized as MSMEs in Jambi City from various types of businesses and business locations. According to data obtained from the Jambi City Industry Trade and Cooperative Office, the number of MSMEs in Jambi City in 2022 was 47,813 units (Jambi City Industry Trade and Cooperative Office, 2022).

Given the large number of populations and the various limitations of researchers, the research will use samples as a data source. The research sample is the number of characteristics of a subject that is representative of a population to be studied further. Sampling using the Slovin formula (Sevilla, 1992), where the sample size is 397 people.

Data Collection Technique

This research uses a combination research method (mixed method), namely qualitative and quantitative research. The type of combination research used is Sequential Exploratory Design, which is in the early stages of research using qualitative methods and the next stage using quantitative methods (Hancock et al, 2010). The data collection method in this study is a descriptive method with a qualitative research paradigm, namely a method that directly conducts interviews (interviews) to informants with several questions to obtain primary data. An interview is a conversation with a specific purpose conducted openly so that the informant knows the presence of the interviewer as a researcher whose job is to conduct interviews at the research

location (Moleong, 2021). This interview was conducted for the data acquisition process by asking questions.

Furthermore, data collection techniques also include distributing questionnaires to respondents, structured interviews, FGDs and observations.

Data Analysis Method

This research aims to produce a model of MSME development strategies in Jambi City. In the early stages, the research will use descriptive statistical analysis. Describing the performance of each type of industry will be able to provide an overview of how the business has performed so far. Thus we will know what has been done and what has not been done. MSME mapping is useful to see the grouping of each type of business and see the strengths and weaknesses. Meanwhile, need assessment is used to identify what is needed to improve business performance. There are four aspects assessed at the need assessment stage, namely production aspects, financial aspects, HR aspects and marketing aspects.

The technique used to analyze the data is the GE-Mc Matrix analysis. Kinsey (Hunt et al, 2015). GE-Mc. Kinsey Matrix 3x3 (also called Mc. General Electric GE Temp late M c. Kinsey Matrix is a nine-cell (3 by 3) matrix used to perform portfolio business analysis as one of the steps in the strategic planning process (Tsakalerou, 2015). Mc. Kinsey Matrix identifies the optimal business portfolio as one that matches the company's strengths to the most attractive industry sector or market (Jan, 2002). Thus, the objective of the analysis is to position each Strategic Business Unit (SBU) on the chart depending on the Strengths of the SBU and the Attractiveness of the Industry Sector or Market on which it is focused. Each axis is divided into Low, Medium and High, giving a 3 by 3 nine cell matrix as depicted below. McK. insey Matrix is a nine-cell matrix (3 by 3) used to conduct a business portfolio analysis as one of the steps in the strategic planning process. A business portfolio is the collection of businesses and products that make up a company. The best business portfolio is one that matches the company's strengths and helps capitalize on the most attractive opportunities. Therefore companies should conduct an analysis of the current business portfolio and decide which businesses should receive more or less investment and develop a growth strategy to add new products and businesses to the portfolio, while at the same time deciding when products and businesses should no longer be maintained (Shen et al, 2015; Ardiyanto et al, 2017).

The Mc Kinsey/General Electric Matrix The Mc. Kinsey/GE Matrix addresses a number of weaknesses of the BCG Box. First, market attractiveness replaces market growth as the dimension of industry attractiveness, and covers a wider range of factors than just market growth rate. Second, competitive strength replaces market share as the dimension by which the competitive position of each SBU is assessed (Setiawan, 2014).

RESULTS AND DISCUSSION

Business Position Strength

The weighting of internal variable indicators (Business Position Strength) is determined by the perceptions of research respondents, namely MSME players in Jambi City with a total sample size of 397 people.

Based on the results of the questionnaire, all respondents agreed with the variables proposed. Based on the results of the analysis of the distributed questionnaires, it can be seen that each respondent gave a different value and to get the same weight on each indicator, the average (mean) of each weight given by the respondent was sought.

Table 1. Business Position Strength Weight Value

No	Indicator Variable	Weight	Rating	Score
1	Product			
	Product cleanliness meets the standard	0,035	4	0,14
	Product quality is good	0,026	4	0,104
	Product variety is quite a lot	0,034	3	0,102
	Attractive product packaging	0,026	4	0,104
	Products are guaranteed halal	0,019	3	0,057
2	Price			
	Competitive selling price	0,024	3	0,072
	Prices are in accordance with product quality	0,023	3	0,069
	Good service quality	0,034	3	0,102
	Affordable product prices	0,034	2	0,068
	Easy payment method	0,033	2	0,066
3	Place			
	Large parking lot	0,024	4	0,096
	Business location is easy to reach	0,024	3	0,072
	Smooth transportation to the business location	0,024	3	0,072
	There is free WiFi facility	0,024	2	0,048
	Convenient and safe location	0,027	3	0,081
4	Promotion			
	There are discounts for consumers	0,039	4	0,156
	Promoting through online media	0,035	3	0,105
	Promoting through brand boards and banners	0,022	2	0,044
	Sales media through print media	0,023	3	0,069
	Sales media through Audio visual media	0,022	2	0,044
5	People/Human Resources			
	Owners and waiters serve well	0,026	4	0,104
	Owner and employee clothing is polite	0,038	4	0,152
	Appearance and service are friendly and polite	0,039	4	0,156
	The grammar of the owner and employees is easy understandable	0,037	3	0,111
		0,029	3	0,087
6	Owners and employees communicate with consumers			
	Process	0,023	3	0,069
	Can place orders through online media	0,023	3	0,069
	Fast service	0,023	3	0,069
	Owner and employees are skilled and professional	0,023	3	0,069
	Proper service	0,028	3	0,084
7	Consumers do not wait long			
	Physical Evidence	0,036	4	0,144
	Available list of products and prices	0,028	3	0,084
	Uniform owner and employee clothing	0,027	3	0,081
	Large variety of products	0,036	4	0,144

	Supporting facilities available	0,032	3	0,096
	TOTAL	1.00		3,19

Source: Data processed, 2024

The analysis results show that the internal variable indicator has a score of 3.19, meaning that it is still in the average position of internal variables to maximize sales. Judging from the weight scale which is more at number 3, the level of importance of the related variables is still not well implemented.

Various studies that have been conducted by previous researchers related to and in line with the results of this study, among others, conclude that the right strategy to be carried out in efforts to develop MSMEs in Nembol Village is the SO (Growth) Strategy. The SO (Growth) strategy is a strategy that utilizes existing strengths to increase its competitive advantage (Halepoto et al, 2015; Urdabayev & Utkelbay, 2021; Idayu et al, 2021). Other studies have also concluded that strategies that combine SWOT aspects, such as the SO (strength and opportunity) strategy with the provision of human resource training programs in terms of production and marketing, provision of capital assistance by the government, provision of business legality programs by the government and related agencies, focusing on digital product marketing, and collaborating with other business actors, government, and other sector fields. ST (strength and threats) strategy by optimizing and increasing the strength of human resource capabilities in terms of production and focusing on the target market. WO strategy (Weaknes and opportunities) by participating in all HR development training programs in terms of marketing and participating in assistance in making business legality. And the WT strategy (weaknes and threats) by conducting MSME counseling activities that can encourage business actors to accept new innovations (Parekh et al, 2021; Kholik & Rahmi, 2023; Wardhana et al, 2019; Rahmadani & Subroto, 2022).

Then the results of other studies also concluded that the main strategy for halal MSMEs in order to face global competition is to increase halal MSME certification, improve halal MSME human resource qualifications, use modern and appropriate technology to meet halal MSME product standards, strengthen links with industry (downstream), diversify halal MSME products, increasing the role of religious and educational institutions for halal MSME product literacy to the Muslim community, increasing the role of fintech for financing and certification of halal MSME products and their marketing, building synergies with related institutions for halal MSME product innovation, increasing halal MSME product branding through technology and information media, and strengthening fiqh studies to produce halal MSME products (Marchesani & Masciarelli, 2024; Pujiono et al, 2018; Tadjuddin & Mayasari, 2019).

Market Attractiveness

The weighting of the external variable indicators (Market Attractiveness) was determined by 10 informants. Informants in the study for indicators of external variables (Market Attractiveness) were the Head of the Jambi City Manpower, Cooperatives and SMEs Office, the Head of SME Development of the Jambi City Manpower, Cooperatives and SMEs Office, community leaders, universities, communities related to SMEs and the general public. Based on the results of the external variable indicator questionnaire (Market Attractiveness), the score value results are as follows:

Based on the results of the external variable indicator questionnaire (Market Attractiveness)

with the following weight value results:

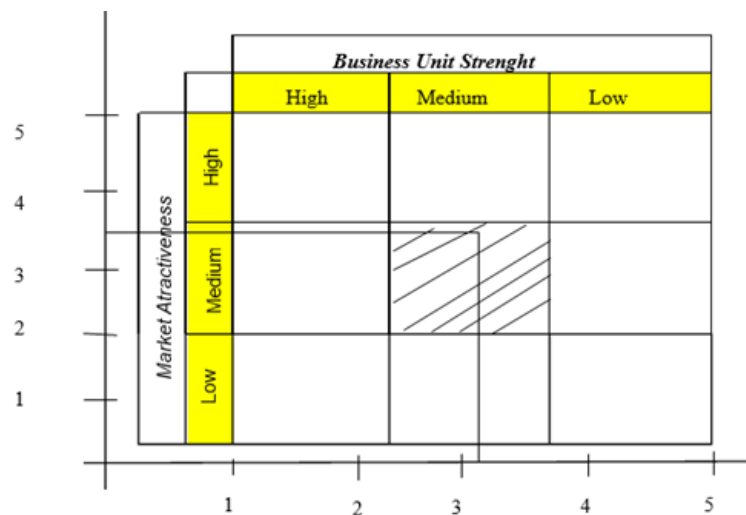
Table 2. Market Attractiveness Weight Value

No	Indicator Variable	Weight	Rating	Score
1	Competition			
	The number of other SMEs established that become competitors	0,07	4	0,28
	There is intense price competition between SMEs	0,07	3	0,21
	Strategic business location and easier to reach	0,05	4	0,2
2	Politics			
	The political situation in Jambi City supports the progress of SMEs in Jambi City.	0,04	4	0,16
	Government policies in improving SMEs in Jambi City are good	0,04	3	0,12
	Political turmoil in Jambi City does not affect SMEs in Jambi City.	0,04	3	0,12
3	Economic Environment			
	The inflation rate in Jambi City does not affect SMEs	0,05	4	0,2
	Purchasing power of people in Jambi City is high enough to have an impact on the increase in SMEs	0,05	4	0,2
	The income level of the people of Jambi City is high so that SME visits grow	0,05	3	0,15
4	Technology			
	Easy to get information about SMEs in Jambi City through online media	0,04	4	0,16
	Booking and payment of fees can be done easily with online media	0,04	4	0,16
	SMEs in Jambi City have conducted vigorous promotions through online media	0,04	3	0,12
5	Social & Cultural Environment			
	SMEs in Jambi City uphold the values and traditions of Malay culture	0,05	3	0,15
	The sense of kinship between SMEs and the environment is well established	0,04	4	0,16
	SMEs in Jambi City always maintain the social life and culture of Malay Jambi	0,05	3	0,15
6	Human Resources			
	The development of SMEs requires increasingly qualified human resources	0,04	3	0,12
	Certification institutions are available for employees to improve their qualifications	0,04	3	0,12
	Qualification standards are needed for human resources of SME actors and employees	0,06	4	0,24
7	Attractiveness of SMEs			
	The Jambi City Manpower, Cooperatives and SMEs Office always renovates business places in Jambi City.	0,05	4	0,2
	The Jambi City Manpower, Cooperatives and SMEs Office always increases the promotion of SMEs through various media	0,05	4	0,2
	The Jambi City Manpower, Cooperatives and SMEs Office always holds events and festivals involving SMEs in Jambi City	0,04	3	0,12
	TOTAL	1		3,54

Source: Data processed, 2024

The results of the analysis show that the external variable indicator has a score of 3.54, meaning that there is still an available market share that has not been targeted and still needs efforts to increase the promotion of SMEs. Judging from the weight scale which is more in number 3, the level of importance of the related variables is still not well implemented.

From the results of the data analysis that has been carried out, it can be seen in the GE-M c.Kinsey matrix of the weight value of the Business Position Strength matrix and the weight value of the Market Attractiveness matrix as follows:



Source: Data Analysis Results (2024)

Picture 1 : GE-M c.Kinsey matrix

Based on the research results, the position of SMEs in Jambi City is in the medium segment. This strategic position at present and in the future is grow and develop. Reformulation of marketing strategy and the implications of SMEs marketing strategy in Jambi City that is appropriate is an intensive strategy. This strategy is a strategy that requires intensive efforts to improve the competitive position of the business through existing products. Therefore, it can be described external environmental variables that are opportunities and threats of SMEs in Jambi City both at present and in the future is the growth rate of SMEs increased. In addition, it can also be described internal environmental variables that are the strengths and weaknesses of SMEs in Jambi City both at present and in the future. The current strengths of Jambi City SMEs that are able to support government programs in an effort to realize Smart City include in terms of products produced by SMEs that meet hygiene standards, product quality that is good enough, product variety is sufficient and attractive product packaging, especially food and beverage products. The strengths in terms of product promotion include SMEs that have conducted online promotions. Strengths on the Human Resources side include Owners and waiters serve well, Owner and employee clothing is polite, Appearance and service are friendly and polite, Owner and employee grammar is easy to understand. On physical evidence SMEs in Jambi City have strengths in the form of the availability of product lists and prices and the availability of supporting facilities (Sen et al, 2016; Fadli & Sumitra, 2019; Danilina & Majorzadehzahiri, 2020; Ghasemi & Saberi, 2020).

The weaknesses that still exist today in SMEs in Jambi City include the product side is the guarantee of halal products in the form of halal certification that is still lacking attention, in terms of payment systems that are still dominated manually and there are still not many who apply digital payment systems, in terms of facilities that are still lacking is the availability of free WiFi facilities for consumers, while in terms of human resources the weakness is the lack of owners and employees communicating with consumers when shopping, weaknesses that are still quite a lot, namely on the process side, among others, there are still many SMEs that have not been able to place orders online, services that are still slow, owners and employees seem less professional, often less precise in service and still often consumers wait too long, while weaknesses in physical evidence include less attractive interior design and lack of product variety (Pezzutto et al, 2026; Halepoto et al, 20215; Awuzie et al, 2021).

An intensive strategy that can be carried out by SMEs in Jambi City is in the form of market penetration where SMEs are looking for a larger market share than the current market for their goods and services. So business actors must be more aggressive and massive in carrying out marketing activities, especially conducting promotions both online and offline (Bocconcelli et al, 2018; O'dwyer et al, 2009; Gilmore et al, 2007).

A market penetration strategy is an approach used by small and medium-sized enterprises (SMEs) to increase their market share in a particular industry or market. The main objective of this strategy is to attract more customers from competitors or to take market share from existing competitors (Rugova & Prenaj, 2016; Gilmore et al, 2001; Van Scheers, 2011; Dahmiri et al, 2024). Here are some key points related to market penetration strategies for SMEs:

1. **Competitive Pricing:** SMEs can use a pricing strategy that is lower than competitors to attract new customers. This can be done by reducing production costs, improving operational efficiency, or setting lower prices with the aim of attracting price-sensitive customers.
2. **Intensive Promotion:** SMEs can significantly increase their promotional efforts to raise consumer awareness and interest in their products or services. This could include advertising on social media, customer loyalty programs, deep discounts, or direct marketing campaigns.
3. **Distribution Channel Expansion:** By expanding distribution networks or by adding new distribution channels, SMEs can make their products or services more accessible to more consumers. For example, establishing partnerships with large e-commerce or opening new retail outlets.
4. **Product Innovation:** Making innovations to products or services can help SMEs offer unique and compelling added value to customers. These innovations could be quality improvements, new features, or the development of cheaper or simpler versions of the product.
5. **Market Segmentation:** Identifying unmet or untapped market segments can help SMEs focus on targeting specific potential customers. By understanding the needs and preferences of specific market segments, SMEs can devise more effective marketing strategies.
6. **Improved Service Quality:** Offering better customer service, such as responsive after-sales service or faster and more reliable delivery, can help SMEs win customer loyalty and enhance their brand reputation.
7. **Collaborations and Partnerships:** Collaborating with others, such as strategic partnerships with other companies or industry associations, can provide new access to markets or additional resources that support business growth.

8. Competition Analysis: Understanding competitors well, including their strengths and weaknesses, can help SMEs design more effective market penetration strategies. By knowing how competitors attract customers, SMEs can adjust their tactics to be more competitive.

The second way that can be used in an intensive strategy is market development, where business actors make efforts to introduce their existing products to new market segments. Development can also be carried out by product development, for example by carrying out product innovation, including product type innovation, packaging, price, promotion and so on (Dickinger et al, 2004; Shareef et al, 2015; Etuk et al, 2021).

Market development strategy is an approach used by companies to expand their market coverage by entering new market segments or geographies that have not been exploited previously. The goal of this strategy is to find new, unreached customers or to attract customers from existing market segments to existing products or services (Huang & Zhu, 2020; Syafrizal, 2021). Following are some important points related to market development strategies :

1. Geographic Development: Expansion into new geographic areas is a common approach in market development strategy. Companies can enter new national or international markets that were previously unexplored. This could include expanding into cities or countries that are underserved or have large market potential.
2. New Market Segmentation: Identifying and targeting new, untapped market segments is another strategy in market development. Companies can focus their efforts on different demographic, geographic, or behavioral segments that they have not yet reached or have not met their needs with existing products or services
3. Product Innovation: Market development can also be carried out through product innovation, namely by changing or adapting existing products or services to meet customer needs in new market segments. This could mean developing a cheaper, smaller, or simpler version of the product that better suits the needs of the new market
4. Penetration Development: Although related to market penetration, market development can also include strategies to attract existing customers from existing market segments to use the product or service in a different or more intensive way. For example, encouraging wider use of the product or offering special packages or promotions to encourage more purchases.
5. Partnerships and Alliances: Developing a market may also include collaboration with other parties, such as business partners, distributors, or local affiliates in new markets. This can help companies better understand local market needs and gain access to a wider distribution network.
6. Marketing and Promotion: Market development strategies also involve intensive marketing and promotional efforts to increase brand awareness and attract new customers in new markets or new segments. This could include targeted advertising campaigns, special promotional activities, or trade shows in new regions
7. Risk and Potential Analysis: Before embarking on a market development strategy, a company needs to conduct an in-depth analysis of the potential of the new market, the challenges it may face, and the risks associated with entering a new market or new segment. This helps in designing more targeted strategies and managing expectations realistically.
8. Evaluation and Control: As with any business strategy, it is important to continually evaluate the performance and effectiveness of market development strategies and make necessary adjustments to achieve set goals.

Previous research that is in line with the results of this study has been conducted by previous researchers related to MSE development strategies in various regions and cases, among others, concluding that the efforts taken by local governments in developing craft MSMEs are to organize better promotions in the form of trade visits and promotion of craft introductions to new consumers. Mapping these new customers is important to analyze in the future (Potnis et al, 2020; Salem et al, 2023; Wardhana et al, 2019).

Other research with SWOT analysis of MSMEs found that development strategies that can be carried out are processed product innovation, maintaining product quality, collaborating with partners to expand the market, optimizing the provision of funds using government funding assistance (business credit), improving and expanding the marketing system, developing production technology, increasing the competitiveness of local products, limiting excessive distribution of imported products, improving facilities and infrastructure for MSME development and increasing promotion through events by highlighting product characteristics (Siraj et al, 2021; Nazaritehrani & Mashali, 2020; Rahmadani & Subroto, 2022).

In addition, there is also research that concludes that the strategy for developing creative economy-based MSMEs carried out by creative economy MSME actors is the need for synergy between MSME actors, improving the quality of products and services and the full support of the government, the private sector in increasing capital. The Islamic view of the creative economy is a business based on creativity and innovation by improving existing natural resources by trading (Ausat et al, 2023; Agustina et al, 2020; Chollisni et al, 2022; Hartanto & Sup, 2021; Tadjuddin & Mayasari, 2019).

CONCLUSION

1. Based on the weight score from the Business Unit Strength analysis, MSMEs in Jambi City have advantages in the aspects of quality products, effective promotion through online media, and friendly and professional human resources. However, there are still weaknesses such as payment systems that have not been digitized and service processes that need to be improved
2. From the Market Attractiveness analysis, MSMEs in Jambi City face a competitive market with a tight level of price competition. However, there are opportunities in terms of a stable economic environment and easy access to information through online media. However, further efforts are still needed to increase product promotion and distribution
3. Overall, MSMEs in Jambi City are in a strategic position in the middle segment in the GE-McKinsey matrix. This shows the potential for growth and development, with the need for intensive marketing strategies to expand market share and increase competitiveness
4. Based on these findings, intensive strategies such as market penetration and market development are recommended to improve the position of MSMEs in Jambi City. Concrete steps include competitive pricing, intensive promotion through various media, product development and geographic expansion, as well as innovation in service and distribution

RECOMMENDATIONS

1. Even though there is sufficient cleanliness, quality and product variety, focus on improving product quality by considering halal certification more seriously and expanding product variety
2. Continue promotional efforts that have been carried out, especially through online media which have been proven effective. Increase promotions by involving more online and offline platforms as well as collaborating with local events and festivals
3. Focus on increasing speed and professionalism in service. Ensure online ordering is available and the service process is more efficient to reduce consumer waiting time
4. Strengthen communication between owners/employees and consumers. 5. Explore opportunities to expand the market to new areas in Jambi City or nearby cities. This can be done by establishing partnerships to expand product distribution
5. Continue to innovate products and packaging to attract wider market segments. Consider developing smaller product versions or product packages to suit different market needs

Conflicts of Interest

The authors have disclosed no conflicts of interest.

Author's Affiliation

**Dahmiri^{1*}, Rista Aldila Syafri², Al Parok³, Sigit Indrawijaya⁴,
Idham Khalik⁵, Agus Solikhin⁶**

^{1,2,3,4,5} Faculty of Economics and Business,
Jambi University, Indonesia

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HOW TO CITE THIS ARTICLE

Dahmiri, R., Syafri, R. A., Parok, A., Indrawijaya, S., Khalik, I., & Solikhin, A. (2024). Strategy of development of micro small and medium enterprises in support of smart city using GE-McKinsey matrix methods. *Seybold Report Journal*, 19(10), 54-70.

[DOI:10.5281/zenodo.13984864](https://doi.org/10.5281/zenodo.13984864)

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