

## **GO-TO-MARKET STRATEGY AND CUSTOMER VALUE PROPOSITION ASSISTANCE TO INCREASE COMPETITIVE ADVANTAGE OF TEXTILE MSMEs**

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### **ABSTRACT**

*Textile MSMEs in Bandung face increasingly intense competition due to penetration of cheap imported products, changes in digital consumer behavior, and growing competition on marketplace platforms. The main problems faced include a weak customer value proposition (CVP), unstructured marketing funneling, and the absence of a go-to-market (GTM) strategy grounded in competitive advantage. This community service activity aims to improve the strategic capacity of textile MSMEs through assistance in formulating customer value propositions, designing marketing funneling based on customer journey, and developing segmented and positioning-based go-to-market strategies. The activity was carried out with 19 textile MSME participants at CV. Million Bandung Indonesia, Arcamanik District, Bandung City, from March to June 2026. The implementation method used a participatory approach through stages of baseline assessment, workshop, coaching and business mentoring, implementation, and monitoring and evaluation. Post-activity survey results showed that 92–100% of the 19 participants strongly agreed that the program materials, duration, and facilitation met their needs, while five core management personnel received intensive one-on-one mentoring to translate the strategic frameworks into business-specific action plans. Results show that participants were able to identify main customer segments, formulate clearer value propositions, develop more structured marketing strategies, and establish simple marketing performance indicators. Program outputs include a practical module on marketing funneling and go-to-market strategy, a marketing KPI dashboard, and improved partner capabilities in designing data-based marketing strategies.*

**Keywords:** *go-to-market strategy; customer value proposition; competitive advantage; business mentoring; textile MSMEs*

### **INTRODUCTION**

The textile and garment industry is a strategic sector that absorbs many workers and serves as the backbone of manufacturing MSMEs in Indonesia, particularly in Bandung City, which is known as one of the national fashion production centers. Although possessing adequate technical production

competencies, textile MSMEs face increasingly complex competitive pressures due to market globalization, the penetration of low-priced imported products, and changing consumer behaviors that are increasingly digital. Consumers now rely heavily on marketplaces, social media, and online reviews in their information-seeking and purchasing decision processes.

This digital transformation demands that business actors not only excel in production quality but also be able to design systematic and data-driven marketing and market penetration strategies. The adoption of digital marketing and e-commerce strategies can improve MSME performance, but success depends heavily on clarity of value proposition and the company's ability to strategically manage marketing channels (Ballerini & Pirola, 2023). Other studies affirm that digital marketing content structured within a funnel framework can improve communication effectiveness and customer conversion (Terho et al., 2022).

Beyond the challenges of digitalization and the influx of imported goods, macroeconomic stability remains a crucial factor directly affecting the sustainability of this sector. A significant economic threat currently stems from the impact of the rising US dollar (USD) exchange rate. The weakening of the rupiah directly drives up production costs due to the surging prices of imported raw materials (such as synthetic fibers and high-quality yarn). This spike in operational costs forces businesses to raise their final product prices, which ultimately poses a major threat to reducing the volume of clothing orders from both consumers and business partners, given the tendency for

public purchasing power to be suppressed under such conditions.

The local textile and garment industry is currently facing an increasingly heavy and grueling battle for survival. As illustrated in the production workshop scene, small and medium enterprises (MSMEs) pour immense manual effort and craftsmanship into every piece of clothing, yet they are trapped in a perfect storm of economic pressures. On one front, local producers are bleeding from the relentless influx of ultra-cheap imported goods that undercut their pricing, making it nearly impossible to compete purely on cost.



**Figure 1.** Textile Production Activities at CV. Million Bandung Indonesia

From a strategic management perspective, competitive advantage is not only determined by production capabilities, but by the company's ability to create and communicate unique value to specific market segments (Mesut, 2026). The Resource-Based View emphasizes that competitive advantage emerges when a

company can manage its unique resources into a value proposition that is difficult to imitate. This classical perspective is reinforced by recent evidence that sustainable competitive advantage among textile SMEs is increasingly shaped by digital-era capabilities such as sustainability-oriented strategy and agile, digitally enabled retail execution (Gök et al., 2025; Hu et al., 2025). Research on fashion MSMEs in Bandung indicates that market orientation and learning orientation do not directly improve business performance but must be mediated by product innovation agility (Prabowo et al., 2022).

Research on Sustainability Business Performance further shows that competitive advantage is formed through the mediating role of strategic flexibility and distinctive advantage (Alamsyah, 2025). Based on these findings, the root problem of target MSMEs lies not in production capabilities, but in weak value-based marketing strategy formulation, unstructured marketing funnels, and the absence of a systematic data-driven go-to-market approach.

Despite growing scholarly attention to competitive advantage and go-to-market strategy, most prior studies examine customer value proposition formulation, marketing funnel design, and go-to-market strategy as separate marketing interventions

(Terho et al., 2022), while business mentoring research tends to focus on general managerial capacity building rather than marketing-specific competencies (Kunaka & Moos, 2022; Sharafizad et al., 2023). Few empirical studies, particularly in the context of Indonesian textile MSMEs, examine how these three components can be integrated within a single, sustained mentoring intervention, even though the baseline diagnosis in this program found that partner MSMEs faced overlapping deficiencies across all three domains simultaneously rather than a single isolated weakness. The novelty of this community service program therefore lies in its integrated design, which combines customer value proposition formulation, customer-journey-based marketing funneling, and segmented, positioning-based go-to-market strategy within one structured, multi-stage business mentoring framework, rather than treating them as separate, standalone training modules.

Therefore, this community service activity was designed to address these gaps by providing practical, empirically grounded assistance to 19 textile MSME practitioners in Arcamanik District, Bandung City. The specific purposes of this program are: (1) to assist MSME practitioners in formulating a differentiated customer value proposition as a foundation

for competitive differentiation; (2) to design a structured marketing funneling framework based on customer journey mapping from awareness through retention; (3) to develop a data-driven go-to-market strategy encompassing market segmentation, positioning, and distribution channel selection; and (4) to strengthen MSME practitioners' capacity to monitor marketing performance through measurable key performance indicators (KPIs) including conversion rate, customer acquisition cost (CAC), and customer lifetime value (LTV). This program contributes both to MSME capacity building and to the scholarly discourse on training and assistance-based community service interventions in the context of Indonesian SME development.

While training provides the conceptual foundation, business mentoring and coaching constitute the critical bridge between knowledge acquisition and behavioral change in MSME settings. Business mentoring is defined as structured guidance, advisory, and capacity-building support designed to enhance entrepreneurs' managerial, technical, and strategic skills over a sustained engagement period (Kunaka & Moos, 2022). Empirical evidence consistently demonstrates that mentoring and coaching significantly outperform standalone training in

producing lasting improvements in business strategy, financial management, and market performance among SME practitioners (Sharafizad et al., 2023).

The superiority of business mentoring over one-time training is explained by several mechanisms. First, ongoing coaching enables facilitators to adapt their guidance to the evolving challenges practitioners encounter during strategy implementation, a form of real-time problem-solving that static training cannot provide. Second, periodic field visits and feedback sessions create accountability structures that sustain practitioners' motivation to implement and refine their strategies. Third, business mentoring allows for the progressive layering of strategic concepts (moving from basic segmentation and CVP formulation) in early sessions to more advanced KPI monitoring and go-to-market refinement in later stages.

In the context of digital marketing capability development for Indonesian MSMEs, community empowerment programs that integrate training with access to capital, technical mentoring, and follow-up assistance have demonstrated significant positive effects on digital marketing competence and business performance outcomes (Olazo, 2022). These findings underscore the critical importance of designing community service programs as

multi-stage, sustained engagement interventions rather than isolated workshops, particularly when the target participants are MSME practitioners with limited prior exposure to formal strategic management frameworks.

## **IMPLEMENTATION METHOD**

The implementation method of this community service program uses a participatory strategic intervention approach, emphasizing active collaboration between the service team and MSME partners across five interconnected stages. The program was carried out from March to June 2026, involving 19 textile MSME participants under the coordination of CV. Million Bandung Indonesia, Arcamanik District, Bandung City. The five-stage design reflects an empirically grounded logic that moves sequentially from needs diagnosis through knowledge transfer, hands-on application, intensive accompaniment, and systematic evaluation.

### **Stage I: Baseline Assessment and Strategic Diagnosis**

The first stage involved systematic field observation, structured interviews with MSME owners, and group discussions with management teams to map the actual condition of each MSME's marketing practices. The baseline assessment covered

four diagnostic dimensions: (1) clarity and differentiation of existing customer value propositions; (2) structure and completeness of current marketing funneling practices; (3) degree of segmentation and positioning applied in go-to-market activities; and (4) availability and use of marketing performance measurement indicators such as conversion rate, CAC, and LTV. The 19 participating MSMEs were purposively selected based on four criteria: (a) active production status as a textile/garment MSME within the Arcamanik network coordinated by CV. Million Bandung Indonesia; (b) willingness to commit to the full March–June 2026 engagement period, including field visits; (c) absence of a documented marketing strategy at baseline, so that the sample reflected the target problem condition; and (d) representation of varied business scale (approximately 8–25 workers per unit) to capture heterogeneous strategic needs. The observation and interview instruments used in this stage were developed by the facilitation team based on the four diagnostic dimensions above, structured as a semi-structured interview guide and an observation checklist, and reviewed internally by the facilitation team for content relevance prior to field use. Results of the baseline assessment were documented and used to tailor workshop

content and individual coaching agendas to each MSME's specific strategic gap. This stage established the empirical foundation for all subsequent program activities.

### **Stage II: Strategic Workshop**

The strategic workshop was held on June 19–20, 2026 at Cisaranten Kulon Village, Arcamanik District, Bandung City, and was attended by 19 textile MSME participants. The workshop was structured around three integrated thematic sessions: (1) Customer Value Proposition and Positioning, participants identified target customer segments, mapped key customer pain points, and formulated differentiated value propositions using a structured CVP canvas; (2) Marketing Funneling Design: participants mapped customer journeys from awareness through retention and designed stage-specific content and channel strategies; and (3) Go-To-Market Strategy Formulation: participants developed segmentation matrices, positioning statements, and channel selection frameworks tailored to their respective markets. Each session combined facilitated presentation with individual and small-group application exercises, ensuring that all conceptual frameworks were immediately applied to participants' real business contexts.



**Figure 2.** Strategic Workshop Session on GTM Strategy and CVP

### **Stage III: Business mentoring and Coaching**

Stage III constituted the core business mentoring phase, representing the most sustained and contextually adaptive component of the program. Business mentoring was delivered through a combination of small-group coaching sessions and individual one-on-one consultations conducted across multiple field visits to the partner's operational premises. As illustrated in Figure 3, small-group coaching sessions brought together MSME management teams with the facilitation team to review strategy documents, troubleshoot implementation challenges, and refine marketing plans collaboratively. These sessions allowed participants to learn from each other's experiences while receiving targeted expert guidance on their specific strategic challenges.



**Figure 3.** Small-Group Coaching Session During Business Mentoring Phase

Complementing the group sessions, individual one-on-one business mentoring consultations were conducted with key management personnel of the partner MSME, as illustrated in Figure 4. These individual sessions focused on the deepest operational challenges: translating the CVP canvas into specific product messaging for digital platforms, configuring a simple marketing KPI tracking system using spreadsheet tools, and designing an actionable go-to-market execution roadmap. The one-on-one format allowed the facilitation team to provide highly personalized guidance adapted to each practitioner's level of strategic literacy and specific business context, which is critical in settings where MSME practitioners possess widely varying prior exposure to formal marketing frameworks (Kunaka & Moos, 2022).



**Figure 4.** One-on-One Business mentoring Consultation with MSME Management

The business mentoring phase was structured around four recurring agenda items across each field visit: (1) progress review against the previous session's action items; (2) problem diagnosis: identification of implementation barriers encountered since the last visit; (3) strategy refinement: co-developing adjusted approaches to overcome identified barriers; and (4) next-step commitment: explicit agreement on specific actions, owners, and timelines before the next session. This structured agenda ensured that each visit produced tangible progress rather than generic advice, and that participants-maintained accountability between sessions.

#### **Stage IV: Evaluation and Strategic Reflection**

Stage IV involved a systematic evaluation of changes in participants' strategic marketing capabilities and business outcomes relative to the baseline established in Stage I. Evaluation was

conducted through a structured self-assessment survey, facilitator observation checklists, and review of participants completed strategy documents. The structured self-assessment survey used a five-point Likert scale (Strongly Disagree to Strongly Agree) covering five items corresponding to program relevance, duration adequacy, material clarity, facilitation quality, and continuation interest, consistent with the items reported in Table 1. The facilitator observation checklist scored each participant's CVP, funneling, and GTM documents against a simple completeness rubric (complete, partial, or not yet developed) for each of the four evaluation dimensions below. Survey responses were analyzed descriptively using percentage distribution across response categories, while observation checklist and document review data were analyzed qualitatively through thematic comparison against each participant's baseline condition to assess the degree of strategic capability improvement. The evaluation examined changes across four dimensions: (1) clarity and differentiation of customer value propositions; (2) completeness and actionability of marketing funneling plans; (3) specificity of go-to-market strategies; and (4) establishment of KPI monitoring practices. Results were discussed collectively with

participants in a reflective debrief session to consolidate learning, identify remaining gaps, and plan self-directed continuation activities.

### **Stage V: Report Preparation and Dissemination**

The final stage involved the preparation of program documentation and dissemination of outputs. Deliverables produced in this stage include: (1) a practical Marketing Funneling and Go-To-Market Strategy Module for ongoing practitioner reference; (2) a Marketing KPI Dashboard template configurable for individual MSME use; (3) a Customer Value Proposition and GTM Strategy Template; and (4) a comprehensive final program report. Scientific dissemination of program findings through journal publication constitutes a further output of this stage, contributing to the empirical literature on training and assistance-based community service interventions for Indonesian MSME development.



**Figure 5.** Participant Registration at the Strategic Workshop

## RESULT AND DISCUSSION

The implementation of this community service program produced significant results across all five stages. During the baseline assessment phase, it was found that most MSMEs still carried out marketing activities conventionally, without clear market segmentation, documented customer value propositions, or marketing funneling frameworks. Most participants also lacked marketing performance measurement indicators, making it difficult to evaluate the effectiveness of promotional activities. These baseline findings are consistent with broader empirical evidence that Indonesian textile MSMEs predominantly rely on price-based competition rather than value-based differentiation (Teixeira et al., 2023; Susanty et al., 2025).

**Table 1. Participant Feedback Survey Results**

| No | Statement                                   | STS | TS | N | S  | SS   |
|----|---------------------------------------------|-----|----|---|----|------|
| 1  | Activity materials match partner needs      | -   | -  | - | 8% | 92%  |
| 2  | Activity duration was appropriate           | -   | -  | - | 8% | 92%  |
| 3  | Materials were clear and understandable     | -   | -  | - | 0% | 100% |
| 4  | Committee provided good service             | -   | -  | - | 8% | 92%  |
| 5  | Community hopes similar activities continue | -   | -  | - | 8% | 92%  |

| No                                                                               | Statement | STS | TS | N | S | SS |
|----------------------------------------------------------------------------------|-----------|-----|----|---|---|----|
| <i>SS=Strongly Agree; S=Agree; N=Neutral; TS=Disagree; STS=Strongly Disagree</i> |           |     |    |   |   |    |

The strategic workshop yielded measurable improvements in participant understanding of GTM concepts, market segmentation, positioning, distribution channel selection, and market penetration strategies. The training content was delivered through a participatory, hands-on format, ensuring that each concept was directly applied to participants' own business contexts. As shown in Table 1, the feedback survey conducted after the workshop demonstrated overwhelmingly positive responses from all 19 participants across five evaluation dimensions, with 92–100% of respondents indicating strong agreement on all items.

The business mentoring and coaching phase produced several key achievements. Participants were able to identify main customer segments and determine the most potential target markets for their businesses. A clearer and differentiated customer value proposition was formulated for each participating MSME, establishing a concrete competitive positioning basis beyond price competition. Structured marketing funneling frameworks covering awareness, interest, consideration, conversion, and retention stages were developed, with specific content strategies

and channel recommendations for each stage, utilizing social media, marketplace, WhatsApp Business, and community networks as effective marketing channels. As an additional, more objective indicator of success beyond participant satisfaction, facilitator document review at the end of Stage IV confirmed that all 19 participating MSMEs completed a CVP canvas and a structured marketing funnel document, indicating a substantive rather than purely perceptual improvement in strategic marketing capability.

The one-on-one business mentoring sessions proved highly effective in translating strategic frameworks into business-specific action plans. The structured agenda of each field visit (progress review, problem diagnosis, strategy refinement, and next-step commitment) created an accountability cycle that sustained participants' implementation momentum between sessions. These outcomes are consistent with empirical evidence that multi-stage, sustained coaching engagements produce more comprehensive and implementable strategic outputs than one-time training events (Kunaka & Moos, 2022; Sharafizad et al., 2023). This finding is consistent with theoretical work distinguishing sustained coaching as a dynamic-capability-building mechanism from static, one-off knowledge

transfer, and extends earlier assumptions in the go-to-market literature that a single structured workshop is sufficient to translate strategic frameworks into implementation; it suggests that for MSME contexts with limited prior strategic exposure, sustained mentoring is a necessary complement rather than an optional addition to workshop-based training.

The shift from price-based competition toward value-based differentiation represents a significant strategic transformation for participating MSMEs. This aligns with competitive advantage theory and the Resource-Based View, which collectively emphasize that sustainable competitive advantage emerges from unique value propositions that are difficult for competitors to imitate, and is further supported by recent findings that digital-era competitive advantage in the textile and fashion sector depends on the same combination of differentiated value proposition and agile market execution observed in this program (Gök et al., 2025; Hu et al., 2025). This aligns with competitive advantage theory Resource-Based View, which collectively emphasize that sustainable competitive advantage emerges from unique value propositions that are difficult for competitors to imitate. The overall outcomes demonstrate that the

empirically grounded, participatory strategic intervention approach (combining contextually tailored training, group coaching, and individual business mentoring) was effective in producing measurable improvements in strategic marketing capability among textile MSME practitioners.

## CONCLUSION

This community service program improved the strategic marketing capacity of 19 textile MSME participants in Arcamanik District, Bandung City, through an integrated program combining contextually grounded training, a structured workshop, and multi-format business mentoring encompassing both small-group coaching and individual one-on-one consultations, implemented from March to June 2026.

The practical contribution of this program lies in equipping partner MSMEs with concrete, ready-to-use strategic assets, namely a documented customer value proposition, a structured customer-journey-based marketing funnel, and a segmented go-to-market plan, rather than conceptual knowledge alone. These outputs directly address the program's identified problem of price-based rather than value-based competition among textile MSMEs and are

intended to be immediately implementable in participants' daily business operations.

This program also has several limitations that should be acknowledged. First, the evaluation relied primarily on a self-assessment survey and facilitator observation conducted within a relatively short post-workshop window and did not track longer-term marketing performance metrics such as conversion rate, customer acquisition cost, or sales growth. Second, the sample was limited to 19 MSMEs coordinated by a single partner organization (CV. Million Bandung Indonesia) within one district, which may limit the generalizability of findings to textile MSMEs operating under different market or regional conditions. Third, the intensive one-on-one mentoring component was concentrated on five core management personnel, which may not fully capture variation in strategic capability improvement across the broader participant group.

Future programs are recommended to extend the business mentoring period to allow longer-term tracking of actual marketing performance improvements, including conversion rate, customer acquisition cost, and lifetime value metrics, and to expand participation across multiple partner networks and regions to strengthen generalizability. Integration of digital

platform optimization and e-commerce strategy modules would further strengthen the sustainability of the competitive advantages developed through the program. Longitudinal follow-up studies, ideally using pre-post quantitative performance data rather than perception-based indicators alone, would contribute valuable empirical evidence on the durability of capability improvements produced through multi-format training and business mentoring-based community service interventions.

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