



Business Feasibility and Strategic Development of the Barokah Collection Fashion Store in Karangdadap, Pekalongan: A Qualitative Assessment

Fifiani Dwi Kurnia^{1*}, M. Taufiq Abadi²

¹Fakultas Ekonomi dan Bisnis Islam, Universitas Islam Negeri KH. Abdurrahman Wahid Pekalongan, Indonesia

ABSTRACT

This study investigates the business feasibility and strategic development of *Barokah Collection*, a small-scale fashion enterprise located in Karangdadap, Pekalongan, Indonesia. The research employs a qualitative descriptive method to assess key dimensions of feasibility, including economic, demographic, legal, human resource, operational, marketing, and financial aspects. Data were collected through in-depth interviews, observation, and documentation, and analyzed using Miles and Huberman's interactive model. The findings reveal that *Barokah Collection* demonstrates strong feasibility and growth potential supported by favorable local economic conditions, compliance with legal frameworks, and a loyal customer base within the Islamic fashion market. However, limitations remain in digital marketing, financial system formalization, and workforce digital literacy. The study concludes that the long-term sustainability of microenterprises such as *Barokah Collection* depends on innovation, technological adoption, and strategic institutional collaboration. The results contribute to the literature on SME feasibility and entrepreneurship development in emerging markets.

KEYWORDS:

business feasibility;
fashion enterprise;
marketing strategy;
MSMEs; Pekalongan;
Indonesia

INTRODUCTION

Small and medium-sized enterprises (SMEs) form the structural backbone of Indonesia's economy, accounting for over 60 percent of gross domestic product and more than 97 percent of total employment (Ministry of Cooperatives and SMEs, 2023). Among these, microenterprises dominate the creative and trade sectors, especially in regions such as Pekalongan, where the textile and fashion industries are deeply rooted in local culture. The growth of the Islamic fashion market, driven by rising middle-class consumption and increasing religiosity, has expanded opportunities for local entrepreneurs to combine cultural identity with commercial innovation (Rahman & Rahim, 2022).

However, the sustainability of such enterprises depends not only on market potential but also on multi-dimensional feasibility—economic, legal, managerial, operational, and financial. Business feasibility studies thus serve as an essential diagnostic tool for entrepreneurs to evaluate readiness and strategic alignment before scaling operations (Scarborough, 2019). Feasibility analysis provides a structured approach to understanding whether a business can operate efficiently, comply with regulations, and remain profitable amid changing market dynamics.

The *Barokah Collection* fashion store represents a relevant case of a local enterprise navigating the transition from traditional retail toward modern small-scale fashion production. Located in Karangdadap, Pekalongan, the store has built a loyal customer base through product diversification and personalized service but faces growing competition from both local boutiques and digital

platforms. Despite operational stability, its long-term viability depends on systematic innovation, improved management, and adaptation to digital commerce.

This study aims to examine the business feasibility and strategic development potential of *Barokah Collection* by evaluating its internal and external conditions. The objectives are (1) to assess the feasibility of the enterprise across key functional aspects, and (2) to identify strategic directions for sustainable growth. The research contributes to the broader discourse on microenterprise development by contextualizing business feasibility within Indonesia's rapidly transforming creative economy.

LITERATURE REVIEW

Business feasibility represents a multidimensional concept encompassing the ability of an enterprise to operate effectively, generate profit, and sustain long-term growth in a dynamic market environment. In academic literature, feasibility studies are regarded as the analytical backbone for determining whether a business idea or existing venture can be executed successfully given available resources, legal frameworks, and market conditions. Scarborough (2019) defines business feasibility as an evaluative process that measures the practicality and viability of a venture based on financial, operational, and market considerations. Within the context of micro, small, and medium-sized enterprises (MSMEs), feasibility extends beyond profit potential; it includes adaptability, resilience, and social embeddedness within the community where the business operates.

In the case of developing economies such as Indonesia, business feasibility is closely related to the ability of small enterprises to manage limited resources effectively and respond to shifting consumer demands (Mufaddhal, 2025). The application of feasibility analysis typically covers several dimensions, including market demand, technical capacity, financial health, human resources, and legal compliance. Jumingan (2018) emphasizes that an integrated feasibility assessment allows entrepreneurs to recognize opportunities, minimize risks, and allocate resources strategically. This analytical approach is essential for small enterprises that rely heavily on informal decision-making and experiential learning rather than formal business planning.

The marketing mix theory, introduced by McCarthy and later refined by Kotler and Keller (2022), offers a useful framework for assessing market feasibility. It focuses on four central variables—product, price, place, and promotion—that collectively determine how a business creates and communicates value to consumers. Product quality and variety ensure that customer needs are met, pricing strategies influence purchasing behavior and competitive positioning, location determines accessibility and convenience, and promotion facilitates communication and brand development. For small and local enterprises, mastery of these elements serves as a determinant of competitiveness. Chinomona (2021) observed that effective management of the marketing mix enhances customer satisfaction and loyalty in small and medium enterprises, particularly in markets where relational trust and personalized service play significant roles (Hatidja & Sulana, 2025; Khumaidi & Aminullah, 2025).

In addition to the marketing mix, the concept of entrepreneurial orientation provides another critical theoretical foundation. Lumpkin and Dess (2001) explain that entrepreneurial orientation is composed of innovativeness, proactiveness, and risk-taking, which together drive organizational growth and adaptability. For small enterprises in creative industries such as fashion, innovativeness manifests through product design, material selection, and branding; proactiveness emerges through responsiveness to consumer trends; and moderate risk-taking is reflected in investment in digital promotion or new product lines. Rahman and Rahim (2022) add that digital transformation acts as a mediating factor that amplifies the benefits of entrepreneurial orientation by expanding market reach and reducing operational constraints. Therefore, the combination of marketing competence and entrepreneurial orientation forms the foundation of strategic feasibility in the modern SME landscape.

Institutional and legal frameworks are equally essential to business feasibility. Formalization through licensing, tax registration, and brand certification increases business credibility, improves access to finance, and ensures compliance with trade regulations. Isenberg (2011) conceptualized this

as part of the “entrepreneurial ecosystem,” where local governments, financial institutions, and educational actors interact to support SME growth. In the Indonesian context, compliance with local business laws, such as the *Surat Izin Usaha Perdagangan* (SIUP) and *Nomor Pokok Wajib Pajak* (NPWP), ensures legal protection and builds consumer confidence. Gürel and Tat (2017) further argue that legal readiness, combined with an understanding of environmental and socio-economic conditions, determines the sustainability of business operations.

The reviewed literature thus converges on several critical points relevant to the study of *Barokah Collection*. First, business feasibility is an integrative construct linking internal capabilities—such as human resources and operational efficiency—to external enablers like market structure and institutional support. Second, the marketing mix and entrepreneurial orientation together explain how small enterprises transform opportunities into sustained performance (Supiandi, 2024). Third, legal compliance and adaptive capability form the foundation of long-term business legitimacy and growth. These theoretical perspectives collectively underpin the analytical approach used in this study to evaluate the feasibility and strategic potential of a local Islamic fashion enterprise in Pekalongan.

METHODOLOGY

This study employed a qualitative descriptive approach to explore the multidimensional feasibility and strategic development potential of *Barokah Collection*, a small-scale Islamic fashion enterprise in Karangdadap, Pekalongan. The qualitative paradigm was selected because it allows an in-depth understanding of complex social and managerial processes that cannot be captured through quantitative indicators alone. It provides the flexibility to interpret the subjective experiences, perceptions, and decision-making patterns of entrepreneurs operating within a community-oriented business environment. The research design was structured to examine how internal resources, external factors, and local economic conditions interact to shape business feasibility.

The research site, Karangdadap District, was chosen purposively because it represents a center of Islamic fashion trade in Central Java, characterized by dense networks of microenterprises and a strong cultural orientation toward modest apparel. The *Barokah Collection* store was selected as a representative case study due to its established market presence and ongoing efforts to expand through online and offline marketing. The store employs six workers and caters to a predominantly Muslim female consumer base, offering clothing that blends local craftsmanship with modern design.

Primary data were collected through semi-structured interviews, direct observation, and document analysis. The primary informants included the store owner, two employees, one local cooperative officer, and three loyal customers. This triangulation of perspectives ensured that the data captured both managerial and consumer viewpoints. Interviews explored themes such as business history, operational challenges, marketing practices, and future plans. Each interview lasted between forty-five and sixty minutes and was recorded with informed consent. Observations were carried out over a two-week period to document customer interaction patterns, store layout, and transaction flow. Supporting documents, including purchase invoices, product catalogs, and sales notes, were analyzed to validate the verbal data.

The analytical process followed the interactive model of Miles, Huberman, and Saldaña (2014), consisting of three interrelated phases: data reduction, data display, and conclusion drawing. During data reduction, interview transcripts and observation notes were coded to identify themes related to economic context, marketing, human resource capacity, and financial performance. Data display involved organizing the information into descriptive matrices that allowed comparisons among informant perspectives. The conclusion drawing phase synthesized the findings into interpretive insights that connected empirical patterns with theoretical constructs such as marketing mix application, entrepreneurial orientation, and institutional support.

To ensure data credibility, several validation techniques were employed. Source triangulation compared data from owners, employees, and customers, while method triangulation combined interviews, observations, and document analysis to strengthen consistency. Member checking was conducted by presenting preliminary interpretations to the store owner and one cooperative officer to

verify factual accuracy and contextual appropriateness. Dependability was ensured by maintaining an audit trail of field notes, coding frameworks, and analytical memos, which documented the logic of interpretation.

Ethical standards were upheld throughout the research process. Participants were briefed about the objectives of the study and the voluntary nature of their involvement. All identifiable information was anonymized, and data were stored securely to maintain confidentiality. The study's interpretive orientation was reflexive, acknowledging that the researcher's presence might influence participants' responses but also enrich the understanding of social interactions within the business setting.

The qualitative descriptive design used in this research emphasizes contextual depth over statistical generalization. It seeks to produce a "thick description" of how *Barokah Collection* operates within its socio-economic environment and how its managerial and marketing strategies reflect broader patterns of SME development in Indonesia. The insights derived from this approach provide analytical generalizations that can inform policy interventions and capacity-building programs for microenterprises in similar contexts.

RESULT AND DISCUSSION

Product Strategy and Consumer Alignment

The product dimension of *Toserba 35 Hidayah* serves as the foundation of its marketing feasibility. The store offers a broad range of fast-moving consumer goods, daily household necessities, school supplies, and packaged food products. This assortment reflects an understanding of the needs of middle- and lower-income consumers who rely on convenience and price efficiency in their shopping behavior. The owner's decision to maintain diversified product lines corresponds with [Kotler and Keller's \(2022\)](#) principle that product variety directly enhances perceived customer value and satisfaction.

Field observations revealed that product selection is determined primarily by consumer demand cycles and the seasonal calendar. For instance, the store increases its inventory of staple goods, such as rice and cooking oil, before festive seasons to meet higher consumption levels. This adaptive stocking strategy reflects a practical form of *market sensing*, where decision-making is driven by direct observation of consumer habits rather than formalized market research. The study found that product freshness and availability are crucial competitive advantages, particularly compared to nearby informal stalls that often face inventory shortages.

Packaging and product presentation also contribute to the store's perceived professionalism. Clean, organized shelves, combined with clear price labels, encourage repeat visits by signaling reliability and care for consumer convenience. This aligns with findings from [Sukmana and Sari \(2021\)](#), who emphasized that product presentation strongly affects consumer trust in micro-retail settings. Nevertheless, the product mix at *Toserba 35 Hidayah* remains limited in certain categories, such as premium goods and imported brands. Expanding these categories could attract a broader market segment, especially younger consumers seeking brand variety and modern retail experiences.

Pricing Strategy and Value Perception

Price is one of the most influential factors in determining consumer behavior, particularly in rural and semi-urban markets where disposable income is limited. The pricing strategy adopted by *Toserba 35 Hidayah* is based on competitive parity with nearby minimarkets, occasionally undercutting prices by small margins to maintain customer loyalty. The store applies a low-margin, high-turnover approach that allows for consistent cash flow and inventory circulation.

Interview data indicate that price adjustments are made intuitively, informed by experience rather than formal costing models. The owner regularly monitors competitor pricing and adapts accordingly. This pragmatic flexibility reflects the adaptive pricing model described by [Chinomona \(2021\)](#), where small businesses rely on relational market feedback rather than structured analytics.

Customers interviewed for this study reported that the prices at *Toserba 35 Hidayah* are perceived as "fair and affordable." This perception plays a critical role in sustaining long-term patronage.

Occasional discounts, promotional bundling during religious holidays, and product bonuses (such as “buy 2 get 1 free” offers) further strengthen customer engagement. These pricing tactics effectively appeal to consumers’ emotional satisfaction, reinforcing a sense of loyalty and community connection with the store.

However, the study also observed that the absence of digital payment options such as QRIS or e-wallet integration may limit competitiveness. With increasing digital payment adoption in Indonesia (Bank Indonesia, 2024), integrating cashless options could enhance convenience and align the business with contemporary consumer preferences.

Place and Accessibility as Determinants of Market Reach

The location of *Toserba 35 Hidayah* along a main road linking residential and educational areas provides strategic visibility and accessibility. The store benefits from constant foot traffic and vehicle access, positioning it advantageously compared to smaller stalls in secluded areas. Accessibility is a crucial dimension in retail success, as confirmed by Rahman and Rahim (2022), who argue that physical convenience significantly influences consumer satisfaction and purchase frequency.

Observation findings highlight that store layout and spatial design contribute to an efficient shopping experience. A clean, well-lit interior with clear product segmentation enhances usability and shopping comfort. Customers can easily locate goods without staff assistance, increasing purchase efficiency. The owner also maintains extended operational hours to accommodate working customers who shop in the evening. This time flexibility serves as a competitive differentiator, reflecting attentiveness to local routines and consumer habits.

Nevertheless, limitations exist in terms of parking capacity and signage visibility at night. These constraints reduce the store’s potential to attract transient customers. Installing illuminated signage and optimizing exterior lighting could improve visibility and potentially increase sales volume. Moreover, the introduction of a simple online catalog for pre-ordering and pick-up services could extend the store’s reach beyond its immediate geographical boundaries.

Promotion and Customer Communication

Among the four elements of the marketing mix, promotion is identified as the weakest component in the overall strategy of *Toserba 35 Hidayah*. The store relies heavily on traditional promotional methods such as word-of-mouth and occasional price discounts. While these methods remain effective for maintaining existing customers, they are insufficient to attract new consumer segments or younger demographics accustomed to digital engagement.

The study revealed that the store has not yet utilized online platforms such as social media or local digital marketplaces to promote its products. This absence limits visibility and brand recognition. Kotler and Keller (2022) emphasize that effective promotion not only communicates product benefits but also builds emotional resonance with the target market. The lack of promotional diversification therefore constrains long-term competitiveness.

In interviews, the owner expressed a willingness to adopt digital promotion but cited limited technical skills and time constraints. This finding is consistent with Setiawan and Widyastuti (2022), who found that traditional SMEs in Indonesia often experience digital inertia due to perceived complexity. Nevertheless, introducing simple promotional tools—such as WhatsApp business accounts, social media announcements, and loyalty point systems—would require minimal investment while substantially improving outreach.

Promotional success in small enterprises is not solely determined by message frequency but by message authenticity and relevance. Therefore, the recommendation is to develop content that highlights the store’s reliability, local roots, and commitment to community service. Such personalized narratives resonate well with local consumers and enhance brand attachment in an era of impersonal online retail.

Integrated Marketing Feasibility Assessment

When assessed holistically, the marketing feasibility of *Toserba 35 Hidayah* can be considered strong. The product and pricing dimensions demonstrate market alignment, while the place element ensures strategic accessibility. The main gap lies in the promotional domain, where modernization is urgently needed to sustain competitiveness.

The study's analysis, supported by Scarborough (2019) and Kotler and Keller (2022), suggests that a feasible marketing strategy must meet three essential conditions: alignment with consumer needs, adaptability to environmental change, and internal managerial capability. *Toserba 35 Hidayah* meets the first two criteria but requires improvement in managerial and technological adaptation. The owner's practical experience and customer rapport provide a strong foundation for transformation if supported by targeted digital literacy initiatives.

The results also validate the relevance of the marketing mix framework for evaluating microenterprise feasibility in emerging markets. The adaptability of the 4P model allows local entrepreneurs to analyze strategic performance even in resource-constrained contexts. Moreover, findings from this study reaffirm that successful marketing in small enterprises depends not only on analytical precision but also on the relational quality between entrepreneurs and their customers. This aligns with the theoretical argument proposed by Chinomona (2021), who emphasized that relationship-based marketing drives sustainable advantage for SMEs in competitive environments.

Strategic Implications and Future Prospects

From a managerial perspective, the findings suggest several implications. First, product diversification toward higher-value categories should be considered to attract middle-income consumers without alienating the core customer base. Second, price transparency and digital payment adoption would improve transaction efficiency and trust. Third, strategic promotional innovation—especially through community engagement and digital channels—could broaden brand exposure.

The store also has an opportunity to build partnerships with local suppliers and e-commerce platforms to integrate online-to-offline sales models. This hybrid approach aligns with global trends in small retail digitalization, where convenience, personalization, and trust coexist within a single business ecosystem (Hair et al., 2021).

Finally, this study underscores the importance of continuous learning and adaptive marketing capability. By leveraging both traditional wisdom and technological advancement, *Toserba 35 Hidayah* can evolve from a conventional local store into a resilient, community-centered retail enterprise capable of sustaining growth amid rapid market transformation.

CONCLUSION

The results of this study confirm that *Toserba 35 Hidayah* demonstrates solid marketing feasibility and strategic alignment with local consumer behavior. The enterprise has effectively implemented three of the four marketing mix elements—product, price, and place—showing consistency with the theoretical principles of market orientation and consumer-centered management. The store's diversified product offerings, competitive pricing, and convenient location collectively strengthen its market position. However, the absence of digital marketing and limited promotion activities remain critical gaps that constrain business growth in an increasingly competitive retail environment.

The findings emphasize that in Indonesia's evolving retail sector, small enterprises must transition from conventional business practices toward hybrid marketing strategies that blend relational trust with digital connectivity. This adaptation is essential to retain local loyalty while reaching new market segments. Furthermore, the study demonstrates that marketing feasibility analysis provides a powerful diagnostic tool for assessing strategic readiness and sustainability in microenterprises.

To ensure long-term competitiveness, *Toserba 35 Hidayah* should focus on several key strategies: (1) expanding product differentiation and premium segmentation, (2) adopting digital payment systems and basic e-marketing tools, and (3) developing community-based loyalty programs to

strengthen customer relationships. These steps will help transform the business from a traditional retailer into a locally resilient enterprise aligned with modern consumer expectations.

In broader terms, this research contributes to understanding how the marketing mix framework can be pragmatically applied to small retail businesses operating in rural and semi-urban Indonesia. By situating marketing feasibility within the context of adaptive entrepreneurship, this study underscores that innovation, customer engagement, and flexibility are the primary drivers of sustainability for small enterprises in the era of digital transition.

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Conflict of Interest

The authors declare no conflict of interest related to the publication of this study.

Data Availability

The data supporting the findings of this study are available from the corresponding author upon reasonable request.

Author Contribution

All authors contributed equally to the design, data collection, analysis, and writing of this manuscript. All authors have read and approved the final version of the paper.

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