

Local Business Resilience in the Era of Globalization; A Study of Madura Grocery Stores in Serang City

Fitri Raya^{1)*}, Siti Marfu'ah²⁾, Trisna Taufik Darmawansyah³⁾, Muhammad Sujudillah⁴⁾

^{1), 2), 3), 4)} Universitas Islam Negeri Sultan Maulana Hasanuddin Banten

¹ fitri.raya@uinbanten.ac.id*

*Corresponding author

 <http://ejournal.uinmadura.ac.id/index.php/iqtishadia>
10.1905/iqtishadia.v6i1.24229

ARTICLE INFO	ABSTRACT
Keywords Resilience, Globalization, Madura Grocery Stores Article history Received: 12 Mar 2026 Revised: 8 Sep 2026 Accepted: 8 Sep 2026 Available online: 16 Sep 2026	Madura grocery stores have become an interesting economic phenomenon, especially among migrants, because they are able to attract public attention and compete with larger modern retailers. This study aims to examine the resilience of local businesses in the face of globalization pressures and to identify factors that influence the ability of Madurese grocery stores to survive and thrive amidst increasingly competitive market competition. This study uses a qualitative approach with a descriptive case study. The qualitative approach was chosen because it aims to understand the meaning, experiences, and strategies employed by Madura grocery store business owners in Serang City in facing the challenges of globalization. The research found that the resilience strategies implemented included product innovation by increasing product variety to meet customer needs, providing fast, friendly, and intimate personal service, and strengthening networks among Madura traders through solidarity and community collaboration. External support, such as the role of the Madura community, good relationships with local distributors, and customer loyalty, provided crucial social capital for maintaining business sustainability. Solidarity among Madura traders fostered a sense of mutual assistance, providing capital, information, and moral support, which strengthened their economic.

INTRODUCTION

Recent studies highlight the vital importance of resilience for local businesses in the era of globalization. Entrepreneurial resilience, shaped by financial, human, and social capital, significantly contributes to achieving a sustainable competitive advantage for small and medium-sized enterprises.¹ Local cultural values can further reinforce this resilience by providing crucial psychological support.² For startups, a business resilience framework that integrates innovation agility, dynamic capabilities, technological capabilities, agile leadership, and knowledge stock can effectively help overcome major disruptions, such as the COVID-19 pandemic.³ The pandemic itself has compelled SMEs to navigate survival, continuity, and growth by strategically leveraging firm-level resources and adaptations.⁴ Additionally, the era of globalization has shaped business law in Indonesia, directly influencing how local businesses operate within a global context.⁵ These findings underscore the multifaceted nature of business resilience in the face of evolving global challenges.

Globalization has driven significant transformations across various aspects of life, including the corporate and business landscape. This phenomenon inevitably affects numerous economic sectors, including traditional micro-businesses such as grocery stores (*warung kelontong*). As a fundamental form of micro-enterprise in Indonesia, grocery stores play an essential role in local economies, particularly within smaller and more traditional communities. In Serang City, Madurese grocery stores (*warung kelontong Madura*) have become an integral part of the community's daily life, providing staple goods at relatively affordable prices. However, with the continuous expansion of the global market and intense rivalry from modern retailers, traditional small businesses are confronted with severe challenges and must find ways to compete. Globalization and technological advancements have transformed consumer shopping habits, shifted consumption patterns, and intensified market competition in terms of both pricing and product quality. For Madurese grocery stores in Serang City, these pressures exert a significant impact on their business continuity and competitiveness. The emerging obstacles range from limited access to technology and constraints on innovative capital to difficulties in adapting to changing consumer preferences and demands. Consequently, understanding how Madurese grocery stores in Serang City maintain their existence and adapt to the shifts brought about by this globalized era is of paramount importance.

Madurese migrants generally exhibit a high degree of mobility that heavily relies on kinship ties; their migration process is frequently dependent on the presence of family members or friends who have already established themselves in the destination area. In their daily lives, they demonstrate a remarkable capacity to adapt both physically and mentally.

¹ Putu Dyah Permatha Korry et al., "Investigating Entrepreneurial Resilience toward Sustainable Competitive Advantage: Does Local Culture Matter?," *Uncertain Supply Chain Management* 12, no. 2 (2024): 801–14, <https://doi.org/10.5267/j.uscm.2024.1.006>.

² Korry et al.

³ Leo Aldianto et al., "Toward a Business Resilience Framework for Startups," *Sustainability* 13, no. 6 (March 2021): 3132, <https://doi.org/10.3390/su13063132>.

⁴ Boyke Rudy Purnomo et al., "Entrepreneurial Resilience during the Covid-19 Pandemic: Navigating Survival, Continuity and Growth," *Journal of Entrepreneurship in Emerging Economies* 13, no. 4 (September 2021): 497–524, <https://doi.org/10.1108/JEEE-07-2020-0270>.

⁵ Juan Anthonio Kambuno, "Influence of Globalization Era on Business Law in Indonesia: A Book Review Pengaruh Era Globalisasi Terhadap Hukum Bisnis Di Indonesia, Dr. Edy Santoso, Kencana Jakarta Timur, 2018, 244 Pages, ISBN 978-602-422-191-1," *Journal of Indonesian Legal Studies* 5, no. 2 (November 2020): 505–12, <https://doi.org/10.15294/jils.v5i2.34811>.

This is evident among Madurese migrants in Serang City, who face no significant hurdles in integrating into their new social and cultural environment.⁶

While a widespread assumption suggests that modern minimarkets threaten the survival of traditional, grassroots grocery stores, the ground reality conversely reveals a steady growth in the number of these traditional stores, particularly those managed by Madurese migrants. Urban development has not deterred the Madurese ethnic group from establishing businesses; instead, they successfully capitalize on market opportunities that are frequently overlooked by local residents. In recent years, Madurese grocery stores have expanded rapidly across various regions, including Serang City, by offering a comprehensive range of daily necessities, affordable prices, and 24-hour service.

Grocery stores constitute a vital component of Micro, Small, and Medium Enterprises (MSMEs), a sector that historically served as the backbone of the Indonesian economy—most notably during the 1998 monetary crisis, where it emerged as a national economic savior. Structurally, the Indonesian economy is heavily dominated by MSMEs, accounting for approximately 51.3 million business units or 99.97% of all active business entities, making them the primary catalyst for economic development, income distribution, and job creation.⁷ In this context, Madurese grocery stores have emerged as an intriguing economic phenomenon, especially in migrant destinations, due to their ability to capture public attention and compete effectively with larger, modern retail chains. Therefore, this phenomenon warrants an in-depth exploration from both economic and sociological perspectives. It is crucial to understand how Madurese grocery stores in Serang City sustain their presence and adapt to shifts in the era of globalization. Consequently, this study specifically focuses on analyzing the adaptive strategies and survival mechanisms employed by Madurese grocery store owners in Serang City when confronting modern retail competitors.

METHODS

This study employs a qualitative approach with a descriptive case study design. The qualitative approach was chosen to understand the meanings, experiences, and strategies employed by Madura grocery store owners in Serang City in facing the challenges of globalization. The data sources used in this study are divided into two categories: primary and secondary data. Data collection was conducted using three main techniques: in-depth interviews, participant observation, and documentary studies. This research utilizes the qualitative analysis model by James P. Spradley, which consists of four main stages:

1. Domain Analysis

The first stage of this qualitative analysis aims to identify the main categories or domains emerging from the field data, such as interview results, observations, or documents. A domain is defined as a broad unit of meaning that encompasses various interrelated concepts. The researcher looks for terms used by informants and categorizes their meanings into several large categories.

2. Taxonomic Analysis

⁶ Muhtar Wahyudi et al., *Identitas Kultural Masyarakat Madura: Tinjauan Komunikasi Antar Budaya, Madura: Masyarakat, Budaya, Media, Dan Politik*, 2015.

⁷ Euis Amalia, *Keuangan Mikro Syariah* (Gramata Publishing, 2016).

This stage aims to break down the main domains into more specific subcategories to form a hierarchical structure. The researcher constructs a taxonomy (a conceptual tree structure) to understand the relationship between the main concepts and their subconcepts. This process helps describe the structure of meaning in depth.

3. Componential Analysis

In this stage, the researcher compares elements within or between domains to find differences (contrasts) between categories. The goal is to identify the dimensions of meaning that distinguish one concept from another. The researcher uses contrast questions to identify the unique characteristics of each element.

4. Cultural Theme Analysis

The final stage is to discover common themes or overarching meanings (cultural themes) that link all domains and describe existing cultural patterns. These themes serve as a common thread explaining the relationship between all categories and how informants perceive their social reality.

RESULT AND DISCUSSION

Globalization and the Business Resilience of MSMEs

Economic globalization is a market integration process that eliminates geographical boundaries; however, for small enterprises, this phenomenon frequently generates an asymmetric competition between traditional businesses and modern retail corporations. Globalization demands high standards of quality, operational efficiency, and rapid digital technology adoption, which often pose significant barriers to micro-enterprises operating with limited capital. The business resilience of MSMEs is defined as the systemic capacity to anticipate, respond, and adapt to external disruptions, allowing them to not only survive but also "bounce forward" and thrive. This resilience is built upon three primary pillars: financial resilience, adaptive resilience through operational flexibility, and relational resilience stemming from social capital.⁸ Resilient MSMEs possess dynamic capabilities that enable them to identify market opportunities (*sensing*) and rapidly reconfigure their resources to navigate economic discontinuities.⁹

The relationship between globalization and resilience demonstrates that external pressures from the global market can be effectively mitigated by strengthening internal, culture- and community-based factors. Local cultural values and traditional work ethics often serve as psychological and social engines that reinforce group cohesion during times of crisis.¹⁰ By leveraging ethnic solidarity networks and providing personalized services that large corporations cannot replicate, MSMEs are able to construct effective self-defense mechanisms that preserve local economic stability amidst the forces of globalization.

The concept of resilience in a business context refers to the capability to persist and flourish despite facing various adversities. This study focuses on the resilience of small

⁸ Julia Hillmann and Edeltraud Guenther, "Organizational Resilience: A Valuable Construct for Management Research?," *International Journal of Management Reviews* 23, no. 1 (2021): 7–44, <https://doi.org/10.1111/ijmr.12239>.

⁹ D. J. Teece, "Explicating Dynamic Capabilities: The Nature and Microfoundations of (Sustainable) Enterprise Performance," *Strategic Management Journal*, 2007.

¹⁰ Korry et al., "Investigating Entrepreneurial Resilience toward Sustainable Competitive Advantage: Does Local Culture Matter?"

and medium enterprises in confronting globalization. MSMEs are widely assumed to possess low resilience and operate under less-than-ideal conditions when facing external shocks. Many observers argue that traditional grocery stores will inevitably be crushed by the emergence of modern-concept minimarkets that offer superior services. Yet, the empirical reality on the ground indicates the exact opposite, with the rapid rise of Madurese grocery stores serving as concrete evidence. MSMEs, and in this case, Madurese grocery stores, tend to be more flexible and highly responsive to environmental shifts.

The dynamic and highly adaptable nature of MSMEs allows them to make faster decisions when navigating crisis situations. While the small scale of MSMEs often makes their crisis response disproportionate in terms of resources, this very condition enhances their capacity to act flexibly and adaptively to ongoing changes. This is demonstrated by the continuous growth of Madurese grocery stores, particularly in urban areas. Admittedly, MSMEs often face constraints across multiple domains, including limited access to financial capital, technology, and human resources, which can hinder their capacity to plan, respond to situations, and recover from disruptions or crises. However, according to Baker and Nelson (2005), genuine entrepreneurs do not focus on resource constraints; instead, they focus on optimizing the resources available in their immediate environment. Consequently, the primary advantage of MSMEs lies in the entrepreneurial mindset of their owners, which enables them to be more flexible, adaptive, and innovative when facing various challenges.¹¹ Furthermore, preserving local wisdom and culture is critical in addressing global challenges. This introduces the theory of how local businesses utilize their traditional advantages as a core survival strategy.

In the context of Madurese grocery stores in Serang City, business resilience is manifested through unique strategies that integrate economic efficiency with socio-cultural values. As globalization imposes modern retail standardization, Madurese grocery stores respond with operational flexibility, such as 24 hour service and highly localized product diversification representing a tangible expression of dynamic capabilities on a micro scale.¹² Their resilience is derived not only from market tactics but also from social capital in the form of ethnic migrant solidarity networks that act as robust financial and moral support systems. This demonstrates that the integration of adaptive strategies and local cultural identity is the ultimate key to mitigating the pressures of global competition.¹³

The Impact of Globalization on Madura Grocery Store Businesses

Globalization has had a significant impact on the sustainability of Madura grocery stores in Serang City through three primary aspects: the penetration of modern retail stores, shifts in consumer behavior that prioritize efficiency, and advancements in digital technology. The presence of modern retail outlets represents the toughest challenge, as they offer advantages in pricing, convenience, and a more diverse variety of products. This phenomenon creates competitive pressure that forces traditional business actors to

¹¹ Nazufa & Choirunnisa Arifa Hunain Akmal, "Bisnis Pada Usaha Mikro Kecil Dan Menengah Dalam Masa Pandemi Covid-19 (Studi Kasus Pada Pengusaha Batik Di Daerah Istimewa Yogyakarta)," *Journal.Ugm.Ac.Id*, 2023.

¹² Teece, "Explicating Dynamic Capabilities: The Nature and Microfoundations of (Sustainable) Enterprise Performance."

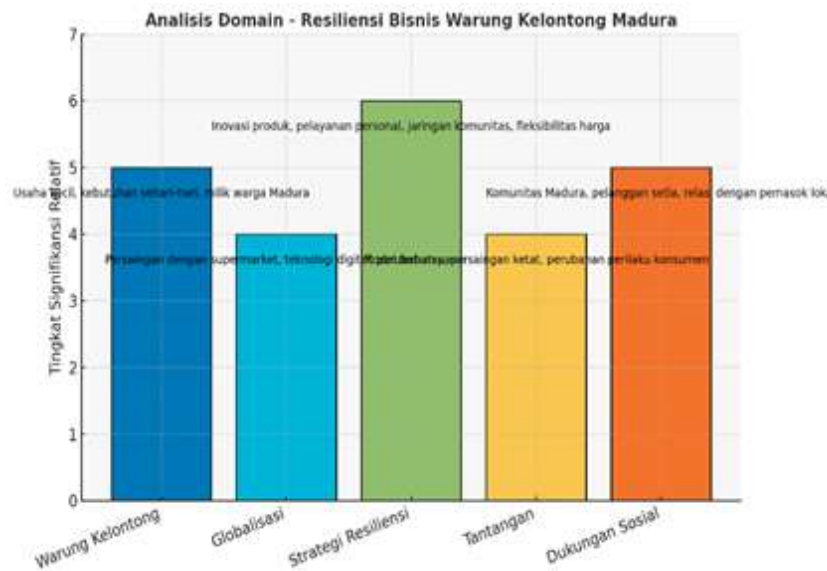
¹³ Wahyudi et al., *Identitas Kultural Masyarakat Madura: Tinjauan Komunikasi Antar Budaya*.

navigate their operational patterns to remain relevant in an increasingly dynamic market. In facing these challenges, store owners demonstrate high adaptability across economic, social, and technological dimensions. In addition to adjusting pricing strategies and services to rival modern stores, they have begun responding to changes in public consumption patterns by utilizing social media and digital payment systems.

Based on interview results and field findings, the primary domain of this research is identified as the business resilience of Madura grocery stores in facing and adapting to the developments of globalization. These grocery stores, owned by Madurese migrants, are generally small enterprises selling daily necessities and constitute an essential part of the local economy. Within the context of globalization, they face various shifts, such as increased competition with modern retail stores, digital technology developments, and market shifts that demand efficiency and innovation. To address these challenges, store owners implement a variety of measures:

1. Resilience strategies, these include product innovation to align with consumer needs, providing personalized service to maintain customer loyalty, building community networks among fellow Madurese traders, and adjusting prices flexibly.
2. Challenges faced, these include limited capital, intense competition, and shifts in consumer behavior.
3. Social support, support from the Madurese community, loyal customers, and socio-cultural strengths remain the primary pillars. Furthermore, good relationships with distributors play a vital role in maintaining business stability and helping the stores survive amidst modern economic pressures.

Figure 1. Domain Analisis



The analysis indicates that resilience strategy is the most significant aspect of business endurance, manifested through product innovation and personalized service. Furthermore, social support driven by Madurese solidarity and distributor relations is essential for sustainability. While these stores represent a strong local economic identity, they must navigate global pressures such as competition with supermarkets and digitalization. Despite challenges like capital constraints and internal competition among

fellow Madurese vendors, the focus remains on adaptive capacity. Overall, the strength of Madura grocery stores lies in combining adaptive strategies with robust social support.

Resilience Strategies of Madura Grocery Stores

To maintain their existence, store owners implement a hybrid strategy that combines traditional values with modern tactics, including:

1. Providing 24 hour service, this is conducted to fill a market gap left unserved by modern retail stores.
2. Personalized service, madura grocery store owners build emotional proximity with customers through friendliness and rapid service.
3. Product diversification, flexible adjustments of stock items are made following local demand trends.
4. Cost efficiency, competitive pricing is managed to maintain a competitive edge against modern retail outlets.

Additionally, the results of the taxonomic analysis show that the concepts related to the business resilience of Madurese grocery stores can be grouped into three main categories, as presented in the chart below:

Figure 2. Taxonomic Analysis



Furthermore, the results of the taxonomic analysis show that concepts related to the business resilience of Madura grocery stores can be grouped into three main categories. First is resilience strategies, where owners implement various adaptive efforts such as product innovation by increasing item variety according to consumer needs, providing personalized service that emphasizes familiarity and speed, and strengthening community networks through mutual assistance and close communication within the Madurese community.

Second is business challenges, which include major obstacles such as market competition with increasingly dominant supermarkets and modern retail stores, limited

capital due to difficult access to loans, and shifts in consumer behavior toward modern products and online shopping.

Third is external support, which highlights the social forces sustaining business continuity. In this category, the Madurese community plays a vital role through solidarity and informal capital assistance; distributors maintain trust-based and mutually beneficial relationships; and loyal customers serve as a source of loyalty and promotion through word-of-mouth recommendations. Thus, these three categories are interrelated in forming the meaningful structure of Madura grocery store resilience amidst the challenges of globalization and modern economic changes.

The Role of Madurese Local Culture

Madurese culture plays a vital role in maintaining the resilience and sustainability of grocery store businesses in Serang City. Values such as hard work, kinship, and solidarity among fellow migrants serve as the primary foundation for strengthening social networks, building trust, and navigating the challenges of economic competition. This resilient attitude and mutual support among business actors demonstrate that Madurese culture not only shapes entrepreneurial character but also acts as a key factor in maintaining the economic stability of the community.

Based on the componential analysis, the resilience of Madura grocery stores can be understood through a comparison of positive and negative attributes across several key concepts. In terms of product innovation and service, store owners successfully provide a comprehensive variety of goods and fast, friendly, and personalized service as added value. However, this strategy demands significant physical sacrifice, as traders must often endure sleep deprivation due to the 24-hour shift system, compounded by fluctuating commodity prices from agents.

On the other hand, the aspects of community networks and competition present unique internal dynamics. Although the Madurese community provides strong moral support as a social safety net, internal competition between fellow Madura stores remains inevitable. This situation is further exacerbated by limited access to formal capital loans, which hinders business expansion. Nevertheless, competition with modern retail stores, on one hand, triggers the creativity of traders to adapt, even though it simultaneously risks reducing market share as quality-conscious consumers shift toward modern retail outlets.

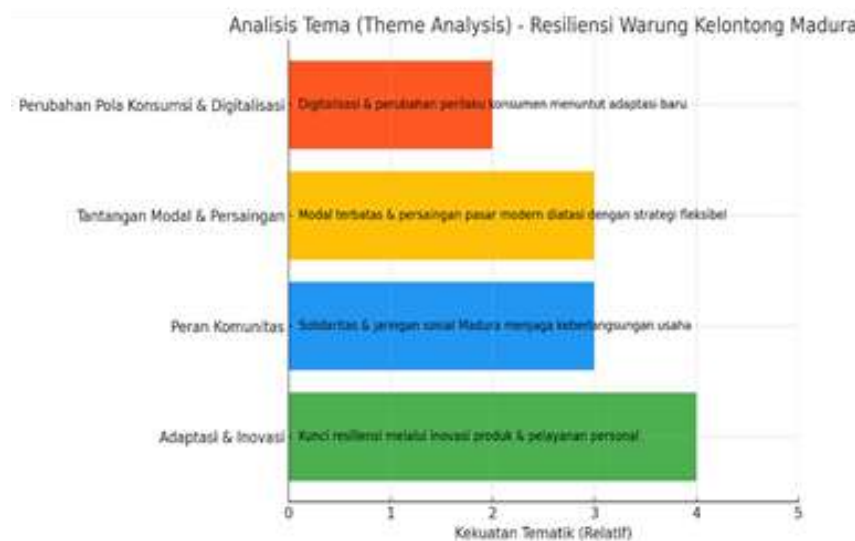
Tabel 1. Componential Analysis

Concept	Positive Attributes	Negative Attributes
Product Innovation	Variety of goods	High costs due to rising agent prices
Service	Fast, friendly, personalized	Sleep deprivation due to 24-hour shifts
Community Network	Moral support	Internal competition with other Madura stores
Capital	Resourcefulness	Limited access to formal loans
Competition	Stimulates creativity	Reduces market share
Consumer Change	Increased quality awareness	Shift toward modern retail stores

Based on the results of the cultural theme analysis, this research has successfully identified several deep-seated patterns that serve as the common thread for the existence of Madura grocery stores amidst the tide of globalization, namely:

1. Adaptation and innovation as keys to resilience, stores survive through product innovation and personal touches that modern markets cannot replicate.
2. The role of community as a social support network, madurese solidarity is a vital force in maintaining business continuity.
3. Capital challenges and global competition, limited capital is mitigated by flexible strategies and communal support.
4. Shifting consumption patterns and digitalization, the need to adapt to new technologies and market behaviors is becoming increasingly urgent.

Figure 3. Theme Analysis



The resilience of Madura grocery stores in Serang City is shaped by the combination of local strengths and responses to global pressures. Strong community networks—providing informal capital and solidarity—are crucial. While digitalization and modern competition present serious threats, these entrepreneurs demonstrate high adaptability through price flexibility and maintaining local supplier relationships. This study confirms that sustainability depends on both internal strategy and external communal support.

CONCLUSION

Based on the research findings regarding the business resilience of Madura grocery stores in Serang City, the following conclusions are drawn:

1. Resilience through integration, business resilience is formed through a combination of adaptive capacity, socio-cultural strength, and community networks. Despite global shifts, owners survive by tailoring strategies to local market conditions.

2. Core strategies, key factors for existence include product diversification, rapid and friendly personalized service, and strengthening solidarity among fellow Madurese traders.
3. Persistence amidst obstacles, challenges such as limited formal funding and the rise of online shopping do not fully weaken these businesses, as they are balanced by high social support and adaptability.
4. Social capital, external support from the Madurese community and local distributors acts as essential social capital, providing moral and informal financial support.
5. Socio cultural dimensions, ultimately, the strength of these local businesses lies not just in economic factors, but in the social and cultural dimensions that foster hard work, togetherness, and the ability to evolve with the times.

Reference

- Aldianto, Leo, Grisna Anggadwita, Anggraeni Permatasari, Isti Raafaldini Mirzanti, and Ian O. Williamson. "Toward a Business Resilience Framework for Startups." *Sustainability* 13, no. 6 (March 2021): 3132. <https://doi.org/10.3390/su13063132>.
- Amalia, Euis. *Keuangan Mikro Syariah*. Gramata Publishing, 2016, 2016.
- Hillmann, Julia, and Edeltraud Guenther. "Organizational Resilience: A Valuable Construct for Management Research?" *International Journal of Management Reviews* 23, no. 1 (2021): 7–44. <https://doi.org/10.1111/ijmr.12239>.
- Hunain Akmal, Nazufa & Choirunnisa Arifa. "Bisnis Pada Usaha Mikro Kecil Dan Menengah Dalam Masa Pandemi Covid-19(Studi Kasus Pada Pengusaha Batik Di Daerah Istimewa Yogyakarta)." *Journal.Ugm.Ac.Id*, 2023.
- Kambuno, Juan Anthonio. "Influence of Globalization Era on Business Law in Indonesia: A Book Review Pengaruh Era Globalisasi Terhadap Hukum Bisnis Di Indonesia, Dr. Edy Santoso, Kencana Jakarta Timur, 2018, 244 Pages, ISBN 978-602-422-191-1." *Journal of Indonesian Legal Studies* 5, no. 2 (November 2020): 505–12. <https://doi.org/10.15294/jils.v5i2.34811>.
- Korry, Putu Dyah Permata, Armanu Armanu, Sudjatno Sudjatno, and Risna Wijayanti. "Investigating Entrepreneurial Resilience toward Sustainable Competitive Advantage: Does Local Culture Matter?" *Uncertain Supply Chain Management* 12, no. 2 (2024): 801–14. <https://doi.org/10.5267/j.uscm.2024.1.006>.
- Purnomo, Boyke Rudy, Rocky Adiguna, Widodo Widodo, Hempri Suyatna, and Bangun Prajanto Nusantara. "Entrepreneurial Resilience during the Covid-19 Pandemic: Navigating Survival, Continuity and Growth." *Journal of Entrepreneurship in Emerging Economies* 13, no. 4 (September 2021): 497–524. <https://doi.org/10.1108/JEEE-07-2020-0270>.
- Teece, D. J. "Explicating Dynamic Capabilities: The Nature and Microfoundations of (Sustainable) Enterprise Performance." *Strategic Management Journal*, 2007.
- Wahyudi, Muhtar, Bani Eka Dartiningsih, Nikmah Suryandari, Dewi Quraisyin, Farida Nurul Rakhmawati, Sri Wahyuningsih, and Tatag Handaka. *Identitas Kultural Masyarakat Madura: Tinjauan Komunikasi Antar Budaya. Madura: Masyarakat, Budaya, Media, Dan Politik*, 2015.