

Social Commerce and MSME Development in the Digital Economy

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ABSTRACT

This study analyzes the development of social commerce as an emerging trend in digital marketing and examines its opportunities and challenges for MSME development in the digital economy. A Systematic Literature Review (SLR) was conducted on 30 articles published between 2020 and 2026, selected using PRISMA 2020 and analyzed through the Theory–Context–Characteristics–Methodology (TCCM) framework and thematic synthesis. The findings show that social commerce has evolved from a promotional and transactional channel into a marketing capability that integrates technology, social interaction, content, trust, and customer relationships. For MSMEs, social commerce creates opportunities to expand market reach, strengthen customer engagement, enhance brand development, and improve competitiveness. However, these benefits are constrained by digital capabilities, organizational readiness, security, privacy, platform dynamics, and competition. The study emphasizes that technology adoption alone is insufficient; MSMEs need to develop social commerce capabilities to transform digital interactions into marketing value, business performance, and sustainable business development.

ABSTRAK

Penelitian ini menganalisis perkembangan social commerce sebagai tren baru digital marketing serta peluang dan tantangannya bagi pengembangan UMKM di era ekonomi digital. Penelitian menggunakan Systematic Literature Review (SLR) terhadap 30 artikel periode 2020–2026 yang diseleksi melalui PRISMA 2020 dan dianalisis menggunakan kerangka Theory–Context–Characteristics–Methodology (TCCM) serta sintesis tematik. Hasil penelitian menunjukkan bahwa social commerce berkembang dari kanal promosi dan transaksi menjadi kapabilitas pemasaran yang mengintegrasikan teknologi, interaksi sosial, konten, kepercayaan, dan hubungan pelanggan. Bagi UMKM, social commerce membuka peluang untuk memperluas pasar, meningkatkan customer engagement, memperkuat merek, dan meningkatkan daya saing. Namun, manfaat tersebut dibatasi oleh kapabilitas digital, kesiapan organisasi, keamanan, privasi, perubahan platform, dan persaingan. Studi ini menegaskan bahwa adopsi teknologi saja tidak cukup; UMKM perlu mengembangkan social commerce capability agar interaksi digital dapat dikonversi menjadi nilai pemasaran, kinerja bisnis, dan pengembangan usaha berkelanjutan.

1. INTRODUCTION

The development of digital technology has transformed how businesses conduct marketing activities and build relationships with consumers. Digital marketing is no longer understood merely as the use of websites, search engines, or digital advertising to communicate product information; rather, it has evolved into an increasingly interactive process that is deeply integrated into consumers' social lives. Social media has become an important part of this transformation because it enables consumers to comment, share experiences, create content, provide recommendations, and influence the decisions of other consumers. This development has increasingly blurred the boundaries between social and commercial activities. The literature indicates

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that the development of social media and Web 2.0 technologies has provided an important foundation for the emergence of social commerce as a new form of commercial activity that integrates social interaction with commercial transactions (A. Busalim & Asadi, 2025; A. H. Busalim & Hussin, 2016).

Social commerce essentially emerged at the intersection of social media and e-commerce. While traditional e-commerce primarily positions platforms as transactional spaces connecting sellers and buyers, social commerce incorporates social interaction, communities, recommendations, user-generated content, reviews, and relationships among users into the commercial process. Consequently, consumers in social commerce are no longer merely buyers; they can also serve as sources of information, recommenders, content creators, and actors who shape other consumers' perceptions of products and brands. Zhang & Benyoucef (2016) explains that, unlike traditional e-commerce, social commerce involves online communities that facilitate user interaction and user-generated content. This transformation indicates that purchasing decisions in digital environments are increasingly influenced by social relationships and information generated by other users rather than solely by information provided by companies.

This development has made social commerce increasingly relevant to discussions of digital marketing. Social media, which was previously used primarily to build communication and brand awareness, has evolved into an environment that can integrate information search, interaction, recommendations, promotion, and purchasing activities. In other words, the customer journey can increasingly take place within an integrated digital social environment. Research on social commerce also indicates that user interactivity can transform consumers' roles in online commerce and shape consumer behavior through various social and technological stimuli (Li et al., 2023; Zhao et al., 2023). More recent studies also demonstrate that trust and engagement remain important factors in explaining how consumers interact and develop purchase intentions in social commerce (Liu & Lin, 2025). Thus, social commerce reflects a broader transformation in how digital marketing creates, communicates, and exchanges value with consumers.

This transformation has important implications for Micro, Small, and Medium Enterprises (MSMEs). Compared with large companies, MSMEs generally face greater resource constraints in expanding their markets and conducting marketing activities. Digital platforms provide MSMEs with opportunities to interact directly with consumers without relying entirely on conventional marketing infrastructure. In this context, social commerce enables MSMEs to integrate marketing, customer communication, community building, promotion, and sales activities within the same digital environment. The literature on social media use among MSMEs indicates that its utilization can support customer engagement, brand visibility, and broader market reach (Suwarno et al., 2025). Recent research on social commerce adoption by SMEs in developing countries also positions this technology as part of the digital transformation process that can contribute to business development and performance (Muhammad et al., 2026).

However, the opportunities offered by social commerce do not mean that every MSME can automatically obtain the same benefits. The accessibility of social media may create the impression that adopting social commerce requires little more than having a social media account and uploading products. In practice, successful utilization also depends on the ability to build trust, produce relevant content, create customer interactions, respond to changes in consumer behavior, and integrate social activities with business objectives. Studies of social commerce among micro, small, and medium enterprises show that perceived usefulness, perceived ease of use, organizational readiness, trust, security, and electronic word-of-mouth are among the factors associated with its adoption (Omar & Sulaiman, 2023). More recent research on SMEs in developing countries also demonstrates that social commerce adoption needs to be understood through a combination of technological, organizational, and environmental factors rather than merely through the availability of digital platforms (Muhammad et al., 2026).

These conditions reveal two sides of social commerce development for MSMEs. On the one hand, social commerce can expand market access, strengthen customer relationships, increase interaction, support promotional activities, and provide opportunities for small businesses to establish their brands in digital environments. On the other hand, the same environment creates challenges related to consumer trust, security, organizational readiness, digital capabilities, and dependence on technological ecosystems. Furthermore, because social commerce is highly dependent on user interaction, marketing success is not entirely under the control of businesses. Reviews, recommendations, electronic word-of-mouth, customer experiences, and community engagement can strengthen a product, but negative experiences can also rapidly influence consumer perceptions. Therefore, MSMEs' ability to enter social commerce needs to be distinguished from their ability to manage it as a sustainable digital marketing capability (Ahmad et al., 2025).

The complexity of social commerce is also reflected in the diversity of theories applied in this research field. Previous studies show that social commerce research has developed across several disciplines, particularly information systems, marketing, psychology, and consumer behavior (A. H. Busalim et al., 2019). For example, the Stimulus–Organism–Response (S–O–R) framework has been used to explain how stimuli within social commerce environments shape consumers’ internal perceptions and subsequently produce behavioral responses (Kexin & Teo, 2023). Meanwhile, research on social commerce adoption among MSMEs frequently employs the Technology Acceptance Model (TAM) and Technology–Organization–Environment (TOE) framework to explain technology acceptance and the organizational and environmental conditions supporting adoption (Omar & Sulaiman, 2023). Trust and social support perspectives are also relevant because transactions in social commerce occur in environments strongly influenced by relationships, information, recommendations, and social interactions. This theoretical diversity demonstrates that social commerce is a multi-dimensional phenomenon that cannot be adequately explained through a single theoretical perspective.

Despite the considerable development of the social commerce literature, an important issue remains regarding the direction of existing research. Previous systematic reviews indicate that social commerce studies have devoted considerable attention to user behavior, website design, consumer decision-making, engagement, and various factors influencing acceptance and purchasing behavior (A. H. Busalim & Hussin, 2016; Li et al., 2023; Zhang & Benyoucef, 2016). Even recent reviews continue to place substantial emphasis on the factors that drive customer engagement in social commerce (A. Busalim & Asadi, 2025). Consequently, knowledge concerning the consumer perspective has developed considerably. In contrast, the question of how social commerce can be transformed into a marketing capability that contributes to business development from the MSME perspective remains relatively underexplored, particularly when considering the resource constraints and distinctive characteristics of SMEs in developing countries.

This gap is increasingly important because research on social commerce and MSMEs has begun to expand, yet its findings remain fragmented across technology adoption, consumer behavior, trust, organizational readiness, digital marketing, and business performance. A recent review specifically examining SMEs in developing countries highlights the importance of technological, organizational, and environmental factors in the social commerce adoption process (Muhammad et al., 2026). However, a more comprehensive synthesis from the perspective of MSME development is still required—not only to explain why MSMEs adopt social commerce, but also to identify the opportunities generated after adoption, the challenges limiting its utilization, the capabilities required by MSMEs, and the position of social commerce within the broader transformation of MSME digital marketing. From this perspective, technology adoption is not considered the ultimate objective but rather part of a broader process through which MSMEs develop capabilities, create value, and sustain competitiveness in the digital economy.

Based on this gap, this study employs a Systematic Literature Review (SLR) to analyze the development of social commerce as an emerging trend in digital marketing and to examine its opportunities and challenges for MSME development in the digital economy. Following a review approach that applies PRISMA for literature selection and TCCM for mapping theories, contexts, characteristics, and research methodologies, a similar approach is adopted to ensure that the review moves beyond merely summarizing previous studies toward producing a systematic synthesis (Elkhoudary et al., 2026). Specifically, the study addresses four research questions: (1) how has the concept of social commerce developed within the transformation of digital marketing; (2) which theories and factors dominate explanations of social commerce; (3) what opportunities and challenges does social commerce create for MSME development; and (4) what conceptual framework can explain the role of social commerce in supporting MSME development in the digital economy?

This study is expected to contribute in two areas. Theoretically, it seeks to integrate the literature on social commerce, digital marketing, consumer behavior, technology adoption, and MSME development, which has evolved through diverse perspectives. Analysis using the Theory–Context–Characteristics–Methodology (TCCM) framework is expected to identify dominant theories, frequently investigated contexts, key characteristics of social commerce, methodological tendencies, and remaining research gaps. Practically, the findings emphasize that developing social commerce among MSMEs requires more than increasing their presence on digital platforms. MSMEs need to develop the capabilities to manage social interactions, build trust, create content, understand consumers, utilize technology, and transform digital engagement into economic value. Accordingly, social commerce can be positioned not merely as a new sales channel but as a digital marketing capability that supports the sustainable transformation and development of MSMEs in the

digital economy.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

2.1 Social Commerce

Social commerce represents an evolution of e-commerce that emerged alongside the increasing use of social media in economic activities. The concept began receiving greater attention as social media functions expanded beyond communication and information sharing to become integrated with commercial activities. A. H. Busalim & Hussin (2016) explains that the development of Web 2.0 technologies and social media gave rise to social commerce as a new paradigm for conducting commerce by using social media to reach consumers and their social networks. Meanwhile, Han et al. (2018), through a systematic review of 407 publications from 2006–2017, demonstrates that social commerce has developed as a multidisciplinary field connecting marketing, information systems, psychology, sociology, and technology. Therefore, social commerce cannot be understood merely as selling products through social media, but rather as a form of digital commerce in which social interaction becomes an integral part of the value-creation process.

The primary characteristic distinguishing social commerce from traditional e-commerce is the prominent role of interaction among users. In conventional e-commerce, consumer interaction with platforms is primarily oriented toward information search, product evaluation, and transaction completion. In contrast, social commerce involves online communities that enable consumers to interact, generate user-generated content, exchange experiences, provide reviews and recommendations, and influence the decisions of other users (Zhang & Benyoucef, 2016). Hajli (2015) further demonstrates that social media development has transformed the position of consumers because product information is no longer entirely controlled by sellers. Consumers gain greater influence through social networks, social support, reviews, and recommendations from other users. Thus, value in social commerce emerges through the combination of commercial activities and social processes occurring within digital platforms.

The development of social commerce also demonstrates that the boundary between marketing communication and transactions is becoming increasingly blurred. Consumers can discover products through content, obtain information through comments or reviews, interact with sellers, seek recommendations from communities, and subsequently make purchases within a relatively integrated sequence of digital activities. Zhao et al. (2023) demonstrates that technological and social media developments have generated new forms of social commerce activities, increased user interactivity, and transformed consumers' roles in commercial processes. Accordingly, social commerce can be understood as a digital marketing and commerce ecosystem that integrates content, interaction, community, social influence, trust, engagement, and transactions. These characteristics make social commerce increasingly relevant for explaining the development of digital marketing, particularly as consumer decisions become increasingly shaped by social relationships and experiences within digital environments.

2.2 Social Commerce in the Development of Digital Marketing

Digital marketing has shifted from an approach relatively centered on delivering company-generated messages toward one that is increasingly interactive and participatory. Initially, digital technologies were widely used to provide product information, online advertising, websites, and marketing communications. The emergence of social media transformed this pattern by providing consumers with greater opportunities to interact with companies and other consumers. Within this environment, product information originates not only from companies but also from reviews, comments, recommendations, customer experiences, electronic word-of-mouth (e-WOM), and user-generated content. This shift means that consumers are no longer merely targets of marketing communication but also participants in the production and dissemination of market information. The social commerce literature identifies social interaction and user-generated content as important characteristics distinguishing it from conventional electronic commerce (A. H. Busalim et al., 2019; Zhang & Benyoucef, 2016).

Within this context, social commerce can be viewed as a stage in the evolution of digital marketing in which marketing activities, social relationships, and transactions become increasingly integrated. Companies no longer use social media solely to increase awareness or direct consumers toward separate sales channels. The digital social environment itself can become a space in which consumers discover products, develop perceptions, obtain recommendations, interact, and make purchasing decisions. This development makes customer engagement increasingly important because consumers can respond directly to company content

and experiences. Research also indicates that social support and community factors can promote customer engagement, while engagement is associated with various forms of loyalty, including repeat purchases, willingness to participate in co-creation, stickiness, and positive e-WOM (Cheung & Thadani, 2012; Han et al., 2018). Therefore, the marketing value of social commerce lies in the social relationships that can be developed before and after transactions.

This transformation has important implications for digital marketing strategies. Companies need to shift from an approach focused primarily on selling toward one capable of simultaneously managing content, conversation, community, engagement, and commerce. Content can attract attention, interaction enables two-way communication, communities provide spaces for exchanging experiences, and trust helps reduce uncertainty in purchasing decisions. In such environments, marketing effectiveness increasingly depends on companies' ability to create social experiences that encourage consumers to interact and participate. In this study, social commerce is positioned as a transformation in how companies build market relationships and create value through the integration of technology, social interaction, content, and commercial activities.

2.3 Social Commerce and MSME Development

For MSMEs, social commerce offers distinctive advantages because marketing and commercial activities can be conducted through digital infrastructure already used by consumers for communication. MSMEs can use these environments to introduce products, communicate brand stories, obtain feedback, interact with consumers, build communities, and encourage transactions. This condition has the potential to reduce some marketing barriers arising from resource limitations. While conventional marketing often requires expenditures on media, physical locations, and distribution, social media allows small businesses to reach consumers through digital content and networks. The literature on the use of social technologies by SMEs also indicates that combining social media utilization with customer engagement activities can create business value and support innovation in customer relationships (Yasiukovich & Haddara, 2021).

However, the relationship between social commerce utilization and MSME development is not automatic. Presence on a platform does not necessarily create the ability to generate value from that platform. MSMEs need to select appropriate content, understand customer characteristics, build trust, manage communication, respond to customers, identify changing trends, and connect digital activities with other business processes. This perspective is important because social commerce differs from one-way marketing. Consumers can publicly provide comments and reviews, compare experiences, share information, and collectively shape perceptions of sellers with other users. (N. Hajli & Sims, 2015) demonstrate that social support and social commerce constructs play a role in explaining consumer behavior. MSME development through social commerce therefore depends heavily on businesses' ability to manage both the technological and social dimensions of digital commerce environments.

Accordingly, MSME development in this study is not viewed solely through increased sales. Development can occur through broader market access, increased business visibility, stronger customer relationships, brand building, greater understanding of customer needs, improved ability to adapt to market changes, and enhanced digital capabilities. This perspective positions social commerce as part of the MSME digital transformation process. Technology provides opportunities, but internal capabilities determine the extent to which these opportunities can be converted into value. Therefore, analysis of social commerce among MSMEs needs to connect the consumer perspective, which has traditionally dominated the literature, with organizational, resource, and capability perspectives.

2.4 Social Commerce Constructs and Social Support Theory

One perspective frequently used to understand the social characteristics of social commerce is Social Commerce Constructs (SCCs). These constructs relate to social features and mechanisms that enable users to obtain information and support during decision-making, such as ratings and reviews, recommendations, forums, communities, and other forms of social interaction. Social commerce constructs can facilitate user interaction and are associated with social support, trust, and intentions to engage in commercial activities (Shanmugam et al., 2016). This is important because purchasing decisions in social commerce are shaped by social experiences that emerge when consumers interact with sellers and other users.

This perspective can be strengthened through Social Support Theory. In digital environments, social support generally takes the form of informational and emotional support. Informational support occurs when users provide knowledge, experiences, advice, or recommendations that help others make decisions.

Emotional support, meanwhile, involves care, empathy, a sense of belonging, and the experience of being part of a community. M. N. Hajli (2014) found that perceptions of social support on social networking sites were positively associated with social commerce intention and relationship quality. Subsequent research also demonstrates that information-sharing activities in social commerce can facilitate social support, a sense of community, and online trust (Jasrotia et al., 2025).

For MSMEs, this theory explains that the strength of social commerce lies in the ability to create a social environment around products and brands. When customers provide reviews, answer other customers' questions, share experiences, or recommend products, part of the marketing process shifts from company-generated communication toward community interaction. This condition can create opportunities for MSMEs because customer networks can contribute to the wider dissemination of information. However, the same mechanism also creates challenges because negative experiences can spread through social networks. Therefore, social support provides a theoretical foundation for understanding how interaction → social support → trust and engagement → consumer response can shape the value of social commerce for MSMEs.

2.5 Trust Theory in Social Commerce

Trust is a central concept in digital commerce because transactions occur in situations where sellers and buyers do not necessarily meet face-to-face. In social commerce, this issue becomes even more complex because consumers receive information from multiple sources, including sellers, other users, communities, influencers, reviews, and user-generated content. Research on social commerce demonstrates that trust is particularly important because such environments involve relatively high levels of uncertainty due to limited face-to-face interaction and substantial reliance on user-generated content (Yahia et al., 2018). Consumers may develop trust in sellers, platforms, and the social information they receive.

Trust in social commerce is also developed through relational processes. Previous studies have connected social support with trust and commitment in explaining social shopping and social sharing intentions. This suggests that trust can emerge through interaction, experience, recommendations, information quality, and relationships formed within digital communities (Chen & Shen, 2015). For MSMEs that may not possess the same level of brand reputation as large corporations, this mechanism is particularly important. Customer reviews, responses to questions, transparency of product information, service consistency, and customer experiences can serve as signals that help consumers reduce uncertainty.

From the perspective of MSME development, trust can function as a bridge between digital presence and marketing outcomes. A large number of followers or frequent posting does not necessarily generate transactions when consumers question a seller's credibility. Conversely, trusted relationships can increase the likelihood that consumers will move from interaction toward purchasing decisions and long-term relationships. Therefore, this study positions trust as an important mechanism for understanding how social activities within social commerce can be converted into economic value. This perspective also indicates that MSME investment in social commerce represents an investment in building credibility and relationships with consumers.

2.6 Stimulus-Organism-Response (S-O-R) in Social Commerce

The Stimulus-Organism-Response (S-O-R) framework provides a perspective for explaining how social commerce environments can influence consumer behavior. Conceptually, stimulus refers to the external factors received by consumers, organism represents the internal cognitive and affective states that emerge after exposure to those stimuli, and response refers to the resulting behavior. Zhang & Benyoucef (2016) used S-O-R together with the consumer decision-making process to develop an integrative framework of consumer behavior in social commerce. A more recent systematic review by Chung et al. (2025) also applied S-O-R to organize the various factors influencing consumer behavior within the development of social commerce.

In the context of social commerce, stimuli may include content quality, reviews, recommendations, interactivity, social presence, social support, platform characteristics, or user experiences. These stimuli can subsequently influence internal states such as trust, perceived value, engagement, satisfaction, or emotions. These internal states may then generate responses such as purchase intention, actual purchasing, electronic word-of-mouth, participation, sharing, loyalty, or repurchase behavior. This framework explains why simply displaying products on social media is insufficient to generate purchasing behavior. Consumers first process various experiences and information obtained from digital social environments before determining their responses.

For MSMEs, S-O-R explains marketing mechanisms at the consumer level but does not fully explain why some MSMEs are more capable than others of generating effective stimuli. Two businesses may use the same platform yet achieve different levels of engagement, trust, and consumer response because they possess different capabilities in content creation, service delivery, customer analysis, and community management. Therefore, S-O-R in this study is more appropriately positioned to explain consumer-response mechanisms and is complemented by organizational-level theories to understand MSMEs' ability to create and manage social commerce environments.

2.7 Technology Acceptance Model (TAM) and Technology–Organization–Environment (TOE)

A technology acceptance perspective is required because social commerce concerns not only consumer behavior but also business owners' decisions to use digital technologies. The Technology Acceptance Model (TAM) fundamentally explains that technology acceptance is associated with users' perceptions of usefulness (perceived usefulness) and ease of use (perceived ease of use) (Davis, 1989). In the MSME context, this perspective helps explain why business owners are willing to use social media and digital commerce features when these technologies are perceived as useful for marketing, relatively easy to use, and beneficial to business activities. TAM therefore provides an explanation at the user level regarding the initial acceptance of technology.

However, social commerce adoption by MSMEs is not merely an individual decision made by business owners. Its implementation also depends on organizational readiness and environmental conditions. Therefore, the Technology–Organization–Environment (TOE) Framework provides a broader perspective for explaining adoption factors at the firm level (Tornatzky & Fleischer, 1990). The technology dimension may include benefits, compatibility, complexity, and technological characteristics; the organization dimension relates to resources, digital capabilities, management support, and organizational readiness; while the environment dimension includes competitive pressure, customers, partners, infrastructure, and broader business ecosystem conditions. This perspective is important for MSMEs because the decision to adopt social commerce emerges from the interaction among technological characteristics, internal capabilities, and changing market environments.

Although TAM and TOE help explain why and under what conditions MSMEs adopt social commerce, these perspectives are insufficient to explain how adoption generates business development. MSMEs may adopt the same technologies but obtain different outcomes. This difference demonstrates a gap between technology adoption and business value creation. Therefore, this study does not position adoption as the final outcome. TAM and TOE are used to understand acceptance and readiness, whereas the Resource-Based View and Dynamic Capabilities perspectives explain how technology is subsequently combined with MSME resources and capabilities to create value.

2.8 Resource-Based View (RBV) and Dynamic Capabilities in MSME Development

The Resource-Based View (RBV) provides an organizational perspective that is relevant for understanding why the benefits of social commerce may differ across MSMEs. From the RBV perspective, technology does not automatically create advantage because digital technologies are generally accessible to many competitors (Barney, 1991). Greater strategic value emerges when technology is combined with a firm's internal resources and capabilities. In the context of social commerce, these resources may include customer knowledge, digital reputation, social networks, customer relationship quality, content creativity, digital skills, customer data, and community management capabilities. Therefore, social media accounts or commerce features are not sources of advantage in themselves; what matters is MSMEs' ability to utilize these resources effectively to create value that competitors cannot easily replicate.

This perspective is important because it can bridge the consumer-oriented social commerce literature with the issue of MSME development. Previous systematic reviews demonstrate that social commerce research has extensively examined user behavior and design, whereas themes such as adoption strategy and firm performance received relatively limited attention during the earlier development of the literature (A. H. Busalim & Hussin, 2016). When research focuses on MSMEs, the question can no longer stop at "are consumers willing to purchase through social commerce?" Instead, it needs to ask "what resources and capabilities do MSMEs require for social commerce to create value?" RBV provides the foundation for shifting the unit of analysis from consumer behavior toward business capabilities.

Meanwhile, Dynamic Capabilities Theory provides a more dynamic explanation (Teece et al., 1997).

The social commerce environment changes rapidly as consumer trends, content formats, platform features, algorithms, technologies, and patterns of interaction evolve. Under such conditions, MSMEs need to recognize changes and opportunities (sensing), capture and exploit those opportunities (seizing), and adjust or reconfigure resources and business processes (transforming). For example, recognizing changes in content preferences represents sensing; developing a marketing strategy using a new format represents seizing; while modifying service, content, sales, and customer management processes to integrate them with social commerce represents transforming. Thus, Dynamic Capabilities explains how MSMEs can maintain relevance as digital environments continuously change.

2.9 Theoretical Integration of Social Commerce and MSME Development

From an integrative perspective, the theoretical perspectives discussed above demonstrate that social commerce is a multidimensional phenomenon involving technological, organizational, social-interaction, and consumer-behavior dimensions. The Technology Acceptance Model (TAM) and Technology–Organization–Environment (TOE) provide foundations for understanding the acceptance and adoption of social commerce, whereas Social Commerce Constructs, Social Support Theory, Trust Theory, and Stimulus–Organism–Response (S-O-R) help explain how social interaction, support, trust, and experiences within digital environments can shape consumer responses. At the organizational level, the Resource-Based View (RBV) and Dynamic Capabilities Theory provide perspectives for understanding how internal resources and capabilities can influence MSMEs' ability to utilize digital technological developments.

The integration of these perspectives demonstrates that social commerce cannot be understood merely as the use of social media to conduct transactions. In the MSME context, social commerce can be viewed as part of the development of digital marketing that brings together technology, social interaction, customer relationships, and commercial activities within a single digital environment. Therefore, understanding the contribution of social commerce to MSME development requires consideration not only of technology adoption factors but also of consumer-interaction mechanisms and firms' internal capabilities to utilize technology. This conceptual foundation subsequently serves as the basis for systematically analyzing the development of the literature on social commerce and MSMEs.

3. RESEARCH METHOD

3.1 Research Design

This study employs a Systematic Literature Review (SLR) approach to identify, evaluate, and synthesize the development of the literature on social commerce as an emerging trend in digital marketing and its opportunities and challenges for the development of Micro, Small, and Medium Enterprises (MSMEs) in the digital economy. The SLR approach was selected because this study does not aim to statistically test relationships among variables but rather to map conceptual developments, theoretical perspectives, research contexts, study characteristics, methodological approaches, and findings from previous studies related to social commerce and MSME development.

The literature search and selection process follows the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) 2020 to ensure that the identification, screening, eligibility assessment, and selection of articles are conducted systematically and transparently (Page et al., 2021). The articles that meet the selection criteria are subsequently analyzed using the Theory–Context–Characteristics–Methodology (TCCM) framework to map the theories employed, research contexts, key characteristics or concepts examined, and methodological approaches used in previous studies. The combination of PRISMA and TCCM enables this study not only to describe the development of social commerce research but also to identify dominant patterns, research limitations, and opportunities for future studies.

3.2 Literature Search Strategy

The literature search was conducted using three academic databases: Scopus, Web of Science (WoS), and Google Scholar. Scopus and Web of Science were used as the primary databases because of their broad coverage of peer-reviewed scientific publications, while Google Scholar was used as a supplementary source to broaden the identification of relevant articles. The search focused on articles published between 2020 and 2026 to capture recent developments in social commerce within the context of accelerated digital transformation, increasing social media use, and the expansion of the digital economy.

Keywords were developed around three main conceptual groups: social commerce, digital marketing and digital transformation, and MSMEs and business development. Searches were conducted within titles, abstracts, and keywords using combinations of the Boolean operators AND and OR. The primary search string was: ("social commerce" OR "social media commerce" OR "social shopping") AND ("SME" OR "SMEs" OR "MSME" OR "MSMEs" OR "small and medium enterprises" OR "micro small and medium enterprises") AND ("digital marketing" OR "digital transformation" OR "business development" OR "business performance" OR "competitive advantage" OR "digital capability"). The search string was adjusted to the characteristics of each database without altering the main search concepts. The initial search identified 324 articles, consisting of 136 articles from Scopus, 92 from Web of Science, and 96 from Google Scholar.

3.3 Inclusion and Exclusion Criteria

Inclusion and exclusion criteria were established to ensure that the selected articles were consistent with the objectives of the study. Included studies were peer-reviewed journal articles published between 2020 and 2026, written in English or Indonesian, available in full text, and substantively focused on social commerce, social-media-based digital marketing, SMEs/MSMEs, digital capabilities, consumer behavior related to social commerce, or business development and performance. Studies from different countries were retained to provide a broader understanding of social commerce development, particularly in the context of SMEs and developing economies.

Articles were excluded if they were published before 2020 or took the form of books, conference proceedings, theses, dissertations, editorials, or other non-peer-reviewed publications. Studies discussing e-commerce or social media in general without a substantive connection to social commerce were also excluded. Similarly, research focusing exclusively on technical aspects of platforms, algorithms, or technologies without relevance to marketing, consumer behavior, organizational capabilities, or business development was not included in the analysis.

Table 1. Inclusion and Exclusion Criteria

Aspect	Inclusion Criteria	Exclusion Criteria
Period	2020–2026	Before 2020
Publication Type	Peer-reviewed journal articles	Books, theses, dissertations, editorials, news articles, and conference proceedings
Language	English and Indonesian	Languages other than English and Indonesian
Focus	Social commerce, digital marketing, digital transformation, SMEs/MSMEs	Studies unrelated to social commerce or social-media-based commercial activities
Context	MSMEs/SMEs, consumers, digital business, entrepreneurship, and developing economies	Studies focusing solely on technical aspects of technology
Characteristics	Adoption, trust, engagement, digital capability, marketing, performance, and business development	Social media mentioned only generally without connection to commercial activities
Access	Full text available	Full text unavailable
Relevance	Social commerce constitutes a substantive component of the study	Social commerce mentioned only in general terms

3.4 Literature Selection Process Using PRISMA

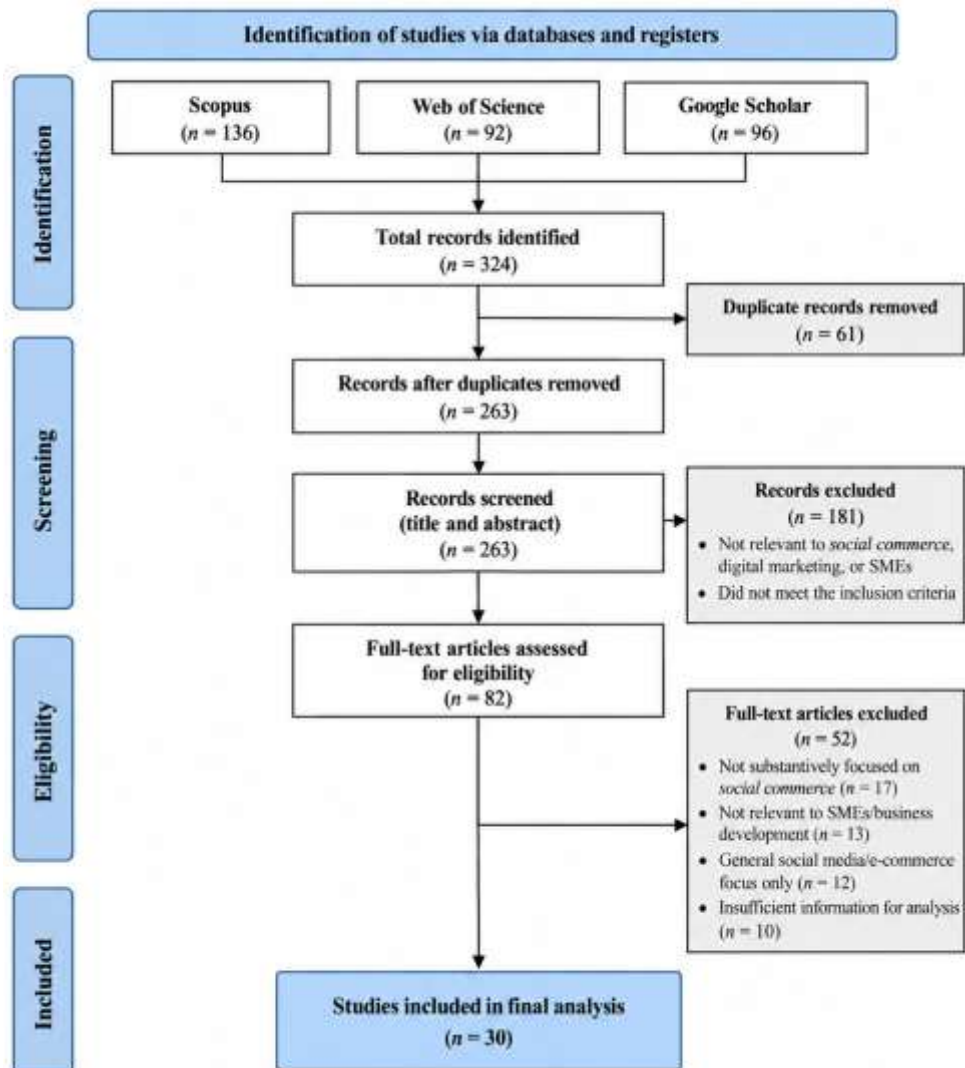
The article selection process followed the PRISMA 2020 stages of identification, screening, eligibility, and included. At the identification stage, 324 articles were obtained, comprising 136 articles from Scopus, 92 from Web of Science, and 96 from Google Scholar. After combining all search results, 61 duplicate articles were identified and removed, leaving 263 articles for the screening stage.

During screening, the titles and abstracts of the 263 articles were assessed according to the inclusion and exclusion criteria. A total of 181 articles were excluded because they lacked sufficient relevance to social commerce, digital marketing, or MSME development, leaving 82 articles for full-text assessment. At the eligibility stage, 52 articles were excluded: 17 did not substantively address social commerce, 13 were not relevant to MSMEs or business development, 12 discussed only social media or e-commerce in general, and 10 did not provide sufficient information for analysis. After completing the selection process, 30 articles met all criteria and constituted the final dataset.

Table 2. Summary of the Literature Selection Process

Stage	Process	Number of Articles
Identification	Scopus	136
	Web of Science	92
	Google Scholar	96
	Total articles identified	324
Duplicate Removal	Duplicate articles removed	61
	Articles remaining after duplicate removal	263
Screening	Articles excluded based on titles and abstracts	181
	Articles included for full-text assessment	82
Eligibility	No substantive focus on social commerce	17
	Not relevant to MSME/business development	13
	General social media/e-commerce focus only	12
	Insufficient information for analysis	10
	Total full-text articles excluded	52
Included	Final articles included in the analysis	30

The literature selection process is summarized in Figure 1

**Figure 1.** PRISMA 2020 Flow Diagram of Literature Selection

3.5 Data Extraction and TCCM Analysis

The 30 articles that passed the selection process were subsequently extracted using a structured coding sheet. The information collected included authors and publication year, country or research region, research objectives, theory or conceptual framework, research context, objects or target groups, social commerce platforms, major concepts or variables, research methods, analytical techniques, and key findings. This process enabled systematic comparison across articles and identification of patterns in the development of research on social commerce and MSME development.

The selected articles were then analyzed using the Theory–Context–Characteristics–Methodology (TCCM) framework. The Theory dimension was used to identify theories and conceptual frameworks employed to explain social commerce, including TAM, TOE, S-O-R, Social Support Theory, Trust Theory, RBV, and Dynamic Capabilities. Context was used to map countries, sectors, types of businesses, platforms, consumers, and MSME characteristics. Characteristics was used to identify major concepts such as social commerce adoption, social interaction, trust, customer engagement, digital capability, marketing performance, competitive advantage, and business development. Methodology was used to map research designs, data sources, sample sizes, data collection techniques, and analytical methods.

Table 3. TCCM Analysis Framework

Dimension	Analytical Focus	Information Mapped
Theory	Theoretical foundations	TAM, TOE, S-O-R, Social Support, Trust, RBV, Dynamic Capabilities, and other theories
Context	Research settings	Country, developed/developing economy, MSME sector, platform, consumers, and business type
Characteristics	Main concepts and relationships	Adoption, social interaction, trust, engagement, digital capability, marketing performance, competitive advantage, and business development
Methodology	Research approaches	Quantitative, qualitative, mixed methods, SLR, sample, data collection, SEM, regression, and other analytical techniques

3.6 Literature Synthesis

The final stage involved a thematic synthesis of the 30 selected articles. Findings from each article were coded, compared, and grouped according to conceptual similarities to identify the major themes in the development of social commerce. The synthesis focused on the position of social commerce within the evolution of digital marketing, factors driving its adoption and utilization, mechanisms of social and consumer interaction, and its relationship with MSME capabilities and development. The findings were subsequently integrated with the TCCM mapping so that the analysis could identify not only dominant themes but also the theories, contexts, characteristics, and methodological approaches shaping the development of the field.

The thematic analysis further focused on identifying the opportunities and challenges of MSME development through social commerce. Opportunities were analyzed through findings related to market access, brand visibility, customer engagement, customer relationships, trust, marketing efficiency, innovation, and business performance. Challenges were examined through findings concerning digital capabilities, content creation, resource limitations, security and privacy, trust, organizational readiness, algorithmic changes, and platform dependence. The integration of thematic synthesis and TCCM was subsequently used to identify research gaps and develop a conceptual framework for social-commerce-based MSME development.

4. DATA ANALYSIS AND DISCUSSION

4.1 Overview of the Analyzed Literature

Based on the PRISMA selection process, 30 articles published between 2020 and 2026 met the criteria and were included in the final analysis. Overall, the literature indicates that social commerce research has gradually shifted from a predominant focus on social media use and consumer behavior toward broader discussions of technology adoption, organizational capabilities, customer relationships, and business performance. This shift suggests that social commerce is no longer viewed merely as a variation of e-commerce but is increasingly positioned as part of the digital transformation of marketing. Recent studies even position social commerce as a strategy capable of supporting organizational competitiveness in the digital economy, although earlier literature remains more heavily oriented toward consumer rather than organizational perspectives (Shukor et al., 2026).

This development becomes increasingly important when connected to MSMEs. The synthesis demonstrates that research attention has expanded beyond MSMEs' decisions to use social commerce toward questions concerning how the technology can create business value. Studies on SMEs indicate that social media use alone does not necessarily create competitive advantage directly; its benefits become stronger when firms develop relational social commerce capability, which subsequently supports competitive advantage and business performance. Research on Indonesian SMEs also indicates that perceived advantage, management support, and customer pressure can encourage social commerce adoption, which is subsequently associated with financial and brand performance (Lina & Suwarni, 2022). Thus, the literature is shifting from asking "do MSMEs use social commerce?" toward "how do MSMEs transform social commerce into capabilities and business value?"

Table 4. Synthesis of Social Commerce Literature Development

Development Focus	Main Orientation	Key Issues Examined
Technology adoption	Social commerce acceptance	Usefulness, ease of use, readiness, technology adoption
Social interaction	User relationships	Social support, social presence, e-WOM, community
Consumer behavior	Consumer responses	Trust, engagement, purchase intention, continuance
Organization/MSMEs	Technology utilization	Organizational readiness, digital capability, resources
Value creation	Strategic outcomes	Brand performance, competitive advantage, business performance
Digital transformation	Strategic integration	Digital transformation, platform capability, sustainability

4.2 Theory–Context–Characteristics–Methodology (TCCM) Analysis

4.2.1 Theory

The mapping results demonstrate that the theoretical foundations of social commerce research are multidisciplinary. At the technology acceptance level, the Technology Acceptance Model (TAM) and Technology–Organization–Environment (TOE) framework are frequently used to explain factors driving adoption. Omar & Sulaiman (2023), for example, found that TAM and TOE are among the perspectives frequently applied in MSME social commerce literature. Perceived usefulness and perceived ease of use remain important factors, while organizational readiness, trust, security, and e-WOM have received increasing attention. At the organizational level, TOE becomes relevant because adoption depends not only on individual perceptions but also on technological readiness, leadership support, financial resources, market pressure, and environmental conditions. A recent review of SMEs in developing countries similarly emphasizes technological readiness, leadership support, financial accessibility, and regulatory environments in the adoption process (Muhammad et al., 2026).

Other perspectives have evolved to explain what occurs after technology is adopted. Social Support, Social Presence, Trust, and Stimulus–Organism–Response (S-O-R) are more commonly used to understand consumer interaction and responses, whereas the Resource-Based View (RBV) and capability perspectives become increasingly relevant as the unit of analysis shifts toward organizations. George et al. (2023), for example, found that social commerce constructs, social presence, and consumer-generated content contribute to brand trust and brand engagement. Meanwhile, SME research indicates that relational capability in utilizing social commerce serves as a mechanism linking social media use with competitive advantage. These findings demonstrate the need to integrate theories at both the consumer level and the organizational level, because successful social commerce among MSMEs depends not only on technology acceptance but also on the ability to create interactions that generate value.

4.2.2 Context

From the contextual perspective, the literature demonstrates that social commerce research has been conducted across different countries and economic environments, while attention to developing countries and SMEs/MSMEs has increased. This context is important because MSMEs face conditions that differ from those of large companies, particularly regarding resource availability, technological capabilities, workforce competencies, and access to digital infrastructure. Muhammad et al. (2026), in their review of 45 social commerce

studies involving SMEs in developing countries, demonstrate that adoption is closely associated with technological, organizational, and environmental conditions. Research in rural Jordan similarly indicates that adoption is influenced by innovation characteristics as well as temporal, social, economic, and security risks. Thus, the benefits of social commerce cannot be separated from the context in which businesses operate.

Indonesia also emerges as a relevant context in the development of this research. Lina & Suwarni (2022) examined 144 SMEs through the TOE perspective and identified a relationship between social commerce adoption and SME performance. Research on social commerce acceptance among rural Indonesian SMEs has also extended UTAUT2 to understand technology acceptance factors. Meanwhile, studies of TikTok Shop in Indonesia demonstrate that platform effectiveness as a marketing medium depends on strategic feature utilization, content creativity, and business owners' digital capabilities. These developments suggest that Indonesian research has moved from adoption issues toward the utilization of specific platforms, although considerable room remains for understanding how different forms of social commerce collectively contribute to MSME capabilities and development.

4.2.3 Characteristics

Within the Characteristics dimension, several concepts appear repeatedly, including technology adoption, perceived usefulness, trust, social support, customer engagement, social interaction, organizational readiness, digital capability, competitive advantage, and business performance. This pattern suggests that social commerce research follows a relatively sequential process. Technology must first be accepted and used; its use subsequently enables social interaction; interaction shapes experiences, trust, and consumer engagement; and at the organizational level, these processes can be translated into marketing value and business performance. A consumer study in Bangladesh, for example, found that performance expectancy, effort expectancy, innovativeness, and trust are related to attitudes, while social support, social influence, facilitating conditions, and other factors influence usage behavior (Sarker et al., 2025).

However, the synthesis also demonstrates that the relationship between technology use and performance is not necessarily direct. SME studies indicate that social media use does not directly generate competitive advantage; rather, relational social commerce capability functions as an important mechanism through which technology use is transformed into advantage and performance (Marolt et al., 2022). This represents an important conceptual finding for MSMEs. Having an account, publishing posts, or using sales features represents digital presence, whereas the ability to manage relationships, information, content, communities, and customer experiences represents digital capability. Therefore, MSME development should not stop at increasing the number of businesses entering digital platforms but should focus on improving the quality of platform utilization.

4.2.4 Methodology

Methodologically, the social commerce literature is dominated by quantitative survey-based studies, particularly those examining technology acceptance, consumer behavior, trust, engagement, and performance. Structural Equation Modeling (SEM) is widely used because many studies develop models involving relationships among multiple constructs. For example, George et al. (2023) surveyed 625 consumers and employed SEM to test relationships among social commerce constructs, social presence, consumer-generated content, brand trust, and engagement. Research involving micro-SMEs in Malaysia has similarly employed surveys and SEM to analyze social commerce adoption, while studies of Indonesian SMEs have used surveys to test the TOE perspective.

The dominance of cross-sectional surveys provides empirical evidence regarding relationships among variables but limits understanding of how social commerce capabilities develop over time. This limitation also appears in recent reviews recommending greater use of longitudinal research and cross-country comparisons (Muhammad et al., 2026). Therefore, future development of the literature requires longitudinal approaches, case studies, mixed methods, and comparative research capable of explaining the transformation of MSMEs before and after social commerce adoption. Such approaches would expand the literature beyond testing adoption factors toward understanding the process of capability formation and the sustainability of business value.

4.3 Social Commerce as an Evolution of Digital Marketing

The synthesis demonstrates that social commerce can be understood as an evolution of digital marketing that

integrates media, interaction, community, and transactions. In conventional digital marketing, social media may primarily function as a communication or promotional tool. In social commerce, these activities expand because consumers can discover products, interact with sellers, obtain recommendations from other users, access user-generated content, develop trust, and conduct commercial activities within interconnected digital environments. Sarker et al. (2025) even describe social commerce as a channel that has evolved into a mainstream avenue for marketers and businesses to sell products online.

This transformation also shifts the logic of marketing from firm-generated communication toward interactive value creation. Companies are no longer the sole sources of product information. Customers can create content, provide reviews, share experiences, and influence other users. George et al. (2023) demonstrates that consumer-generated content, social presence, and social commerce constructs contribute to brand trust and brand engagement. Consequently, marketing value in social commerce is created not only through the quality of company-generated messages but also through the quality of social relationships developing around brands. For MSMEs, this transformation is particularly important because the ability to build conversations and relationships can help smaller businesses generate visibility without relying entirely on extensive promotional resources.

4.4 Opportunities of Social Commerce for MSME Development

The synthesis identifies expanded market access and increased business visibility as the first major opportunity. Social media enables MSMEs to reach customers beyond the geographical boundaries of traditional markets and develop broader business networks. Tiwasing (2021) found that rural SMEs participating in social-media business networks tend to report higher turnover and stronger sales-growth orientation than SMEs that are not members of such networks. However, these benefits also depend on infrastructure and digital capabilities. This indicates that social commerce has the potential to reduce some geographical barriers faced by MSMEs, particularly when digital platforms connect businesses with consumers without requiring physical expansion.

The second opportunity concerns strengthening customer engagement, trust, and customer relationships. The social dimension distinguishes social commerce from digital transactions focused solely on purchasing. Consumers can communicate with sellers and other users, respond to content, and generate information about their experiences. George et al. (2023) demonstrates that social commerce constructs, social presence, and consumer-generated content contribute to brand trust and engagement. For MSMEs, this mechanism is important because customer relationships can become resources that help compensate for limitations in reputation and business scale. MSMEs capable of responding to consumers personally, transparently, and consistently have greater opportunities to transform digital interactions into sustainable relationships.

The third opportunity is the creation of competitive advantage and improved business performance. Findings from SME studies demonstrate that social commerce creates strategic value when social media use develops into relational capabilities. Relational social commerce capability mediates the relationship between social media use and competitive advantage, while business performance develops as an outcome of the competitive advantage generated through this capability (Marolt et al., 2022). Lina & Suwarni (2022) also demonstrate that social commerce adoption is associated with SMEs' financial and brand performance. Therefore, the opportunities created by social commerce extend beyond short-term transactions to include brand building, relationships, customer information, and competitive positioning.

4.5 Challenges of Social Commerce for MSME Development

Despite these opportunities, the synthesis identifies gaps in digital capabilities and organizational readiness as a major challenge. The ease of creating a social media account does not mean that all MSMEs possess equal capabilities to utilize social commerce. Muhammad et al. (2026) demonstrate that technological readiness and leadership support function as enabling factors, while gaps in workforce digital literacy and inadequate digital infrastructure remain important barriers for SMEs in developing countries. This distinction explains why MSME digitalization needs to differentiate between access, adoption, and capability. Access enables MSMEs to enter digital platforms, adoption integrates technology into business activities, while capability determines whether its utilization actually creates value.

The second challenge concerns trust, security, and perceived risk. Transactions within digital social

environments can increase uncertainty because consumers and sellers face issues involving credibility, information security, product quality, payments, and potential fraud. Omar & Sulaiman (2023) show that trust and security have become increasingly important in the social commerce literature, while reviews of SMEs in developing countries identify cybersecurity risks as a major barrier to adoption. Research in rural Jordan similarly demonstrates that different forms of perceived risk need to be considered when explaining small businesses' decisions to use social commerce (Al-kfairy & Alyafei, 2025). Therefore, trust needs to be established not only through marketing communication but also through information quality, service, security, transparency, and consistent customer experiences.

The third challenge involves platform dependence and content-management requirements. In social commerce, business visibility is strongly influenced by platform characteristics, features, user interaction patterns, and the ability to produce relevant content. Research on TikTok Shop in Indonesia indicates that marketing effectiveness depends on strategic use of platform features, content creativity, and business owners' digital capabilities (Nuryati et al., 2026). This creates particular challenges for MSMEs because social commerce requires time, creativity, the ability to identify trends, rapid customer response, and adaptation to platform changes. When these capabilities are limited, digital presence may generate high levels of activity but relatively little business value.

4.6 Capabilities as the Link between Social Commerce and MSME Development

One important finding from the synthesis is that social commerce adoption is not equivalent to social commerce capability. Adoption explains the decision to use technology, whereas capability represents the firm's ability to integrate technology with marketing processes and internal resources. This distinction helps explain why social media use does not always directly produce competitive advantage. SME research demonstrates that relational social commerce capability functions as the mechanism linking social media use with competitive advantage (Marolt et al., 2022). This perspective is consistent with RBV because the value of technology does not reside solely in the platform being used but in the firm's ability to combine technology with knowledge, customer relationships, content, and other resources.

In rapidly changing digital environments, these capabilities must also be dynamic. MSMEs need to recognize changing customer needs, identify trends and opportunities, utilize new platform features, and adapt their content and customer relationship strategies. Dynamic Capabilities therefore complements RBV by explaining that advantage cannot be built solely through resource ownership but requires the ability to renew and reconfigure resources as environments change. Findings concerning technological readiness, leadership support, digital capabilities, and adaptation to platform characteristics demonstrate that social commerce development requires integration among technology capability, content capability, customer relationship capability, and adaptive capability (Muhammad et al., 2026).

4.7 Synthesis of Social Commerce Opportunities and Challenges

Based on the overall findings, social commerce is both enabling and demanding for MSMEs. It is enabling because technology provides access to markets, consumers, networks, information, and communication with relatively lower entry barriers than conventional marketing infrastructure. However, social commerce is also demanding because successful utilization requires the continuous ability to manage technology, content, trust, interactions, data, and platform changes. Reviews of SMEs in developing countries clearly demonstrate a combination of enabling factors – such as technological readiness, leadership, and financial accessibility – and barriers such as cybersecurity, infrastructure limitations, and digital literacy (Muhammad et al., 2026).

Table 5. Synthesis of Social Commerce Opportunities and Challenges for MSMEs

Dimension	Opportunities	Challenges
Market Access	Expanded market reach and networks	Infrastructure and connectivity gaps
Marketing	More interactive and integrated promotion	Content competition and platform changes
Customer	Engagement, direct communication, community	Maintaining responsiveness and relationship quality
Trust	Reviews and social proof can strengthen credibility	Fraud, security, privacy, and trust risks
Brand	Brand awareness and brand engagement	Reputation can be affected by negative experiences
Capability	Digital learning and utilization of customer data	Digital skills and organizational readiness

Performance	Potential sales and brand performance improvement	Adoption does not automatically generate performance
Competitiveness	Relational capability can create competitive advantage	Easily imitated when relying only on technology

The synthesis in Table 5 demonstrates that almost every opportunity has a directly associated challenge. Greater market access also increases competitive intensity. More opportunities for consumer interaction create greater demands for rapid and consistent responses. The stronger the role of user-generated content and reviews, the greater the reputational risk when consumers have negative experiences. Therefore, the benefits of social commerce do not arise automatically from technology. Benefits emerge when MSMEs can manage opportunities while reducing risks through the development of internal capabilities.

4.8 Research Gaps Based on TCCM

Within the Theory dimension, the primary research gap concerns the continued fragmentation between consumer and organizational perspectives. Consumer research extensively explains trust, social support, engagement, and purchase intention, while organizational research primarily examines adoption factors through TAM, UTAUT, or TOE. The literature still requires theoretical integration capable of explaining the more complete pathway of adoption → capability → customer response → business value → MSME development. Recent research also indicates that organizational perspectives and the strategic use of social commerce remain relatively underexplored compared with consumer perspectives (Shukor et al., 2026).

Within the Context dimension, research in developing countries has increased, but variations in SME conditions indicate a need for more cross-country, cross-sector, business-size, and urban-rural studies. Within Characteristics, many studies continue to position adoption or intention to use as outcome variables, while the process through which technology use develops into capabilities and long-term performance remains insufficiently examined. Within Methodology, the dominance of cross-sectional surveys limits the ability of research to explain capability changes over time. Recent reviews explicitly recommend longitudinal studies, AI-related developments, and cross-country comparisons as directions for future research (Muhammad et al., 2026).

Table 6. Research Gaps and Future Research Agenda Based on TCCM

TCCM Dimension	Research Gap	Future Research Agenda
Theory	Adoption and consumer-behavior theories remain largely fragmented	Integrate TOE/TAM/UTAUT with RBV, Dynamic Capabilities, Trust, and S-O-R
Context	Uneven coverage across countries, sectors, and MSME types	Cross-country, cross-sector, rural-urban, and cross-platform studies
Characteristics	Strong emphasis on adoption and purchase intention	Examine capability, business value, resilience, competitive advantage, and sustainability
Methodology	Dominance of cross-sectional quantitative surveys	Longitudinal, mixed-methods, case-study, experimental, and comparative research

4.9 Conceptual Framework of Social Commerce for MSME Development

Based on the synthesis of 30 articles, this study proposes that the contribution of social commerce to MSME development occurs through three major stages: adoption, capability development, and value creation. At the first stage, adoption is influenced by technological, organizational, and environmental conditions. Evidence from the TOE perspective demonstrates that technological benefits, management support, customer pressure, technological readiness, resource accessibility, and the regulatory environment can determine SMEs’ ability to adopt social commerce (Lina & Suwarni, 2022). However, adoption merely represents an entry point and should not be regarded as the final indicator of success.

At the second stage, MSMEs need to develop social commerce capability through digital capability, content capability, customer relationship management capability, and adaptive capability. These capabilities enable MSMEs to use platforms not merely to publish products but also to build interactions, generate engagement, manage customer information, and establish trust. Findings regarding relational social commerce capability strengthen the argument that the ability to leverage social relationships serves as an important mechanism between technology utilization and competitive advantage (Marolt et al., 2022). Thus, capability

development serves as the bridge between technology adoption and business value creation.

The third stage is value creation, in which social commerce capabilities generate customer engagement, trust, market access, brand building, and customer relationships that can subsequently strengthen MSME performance and competitiveness. This framework also demonstrates that social commerce does not automatically lead to business development. Its effects depend on MSMEs' ability to transform technological access into capabilities and subsequently convert those capabilities into value for customers and businesses. Therefore, the synthesis can be formulated through the following conceptual pathway:



Figure 2. Conceptual Framework of Social Commerce for MSME Development in the Digital Economy

These relationships operate within an environment shaped by digital infrastructure, platform dynamics, cybersecurity, regulatory environment, and market competition. The framework positions social commerce not merely as a sales channel but as part of MSMEs' digital transformation capabilities. It also explains why two MSMEs using the same platform may achieve different outcomes: the difference does not arise solely from the technology itself but, more importantly, from how that technology is utilized, integrated, and developed into organizational capabilities.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

This study aimed to analyze the development of social commerce as an emerging trend in digital marketing and identify its opportunities and challenges for MSME development in the digital economy through a Systematic Literature Review (SLR) of 30 articles published between 2020 and 2026. The findings demonstrate that social commerce has evolved from the use of social media for promotion and transactions into a marketing approach that integrates technology, social interaction, content, customer relationships, and commercial activities within a single digital ecosystem. The Theory–Context–Characteristics–Methodology (TCCM) analysis shows that the development of this research field has been explained through diverse perspectives, including TAM, UTAUT, TOE, S-O-R, Social Support Theory, Trust Theory, Resource-Based View (RBV), and Dynamic Capabilities Theory. This theoretical diversity demonstrates that social commerce is a multidimensional phenomenon that cannot be adequately explained solely through technology acceptance or consumer behavior but must also be understood through organizations' ability to transform technology utilization into capabilities and business value.

From the perspective of MSME development, social commerce creates opportunities to expand market access, increase brand visibility, build customer engagement and trust, strengthen customer relationships, and support improvements in sales, performance, and competitive advantage. However, the synthesis demonstrates that social commerce adoption does not automatically generate these benefits. Its success depends strongly on MSMEs' ability to develop social commerce capabilities, particularly digital capabilities, content management, customer relationships, organizational readiness, and adaptability. At the same time, MSMEs face challenges related to limited resources and digital skills, security and privacy, consumer trust, changing algorithms and platform characteristics, and intensifying digital competition. Therefore, MSME development through social commerce needs to move beyond simply encouraging digital adoption toward

strengthening digital capability, enabling technology to create meaningful value for customers and businesses.

Based on the overall synthesis, this study proposes the framework Digital Economy Transformation → Social Commerce Adoption → Social Commerce Capability → Customer Engagement and Trust → Marketing and Business Value → MSME Development. The framework positions social commerce as an enabler of MSME development, rather than a direct determinant of success, because its impact depends on MSMEs' ability to transform technology adoption into capabilities and subsequently into marketing and business value. This study is limited to 30 articles published between 2020 and 2026 and to a literature base dominated by quantitative and cross-sectional research. Future research should therefore empirically test the proposed conceptual framework through longitudinal, mixed-methods, and comparative studies across sectors and countries, while extending attention to AI, live commerce, social commerce analytics, platform dependency, cybersecurity, and digital resilience to better understand MSME sustainability and competitiveness in the digital economy.

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