

Innovation meets modest fashion-based localism: A systematic literature review



Munawaroh^a | Effy Zalfiana Rusfian^b | Fibria Indriati^c

^aFaculty of Administrative Science, Universitas Indonesia, Indonesia.

Abstract Research on innovation, localism, and modest fashion has garnered significant scholarly attention in recent years. However, existing studies have not produced conclusive results regarding the link between innovation in modest fashion and localism. This systematic literature review aims to identify research trends, theories, and innovations in modest fashion and determine factors related to innovation in modest fashion on the basis of localism. The Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) method was used to analyze 24 articles on innovation, localism, and modest fashion from the Scopus, Web of Science, and ProQuest databases. The results indicate a growing trend in the themes of innovation, localism, and modest fashion over the last decade. Additionally, six main factors have emerged to answer the research question regarding the determinants of innovation: design-driven, market-driven, technology-driven, localism-driven, culture-driven, and sustainability-driven. These factors emphasize the significance of considering localism and sustainability in shaping future innovations in the modest fashion industry. The study concludes that the combination of these driving factors can greatly influence the development of innovative strategies that align with consumer preferences and global market trends. Moreover, the findings of this review contribute to the growing body of knowledge on the relationship between innovation and localism, offering practical insights for business leaders and policymakers. By understanding how localism can drive innovation in the modest fashion industry, businesses can better position themselves to create sustainable and competitive advantages. Future research should focus on further exploring these factors to provide more in-depth insights into the role of localism in promoting innovation and business performance in the modest fashion sector.

Keywords: innovation, business innovation, product innovation, localism, modest fashion

1. Introduction

The importance of business and product innovation has been acknowledged by scholars as a driver of value creation and competitiveness. Some scholars have noted that business and product innovation are key to remaining competitive in an ever-changing market (Elvianti & Putri, 2019; Menne et al., 2022). For small- to medium-scale businesses, innovation increases opportunities for significant growth by creating new products or enhancing the value added to existing products. This, in turn, can attract new customers, expand markets, and increase revenues (Fikri et al., 2022). Hence, it enables businesses to be responsive to market changes on the basis of emerging trends. In particular, business and product innovation are prominent in the ever-changing modest fashion industry, helping companies achieve competitiveness, meet customer desires, and ensure business sustainability (Audrezet & Parguel, 2023).

Several important industry trends have pushed fashion toward the concept of localism (Jung & Jin, 2016). Localism is a growing international trend that focuses on rebuilding communities and protecting and revitalizing local economies. In the Indonesian context, cultural diversity, local wisdom, and human resources not only inspire the world but also have the potential to dominate the global market, particularly in the Indonesian modest fashion sector (Pei, 2016). Localism significantly impacts the way companies innovate across various aspects of their business models (Dybdahl, 2019a). Innovation originating from localism involves creating ideas, increasing discoveries, and introducing new products or services to the market (Thornhill, 2006). In the modest fashion industry, business innovation can enhance operational performance through product and process innovation.

The literature has explored the value drivers underpinning product and business innovation (e.g., Jajja et al., 2017; Pedersen et al., 2018; Fikri et al., 2022), but the value drivers of business models for localism-based modest fashion are often overlooked by scholars. Thus, few academic studies have systematically examined how innovation functions, particularly in the context of modest fashion businesses within localism. This research gap is especially pertinent given the growing global interest in modest fashion. The purpose of this review paper is to investigate the trends, theories, and dimensions of innovation and localism and to identify factors affecting innovation and modest fashion based on localism. This review contributes to the



theme of innovation and localism in several ways. First, this study quantifies volume across the nation and involves a review to trace the field longitudinally.

The paper is organized as follows. The next section provides the research methodology. Section 3 describes the findings according to the classification of the investigated studies. Sections 4 and 5 present the discussion and conclusion, respectively.

2. Materials and Methods

This paper provides a systematic review following the four stages described by Page et al. (2021). The stages of the paper are as follows: (1) search the literature and relevant papers, (2) assess the eligibility of the papers, (3) synthesize the findings, and (4) interpret the results. A systematic literature review is an approach to synthesizing a large volume of research, drawing conclusions about research progress and gaps, and is enhanced by the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) protocols, which offer clearer and less biased guidance for the review process. This literature search has the limitation of being performed solely in English and includes only papers published online from 2020 onward in the Scopus, Web of Science (WOS), and ProQuest databases, which cover the most relevant journals. The PRISMA protocol used is detailed in Figure 1.

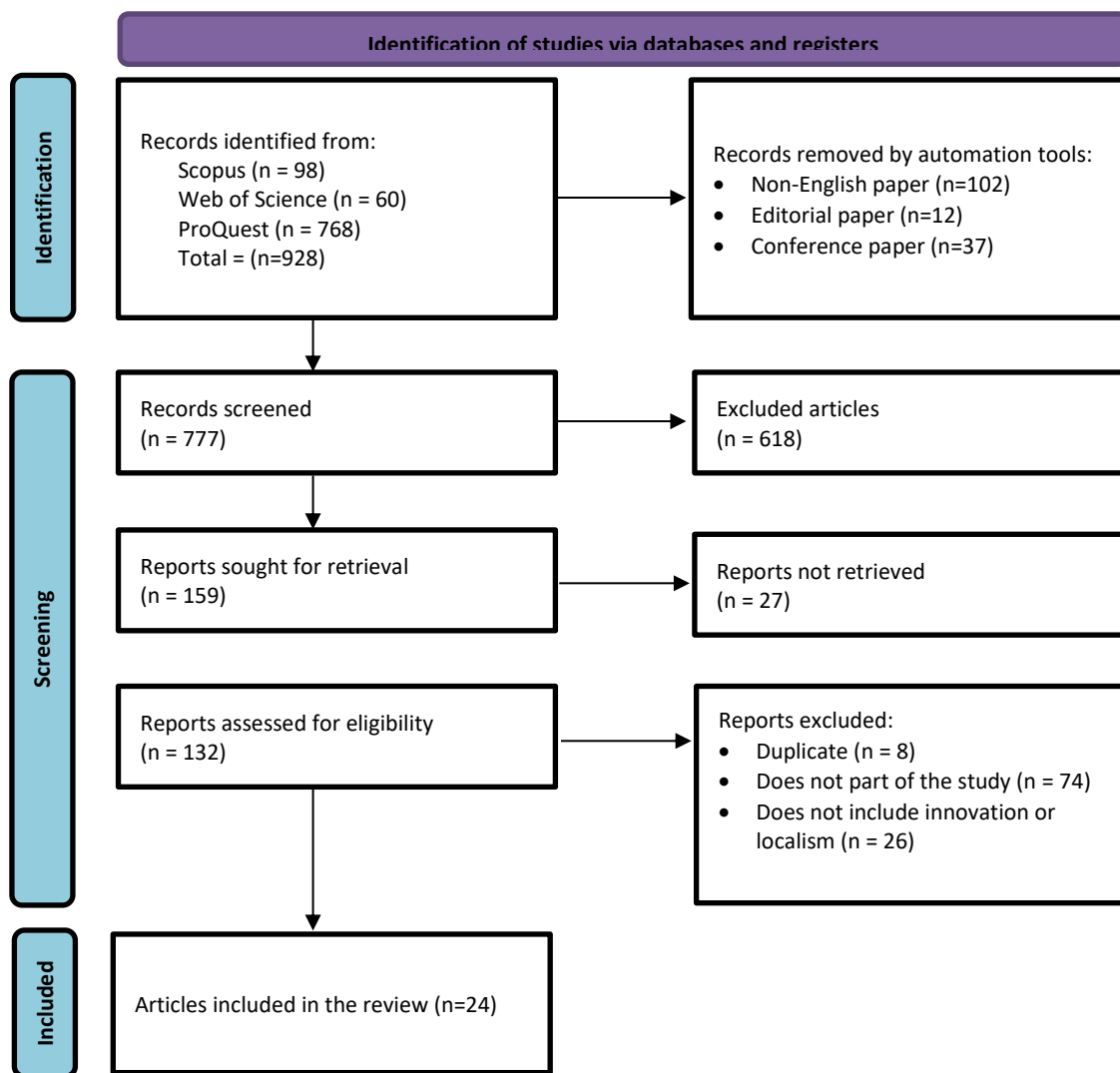


Figure 1 PRISMA flowchart.

2.1. Identification term and literature search

This systematic review involved the Scopus, Web of Science, and ProQuest databases because they are the most reputable and comprehensive scientific databases. The combinations of "business innovation," "product innovation," "modest fashion," and "localism" were examined through these databases. We focused on scientific articles in English published in academic journals that had acquired a minimum number of citations, especially those with relevant content on this topic.



Hence, the authors filtered academic papers in the fields of economics, management, business administration, and social sciences. The search terms are listed in Table 1.

Table 1 Search strings in Scopus, Web of Science and ProQuest.

Databases	Keywords
Scopus	TITLE-ABS-KEY ("product innovation" OR "business innovation" OR "business model" AND "localism" AND "modest fashion" OR "fashion")
Web of Science	AB=(product innovation) OR AB=(business innovation) OR AB=(innovation model) AND AB=(localism) AND AB=(modest fashion) OR AB=(fashion)
ProQuest	Abstract ("product innovation" OR "business innovation" OR "modest fashion" OR "fashion" AND "localism")

2.2. Inclusion and exclusion criteria

The inclusion and exclusion criteria were determined to identify appropriate and relevant articles for analysis and synthesis. The process of inclusion and exclusion began by transferring data from Scopus, Web of Science, and ProQuest into an Excel database. This stage resulted in 98 papers from the Scopus database, 60 papers from the Web of Science, and 766 papers from ProQuest. The data presented covered the author(s), title, keywords, year of publication, language, country, and abstract. In this systematic review, the exclusion criteria included non-English articles, note papers, editorial papers, restricted access papers, and irrelevant papers. Moreover, the inclusion criterion was relevant papers with appropriate research procedures, even if they were not published in Scopus, Web of Science, or ProQuest.

2.3. Mapping data and reporting results

The mapping data process began by considering the appropriateness of the titles, abstracts, and full-text papers. This stage focused solely on papers related to product innovation, business innovation, localism, fashion, and modest fashion for mapping and analysis. In the initial analysis, we performed an investigation procedure involving a standard description, including author information, publication year, and main findings (see Table 2). Furthermore, this systematic review provided an analysis and synthesis review of the eligible full-text papers. The subsequent analysis incorporated a systematic extraction of the following papers to address the research purpose. The papers were read comprehensively to identify the main findings, similarities, and patterns of innovation in modest fashion on the basis of localism. The process of mapping the data resulted in 24 papers for further detailed analysis.

Table 2 Summary of eligible papers on this topic.

Code	Year	Author	Variable	Method	Findings
1	2011	Hildreth	Localism, local government, and local community	Conceptual paper	Proposes the conceptual model of localism for local economy
2	2013	De Felice & Petrillo	Financial perspectives, innovation perspectives, customer perspectives, internal business perspectives	Multicriteria Assessment Balanced Scorecard	The success of a fashion organization depends upon its ability to turn its competencies into products and services through innovation
3	2014	Jung & Jin	Business development, fashion business, slow fashion	Factor Analysis	There are five dimensions accounted for slow fashion: equity, authenticity, functionality, localism and exclusivity
4	2016	Bertola et al.	Innovation, fashion culture, sociocultural	Systematic Literature Review	The notions of contemporary cultures' and 'culture intensive goods, as well as the paradigmatic shift from technology- and market-driven innovation to design- and culture-driven innovation
5	2016	Pei	Localism, innovation, business design	Systematic Literature Review	Innovative strategic design enables the process of coming up with sustainable solutions in the context of localism and balancing with sustainability issue
6	2017	Jajja et al.	Innovation Strategy, Product Innovation, Emerging Markets	Structural Equation Modeling	Firm innovation strategy, supplier innovation, and product innovation have a robust impact on business performance



7	2018	Antaki & Medvedev	Localism, artisan, business sustainability	Participatory observation and interview	Artisans in Uruguay are affected by the global commodification of local crafts
8	2018	Fletcher	Localism, fashion	Mixed-method	Localism in a fashion context is connected with place, nature, society, and clothing to create sustainability futures
9	2018	Fletcher & Vitterso	Localism, fashion localism	Conceptual paper	Localism plays a crucial role in promoting local food change and fashion localism initiatives
10	2018	Pedersen et al.	Business model innovation, fashion industry, corporate sustainability	Structural equation modeling	Business innovation model has linked with business performance in fashion industry
11	2018	Sipe	Experience design, innovation, neo-localism	Qualitative	There is an emerging concept of neo-localism that has the importance of shared vision to motivate innovation
12	2018	Taylor	Fashion, localism	Case study	Localism was embedded in eighteenth-century fashionable consumption and intertwined with inclusive outlooks, so that local values and attributes mingled with multinational style
13	2019	Khurotul et al.	Modest fashion, business performance	Regression analysis	Opportunity recognition has a significant effect on business performance through business model performance for modest fashion in Indonesia
14	2019	Purwaningwulan et al.	Islamic fashion, creative innovation, e-commerce	Case study	Search and share through social media are a tool for customers to disseminate company campaigns. In addition, innovation is an important part of power marketing.
15	2019	Shiratina et al.	Business performance, value creation, innovation, small business	Structural equation modeling	Improving business performance requires innovation through value creation to show a uniqueness of the product
16	2020	Jin & Shin	Disruptive innovation, business model, fashion industry	Literature review	AI-enabled demand forecasting and product design are prominent for supporting business fashion industry
17	2020	Real et al.	Business model, Localism, fashion industry	Comparative analysis	Social entrepreneurs supports circular transitions into regions and highlights the strong diversity of challenges they faced during the design of local business models
18	2020	Yang & Jang	Organizational values, corporate sustainability, business model innovation	Structural equation modeling	Business model innovation did not show any impact on corporate sustainability or financial performance. In addition, corporate sustainability positively influenced financial performance only for SMEs
19	2022	Alalawneh et al.	SMEs, innovation performance, fashion SMEs	Structural equation modeling	The results highlight the positive significant impact of social media usage on the innovation performance of fashion SMEs
20	2022	Coscieme et al.	Circular business model, fashion business	Conceptual paper	To enable a sustainable and circular textiles system, a transformation of fashion production and consumption is

					needed. This transformation requires innovation in business-model design, technology, and social practices through the adoption of specific policy making, education, and behavioral change enablers
21	2022	Fikri et al.	Market orientation, business performance, fashion Muslim	Structural equation modeling	Market orientation has a significant effect on business performance of fashion Muslim directly or indirectly through innovation
22	2022	Menne et al.	Business performance, business sustainability, open innovation	Structural equation modeling	Human resource capacity and business diversification affects the business performance of SMEs. In addition, human resource capacity, business diversification, business productivity, and financial performance have a positive effect on SMEs business sustainability
23	2022	Perera & Ranaweera	Fashion localism, Business model, community development	Conceptual paper	Fashion localism, locally sourced, ethics, employee development, community development, consumers, regulations, restrictions and opportunities in the future.
24	2022	Nurchahyanie et al.	Fashion Muslim, business performance, fashion industry	Qualitative	OPR (Online Product Review) can influence consumer purchasing decisions, they can be used to help sellers share and build media perceptions so that fashion products always gain consumer trust

3. Results

This systematic literature review aims to identify the factors of innovation in a modest fashion through data analysis from previous papers. In this study, we adopted a PRISMA flowchart to determine eligible papers (see Figure 1). The search identified a total of 928 papers from the Scopus, Web of Science, and ProQuest databases from 2010 onward. As presented in the previous section, the authors established specific criteria for including and excluding articles. From the 928 articles obtained, we removed 151 articles that used automation tools (editorial papers, non-English papers, and conference papers). Furthermore, we eliminated 618 articles that were not relevant to the study’s purposes, and we also deleted 27 restricted papers. In determining eligible papers, we deleted eight duplicate papers, 74 papers that were not part of the study, and 26 papers that were not included in this theme. Finally, we included 24 papers for analysis and synthesis purposes. The eligible articles considered in this systematic review are presented in Table 2.

3.1. Demographic papers

This review focuses on studies conducted from 2010 onward. The majority of the reviewed articles were conducted in Indonesia, followed by the United Kingdom, the United States, Italy, and other countries. The table shows that there has been an increasing trend in the study of this topic since 2018. This finding indicates that the topic of innovation-based localism is of considerable interest among scholars in this field.

Table 3 illustrates that there has been a growing trend of research over the last ten years on the themes of business innovation, product innovation, localism, and modest fashion. In general, there was a remarkable increase in studies on these themes in 2018 and 2020. Specifically, there was only one study each in 2011, 2012, and 2014, but the number rose dramatically in 2018 and 2020. The majority of the papers included in the review were published in the journal Fashion Practice by Taylor and Francis, accounting for more than 20% of the total. In terms of the demographic context of the study, the majority of the research was conducted in Indonesia, with a total of six published papers in several reputable journals. In addition, an equal number of studies were performed in the United States, the United Kingdom, and Italy. This review also revealed one paper published in various other countries, such as Sri Lanka, Germany, Jordan, Korea, and France. The details of the demographic distribution of the papers are shown in Table 4.



3.2. Driving factors of innovation

To map out the dimensions of innovation, we categorized and grouped each study on the basis of the type of innovation discussed. The results revealed several driving factors for innovation in products or businesses. Specifically, nine studies (n=9) reported that design-driven factors are determinants of innovation, five studies (n=5) reported market-driven factors, eight papers (n=8) documented technology-driven factors, and four studies (n=4) reported localism-driven factors. Additionally, four studies (n=4) reported that innovation is driven by cultural factors, and five studies (n=5) documented sustainability-driven factors. The categorical data of the innovation drivers are shown in Table 5.

Table 3 Demographic information of the papers included.

Code	Year	Author	Name of Journal	Publisher	Country
P1	2011	Hildreth	Local Economy	Sage	United Kingdom
P2	2013	De Felice & Petrillo	Journal of Engineering Business Management (Special Issue on Innovations in Fashion Industry)	Sage	Italy
P3	2014	Jung & Jin	International Journal of Consumer Study	Wiley	United States
P4	2016	Bertola et al.	The Design Journal	Taylor & Francis	Italy
P5	2016	Pei	International Journal of Social Science and Humanity	Portoviejo	Italy
P6	2017	Jajja et al.	International Journal of Operations & Production Management	Emerald	Pakistan
P7	2018	Antaki & Medvedev	Fashion Practice	Taylor & Francis	Uruguay
P8	2018	Fletcher	Fashion Practice	Taylor & Francis	United Kingdom
P9	2018	Fletcher & Vitterso	Fashion Practice	Taylor & Francis	United Kingdom
P10	2018	Pedersen et al.	Journal of business ethics	Springer	Sweden
P11	2018	Sipe	Journal of Themed Experience and Attractions Studies	Stars: University of Central Florida	United States
P12	2018	Taylor	Fashion Practice	Taylor & Francis	Scotland
P13	2019	Khurutul et al.	Eurasia: Economics & Business	iVolga Press, Russian Federation	Indonesia
P14	2019	Purwaningwulan et al.	Library Philosophy and Practice	University of Nebraska-Lincoln	Indonesia
P15	2019	Shiratina et al.	International Journal of Entrepreneurship	Allied Business	Indonesia
P16	2020	Jin & Shin	Business Horizons	Elsevier	United States
P17	2020	Real et al.	Fashion Practice	Taylor & Francis	France
P18	2020	Yang & Jang	Sustainability	MDPI	Korea
P19	2022	Alalawneh et al.	International Journal of Fashion Design, Technology and Education	Taylor & Francis	Jordan
P20	2022	Coscieme et al.	Sustainability: Science, Practice and Policy	Taylor & Francis	Germany
P21	2022	Fikri et al.	Market Orientation and Business Performance	Emerald	Indonesia
P22	2022	Menne et al.	Journal of Open Innovation: Technology, Market, and Complexity	Elsevier	Indonesia
P23	2022	Perera & Ranaweera	Research Journal of Textile and Apparel	Emerald	Sri Lanka
P24	2022	Nurchahyanie et al.	Sustainability	MDPI	Indonesia

3.2. Factor 1: Design-Driven

From a total of 24 papers identified, nine mention design-driven factors as the most significant determinants of innovation in business (De Felice & Petrillo, 2013; Pei, 2016; Bertola et al., 2016; Pedersen et al., 2018; Shiratina et al., 2019; Jin & Shin, 2020; Coscieme et al., 2022; Nurchahyanie et al., 2022; Perera & Ranaweera, 2022). For example, Pei (2016) noted that design-driven innovation is superior because of its prominent ability to visualize cultural values within various contexts, local communities, and individuals. Additionally, Nurchahyanie et al. (2022) highlighted that design-driven innovation is essential, as it is directly linked to sales and business performance. Furthermore, Jung and Jin (2020) reported that clothing designs less influenced by current fashion trends and made from long-lasting materials enable individuals to wear these garments for extended periods, regardless of changes in fashion seasons.

Table 4 Countries and number of performed studies.

Country	No. of performed research
Indonesia	6
United States	3
United Kingdom	3
Italy	3
Sri Lanka	1
Germany	1
Jordan	1
Korea	1
France	1
Scotland	1
Sweden	1
Uruguay	1
Pakistan	1

Table 5 Driving factors of innovation.

Authors	Year	Design Driven	Market Driven	Technology Driven	Localism Driven	Cultural Driven	Sustainability Driven
De Felice & Petrillo	2013	•		•			
Pei	2016	•	•	•	•		
Bertola et al.	2016	•	•	•		•	
Jajja et al.	2017		•				
Fletcher & Vitterso	2018				•	•	•
Pedersen et al.	2018	•		•			•
Purwaningwulan et al.	2019		•				
Shiratina et al.	2019	•					
Jin & Shin	2020	•		•	•		
Yang & Jang	2020						•
Real et al.	2020			•			•
Alalawneh et al.	2022						•
Coscieme et al.	2022	•		•		•	
Fikri et al.	2022		•				
Nurchahyanie et al.	2022	•				•	
Perera & Ranaweera	2022	•		•	•		

3.3. Factor 2: Market-Driven

A total of seven articles have indicated that technologically driven factors also play a role in promoting innovation (Pei, 2016; Bertola et al., 2016; Jajja et al., 2017; Purwaningwulan et al., 2019; Fikri et al., 2022). These studies mentioned that market-driven approaches involve developing and introducing new products or services in response to identified demands within the market. From the perspective of innovation, a deep understanding of customer preferences, market trends, and competitive dynamics will enhance a business's competitiveness. The essentials of market-driven innovation are highlighted in several included studies. For instance, Pei (2016) indicated that market-driven innovation emphasizes the importance of understanding consumer needs, preferences, and cultural contexts. Furthermore, Fikri et al. (2022) noted that market-driven strategies are crucial for understanding changes in the market, which, in turn, can prepare businesses for market readiness. Finally, Jajja (2017) noted that innovation is necessary to respond to market changes and offers greater value than competitors do.

3.4. Factor 3: Technological-Driven

A total of eight articles have indicated that market-driven factors also play a role in driving innovation (De Felice & Petrillo, 2013; Pei, 2016; Bertola et al., 2016; Pedersen et al., 2018; Jin & Shin, 2020; Real et al., 2020; Coscieme et al., 2022;



Perera & Ranaweera, 2022). Among the identified studies, technologically driven innovation refers to the adoption of technology in the development of innovative products or services that can transform industries and markets. Some studies (e.g., De Felice & Petrillo, 2013; Bertola et al., 2016) have revealed that technologically driven factors are crucial to the success of organizations in the fashion industry. Similarly, a study by Pedersen et al. (2018) noted that technology-driven factors are essential in supporting business innovation and sustainability.

3.5. Factor 4: Localism-Driven

A total of four articles indicated that localism-driven factors play a prominent role in driving innovation (Pei, 2016; Fletcher & Vitterso, 2018; Jin & Shin, 2020; Perera & Ranaweera, 2022). These studies discussed how innovation can be employed to support localism and cultural sustainability and vice versa. Pei (2016) provided a broader exploration of design strategies, whereas Perera and Ranaweera (2022) focused specifically on the fashion industry within the context of Sri Lanka. These papers highlighted the importance of maintaining local traditions and values while integrating innovative approaches for sustainability and market relevance.

3.6. Factor 5: Cultural-Driven

A total of four articles indicated that localism-driven factors play a prominent role in driving innovation (Bertola et al., 2016; Fletcher & Vitterso, 2018; Coscieme et al., 2022; Nurcahyanie et al., 2022). The identified studies noted that culturally driven approaches place a strong emphasis on culture as a guiding or central factor. This implies that culture plays a significant role in shaping decisions, behaviors, and outcomes in the innovation of modest fashion. Additionally, some identified studies (e.g., Nurcahyanie et al., 2022; Fletcher & Vitterso, 2018) note that culture is essential in the fashion industry and that producers can incorporate cultural elements to create unique products.

3.7. Factor 6: Sustainability-Driven

The last factor identified as essential for supporting innovation in the fashion industry is sustainability driven. A total of five papers have indicated that sustainability-driven factors play a prominent role in driving innovation (Fletcher & Vitterso, 2018; Pedersen et al., 2028; Yang & Jang, 2020; Real et al., 2020; Alalawneh et al., 2022). The studies included in this review noted that sustainability-driven approaches encourage businesses and individuals to develop products, services, and processes that have a reduced environmental impact, helping to mitigate the effects of climate change, conserve resources, and protect ecosystems. Additionally, these studies showed that sustainability-driven innovation is linked to demand from customers with a green mindset toward certain products and services.

4. Discussion

This systematic review outlines 24 peer-reviewed empirical papers on the themes of innovation, localism, and modest fashion from 2010--2022 under the PRISMA protocol. This review provides insights into the literature on innovation, localism, and modest fashion, such as trends, theories, dimensions, and the innovation model. The results of our review also contribute to the understanding of fashion-based localism in terms of the nine dimensions proposed by Perera and Ranaweera (2022). Furthermore, the results provide practical, evidence-based directions for future scholars in this area.

The first finding shows that the trends pertaining to innovation, localism, and modest fashion over the past ten years have continued to expand and evolve with respect to the development of theories, models, and strategies for business innovation. The findings of the review were distributed across 13 nations, with Indonesia generating the most studies on innovation and localism (n=6). This result can be attributed to Indonesia's uniqueness, with its numerous ethnicities, cultures, and traditions supporting innovation-based localism (e.g., Fikri et al., 2022; Menne et al., 2022; Nurcahyanie et al., 2022). The growing body of research in recent years indicates that this topic has become increasingly interesting among scholars in the context of Indonesia. In addition, the concept of localism and innovation has been adopted by scholars to promote business performance across several nations, such as Sri Lanka (Perera & Ranaweera, 2022), the United Kingdom (Fletcher & Vitterso, 2018; Fletcher, 2018), Italy (Pei, 2016), Uruguay (Antaki & Medvedev, 2018), and the United States (Sipe, 2018). This indicates that the concepts of innovation and localism are equally important in the field.

The findings indicate that several driving factors promote innovation and business performance in the modest fashion industry. The main factor frequently proposed by scholars is design-driven innovation. The basic rationale is that design-driven innovation in a modest fashion can introduce new ways to incorporate modesty into fashion. When businesses prioritize design as a central element of their operations, they create products and services that not only meet functional needs but also engage and resonate with their target audience. The next factor promoting innovation in a modest fashion is technologically driven innovation. Several authors (e.g., Pei, 2016; Jin & Shin, 2020; Real et al., 2020; Coscieme et al., 2022; Perera & Ranaweera, 2022) have proposed that technologically driven innovation can significantly promote innovation in the field of modest fashion by leveraging technology to enhance design, production, marketing, and the overall customer experience.

Further findings indicate that market-driven, localism-driven, and sustainability-driven factors can stimulate innovation in a modest fashion. Some scholars (e.g., Pei, 2016; Fletcher & Vitterso, 2018; Jin & Shin, 2020; Perera & Ranaweera, 2022) have acknowledged that these dimensions can drive innovation. The underlying reason supporting this finding is that market-driven approaches prioritize understanding customer needs, preferences, and behaviors, whereas localism-driven and sustainability-driven approaches prioritize ethical and sustainable practices, such as sourcing materials locally and supporting fair trade. This resonates with consumers who value ethical and sustainable products. The final finding indicates that culture-driven factors promote innovation and business sustainability (Fletcher & Vitterso, 2018; Pedersen et al., 2028; Yang & Jang, 2020; Real et al., 2020; Alalawneh et al., 2022).

5. Conclusion

This review aims to identify research trends, theories, and innovations in modest fashion, as well as to determine factors linked to innovation in modest fashion on the basis of localism from 2010 onward. The findings indicate an increasing trend in this theme from 2018 to the present in Indonesia and other countries, such as the United States, the United Kingdom, and Italy. The results also identified essential factors driving innovation in a modest fashion, including design-driven, market-driven, technological-driven, localism-driven, culture-driven, and sustainability-driven factors. This study provides insights into the literature on promoting innovation and the performance of modest fashion. Considering these dimensions in promoting innovation and modest fashion performance may be valuable for scholars, practitioners, businesses, and policymakers. On the basis of these findings, key factors that can predict innovation and business performance or elaborate on dimensions that have not been extensively studied, such as localism and cultural factors, are suggested. As with other studies, this study has limitations, including the timeframe of the study being limited to December 2022 and the potential for bias since data screening and extraction involved only two reviewers. Further research should consider involving more than two reviewers in the screening and data extraction process. Future research should explore these findings via both quantitative and qualitative approaches.

Acknowledgment

The authors would like to thank the reviewers for their valuable suggestions, which have significantly enhanced this paper.

Ethical Considerations

The authors declare that this research did not involve human subjects.

Conflict of Interest

The authors declare that they have no conflicts of interest.

Funding

The authors would like to thank Universitas Indonesia for supporting this study.

References

- Alalawneh, A. A. F., Alkhatib, S. F., & Abu Abbass, M. H. (2022). Social media usage and innovation performance: The case of fashion SMEs in Jordan. *International Journal of Fashion Design, Technology and Education*, 15(2), 221-232.
- Antaki, B., & Medvedev, K. (2018). Manos del Uruguay: exploring the inherent tensions between localism and the global craft economy. *Fashion Practice*, 10(2), 196-212.
- Audrezet, A., & Parguel, B. (2023). Unpacking nontarget majority consumers' responses to modest fashion: How market controversy perpetuates marketplace exclusion. *Journal of Marketing Management*, 1-29.
- Bertola, P., Vacca, F., Colombi, C., Iannilli, V. M., & Augello, M. (2016). The cultural dimension of design driven innovation. A perspective from the fashion industry. *The Design Journal*, 19(2), 237-251.
- Blas Riesgo, S., Codina, M., & Sádaba, T. (2023). Does sustainability matter to fashion consumers? Clustering fashion consumers and their purchasing behavior in Spain. *Fashion Practice*, 15(1), 36-63.
- Coscieme, L., Manshoven, S., Gillabel, J., Grossi, F., & Mortensen, L. F. (2022). A framework of circular business models for fashion and textiles: the role of business-model, technical, and social innovation. *Sustainability: Science, Practice and Policy*, 18(1), 451-462.
- De Felice, F., & Petrillo, A. (2013). Key success factors for organizational innovation in the fashion industry. *International Journal of Engineering Business Management*, 5, 27.
- Duckworth, M. (2023). *Localism and Clothing: Views from the Wardrobes of Aotearoa-New Zealanders*. PhD dissertation. ResearchSpace@ Auckland.
- Dybdahl, L. M. (2019). Business model innovation for sustainability through localism. *Innovation for Sustainability: Business Transformations towards a Better World*, 193-211.
- Elvianti, W., & Putri, N. A. (2019). Monetizing Hijab: Analysis on State's National Interest on the Growing Hijab Fashion Trend in Indonesia. *Journal of Islamic World and Politics*, 3(2), 635-650.

- Fikri, A. R., Ratnasari, R. T., Ahmi, A., & Kirana, K. C. (2022). Market orientation and business performance: the mediating role of total quality management and service innovation among Moslem fashion macro, small and medium enterprises in Indonesia. *Journal of Islamic Accounting and Business Research*, 13(8), 1234-1252.
- Fletcher, K. (2018). The fashion land ethic: Localism, clothing activity, and Macclesfield. *Fashion Practice*, 10(2), 139-159.
- Fletcher, K., & Vittersø, G. (2018). Local food initiatives and fashion change: Comparing food and clothes to better understand fashion localism. *Fashion Practice*, 10(2), 160-170.
- Hendrayati, H., & Gaffar, V. (2016). Innovation and marketing performance of womenpreneur in fashion industry in Indonesia. *Procedia-Social and Behavioral Sciences*, 219, 299-306.
- Hildreth, P. (2011). What is localism, and what implications do different models have for managing the local economy?. *Local Economy*, 26(8), 702-714.
- Jajja, M. S. S., Kannan, V. R., Brah, S. A., & Hassan, S. Z. (2017). Linkages between firm innovation strategy, suppliers, product innovation, and business performance: Insights from resource dependence theory. *International Journal of Operations & Production Management*, 37(8), 1054-1075
- Jin, B. E., & Shin, D. C. (2020). Changing the game to compete: Innovations in the fashion retail industry from the disruptive business model. *Business Horizons*, 63(3), 301-311.
- Jung, S., & Jin, B. (2014). A theoretical investigation of slow fashion: sustainable future of the apparel industry. *International journal of consumer studies*, 38(5), 510-519.
- Khurotul, A. E., Ferina, N., & Sukowidyanti, A. P. (2019). A study of modest fashion SMEs' business performance: the moderating role of business model innovation. *Eurasia: Economics & Business*, 2(20), 125-133.
- Lizarralde, I., Tyl, B., & Bonvoisin, J. (2014). Socially Responsible Regions: A Localism Business Model to enhance eco-innovation. In ISPIIM Conference Proceedings (p. 1). The International Society for Professional Innovation Management (ISPIIM).
- Menne, F., Surya, B., Yusuf, M., Suriani, S., Ruslan, M., & Iskandar, I. (2022). Optimizing the financial performance of SMEs based on sharia economy: Perspective of economic business sustainability and open innovation. *Journal of Open Innovation: Technology, Market, and Complexity*, 8(1), 18.
- Pedersen, E. R. G., Gwozdz, W., & Hvass, K. K. (2018). Exploring the relationship between business model innovation, corporate sustainability, and organisational values within the fashion industry. *Journal of business ethics*, 149, 267-284.
- Pei, X. (2016). Innovation meets Localism: An exploratory study on design strategy towards cultural sustainability. *International Journal of Social Science and Humanity*, 3(6), 230-234.
- Perera, G. A., & Ranaweera, A. (2023). Fashion localism: evaluation and extensions of utility in Sri Lankan fashion brands. *Research Journal of Textile and Apparel*, 27(2), 264-280.
- Purwaningwulan, M. M., Suryana, A., Wahyudin, U., & Dida, S. (2019). Creative innovation online relationship marketing Islamic fashion e-commerce in Indonesia. *Library Philosophy and Practice*, 2579(1), 1-17.
- Real, M., Lizarralde, I., & Tyl, B. (2020). Exploring local business model development for regional circular textile transition in France. *Fashion practice*, 12(1), 6-33.
- Shiratina, A., Kartini, D., Mulyana, A., Helmi, A., & Suryana, Y. (2019). Implementation innovation and value creation in improving business performance muslim fashion. *International Journal of Entrepreneurship*, 23(2), 1-8.