

BRANDING AS A MARKETING STRATEGY: ETHNOGRAPHIC STUDY OF UMKM DEVELOPMENT IN SENGKANG CITY

BRANDING SEBAGAI STRATEGI PEMASARAN: STUDI ETNOGRAFI TERHADAP PENGEMBANGAN UMKM DI KABUPATEN WAJO

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ABSTRACT

Branding is something that cannot be separated from a business. Branding is a marketing strategy in developing a business. The aim of this research is to describe branding as a marketing strategy. This research is a case study with the object of developing MSMEs in Sengkang City. Based on the data, this research is qualitative research with an ethnographic approach. There are 2 (two) data for this research, namely primary and secondary data. Primary data is verbal data, while secondary data is non-vernal data. Data collection techniques use observation, interviews and field recording techniques. The number of business actors interviewed as primary data sources was 10 MSME actors. The analysis technique in this research uses interpretation techniques. The research results show that branding for MSMEs in Sengkang City has 3 (three) important benefits; (1) provide opportunities for the community to trust the business being developed; (2) increase business credibility; and (3) provide opportunities to compete between MSMEs in Sengkang City.

Keywords: branding, MSMSEs, marketing, ethnographic, strategy

ABSTRAK

Branding merupakan suatu hal yang tidak bisa dipisahkan dari sebuah bisnis. Branding merupakan salah satu strategi pemasaran dalam mengembangkan suatu bisnis. Tujuan dari penelitian ini adalah untuk mendeskripsikan branding sebagai strategi pemasaran. Penelitian ini merupakan studi kasus dengan objek pengembangan UMKM di Kota Sengkang. Berdasarkan data yang ada, penelitian ini merupakan penelitian kualitatif dengan pendekatan etnografi. Data yang digunakan dalam penelitian ini ada 2 (dua), yaitu data primer dan sekunder. Data primer berupa data verbal, sedangkan data sekunder berupa data nonvernal. Teknik pengumpulan data menggunakan teknik observasi, wawancara dan pencatatan lapangan. Jumlah pelaku usaha yang diwawancarai sebagai sumber data primer adalah 10 pelaku UMKM. Teknik analisis dalam penelitian ini menggunakan teknik interpretasi. Hasil penelitian menunjukkan bahwa branding pada UMKM di Kota Sengkang mempunyai 3 (tiga) manfaat penting; (1) memberikan kesempatan kepada masyarakat untuk mempercayai usaha yang akan dikembangkan; (2) meningkatkan kredibilitas bisnis; dan (3) memberikan peluang bersaing antar UMKM di Kota Sengkang.

Kata-kata kunci: branding, UMKM, pemasaran, etnografi, strategi

A. INTRODUCTION

The era of globalization is a social change that has hit all countries in the world (Perrons, 2004 and Eriksen, 2020). All sectors are also guided to follow these changes, including the economic sector, namely business. This influence has an impact on almost all businesses, from small businesses to large businesses. Based on the researcher's initial observations, this influence is more on small and medium enterprises or MSMEs (Endris & Kassegn, 2022).

The era of globalization requires all MSME players to carry out business development strategies, especially in marketing. By implementing the right marketing strategy, MSMEs can build wider brand awareness, increase sales, and become competitive actors in an increasingly competitive market. Consistency, innovation and focus on customers are the keys to success in marketing efforts for MSMEs (Singh & Khatri, 2020).

Micro, Small and Medium Enterprises (MSMEs) play a crucial role in the global economy, contributing to economic growth, job creation and poverty alleviation. However, the challenges faced by MSMEs, especially in competing with large companies, require an effective and innovative marketing approach to achieve success (Utami, 2023).

Priyatna (2023) emphasized MSMEs are one of the sectors that support the economy. Based on data from the Ministry of Cooperatives and Small and Medium Enterprises in 2022, MSMEs will make a very significant contribution to the economy. Given their labor-intensive nature, MSMEs can effectively create jobs according to the level of abilities and skills possessed by the community. MSMEs have also proven capable of withstanding the shocks of the 1997 economic crisis and continue to demonstrate their existence in the economy (Basri & Hill, 2020). MSMEs have a very important and strategic role in the economy, especially in developing countries. For this reason, the development of the MSME sector is very necessary in order to improve the economy. Apart from that, MSMEs are an alternative solution to social problems such as poverty and unemployment. In fact, MSMEs are also one of the economic sectors that have been proven to be able to survive the shock of the crisis so that the economy continues to run.

Looking at the current market conditions for the development of advanced technology, competition in increasing turnover for MSME players is getting tighter. Therefore, to maintain the sustainability of MSMEs themselves, they must carry out innovation and innovation, including strategy. The initial strategy in marketing a business for MSME players is to strengthen the brand.

B. LITERATURE REVIEW

Branding is the process of creating a strong positive perception of a company, product or business service in the minds of customers by combining elements such as a logo, design, mission statement and consistent theme across marketing communications (Itam et al., 2020).

Branding is a term that you will often encounter in the world of marketing (Rezky et al., 2021). A brand will be more easily recognized and have a strong impression because of this imagery. It will be difficult for competitors to make your business falter, let alone shift people's interest to switch to other products. Branding is an activity carried out to maintain and strengthen a brand so that it can provide a perspective to other people (Rezky et al., 2021). There is also another explanation, namely the company's marketing practices by creating names, designs and symbols.

César Machado et al. (2021) defines that, based definition from the Cambridge business dictionary states that branding is an attempt to provide a company with a particular design or symbol to advertise its products and services. A few years ago, this definition was actually pretty accurate in general. Branding is considered just a company identity such as logo, design, packaging, etc.

However, the definition of branding has now developed much further and occupies a very high level in the attention of world-class marketers. According to Iglesias et al. (2020), branding is a pattern of similarity, meaning, liking and certainty of quality that exists in the minds of consumers. Branding is very important not only because it creates an impression on consumers but can also make consumers or clients know what to expect from your company. Branding is a way to differentiate yourself from competitors and explain what you offer that is the best offer compared to other companies.

There are many areas used to develop a brand including advertising, customer service, corporate social responsibility or CSR programs, reputation, and visual appearance. All of these elements work together to create a unique differentiator and hopefully attract the attention of consumers.

MSMEs are an important part of the Indonesian economy. MSME stands for Micro, Small and Medium Enterprises. According Putri & Abdurrahman (2023), developed countries have rapid development of MSMEs. MSMEs are productive businesses owned by individuals or business entities that meet the criteria for being a micro-enterprise.

C. METHOD

This research is descriptive qualitative research. It is said to be descriptive qualitative because it focuses on the interpretation of phenomena found in the field. (Muhsyanur, 2020) stated that field research applies an ethnographic approach. There are 2 (two) data for this research, namely primary and secondary data. Primary data was obtained in verbal form, while secondary data was nonverbal. Verbal data optimizes field observation, recording and subject interview activities. Nonverbal data as supporting data, such as documents and notes. The target of this research was 20 MSMEs in Sengkang City. The research data analysis technique is carried out using interpretation techniques from the verbal data obtained.

D. RESULT AND DISCUSSION

Based on Wajo district government statistics, in the last 5 (five) years Sengkang City has experienced rapid development, not only in terms of the addition of MSME businesses, but also the quality of these MSMEs. Based on the results of interviews, the marketing strategy adopted by business actors is to strengthen business branding.

Provide Opportunities for the Community to Trust the Business Being Developed

Brand trust is the desire of consumers to trust and feel safe in a brand with all its risks, because of the hope that the brand can

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provide positive and reliable results for them. The indicators of brand credibility include. First, consumer perception that a brand has a good reputation is closely related to consumer trust in that brand. Second, brand Predictability. This predictability can be related to the level of product quality consistency. Third, brand Competence.

Brands will influence the marketing of a product or service in a business. Brands are persuasive, that is, they attract consumers' attention to use services or buy products. In this way, these consumers will become customers for the business. This is in line with statement that brands are an important influence in a business.

Brand trust or customer trust in a brand is the perception of customers or consumers to trust the brand's capabilities (brand reliability), based on experience or a sequence of transactions and interactions with the brand so that expectations and promised values are fulfilled and provide satisfaction or positive results. The existence of consumer trust in the brand will create a sense of security and reduce consumer perceptions of risks in its growth.

Trust is a cornerstone of the strategic partnership because the characteristics of a relationship through trust are very valuable in that a group is willing to carry out a commitment to itself in that relationship. The trust that consumers give to a brand is an asset for the company. Consumers have the freedom to choose the products they need, the brands they like, and the sellers they trust. Companies that gain this trust will find it difficult for other companies to divert consumers' attention to them.

Trust in a brand can reduce uncertainty in an environment where consumers feel unsafe in it, because they know that they can rely on the brand they trust. Trust is built because of the hope that other parties will act in accordance with consumer needs and desires. Most consumers' trust in a brand occurs if the product brand is able to fulfill their self-concept, needs and values.

Increase Business Credibility

Brand credibility, or trust in a brand, plays an important role in a customer's decision-making process. It is very important for companies to build and maintain brand credibility in order to gain and maintain customer loyalty. Consumer purchasing decisions are often influenced by preferences and beliefs, and according to data from Exploding Topics, around 81% of consumers require a level of trust in a brand before considering purchasing a product or service from that brand. Based on the results of the interpretation, the brand creates credibility. Therefore, as a prerequisite for maintaining the quality of credibility, you must take part in the steps necessary to build it. Therefore, so that companies can attract and retain more loyal customers to achieve greater success in the market.

A brand must be committed to providing honest and accurate information about the products or services they sell to consumers. This can help build strong brand credibility in the eyes of consumers. When consumers feel that they can trust a brand, the brand can build long-term relationships with its consumers.

Brand credibility also greatly influences customer perceptions of a brand. Positive or negative customer perceptions can be formed based on brand credibility perceived by consumers. Therefore, brand owners must build strong credibility to keep their business running long term.

Provide Opportunities to Compete Between MSMES In Sengkang City

Sengkang City is one of the cities nicknamed the City of Santri. In terms of economic tradition, Sengkang City as the capital of Wajo Regency is the largest silk producing area in South Sulawesi. Apart from these businesses, many MSMEs are also developing, such as food, beverage, service businesses, and so on. The development of MSMEs is due to branding management.

Branding that is managed optimally can revive businesses or MSMEs. Not only that, but it also makes a business able to compete with other business actors, both local, regional, national and global. Therefore, MSME players can take advantage of this era of digitalization-based globalization as a platform for developing businesses. Developing a business means of course being accompanied by a brand as an identifier for an MSME.

This allows the brand of each MSME to develop because it is managed by teenagers. Psychologically, teenagers tend to have high expressions of creativity. In this way the brand can determine its target market.

E. CONCLUSION

MSMEs have quite a large contribution or role, namely: Expansion of employment opportunities and employment. As a business actor, it is very important to know and formulate the brand of a company or MSME. A brand not only creates a strong impression, but also allows consumers and partners to recognize the company. Brand is an identifier for every MSME. Apart from that, brands are a support for improving the quality of MSMEs, especially the products or services provided. The brand will strengthen the development of MSMEs.

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