

Branding Strategy in Market Development of Fisheries Sector MSMEs: A Case Study in Kupang City

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ABSTRACT

This study aims to analyze the branding strategy applied by fishery product processing MSMEs in an effort to increase market share. This research uses a qualitative method with a case study approach in fish floss processing MSMEs. The research subjects were fishery product processing MSMEs, while data collection techniques involved observation and structured interviews. Data analysis was conducted through triangulation. The results showed that the branding strategy implemented by these MSMEs has not succeeded in increasing the market share of their products, because many of them still have not implemented the branding strategy optimally.

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1. INTRODUCTION

The growth of Micro, Small and Medium Enterprises (MSMEs) continues to experience a significant increase from year to year (Endris & Kassegn, 2022; Rinaldi et al., 2022). As more and more new businesses emerge, the competition in the market becomes tighter (Malesev & Cherry, 2021; Markovic et al., 2021; Rahmayati, 2021). This encourages every business to compete in creating effective marketing strategies to maintain its existence in the market (Tochukwu Ignatius Ijomah et al., 2024). Many MSMEs eventually have to go out of business due to the inability of business actors to build a solid marketing strategy (Lubis, 2021), as experienced by many other MSMEs (Nur et al., 2021).

In facing this challenge, MSME players need to develop more comprehensive and innovative marketing strategies (Trie et al., 2022; Yani et al., 2023). This strategy development not only includes sales and distribution aspects, but also focuses on strengthening brand identity which is able to create a strong attraction in the minds of consumers (Roggeveen et al., 2021). When marketing and branding strategies are implemented synergistically, MSMEs can more easily stand out amidst increasingly fierce competition, giving them greater opportunities to survive and develop in the market (Chen et al., 2021; Tan et al., 2022; et al., 2024).

The implementation of effective marketing strategies is often hampered by the limited resources and knowledge possessed by MSME players (Laksmanawati & Yuniawan, 2021; Mariani et al., 2024). This problem causes many MSMEs to fail to maximize the potential of their brands, resulting in low product competitiveness in the market (Hendrawan et al., 2024; Timotius, 2023). Without a strong branding strategy, MSMEs risk missing the opportunity to build close relationships with consumers, which in the end can have a negative impact on the continuity of their business (Tirtayasa et al., 2022).

One of the most crucial marketing strategies to maintain product position in the market is the branding strategy. In a study conducted by Erna Susanti at a souvenir center in Padang City, it was found that the branding strategy implemented was not optimal. MSME managers still view brands as limited to names, logos, signboards, and packaging, where the brand is often equated with the name of the business or shop (Susanti E. and Oskar, 2018). This is also the case for MSMEs in Kupang City, where the branding strategy is still not optimally implemented. The brands used, such as “Abon Ikan UMKM Al-Ijtihad,” “Abon Ikan UMKM Tiaras,” and “Abon Ikan UMKM Mawar,” are often just business or shop names. As a result, MSME products have difficulty gaining market share because consumers have difficulty remembering and finding specific brands of these products.

This weakness in brand creation of MSME products needs special attention. It is important for MSMEs to create a strong and prominent brand for the products or services they offer (Pasaribu et al., 2023; Santoso & Ardiyansyah, 2023; Utami, 2021). Therefore, research is needed that focuses on product and packaging design innovations that are able to attract attention and bring in new customers (Husna Ni'matul Ulya & Ravina Putri Agustin, 2022; Putra et al., 2021; Seran et al., 2023).

Although the quality of the products produced by MSME actors is very good, the lack of a strong brand causes MSME fishery product processing products in Kupang City to receive less attention from consumers. This research is expected to contribute to strengthening the branding strategy of fishery product processing MSME products, so that they are able to compete to increase a wider market share.

2. RESEARCH METHODS

This research uses a descriptive qualitative method, applied to six fishery product processing MSME players in Kupang City who are still active in running their businesses, to evaluate the implementation of branding strategies. Data were collected using two main techniques:

1. Observation of phenomena related to the implementation of branding strategies in fishery product processing MSMEs in Kupang City.
2. Interviews using the in-depth interview method, the results of which were then compared with the theory of branding strategies.

The collected data were analyzed using Nvivo 12 Plus software, through several stages:

1. The first stage is determining the MSMEs that are the subject of the research, namely Al-Ijtihad MSME, Mawar MSME, Tiaras MSME, Setia Kawan MSME, Anugerah MSME, and De Momang MSME.
2. The second stage is to enter interview data, observation results, and other supporting data obtained from research objects and internet sources into Nvivo 12 Plus in narrative form through the coding and case creation process.
3. The third stage involves selecting analysis features that function to translate data, such as word clouds, text search, and clusters.
4. The fourth stage is to compare one result with another to get a more comprehensive conclusion.

3. RESEARCH RESULTS

This research was conducted on MSMEs engaged in fishery product processing in Kupang City. Based on observations, six groups of MSMEs were found, namely Al-Ijtihad group, Mawar group, De Momang group, Tiaras group, Setia Kawan group, and Anugerah group. These MSME groups produce various fish-based processed products, such as shredded fish, fish balls, fish nuggets, fish sausages, fish jerky, fish rengginang, and fish crackers. However, the superior product produced by the six MSMEs is shredded fish. Despite having superior products, these six MSMEs have not managed to gain a large market share in Kupang City. One of the factors influencing this is the branding strategy.

Some MSMEs have started to implement branding strategies, such as branding shredded fish products. For example, Al-Ijtihad MSME branded its shredded fish products as “mutma” and Mawar MSME branded its shredded fish products as “FOMENI”. Therefore, the researcher started the research by conducting observations and interviews with the actors of Al-Ijtihad MSMEs and Mawar MSMEs.

A business whose products already have a brand or brand means that it has started the first step in the branding strategy, which is an effort by producers to convey business values that characterize consumers. According to the American Marketing Association, a brand is defined as a combination of several elements such as names, terms, signs, symbols, or designs used to identify a product or service offered by a seller, thereby distinguishing it from competitors (Muhammad et al., 2021). Therefore, branding strategies are not only limited to giving names, logos, or colors to products, but also include certain distinctive features that distinguish them from competitors' products, such as packaging, product design, and labels.

In this study, it was found that Al-Ijtihad MSME and Mawar MSME were only able to create product brand names, but they were not yet supported by other product attributes. The two MSMEs both produce shredded fish made from tuna, and use the same packaging, which is made of aluminum foil.

The results of interviews with MSME actors of Al-Ijtihad showed that the brand name "mutma" used by these MSMEs was the name of the child of the owner of Al-Ijtihad MSMEs. The naming carried out by Al-Ijtihad MSMEs does not consider the target segment or market at all. Thus, the overall brand design built by Al-Ijtihad MSMEs has not been able to increase the market share of their shredded fish products. A branding strategy not only includes giving identity to a product through a name, symbol, or logo, but also requires a design strategy that connects strategy, design, culture, and identity of an entity (Lukito et al., 2021). This has not been fully implemented by Al-Ijtihad MSMEs and Mawar MSMEs. Essentially, a branding strategy is not enough just to give a brand name, but also involves efforts to communicate the brand to consumers (Irene Didy, 2021).

Further research on branding strategies in Anugerah MSME, Tiaras MSME, Setia Kawan MSME, and De Momang MSME was conducted by observing the product attributes owned by the four MSMEs. When observations were made in this study, there were still many shredded fish products from MSMEs that clearly did not have a unique brand name, making it difficult for consumers to distinguish between these products. In addition, products from Tiaras MSME, Anugerah MSME, De Momang MSME, and Setia Kawan MSME have similar packaging, as well as almost the same design of other attributes. Based on the results of this observation, it can be concluded that the branding strategy has not been well implemented by these MSMEs, especially when viewed from the aspect of product quality, namely the brand and other product attributes that support the branding strategy.

To increase market share through a branding strategy, it is not enough just to give names, symbols, logos, and colors to products; a company also needs to carry out promotions and determine the right distribution channels (Sunday Ade Sitorus et al., 2022).

Furthermore, in accordance with the objectives of this study, namely to determine the branding strategy of fishery product processing MSMEs in increasing market share, researchers used the help of Nvivo 12 Plus software. All data obtained was imported into Nvivo 12 Plus for analysis. After the data was imported, the researcher coded the data. In this process, researchers form data categories based on emerging concepts, compare concepts and categories, and integrate all interrelated concepts and categories. This process will stop when there are no more new concepts found in the data. The purpose of coding is to deepen the understanding of the research problem based on the explanations and patterns contained in the data, and to collect all relevant information from various sources related to a particular case.

The theme categories analyzed by the researcher during the coding process are stored in nodes, which have a crucial role in qualitative data management and analysis using NVivo. By observing the nodes created based on the categories and sub-categories of the unit of analysis, the researcher can identify patterns of relationships between themes and/or concepts generated from the data. Nodes can also be used to represent research participants and settings.

In the Word Frequency Query feature in NVivo 12 Plus software, it is used to describe the most frequently occurring words, variations, or phrases. The following image is a word cloud, which is the visualization result of the Word Frequency Query software, displaying the 30 most dominant words used in the imported data source.

Based on the research results illustrated in the graph above, it can be seen that participants' main attention is focused on products, especially in Mawar MSME and Aisyiah MSME. This finding is in line with the results shown in the previous Word Cloud. Regarding the aspects of marketing strategy, brand and market research, all participants had similar views. In the interviews and observations, it was found that the participants considered marketing to be synonymous with sales, marketing strategies were only promotions, product brands were considered the same as the name of the MSME, and all MSMEs did not conduct market research before marketing their products.

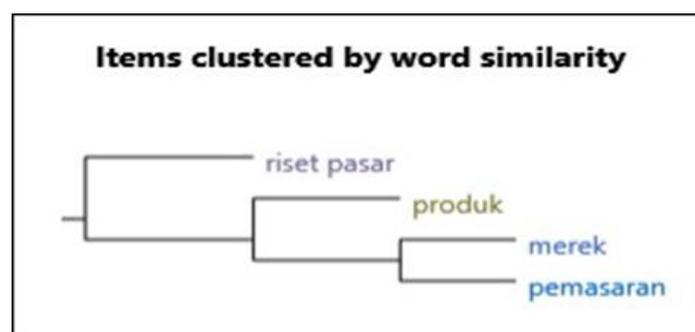
This occurs due to the lack of knowledge of MSME players about effective strategies in planning marketing, especially in branding the products produced. As a result, MSME products in the fisheries product processing sector do not have a unique brand, which makes them difficult to recognize by consumers. Consequently, this indirectly affects the market share of fishery product processing MSMEs.

Overall, the branding strategies of MSMEs participating in this study can be seen in the following scheme:



Based on this figure, it is known that MSME players consider branding strategies the same as marketing strategies. Theoretically, a branding strategy involves a producer's efforts in establishing a unique name, logo, label, or combination of the marketing mix that serves to differentiate the product from competitors (Wahyudi & Nirawati, 2021). Setia Kawan MSMEs and Mawar MSMEs have applied branding to their products and realize that good branding can increase product market share.

After understanding the extent to which participants understood the branding strategy, researchers wanted to evaluate the alignment and consistency of the branding strategy. Therefore, a cluster analysis based on word similarity was conducted, comparing the words contained in the selected data sources or nodes. Data sources or nodes with a higher level of similarity, based on word occurrence and frequency, will be grouped together. Meanwhile, data sources or nodes with a lower level of similarity will be displayed separately. This cluster analysis uses the Pearson correlation coefficient. The following are the visualization results of grouping nodes based on word similarity obtained from this cluster analysis:



The figure shows that there is one pair of nodes that have similarities in branding strategies. The correlation between brand and marketing is 0.23. This shows that the brand on the product can support marketing, because the brand is the first step for entrepreneurs to introduce the product to potential buyers. In Kupang City, MSMEs that process fishery products and already have a brand are Al-Ijtihad MSME with the brand “Mutma” and Mawar MSME with the brand “Fomeni”.

Interviews with all MSMEs that participated in this study regarding branding strategies were conducted in great detail. However, when viewed from the answers and information of each participant, there are differences and similarities. To conduct a cluster analysis based on word similarities as discussed earlier, the analysis obtained information indicating that there are similarities related to branding strategies between Setia Kawan MSME and Tiaras MSME as well as De Momang MSME and Anugerah MSME. However, there are differences with Al-Ijtihad MSME and Mawar MSME where it is known that the two MSMEs already have a brand, while the other four MSMEs do not yet have a brand.

4. CONCLUSION

Based on the results of the research discussed, it is clear that the branding strategies implemented by MSMEs in the fishery product processing sector have not been effective in increasing the market share of their products. Many MSMEs in this sector have not implemented branding strategies optimally. Of the six MSMEs studied, only two already have brands. However, even though both MSMEs already have brands, they use similar packaging and product designs. This makes it difficult for consumers to differentiate the products, which negatively impacts the purchasing process and market preferences. In product marketing activities, branding is still considered less important by MSME players. This situation is reinforced by the fact that the market share of fishery product processing products has not increased significantly. The marketing strategies implemented by MSMEs have also not run optimally, which indicates that there are shortcomings in the implementation of effective marketing strategies. In conclusion, to increase competitiveness and market share, MSMEs need to be more serious in implementing comprehensive branding and marketing strategies.

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