

# Analysis of Impact of Brand Marketing Strategies on Consumer Behavior in Malang City

Supriono<sup>1\*</sup>, Sudarmiatin<sup>2</sup>

- <sup>1</sup>Management Science Doctoral Program, Universitas Negeri Malang,
- <sup>2</sup>Departement Management, Universitas Negeri Malang

Corresponding Author: Supriono <a href="mailto:supriono180496@gmail.com">supriono180496@gmail.com</a>

### ARTICLEINFO

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### ABSTRACT

MSME is one sector that contributes to Indonesia's economic growth process. The condition of MSMEs in Indonesia is that there are around 40 million business actors in Indonesia, including MSMEs engaged in the culinary field. The aim is to identify marketing strategies carried out by culinary MSMEs in Malang Raya for the 2019-2022 period. This study uses a systematic literature review with the preferred reporting items for a systematic review and meta-analysis method. consisting of three empirical papers resulting from the 2019-2023 period published in the journal EMERALD. Results of this study indicate that there are keywords that provide updates from this research, such as brand awareness, loyalty, consumers, tourism, and the city of Malang as the object of this research.

# **INTRODUCTION**

MSMEs or Micro, Small and Medium Enterprises are one of the fields that contribute significantly to the process of Indonesia's economic growth. The condition of MSMEs in Indonesia is that there are around 40 million business actors in Indonesia, including 39 million business actors in the micro business sector, 640 thousand small business unit business actors, 70 thousand medium business actors and 11 thousand large business actors (Kompasiana.com , 2018). Every year, the number of growing MSMEs is increasing. This is because more and more business actors see business opportunities and demand from customers. In Indonesia there are various types of MSMEs, which are engaged in different fields, some of which are culinary, convection, handicrafts and so on.

The eating and drinking activity business is a restaurant business that provides commercial eating & drinking services. The food and drink industry is still one of the supporters in boosting the national economy. Based on the statement of the Ministry of Industry, the food and drink industry in 2017 contributed 6.21% to the Gross Domestic Product (GDP) and 34.94% to the GDP of the non-oil and gas management industry (kemenperin.go.id, 2017). This contribution shows that the development of the food and drink industry is growing quite rapidly.

Malang City is one of the areas that has high potential related to Culinary MSMEs. MSMEs with various categories can be found in this city. The research gap from this research is related to the marketing strategy carried out to provide innovation, brand awareness and form an attitude of loyalty to all culinary MSMEs. Therefore, by conducting comparative-based research on culinary tourism in Malang City, it is hoped that it can help other culinary entrepreneurs in Malang City. Namely by providing information on marketing strategies that are suitable and good for business actors to implement in developing their business.

Novelty in this study is related to brand image and consumer loyalty plus the presence of non-domestic tourists in the city of Malang. Brand awareness has a significant effect on consumer purchasing decisions. Research conducted by (Pramadyanto, 2022) shows that brand awareness built through various digital marketing campaigns can attract consumer interest. Research by (Audila et al, 2021) shows that brand awareness which is well managed through advertising has a positive and significant effect on consumer purchasing decisions for Pocari Sweat products. Then research conducted by (Putra & Aristana, 2020) shows that social media marketing can create strong brand awareness, and brand awareness has a positive and significant effect on the purchasing decision process. So it can be concluded that brand awareness is very important for businesses to pay attention to so that their business can continue to exist and become the main choice of consumers.

# LITERATURE REVIEW

# Marketing

In running a business, to increase sales a company must carry out marketing activities, this aims to offer and inform goods or services that will be sold in the market. As stated by Tuten & Solomon (2013), marketing is a business activity that is made by designing, fixing prices, marketing and distributing goods or services that fulfill the desire to achieve company targets. Marketing is a way to generate value and create good relationships with customers so that companies can know the value of customers for the company. When a business manager is able to build good relationships with consumers, then these consumers will give good returns by providing values that a company needs to know.

#### **Brand Awareness**

According to (Shimp, 2014) stated that Brand Awareness is the ability of a product or brand to always be remembered and embedded in the minds of consumers when thinking about certain products and the ease with which these products or brands appear. Firmansyah (2019) revealed that brand awareness is a general goal of marketing communications, with high brand awareness it is hoped that the brand will return from memory under conditions whenever there is a need for a product/brand category which will then be considered as various alternatives in decision making.

### **MSMEs**

Small and Medium Enterprises (MSMEs) are business units carried out by business entities or individuals within the productive economic sphere that stand alone. MSME is a field that can spur and contribute significantly to economic growth in Indonesia. According to Law number 20 of 2018 concerning Micro, Small and Medium Enterprises, as follows:

- 1. Micro business is a type of productive business owned by individuals and/or business entities as stipulated in this law.
- 2. Small business is a type of productive economic business that is carried out by individuals/business entities that stand alone as stipulated in this law.
- 3. Medium-sized business is a type of creative economy that is carried out by individuals/business entities that stand alone with a net income that has been stipulated in this law.

# The Role of SMEs in the Indonesian Economy

The role of MSMEs and entrepreneurship in the Indonesian economy is based on an electronic report by the United States Agency for International Development (UASID) 2012 as follows:

- 1. MSMEsoccupies a position as a major player in economic activity in various sectors.
- 2. MSMEscan provide great opportunities for employment.
- 3. MSMEsis the most important component in the development of community empowerment activities and the local economy.
- 4. MSMEsis a source of innovation and a creator of new markets.
- 5. MSMEsas a contributor to the balance of payments through community export activities thereby reducing the level of poverty.

# **METHODOLOGY**

This research is a systematic research (Systematic Literature Review) using the PRISMA method (Preferred Reporting Items for Systematic Review and Meta-analysis). The purpose of conducting this research is to collect as many existing evidence-based studies as possible that are relevant to the object of the research being conducted (Lannen & Jones., 2022). Psomas (2021) says that systematic research or what is called a systematic literature review is a research method for identifying, evaluating and interpreting research results. Systematic review is secondary data which is basically used by researchers to synthesize various relevant research results, so that the facts presented by the researcher become more complete (Silva et al., 2022). Therefore, systematic review was used in this study. This data collection process was carried out with the aim of developing a more complete database related to the Impact of the Culinary UMKM Marketing Strategy in Malang City on consumer behavior by filtering and selecting samples through inclusion-exclusion criteria for further examination and analysis. At this search stage, keywords are used to find all relevant literature, namely as follows: "BRAND", "LOYALTY", "CUSTOMER" , "MALANG CITY", "Malang City", and "Tourism" This data collection process was carried out with the aim of developing a more complete database related to the Impact of the Culinary UMKM Marketing Strategy in Malang City on consumer behavior by filtering and selecting samples through inclusionexclusion criteria for further examination and analysis. At this search stage, keywords are used to find all relevant literature, namely as follows: "BRAND", "LOYALTY", "CUSTOMER", "MALANG CITY", "Malang City", and "Tourism" This data collection process was carried out with the aim of developing a more complete database related to the Impact of the Culinary UMKM Marketing Strategy in Malang City on consumer behavior by filtering and selecting samples through inclusion-exclusion criteria for further examination and analysis. At this search stage, keywords are used to find all relevant literature, namely as follows: "BRAND", "LOYALTY", "CUSTOMER" , "MALANG CITY", "Malang City", and "Tourism"

The next stage was to select an academic database, namely, "EMERALD" to conduct a keyword search and retrieve published journals regarding the Culinary MSME Marketing Strategy in Malang. Then determined the inclusion/exclusion criteria to ensure the relevance of the article. The journals in this search are limited to the time range 2019-2023.

Based on the search results found, when using the keyword "BRAND" found 74,000 articles, added the keyword "LOYALTY" found 25,000 articles, added the keyword "CUSTOMER" found 22,000 articles, and when added "Malang City" available 49 articles. Furthermore, the researchers carried out detailed screening regarding criteria based on needs, namely consumer behavior towards food, so out of the 49 articles that met the requirements, only 3 articles were then used as material for study in the discussion of this paper.

# RESEARCH RESULT AND DISCUSSION

This Systematic Literature Review article analyzes 3 previous research articles that are relevant to the research topic, according to the results of the

identification of the articles on the prism diagram. A summary of the articles reviewed is presented in Table 1. The 3 articles reviewed, based on the research methods used, all were quantitative.

Table 1. Review of Article Results

| No | Writer's name                    | Journal<br>Name                                | Method       | Year         | Sample  | Results   |
|----|----------------------------------|--|--------------|--------------|---|---|
| 1  | Kusumawati<br>& Rahayu           | The TQM<br>Journal                             | 2020         | Quantitative | 168 Cafe<br>Consumers   | 1) Quality experience has a significant effect on customer perceived value, customer satisfaction, and customer loyalty; 2) the value of customer perceptions has a significant effect on customer satisfaction and loyalty customer; and 3) customer satisfaction has a significant effect on customer loyalty |
| 2  | Rachmawaty<br>& Suroso<br>(2020) | Journal of<br>Islamic<br>Marketing             | Quantitative | 2022         | 465 Halal<br>Food<br>Consumers<br>in 5 Big<br>Cities in<br>Indonesia,<br>including<br>Malang City | Product knowledge and product involvement have a positive and significant effect on consumer purchasing decisions; Halal brand awareness is a moderating variable in the relationship between product knowledge and product involvement with purchasing decision making.  |
| 3  | Rahima et al.                    | Journal of<br>Product &<br>Brand<br>Management | 2022         | Quantitative | 250 Culinary<br>Consumers   | the influence of brand hatred on nWOM, which then influences protest behavior, further encouraging consumers to avoid certain brands and choose alternatives. nWOM was also found to have a direct effect on brand avoidance. For the moderating effect, brand social responsibility and                        |

|  |  |  | social media use      |
|--|--|--|-----------------------|
|  |  |  | were found to         |
|  |  |  | negatively and        |
|  |  |  | positively affect the |
|  |  |  | brand-nWOM hate       |
|  |  |  | relationship,         |
|  |  |  | respectively.         |

Based on the data above, the impact of marketing strategies through brands carried out by business people in Malang City focuses on various kinds including:

- a) Variable. This research article examines various variables including: 1) Constructive Independent Variables consist of: Product Knowledge; Product Engagement; Quality of Experience; Customer Perceptions, and the Independent Variable is destructive, namely Brand Hatred. 2). There are Moderating Variables, namely Brand Awareness, Brand Social Responsibility, Use of Social Media. 3). There is also a mediating variable Customer Loyalty; Negative WOM (nWOM). 4). There is a Dependent Variable, namely Purchase Decision; Customer loyalty; Consumer Protest Behavior (Brand Avoidance and Brand Switching). All independent variables have a positive and direct effect on the dependent variable either partially or simultaneously.
- b) Study object. Studies in research on consumer behavior towards brands have various objects, there are two study objects on brands whose data are collected at supermarkets, and there is one research where data is collected in cafes outside supermarkets. The three studies remain focused on consumer responses regarding certain food brand names and try to explain the study in as much detail as possible. The research involved a number of respondents with an average of 294.3 respondents in each study.
- c) Number of research citations. These three studies eventually became references for research of a similar nature by other researchers, both related to variables, the object of study (culinary), and the object of location (Malang City). Based on data from Emerald, until February 2023, the first journal had been cited 84 times and had been downloaded 3,584 times. The second journal has been cited 35 times and has been downloaded 2,603 times. The third journal has been downloaded 173 times but there has never been a citation.

Durianto (2017) revealed several levels of brand awareness, namely brand unaware, brand recognition, brand recall, and top of mind. Based on the results of this study, it was found that when business actors are at a stage where consumers are not aware of the brand, they use social media to build and promote their brand identity and products. This step ultimately makes consumers aware of and want to know their brand further. The results of these findings support research conducted by (Putra & Aristana, 2020) which states that social media marketing can build strong brand awareness.

Most of the research object consumers also know of brands or products that are carried through marketing campaigns carried out by business actors through their social media/e-commerce. They also stated that after getting to know brands and products promoted through social media or e-commerce, they had an interest in trying them until they finally decided to make a purchase. The results of this study support research conducted by (Pramadyanto, 2022) which shows that brand awareness built through various digital marketing campaigns can attract consumer interest and research conducted by (Putra & Aristana, 2020) which states that brand awareness has a significant influence on the purchasing decision process.

After they make a purchase, they indirectly get experience and impressions of the brand and the product. Consumers as informants in this study did not even hesitate to make business actors who were used as research objects the main choice and recommendations for relatives and closest people. Of course this does not appear immediately, but because their brand awareness of the brands and products carried by business actors is getting higher, so that they can determine their attitude towards these brands and products.

### CONCLUSIONS AND RECOMMENDATIONS

- 1. Research on marketing strategies that focus on food product brands (culinary) and consumer behavior in the city of Malang, there are 3 studies. All of them use quantitative methods. All three have variable diversity, both independent variables, dependent variables, moderating variables, and moderating variables.
- 2. Research articles on marketing strategies that focus on brands and consumer behavior in Malang City have been referred to on average 39 times by other researchers.
- 3. Brand awareness as a result of marketing strategies can have both positive and negative impacts. The positive result is the formation of customer loyalty. Negative impact in the form of rejection and or displacement of a brand.

### ADVANCED RESEARCH

The limitation of this study is to review culinary marketing strategies in Malang through brand awareness, therefore, further research is requested to develop other problem variables related to marketing strategy.

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