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The Characteristic Factors of Digital Branding in Successful Business of SME Practitioners in Gelam Jaya Village

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Interesting issues related to branding always begun by a basic question ‘What is the biggest problem of a new online shop or start up, and how do we overcome it?’ If we observe people whose business focus in product selling, they mostly promote their product by explaining the excellence of their products to the customers, for example the soft material of clothes, the great taste of the food, the comfortable shoes, or efficacious and nutritious medicines. But, if we look closely, whether they convince the customers or not that the products they offer are the best, the tastiest, or the efficacious, the most comfortable, and the best selling in the market, thus we just see all of them as the common part. And there is a unique part greatly contributing to them, which is branding. Based on its aims, this research was conducted by using the method of descriptive verification, which is a method aimed at outlining problems related to the questions toward the independent variable. Thus, it is going to support the theories or previous research related to branding. Data verification was compiled based on report of research used to assess the veracity of theoretical facts in the field, and later it was analyzed to test the research hypothesis conducted. The highest percentage is in respondents of 31-40 years old, which is 45%, the output shows that the scores of Kaisers Meyer Olkin and the Measure of Sampling Adequacy (MSA) is 0.686 The findings showed that value unit of search engine optimization (SEO) was dominant enough, 0.823, video marketing was 0.769, e-commerce platform was 0.734, user generated content was 0.718, geofencing technology was 0.569, micro influencer was 0.545, and social media marketing was 0.529.

Keywords: Strategy, Digital, Branding

Introduction

The condition of pandemic suffered by every nation has caused significance effects in every field, including economy (Nasution et al., 2020). In Indonesia, people are really affected by this pandemic. Many small and medium enterprises (SMEs) suffered the downtrend in income. However, adaptation is the key. We need to go back to the main principle of people since the primitive age. Human can survive because they are able to adapt. The pandemic has changed

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what business or industry trend is going to survive. Staying-at-home lifestyle has made digital technology as our basic principle in life (Liu & Sukmariningsih, 2021). We can control almost all our needs by gadget in our hands. However, we try to find out activities for our time. Scrolling the timeline in our social media is the relevant example. However, we need to find ways to have activities for self-entertaining and for social interaction by digital. The opportunities in digital industry seem to widely open in 2022. In 2021, we can see that we believe in contact less economy or less contact economy (Mulyani et al., 2020). Thus, we can see the roles of digital industry or traditional business turning into digital business are important for candidates of SMEs. In the end, the businesses surviving is the digital business. Still, since the beginning of the pandemic, we can see that customers' behaviors change. They are different with the previous ones. For examples, people used to love outdoor activities, but nowadays they have more activities at home because of the 'stay-at-home' routines. Thus, we can see this as a new opportunity. For instance, people, who are not happy to have indoor activities, are going to be so happy when they have and perform outdoor activities, such as riding bicycle and hiking. Can we see the opportunities of possible business involving the previously mentioned?

Literature Review

As business owner or marketing manager (Tarihoran et al., 2021), we are obliged to prepare new business and marketing strategies all the time. Thus, it is better for us to recognize 9 marketing strategies we run. They are:

a) Video marketing

Roles of video turn out to be very important from year to year. In 2020, 93% new users admitted that they know and recognize a brand from a video content seen on streaming video (Oktrowona, 2020). In 2020, 92% business practitioners on marketing even produced their own contents as part of their marketing strategies by using video as their marketing device (Georgive, 2021). Still, 96% consumers made use of videos to help them to decide to buy or not to buy a product (Arwiedya & Sugiarto, 2011). These data are good opportunities for branding and sale improvement of business we are running. Moreover, the consumption by mobile devices keeps increasing by 100 per cent every year. This shows that content is important. This is because the content of a video can deliver much more information than only visual content or only written content. Thus, the audience are more interesting because the communication by video content is more efficient, more communicative, and easier to remember. There are so many platforms to have the video contents uploaded. This is not only limited to YouTube, but also facebook, Tik Tok, Instagram, WhatsApp, and other digital platforms. That is the advantage. So, make sure you include marketing video as one of your digital marketing strategies for the upcoming year.

b) User Generated Content

This refers to a content created by the costumers or followers of our own brand. The question is why the customer can create videos of our own product. This is actually very simple and easy to explain. They create videos of our own product because we offer gifts or rewards for them. For example, we offer challenge, quiz, or give away by requiring them to create content of our products, share it, and mention our account, and include the certain hashtag related to our products. The rewards or gifts can be voucher for shopping, product discounts, or even free product. We should conduct User generated content (USG) because 90 per cent of the buyers stated that UGC really affected their decisions to buy the product (Burgess et al., n.d.).

c) Content marketing

In all 2021 content marketing has been priority for most brands. The roles of content marketing are going to continue in 2022 because the data (Kurniasari, 2018) shows that content marketing has helped 86% business practitioners to reach their converted target. Still,

90% of business to business (B2B) marketer priors the availability of information and education for their clients. And one of the marketing contents comes in form of blog. Three fourth of the internet users found to frequently read blog (total of blogger is 3.5% of 88.1 million internet users – Antara News, n.d.). This only involves blogging and does not include the other marketing contents such as marketing email, video marketing, or podcast marketing. Thus, it is not surprising if 70% of business still actively use content marketing as one of their marketing strategies. However, we need to know and realize that the successful marketing content is influenced by the quality of the content itself. We do not only have to pay attention on the quality of the content, but we must also be able to see the audience's comfort when they are enjoying contents created by us. Thus, we need to avoid the overmarketing content. We, of course, will feel uncomfortable when seeing overmarketing content. Therefore, in the future, we must be able to create content by story telling, which seems to improve customers' trust and relationship. It is important to know that feeling plays more important role than logic when people decide to buy something. Emotional branding is becoming more popular. Providing inspiring stories, narrating the important and aspiring figures, and promoting the local pride are the examples of emotional branding.

d) Micro influencer

According to Silalahi (2021), from 2019 to 2020, we could see that many brands felt that influencer marketing play more and more important roles in their branding. Some customers also acknowledge that they buy some products because they see the review from the influencers on social media. However, employing famous influencer is surely going to cost a lot. Moreover, famous influencers mostly work together with the brand to promote the products, and they even become the brand ambassadors. Meanwhile, audience know well that the influencers' posts are not authentic. They're only for endorsing. That is why another alternative way to improve sales is by using the service of micro influencers. Micro influencers mostly have from 1,000 to 200,000 followers. Even though these micro influencers have smaller scopes from the number of their followers, they are proven to have closer bonds with their followers.

e) Social media marketing

Social media is still one of the most influential platforms in digital marketing strategies ("Digital and Social Media Marketing: A Results-Driven Approach", 2016). Facebook, in its report, shows that 55 per cent consumers find the products they need from social media, 64 per cent of lips produced by various industries and business are also from social media. Thus, in 2022, social media marketing is still a compulsory because the number of social media users keep growing. This is a good opportunity for reaching our more prospective customers or business. The number of users keeps growing as well as the number of social media. Tik Tok is a simple example for this one. It is a new marketing channel or platform. Still, the existing 'stories' feature on Instagram, YouTube, has also been the new marketing strategy.

f) SEO (Search Engine Optimization) Strategy

Search Engine Optimization (SEO) is the most important way when a brand wants to get explored by the very potential buyers (Jerry L. Ledford, n.d.). This is because the data show that almost 90 per cent a website traffic started from search engine such as Google. Therefore search engine optimization is important to make our website found by the potential buyers. Because SEO is designed for long-term strategy, it needs a long time to implement. Therefore, if we do not implement this SEO strategy now, the competitors are going to dominate the searching more and more on Google.

g) Geofencing technology

Have you ever been sent business notification when you are at somewhere? Or when you are in a mall, you are sent a notification SMS about special promotion or discount of a merchant in the mall? This marketing utilizes technology named geofencing (Leibbrand, 2017). Thus, this technology enables a business to target the potential customers in certain spots. Until now, this technology has shown positive trend. Even, in 2023, the value of this marketing is predicted to highly increase until 2.4 million dollars. The point of this technology is to allow customers to find our business easily. If your business does not plan to utilize this technology imminently, you may implement the local SEO first to reach the nearest customers covered by your business.

h) E-Commerce

Since the pandemic hit, more and more business practitioners have been realizing that it is important to utilize the e-commerce platforms to reach the bigger and wider market. E-commerce has been growing and becoming necessity. It grows over years. The previous research (Ardiansyah, 2020) shows that a business has much higher sale on an e-commerce compared to the previous platform. One of the reasons for this is that the customers can easily search and find the products from various brands in only one platform. In addition, the pandemic has made it impossible to have physical interaction in shopping centers. So, the businesses turn into e-commerce platform as the safe and quick shopping for buying various products. Therefore we need to expand our business by registering our business onto e-commerce. This action can help the business survive in the middle of the threat of economy crises just like we are undergoing.

i) Omnichannel Marketing

Omnichannel Marketing is a marketing practice relying on many platforms at once, from website, social media, email, to physical shop. All these platforms are aligned, so they can deliver the same messages as the consistent image (Sugesti et al., 2019). This method makes our brand is closer to customers since they can find us in any platforms wherever the customers are. Still, research also show that engagement level and buying volume can be much higher compared to one-channel marketing. It even reaches 250 per cent higher than others. It can be concluded that this method offers more buyers, better and quicker service, and easier to reach, so it is very possible to make more income.

Based on the previous theories, this research was conducted to find out how the dominant factors influencing sales, especially for the SMEs in Indonesia. The objects of this research are SMEs practitioners in SME Association founded in Gelam Jaya Village, Regency of Tangerang. Factor analysis was used, so the value of dominant factor influencing sale level was found out. For that, this can be an alternative for SME practitioners to survive their business in this pandemic time.

Methods

From the above explanation, factor analysis is the most appropriate to use in this research. Through analysis factor, we can see the factors dominating business or start-up of SME practitioners in Gelam Jaya Village compared to other villages in Subdistrict of Pasar Kemis, Regency of Tangerang. Thus, this research was expected to contribute to creative economy to increase not only for the people but also for the village's income of Gelam Jaya.

This is also descriptive-quantitate research. In a descriptive-quantitative method, the researchers try to find answers of the factors. They create an instrument, which is a questionnaire, spreader to respondents or samples. Because Gelam Jaya Village has youth-based network, Youth Community of Desa Gelam Jaya, the population was determined by accidental sampling. In this sampling, the samples are taken randomly from anybody the researcher meets (Sulistyaningrum,

2015) and the samples should meet the requirements as population characteristic, so they can be considered appropriate as data source data (Sugiyono, Statistika untuk penelitian, 2006), Based on the interview to Village Head of Gelam Jaya, it was informed that there were at least 169 youths listed in Youth Community of Gelam Jaya Village who already had businesses or enterprises. Thus, the whole youths were taken as the population of the research as the respondents.

The answers of the submitted questionnaires were analyzed using data and numbers. They were later processed using SPSS v.18. Meanwhile, the survey response scale consists of five alternative answers, they are Strongly Agree (5), Agree (4), Neutral (3), Disagree (2), and Strongly Disagree (1).

Results

The characteristics of the consumers in this research:

Table 1. Percentage of the Respondents based on Age

Age Group	Percentage
Under 21 years old	10%
21 – 30 years old	45%
31 – 40 years old	30%
Older than 41 years old	15%

In table 1 we can see the respondents' ages are grouped into 4. They are under 21 years old, from 21 to 30 years old, from 31 to 40 years old, and older than 41 years old. The highest percentage is in respondents of 31-40 years old, which is 45%.

Meanwhile, in table 2, we can see the different income level generated by each SME.

Table 2. Respondent Percentage Based on Generated Income

Income IDR 000 (thousand)	Respondents (%)
< IDR 2000	30%
IDR 2.000 – IDR 5000	29%
>IDR 5000	41%

Table 3. KMO dan Bartlett's Test

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,686
Bartlett's Test of Sphericity	Approx. Chi-Square	111,586
	df	15
	Sig.	,000

In table 3, the output shows that the scores of Kaisers Meyer Olkin and the Measure of Sampling Adequacy (MSA) is 0.686. Since 0.686 is bigger than 0.05, the number of samples is enough. The number of KMO and Barlett's test in the value of chi square is 111.586 in which the significance value is 0.000. This shows that there is correlation between variables, and it is feasible to continue. Next, in table 4 we have anti-image matrices. In this table we can see which variables can be proceeded to the next step and which ones should be excluded.

Table 4. the anti-image matrices

	X1	X2	X3	X4	X5	X6	X7	X8	X9
Anti-image Covariance									
X1 <i>video marketing</i>	.681	.224	.069	-.218	-.075	-.103	-.009	-.054	-.049
X2 <i>User Generated Content (UGC)</i>	.224	.780	-.012	.067	-.080	.136	.056	-.087	.078
X3 <i>Content Marketing</i>	.069	-.012	.914	.035	.135	-.130	-.019	-.007	-.096
X4 <i>Micro influencer</i>	-.218	.067	.035	.739	-.177	-.055	-.018	.042	.023
X5 <i>Social Media Marketing</i>	-.075	-.080	.135	-.177	.816	-.128	-.012	.021	-.104
X6 <i>Strategi SEO (Search Engine Optimization)</i>	-.103	.136	-.130	-.055	-.128	.838	.133	.012	.055
X7 <i>Geofencing Technology</i>	-.009	.056	-.019	-.018	-.012	.133	.932	.170	.033
X8 <i>platform e-commerce</i>	-.054	-.087	-.007	.042	.021	.012	.170	.944	.047
X9 <i>Omnichannel Marketing</i>	-.049	.078	-.096	.023	-.104	.055	.033	.047	.911
Anti-image Correlation									
X1 <i>video marketing</i>	.766 ^a	.307	.087	-.308	-.101	-.136	-.012	-.067	-.062
X2 <i>User Generated Content (UGC)</i>	.307	.727 ^a	-.014	.089	-.100	.169	.065	-.102	.092
X3 <i>Content Marketing</i>	.087	-.014	.611 ^a	.043	.156	-.148	-.021	-.007	-.105
X4 <i>Micro influencer</i>	-.308	.089	.043	.803 ^a	-.228	-.070	-.021	.051	.028
X5 <i>Social Media Marketing</i>	-.101	-.100	.156	-.228	.688 ^a	-.155	-.014	.023	-.120
X6 <i>Strategi SEO (Search Engine Optimization)</i>	-.136	.169	-.148	-.070	-.155	.751 ^a	.150	.014	.062
X7 <i>Geofencing Technology</i>	-.012	.065	-.021	-.021	-.014	.150	.565 ^a	.181	.035
X8 <i>platform e-commerce</i>	-.067	-.102	-.007	.051	.023	.014	.181	.623 ^a	.051
X9 <i>Omnichannel Marketing</i>	-.062	.092	-.105	.028	-.120	.062	.035	.051	.583 ^a

In the anti-image matrices table above, especially in the column of ‘anti-image correlation’ we can see numbers **marked with (a)**. This refers the MSA value of a variable. The variable of video marketing is 0.766, User Generated Content (UGC) is 0.727, Content Marketing is 0.611, Micro influencer is 0.803, Social Media Marketing is 0.688, dan Strategi SEO (Search Engine Optimization) is 0.751, Geofencing Technology is 0.565, platform e-commerce is 0.623, and Omnichannel Marketing is 0.583. The value of every variable is more than 0.5, so all the variables can be analyzed to the next step.

eCo-Buss

Table 5. Communalities

	Initial	Extraction
Video Marketing	1.000	.597
User Generated Content (UGC)	1.000	.486
Content Marketing	1.000	.669
Micro Influencer	1.000	.535
Social Media Marketing	1.000	.463
Strategi SEO (Search Engine Optimization)	1.000	.770
Geofencing Technology	1.000	.559
Platform E-Commerce	1.000	.595
Omnichannel Marketing	1.000	.663

In the table of communalities above, the variable of Video Marketing is 0.597. This means about 59.7% variance of the variable of Video Marketing can be explained by the formed factors. Next, variable of User Generated Content is 0.486. This means that 48.6% variance of the USG variable can be explained by the formed factors. Next, variable of Content Marketing is 0.669 or about 66.9% variance of Content Marketing variable can be explained by Content Marketing variable. Later, variable of Micro Influencer is 0.535. This means that 53.5% variance of Micro Influencer variance can be explained by the forming factors. Next, variable of Social Media Marketing is 0.463 or 46.3% variance of Social Media Marketing can be explained by the factors formed. And for the variable of SEO (Search Engine Optimization), the extraction value formed from the communalities table is 0.770, or about 77% variance can be explained by the formed factors. Next is the variable of Geofencing Technology, which is 0.559 or 55.9% variance can be explained by the formed factors. Still, there is variable of Platform E-Commerce whose value is 0.595 or 59.5% variance can be explained by the formed factors. The last one, variable of Omnichannel Marketing is 0.663. This means 66.3% of its variance can be explained by the formed factors.

Table 6. Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% Of variance	Cumulative %	Total	% Of Variance	Cumulative %
1	4,086	34,768	34,768	2,086	43,768	34,768
2	2,133	18,890	53,658	1,133	20,890	53,658
3	,504	15,069	68,727			
4	,500	12,143	80,870			
5	,449	10,422	91,292			
6	,418	8,708	100,000			
7	,311					
8	,310					
9	,289					

In the table of total variance explained above, it is shown that there are two formed factors of 9 included factors. Each of the factor has eigenvalue > 1. The eigenvalue of factor 1 is 2.086 with

variance of 43.768%, and factor 2 is 1.133 with variance of 20.890%. The eigenvalue illustrates the relative importance of each factor in calculating variance of 9 analyzed variables. If all the variables totalized, the value is 9, just as the number of the variables.

If we extract the 9 variables, the variance total of the 2 factors is $43.76\% + 20.89\% = 64.65\%$. Thus, the variance total that can be explained by the newly formed factors is 64.65%, and the other 35.35% is explained by other factors which are not researched.

Table 7. Component Matrix

	Component	
	1	2
<i>Video Marketing</i>	.769	.073
<i>User Generated Content (UGC)</i>	.718	-.143
<i>Content Marketing</i>	-.598	-.358
<i>Micro Influencer</i>	.545	.416
<i>Social Media Marketing</i>	.529	-.428
<i>Strategi SEO (Search Engine Optimization)</i>	.823	.790
<i>Geofencing Technology</i>	.569	.673
<i>Platform E-Commerce</i>	.734	.643
<i>Omnichannel Marketing</i>	-.598	-.547

Table 6 above shows the loading value output of rotated component matrix of each variable. There are two components forming groups. The output of component matrix shown in the table indicates the values of correlation and relation of each variable within the formed factors. From the output of component matrix, we can see:

1. The respondent samples of the first group consist of variables with SEO (search engine optimization), Video Marketing, Platform E-Commerce, User Generated Content (UGC), Geofencing Technology, Micro Influencer, Social Media Marketing Factors.
2. The respondent samples of the second group consist of variables with SEO (Search Engine Optimization), Geofencing Technology, Platform E-Commerce, and Micro Influencer factors.

Conclusion

The above output shows at least there are two sample groups from the whole population. Their dominant stimulant factors were assessed to find out the strategy for digital branding to increase sales figure of SMEs in the pandemic time. This is proven by the component matrix table above. From the outputs, we can see that the SEO (search engine optimization) strategy belongs to both the first and second group with value more than 0.50. The formed factor indicates similar factors from the respondents when finding the most dominant strategies to improve sales for the SMEs in Gelam Jaya Village. Thus, these strategies are expected to be project examples other SME communities in Indonesia. This can also help us to reach even or equal income. Thus, creative economy and people’s welfare can be actualized, even though in pandemic time.

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