## BRAND STRENGTH FOR MICRO, SMALL,AND MEDIUM ENTERPRISES

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## ABSTRACT

This research is to find out about brand strength for Micro, Small and Medium Enterprises in West Java in the form of Brand Image and Identity and Brand Identity on Brand Love. This study used the AMOS SEM analysis method with a total of 147 respondents from Alunicorn consumers throughout Indonesia. The result of his research is that the influence of Brand Image and Identity is in the same direction as Brand Love.

Keywords: Image, Identity, Brand Love; Micro, Small and Medium Enterprises

## **INTRODUCTION**

Building a successful or successful entrepreneur to a wider level at the market level really needs a lot of assistancesustainable. However, entrepreneurship requires continuous direction and guidance so that it can move up a grade. Entrepreneurial assistants must have patience and high commitment in making this happen.

One of the things that our entrepreneurs often do is think "what is" with the products they sell. This can eventually drop the product and even end up leaving the consumer. To realize the products of Small, Micro and Medium Enterprises (MSMEs) go up in class, of course, synergy between entrepreneurs and assistants must be created.

One of the efforts made is in naming the resulting product, or often called a "brand". For MSMEs, brands are often underestimated or maybe they don't know the strength of the brand so that consumers will be attracted to the brand that we plan for our products. If a product without a brand seems to be considered 'trivial' by consumers. With the existence of a brand, it becomes a strength for our products so that consumers can easily recognize them. As Chen, Y., Chen, T. and Lin, C. (2016) in their research on brands stated that brand loyalty makes consumers happy to tell others the advantages of this brand and recommend purchases, and to rebuild brands when launching new product. In conclusion, customer perceived value, brand experience, trust, Satisfaction will build loyalty and love for the brand. This is reinforced by George S. Low and Charles W. Lamb Jr. (2000) who state that brand image is the embodiment of consumers' familiarity with their products. This will give strength to entrepreneurs in building their brand.

An entrepreneur certainly expects his product to be sustainable and developed so that it will generate income or the continuation of his business, this is of course balanced with a selfcommitment to continue to build product quality with the right branding. Image andBrand identity becomes urgent in doing business, of course it becomes a priority scale after being able to build a quality product. Brand Image and Brand Identity are one of the strengths as a whole in increasing sales. Love for the brand strengthens will build the sustainability of a product in the market because love for the brand will build loyal customers. This research seeks to build love for a brand in terms of brand image and brand identity.

The strength of a brand image will affect the love for a particular brand, as well as the identity of a brand will also have an influence on the love for the brand. This is often encountered in customers. We know that if a customer already loves a certain brand, he can afford it at a high price. Of course, this becomes a reinforcement for entrepreneurs to continue to build higher quality products, offset by establishing a brand that is able to build customer loyalty.

Talking about Brand Image and Brand Identity and Brand Love, not many researchers have discussed this matter. Generally researching the brand as a whole on a product is not a brand dimensionally. In this study, it has a difference with previous research, namely the brand seen in dimensions in the form of Brand Image and Brand Identity have an influence to Love Brand (Brand Love). The novelty in this study certainly provides an attraction for further research on brands that have broad dimensions. In addition, this research is unique because the entrepreneurs engaged in Fish Products are women assisted by the Alunicorn DPW Kalimantan Region and the respondents taken are consumers from various elements of women in the ICMI Women Entrepreneurs Association (ALISA) throughout Indonesia.

Research analyzeinfluence of brand image and identity on Brand Love. Why is this research necessary because previous research was specifically examining a product. In this study, the general nature of the products produced by assisted MSMEs in West Java.

### METHODOLOGY

#### A. Concept/Model Development

#### a) Brand Image and Brand Love

Building a brand image in a product is certainly not as easy and fast as we expect, because it takes time and a long process with various efforts that entrepreneurs must make. Brand image is a picture of consumer perceptions and beliefs embedded in the minds of consumers (Kotler & Armstrong, 2012). Products that have a good image are preferred over other brands (Dewi & Ardani, 2018) and will build a love for a particular brand so that customer loyalty can be realized. Strengthening Brand Image will have an impact on Customer/Consumer Love for a brand that is their pride or preference. This is reinforced by the results of previous studies conducted on various objects and different scopes (Escalas and Bettman, 2003; Ike-Elechi & Tan, 2009; Ismail & Spinelli, 2012;

*H1* = *There is an influencePositive and Significant Brand Image on Brand Love.* 

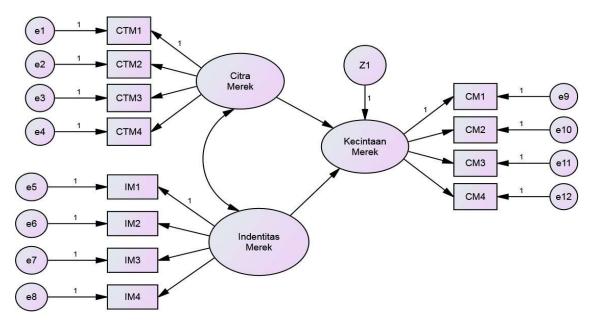
## b) Brand Identity and Brand Love

According to Loureiro, Ruediger Kaufmann (2012) and Islam and Rahman (2016) that Brand Identity will have an impact on creating loyalty so as to build Brand Love.<u>Ibrahim</u><u>Alnawas,Shadi Altafi</u> (2015) developed a model that integrates brand identity, brand life, customer hotel brand identification (CHBI), and brand love into one model and to test its predictive power in explaining brand loyalty. This research results that brand identity and brand lifestyle contribute to the development of CHBI, with brand love which, in turn, engenders strong emotional experiences with hotel brands and fosters affection and passion for that brand. Heavy emotional feelings in turn provide an important basis on which hotel brand loyalty is founded (Hendrasto (2017). Based on the reinforcement above, the hypothesis put forward is:

*H2* = *There is a Positive and Significant Effect of Brand Identity on Brand Love.* 

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Source: Developed for this Research, 2022 Figure 1. Research Model

## **B.** Data Collection

Collecting data by survey namelycirculated questionnaires with a rating range of 1 to 7. The study population was consumers from the female element in ALUNICORN throughout Indonesia, with the sampling technique being the Incidental Sampling technique. The research location is in West Java, namely Banjarmasin from August to December 2022.

The way to collect questionnaires is the first time by distributing closed questionnaires to all Alunicorn DPWs throughout Indonesia via the Google form. The link form is distributed to consumers throughout Indonesia from various regions. The collected data is then selected according to predetermined criteria.

Variables/Concepts	Indicator	Scale
Brand Image (CTM) is the perception, views and beliefs of consumers about a brand (Kotler and Keller, 2009)	- Quality - Believe - Benefit - Product self-image	Likert and Ordinal
Brand Identity (IM) is a unique association from A brand Which created a brand strategist. (Kotler and Keller, 2009)		Likert and Ordinal
Brand Love (CM) is the level of emotional attachment of a person or consumer to own a brand (Rubbin, 1973 in the journal Albert et al., 2013)		Likert and Ordinal

Source: Elaboration of theory and articles, 2022

#### C. Data Analysis

In this study, to determine the effect, a quantitative type with statistical analysis is needed, while in the verbal description it uses a description, namely a qualitative type. So to find out the description of each variable, a descriptive analysis is carried out, namely describing each research variable.

Structural Equation Modeling (SEM) statistical analysis is used because it allows simultaneous analysis (Hair, 2010). The steps are first by testing measuring instruments in the form of validity and reliability tests, namely loading factor > 0.70 and variance extract  $\Box$  0.50 (Ghozali,

constructReliabilityt y =	$(\sum std.Loading)$ 2	
	$\left(\sum StdLoading\right)^2 +$	

 $2\overline{011}$ ) which are searched for by the formula:

Variance Extract=	$\sum$ <i>std</i> .Loading 2	
v ur lunce Extruci-	$\sum$ <i>std</i> .Loading <sup>2</sup> + $\in$ . j	

Source: Ghozali, 2011

The second step is the normality test where the Critical Ratio (CR) value of skewness and kurtosis is between -2.58 to 2.58 (2.58). Third stepmodel testing (criteria of goodness-offit): 1) sample size, normality, linearity, outliers, and multicollinearity and singularity; 2) the Chi-Square statistical suitability test requires that the chi-square is low, the probability with a large cut-off value (p> 0.05) is based on the criteria of Hulland et al (Ferdinand, 2002), the RMSEA is less or equal to 0.08 as stated by Browne and Cudeck (Ferdinand, 2002). Next is the measurement of the GFI – Goodness-of-Fit Index, AGFI

– Adjusted Goodness-of-Fit Index equal to or greater than 0.90 (Hair et al., 2010). Another criterion is CMIN/DF with a  $\chi 2$  value of less than 2.0 or 3.0 (Hair et al., 2010). The next group is the TLI – Tucker Lewis Index (Hair et al., 2010) and CFI – Comparative Fit Index (Arbuckle in Ferdinand 2002) which is greater than or equal to 0.95.

## RESULTS

## A. Respondents

Characteristics of respondents based on age that aged 20-30 years 36 people (24%), aged 30-40 years 54 people (36%) and aged over 40 years 60 people (40%). Characteristics based on origin of consumers, namely Java, Bali Lombok as many as 32 people (21.3%), Kalimantan as many as 17 people (11.3%), Nusa Tenggara 27

people (18%), Irian Jaya as many as 30 people (20%), Sumatra as many as 26 people (17.3%) and Sulawesi as many as 18 people (12%). Based on education level, there were 17 high school students (11.3%), 19 people (12.7%) Diploma, Bachelor Degree

52 people (34.7%), Masters Degree 41 students (27.3%), Doctoral Degree 16 people (10.7%) and others as many as 5 people (3.3%).

## **B.** Testing Of Research Measuring Instruments And Research Models

The results of construct reliability calculations for the dimensions of Brand Image, Brand Identity and Brand Love can be explained in Table 3.

Observations in table 3 produce Construct Reliability (CR) > 0.7 and Variance Extract (VE) > 0.5 so that the indicators are able to explain constructs or latent variables. The results of the calculation of Brand Identity show an acceptable level of reliability, because the CR value is above 0.7, and the Extracted Variant (VE) value is close to the recommended value of

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0.5. Construct Reliability(CR) is greater than 0.7 and Variance Extract (VE) is above 0.5. Univariately, all indicators have a cr skew of less than  $\pm 2.58$  as a sign that the data is normally distributed.

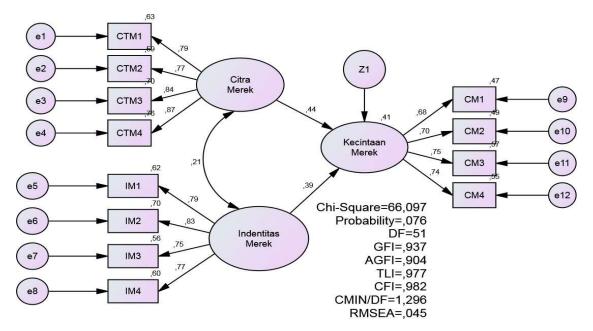
Symbol	Indicator	Std Loading	CR	AVE
Brand Image			0.890	0.671
CTM1 Product Quality		0.795	0.890	0.671
CTM2 Trust		0.768		
CTM3 Benefits		0.837		
CTM4Product Self Image		0.872		
Brand Identity			0.866	0.618
IM1 Flexibility		0.786	0.866	0.618
IM2 Consistency		0.835		
IM3 Emotions		0.746		
IM4 Promotion		0.775		
Brand Love			0.812	0.519
CM1 Comfortable		0.684	0.812	0.519
CM2 Fun		0.700		
CM3 Attachment		0.754		
CM4 Wants to continue using the brand	d	0.741		

#### Table 3. Brand Image Construct Test, Brand Identity and Brand Love

Source: Processing Results, 2022

## C. Calculation Results Of Model Conformity Testing Index

Full structural analysis model and index calculation for model suitability testing are presented in Figure 2 and table 4.



Source: Processed research data, 2022 Figure 2. Full Model SEM

No.	goodness	cut off	Analysis	Evaluation
1	X2 - Chi-Square	<68.669 (a=0.05)	66,097	Good
2	P-Value	□ 0.05	0.076	Good
3	GFI	□ 0.90	0.937	Good
4	AGFI	□ 0.90	0.904	Good
5	TLI	□ 0.95	0.982	Good
6	CFI	□ 0.95	0.977	Good
7	CMIN/DF	□ 2.00	1,296	Good
8	RMSEA	□ 0.08	0.045	Good

#### **Table 4. Model Suitability Testing Index**

Source: Primary data processed, 2022

The second Structural Equation feasibility test in Table 4 shows two criteria, namely X2 - Chi-Square with a result of 66.097 with a standard Cut Off Value of <68.669 meaning that the model evaluation results are good. While the Probability value is 0.076 with a Cut Off Value > 0.05 which means the result is good. GFI, AGFI, TLI, CFI have also met the recommended standards, namely the analysis results have met the specified Cut Off Value standards. The CMIN/DF result is 1.296 with a Cut Off Value of <2.00, meaning that the model evaluation results are good. While the RMSEA results of the analysis are 0.045 with a Cut Off Value of <0.08, the results are in accordance with the standard Cut Off Value, so the results are good. So the Goodness of fit index meets the recommended standards according to the Cut Off Value.

#### Estimates Brand Image and Identity 0.412 Brand (Brand Identity) to Brand Love (Brand Love). Source: Research Results, 2022 **Table 6. Regression Weights** Influence Standard Est. CR Р Brand Image against 0.386 4,000 0.000 Brand Love Brand Identity against 0.438 4,651 0.000

#### **Table 5. Squared Multiple Correlations**

Source: Research Results, 2022

Brand Love

Based on Table 6, it is known that the standard estimate of Image on Brand Love is 0.386 with a CR of 4.000 and a probability of 0.000 indicates the significance of Brand Image

(CMT) on Brand Love (CM). The effect of Brand Identity on Brand Love is 0.438 with CR 4.651 and a probability of 0.000 indicates the significance of Brand Identity (CMT) on Brand Love (CM).

## DISCUSSION

## A. Effect Of Brand Image On Brand Love

Brand Image is in line with Brand Love with an estimated value of 0.386; CR 4,000 and probability 0,000. The better the image of a brand perceived by consumers, the higher the consumer's love for the brand.

The results of this study are in line with and reinforce the findings of previous researchers (Escalas and Bettman, 2003; Yi Zhang, 2015; Ismail & Spinelli, 2012; Maisam & Masha, 2016; Sari & Sudarti, 2016). These previous research findings apply to different brands, products, situations and cultures.

The influence of Brand Image on Brand Love is significant, of course, providing motivation for entrepreneurs/entrepreneurs to improve their Brand Image so that it will build Brand Love for their products and this will provide aspects of sustainability in doing business and become a continuous love of customers. Entrepreneurs must be aware that Brand Love for their products will provide high value and this will bring benefits to their business. For this reason, entrepreneurs must be able to improve and upgrade themselves in building a brand image so that the brand love of their products will be sustainable.

## B. Effect Of Brand Identity On Brand Love

The effect of brand identity on brand love is 0.438 with a CR of 4.651 and a probability of 0.000. The clearer the identity can be distinguished from other brands by consumers, the higher the consumer's love for the brand.

The results of this study corroborate the opinion of Loureiro, Ruediger Kaufmann (2012),<u>Ibrahim Alnawas,Shadi Altafi</u>(2015) and Islam and Rahman (2016) and Hendrasto (2017) that Brand Identity will strengthen Love for the Brand so that attachment grows that builds sustainability to buy the product.

Building a brand identity is not as easy as expected because of course it goes through a process and time so that it needs to improve and update its product creativity and innovation so that it is able to build its brand identity in depth and broadly, this needs to be realized that with a strengthened brand identity will build extraordinary brand love so that the products will sell well and the impact will be on business sustainability.

## CONCLUSION

Brand image and brand identity are in line with brand love. The better the image and the clearer the brand identity can be distinguished by consumers from the brand, the higher the consumer's love for the brand.

Suggestions put forward that the government continues to provide ongoing coaching for MSMEs so that their businesses can develop and become products that go up in class by strengthening brands on their business products. Even though it is not easy, the Government through Services such as the UMKM Service, Industry Service and Trade Office provides ongoing guidance and assistance in West Java, especially realizing that West Java MSME products are superior products in extraordinary Fish Culinary.

For further researchers, they can provide other colors related to brand strengthening for MSMEs.

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