BRAND COMMUNICATION STRATEGY FOR LEATHERCRAFT BUSINESS (CASE: MONZE)

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Abstract - The use of leather as a raw material for the manufacture of fashion products is nothing new. Since a long time ago, leather has been used to make various fashion items, such as bags, shoes, jackets, and others. A few years ago, along with the growth of creative industries in Indonesia, many emerging new brands that produce and sell leathercraft products. Monze is one of the new player who is also creating a leathercraft brand. For approximately six months, Monze still cannot achieve a satisfactory sales number. This is evident is seen from the very significant sales fluctuations. Therefore, this study aims to find the right strategy that Monze can apply for the continuation of business activities. Questionnaire and Interview are used to get information from target market about their preference in leathercraft product. The resulting solution is a new way of brand communication.

Index Terms - Branding, Communication, Fashion Leathercraft.

I. INTRODUCTION

Indonesia has been known for being one of the greatest economic power in South East Asia. This is based on World Bank data which showed that Indonesia is the first-rank country for Gross Domestic Product (GDP) [1]. Furthermore, Indonesia's Finance Minister, Sri Mulyani stated that for the past decade (2006-2016), Indonesia annual GDP growth is 5,7% on average and assumed will grow another 5,1% on the 2017 [2] .

Economic growth eventually affects the population welfare. Since after the great crisis in 1998, World Bank recorded that , from 45 million in 1999 to 170 million [3]. The other fact is in 2010, 54% of Indonesian population have lived in urban area, and this number is predicted to rise to 67% in 2050 [4].

For urban people, fashion is not just a piece of cloth that provides protection. Fashion becomes social identity for many people nowadays. For urban society, fashion is no longer just fabric sheets that provide protection for the body. Fashion has become part of the urban lifestyle. Clothes and worn accessories can be a tool to attract attention and show one's identity to others. Therefore it is important to use the right goods. The use of leather as raw material for the manufacture of fashion products is not new and has been used to make various items, such as bags, shoes, jackets, and others. The impression of luxury and elegance from a leather product made lot of people love it, until now.

In line with the growing middle and upper-class population, the need for luxury goods also increase, and leather product is one. The increasing demand for luxury goods creates good domino effect for economic activity in leathercraft sector. Monze was established to capture this opportunity.

II. LITERATURE REVIEWS

Segmenting is a process for dividing the broad market into parts that are defined in several categories. Various categories used can vary depending on the needs of the company. However, several main categories can be used for the process of segmentation, namely: demographic, geographic, psychographic and behavioral [5]. In this research, Monze categorizes its market using geographic and demographic segmentation.

Market targeting is a process of selecting market segments that have been categorized in the segmenting process. Because it is a new business entity, then Monze chose a relatively small target market. Monze selects a target market which is middle class residing in Jakarta Metropolitan Area. In addition to Jakarta as a business center as well as the central government of Indonesia, Jakarta is also the place where people with the middle class economic most widely located. Furthermore, the minimum wage of workers in Jakarta is the highest in Indonesia.
Brand image is the consumer's mental picture of the product, includes symbolic meanings that consumers associate with the specific attributes of the product or service [6]. Therefore, the brand image should be able to increase customer interest in a product or service. brand image in accordance with the wishes of a customer to a product is something that must be built by a brand.
American Marketing Association stated that brand is a name, term, sign, drawing or any combination of these, that serves to identify a firm's goods or services and differentiate them from those of competitors [7]. Brand communication becomes important for a brand because it is a way to deliver value offered to customers. Without proper communication

techniques, value in a product may be interpreted differently by the customer, and may impact on the ineffectiveness of overall marketing activity.

II. METHODOLOGY

In this research, quantitative approach is done by questionnaire method. The questionnaire is a tool to collect data from diverse large and popular scattered population groups [8]. Questionnaire is done to know the current behavior, both customer and Monze's target market.

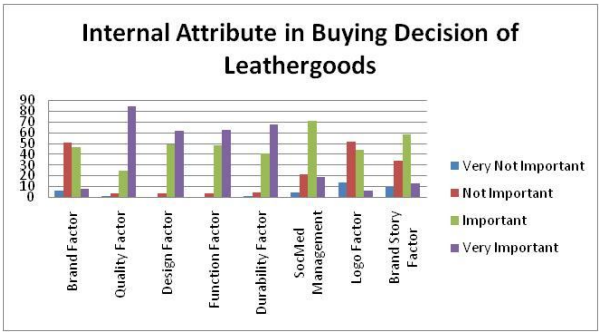


Fig. 1 Questionnaire Respondent Preference of Leathercraft Products

With the questionnaire, it is expected that Monze can utilizes the unbiased information to understand more about its customers and build better brand communication technique.

Questionnaire was distributed to 116 Monze's target market and existing customer through various media, such as social media and e-mail. The questionnaire was spread randomly to respondent via online media, such as email, private message, and social media. The number of respondent is determined by the theory that states 100 respondent is enough to represent the population [9].

In-depth interviews are useful when you want detailed information about a person's thoughts and behaviors or want to explore new issues in depth. Interviews are often used to provide context to other data (such as outcome data), offering a complete picture of what happened in the program and why [10].

Respondents from the interviews were Monze customers. The customer selected in this research is the customer who has purchased the Monze product and has been using the product for more than 2 months. Expected to have purchased using Monze product within a certain period, the customer can provide a valid assessment of Monze brand. The number of interview respondents in this research is 7 people.

III. RESULT AND DISCUSSIONS

There are several parameters that are praised through the questionnaire in this study. Brand factor is a factor of brand name that has been widely known by the customer. Attributes on brands such as logos, stories, and media content is a support thing that can also affect customers in purchasing a product.

Product attribute factors, such as quality, design, functionality, and durability are attributes of products that can be seen and felt directly by the customer at the time of contact with the product.

Each result of the questionnaire that can be seen in Fig.1, is repeated in the depth-in interview. Depth-in interview is useful to know more deeply what is perceived by the customer about the parameters tested. That way, brand communication techniques that will be made will be in accordance with the wishes of customers to leathercraft products.

Most respondents say that they are not buying a leathercraft product because of its brand. The tendency of a respondent to buy leathercraft products on a particular brand, formed by the trust of attributes owned by a product on a particular brand. For example, many respondents choose to buy Fossil brand because the brand is already trusted to make leathercraft products with good quality.

The internal attribute of a product is the dominant factor that determines the respondent's choice in a leathercraft product. One of the internal attributes of this product is quality. The quality of the product can be reflected in the selection of materials and the build quality. Respondent can see that a good product is one that using high quality leather and sleek stitches. The quality of the material can be seen from the level of evenness of color and smooth leather texture.

In addition to quality, design factors are also a consideration that greatly affects respondents in buying a leathercraft product. Respondents view the design of a product through multiple points. The viewpoint that most used by respondents to assess a design is color and shape. Color becomes the dominant factor used by respondents to rate leathercraft products they like. The colors most preferred by the respondents are neutral dark colors like dark brown, black, and navy. The colors are favored because it can display an elegant impression.

The shape of a leathercraft product favored by the respondents is a simple form. Designed with a minimalist shape that does not have many ornamental elements such as carving is the most popular choice of the year.

Another factor that is still associated with the design of leathercraft product is functionality. This function factor is related to the activity and daily work of the respondent. Many of the respondents wanted leathercraft not only as a fashion statement, but also as a tool to support their activities. For example a handbag that can accommodate their daily carry such as gadgets, stationary, and cosmetics. Another example in the category of small accessories is a wallet that can hold 10-20 cards but still suitable to put in a

pants pocket. Because the products with leather materials cost relatively more expensive than similar products from other materials, respondents want high durability. Most respondents expect the age of leather products for at least 2 years. The durability of the product can be seen from the cracking of the material and the breaking of the seams. Cracking of materials can occur when the leather material is very dry, so the leather is easily cracked. Furthermore the durability of the seams can be seen through the presence or absence of the sutures that broke up during the life of the use.

In addition to product factors, media factors also influence the perception of respondents to a brand. Respondents consider a brand that can manage social media is a trusted brand. The perception is formed because social media is one channel where customers can directly interact with a brand through a comment or discussion column. With the active managers of the brand on social media channel, respondents feel brand managers care about their customers.

In contrast to product factors, the factor of a brand's logo is considered not to affect the respondents in buying a leathercraft product. Customers tend not to pay attention to the logo form, nor the placement of a logo on leathercraft products. Most customers also do not care about the meaning of a logo.

While the story factor of a brand or product is a factor that influences the respondents in purchasing leathercraft products. Respondents liked the story behind the founding of a brand. The story of the journey of a brand from its inception until now makes respondents believe in the brand. Such trust arises because through the story, respondents get a message from the journey of a brand. The story of this journey conveys the message that a brand that has gone through various events that make the brand is very experienced in the field.

After analyzing the results of the questionnaire and interview, a new formula of brand communication can be created. Monze should focus on communication content on the quality of its products. Content about the quality of materials used, manufacturing techniques, product functionality advantages, and product durability are the content that should be the main content in the Monze promotional channel.

In addition to content factors, the placement strategy of communication media is also an important factor that must be taken into account. The match between target market behaviour with a promotional channel is a key factor for determining placement of a promotional channel.

Social media is one of the media that can be used to distribute advertising materials. In addition to the costs that can be adjusted to existing budget, the measurement of its effectiveness can be done easily. Furthermore, the nature of social media that allows prospective customers to communicate with the seller becomes one of the advantages of social media. Supported with Internet penetration data in Indonesia, which has reached 40% of the population , making social media the main choice that Monze can use to advertise. Based on the results of a survey conducted by the Association of Internet Service Providers Indonesia (APJII), it appears that the 3 most frequently used social media by the Indonesian are Facebook, Instagram, and Youtube [11] . Therefore, placement of promotional media on Facebook, Instagram, and Youtube is the right choice for Monze. In addition to being a social media with the largest number of users in Indonesia, the types of media that can be displayed on all three media vary. All three media can accommodate the type of photo media, video, and text. The combination of photos and text has long been the most widely used medium, but according to research conducted Nielsen in 2017 said that that more than 30 percent of consumers aged 21-49 years often make online purchases of products after viewing an online video advertising [12] . The object of research conducted by Nielsen is matched with the target market selected by Monze. Therefore, the use of video as a medium of information delivery can be one of the alternative.

CONCLUSION

In the leathercraft business sector in Indonesia, product quality is still a major factor in determining customer purchasing decisions. However, that does not mean brand communication factor can be ignored. Along with the development of technological advances, online transactions are increasing. This means brand communication will play an important role in the customer journey. Customers of leather products view that detailed information about a product is a way of communication that they like best. This can be used as a reference for compiling effective promotion content. Furthermore, the link between the image of a product and the image of its customers is also an important factor in designing brand communication. With the effectiveness of brand communication, the expected performance of a brand will also increase. This can have an impact on the sales of its products.

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