

**Foreign Branding Strategy to Promote MSMEs Products:
Women Entrepreneurs’ Perspective**

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Abstract

This research aimed to describe the woman entrepreneurs’ perspective about foreign branding strategy to promote Micro, Small and Medium Enterprises (MSMEs) products. Foreign branding strategy is a strategy to promote brands by spelling and pronouncing in foreign-sounding for companies, products and others. A descriptive quantitative method through a questionnaire was used to collect the data. The questionnaire was administered to twelve of women entrepreneurs who own a MSMEs at Klambir V Kebun village, North Sumatra to obtain their perspective and opinion about foreign branding strategy which is applied on their products. The result findings described that the women entrepreneurs’ perspective was positive to foreign branding strategy. They agreed that foreign branding is very beneficial to promote their products. It also attracted consumers’ interest to buy the products much more than before foreign branding strategy was applied to the products. They stated that foreign branding strategy can increase their income and they are also interested to continue using foreign branding strategy on their products.

Keywords: Foreign Branding Strategy, MSMEs, Women Entrepreneurs’ Perspective

INTRODUCTION

The use of foreign terms has now become commonplace in every aspect of life. People can find the use of foreign languages, especially English, in many sectors such as: education, economy, technology and so on. In the world of education, the term e-learning has been popular since the Covid-19 pandemic broke out. The term e-commerce is also well-known among users of digital markets.

There is a shift in public perception of foreign terms supported by the rapid development of technology in the current era. The use of foreign terms changes people's perceptions and attitudes in making purchases of the goods they are interested in. In the business world, recently the term “Foreign Branding” strategy has appeared. This term has meaning as a strategy for pronouncing or spelling a brand name in a foreign language.

This term is being actively promoted along with the growing development of marketing of local products/Micro, Small and Medium Enterprises (MSMEs) in Indonesia. This foreign branding makes consumers view the brand name as something important from the product. Consumers also assume that foreign brand names add value to a brand. If the consumer's perception of the brand has been

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formed, then the company's image will rise. This foreign branding strategy is also considered effective in boosting promotion and marketing.

In Indonesia, the foreign branding strategy has long been used by large companies engaged in different fields. Silver Queen products that use foreign terms in their trademarks, are products from PT. Petra Food which was founded in 1950. Le Minerale whose name sounds foreign is also a domestic product produced by PT. Tirta Fresindo Jaya. The very popular bicycle product branded Polygon is also produced by a bicycle company from Indonesia based in Sidoarjo Regency, East Java, namely PT. IneraSena.

One of the Indonesian fashion brands that has successfully used the foreign strategy branding is The Executive. The brand, formerly known as Executive 99, is part of the Delamibrands group, which provides a variety of men's and women's official clothing, such as blazers, shirts, blouses, pants, dresses, and supporting apparel. The success of The executive is reflected in the Top Brand Award 2018-2020 for three consecutive years, by beating several well-known imported fashion brands for the category of women's workwear, jackets and blazers (topbrand-award.com, 2020). At present, marked by its extensive sales network, The Executive already has 60 stores and more than 100 outlets which can be found in several city shopping centers in Indonesia (theexecutive.co.id, 2020), the brand that has been built is also valued well by the public, it is proven for three consecutive years The Executive has been able to lead the market. This can also be because in terms of price and quality, The Executive's products are not inferior to international products. With affordable prices ranging from Rp. 200,000 - Rp. 400,000 consumers have been able to get products of comparable quality to well-known brands (Hasanah et al., 2021).

Launching from Kompas.com, many local products made in the country use foreign branding strategies, however, many consumers think that these products are products from abroad. Based on research in 2018, the foreign branding strategy could increase the variable of buying interest by 83.4 percent, while the remaining 16.6 percent. Some companies show positive results with this naming strategy. Not only the use of foreign languages, several brand names in Indonesia also adapt their founding history to produce unique word combinations. For example, the Krisbow brand is a combination of the name of its founder, namely Krisnandi Wibowo (<https://lifestyle.kompas.com/read/2021/03/15/120954920/foreign-branding-strategi-merek-lokal-agar-disangka-produk-impor?page=all>, accessed on 12th September 2022).

According to Villar et al., (2012), foreign branding is a branding strategy by giving a brand name using spelling or pronunciation in a certain foreign language, with the main target of influencing the dimensions of brand image, and influencing perceived quality, as well consumer attitudes towards products. Foreign branding indicators include: brand luxury, brand prestige, brand name and pronunciation, suitability of the meaning of the brand name, brand quality, brand association (Ariesmendi & Saraswati, 2016). There is previous research which shows that foreign branding variables have an influence on purchasing decisions, as research has been conducted by (Aichner et al., 2016).

Foreign branding is a branding strategy by giving a brand name with spelling or pronunciation in a certain foreign language, with the main target to influence the dimensions of the brand image and influence the perception of quality and consumer attitudes towards the product. Foreign language brands provoke

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consumer curiosity and generally the language used is from developed countries with all its advantages, thereby increasing the perception of product quality. When compared to other brands that provide little information, products with foreign branding are considered to have higher quality (Pradopo, 2019).

Based on previous research, the use of foreign language brands was found to be the most influential variable in purchasing decisions, implying that consumers will prefer foreign brands because they reflect product quality (Yunus, 2018). From the events that occurred in the previous research, the researcher is interested in knowing how foreign branding strategy influences promoting a product which will have an impact on increasing MSMEs owners’ income.

METHODS

The type of research used was explanatory research. Explanatory research is research that describes or explains a generalization of the sample to the population, which uses samples and hypotheses to test the hypothesis using inferential statistics. The type of research approach used is a quantitative approach, namely a scientific approach that looks at a reality that can be classified, concrete, observable and measurable, the variable relationship is causal in nature where the research data is in the form of numbers and the analysis uses statistics (Sugiyono, 2017).

The population in this study was the MSMEs group in Klambir V Kebun village, North Sumatra. The sample in this study were twelve of women entrepreneurs who own a MSMEs in Klambir V Kebun village, North Sumatra.

The researchers gave a questionnaire to the respondents. The respondents were asked to state their agreement on the statements in the questionnaire regarding their perspectives on foreign branding strategy to promote their products.

RESULTS AND DISCUSSION

RESULTS

After calculating the score on the questionnaire, it was obtained the result as it could be seen on Table 1.

Table 1. The Women Entrepreneurs’ Perspective on Foreign Branding Strategy

No.	Statements	Yes	No
1.	I am interested in using foreign branding to my products.	83.3%	16.7%
2.	I agree that foreign branding can promote good image to my products.	83.3%	16.7%
3.	I understand the meaning of foreign branding on my products.	66.7%	33.3%
4.	It is easy to pronounce the brand of my products.	75%	25%
5.	I believe that foreign branding can represent good quality products.	91.6%	8.3%
6.	I am afraid that foreign branding will not attract the consumer’s interest to buy my products.	8.3%	91.6%
7.	I agree that the meaning of English words are suitable to my products.	91.6%	8.3%
8.	The meaning of English words are positive to my products.	91.6%	8.3%
9.	Foreign branding strategy can increase my income.	91.6%	8.3%

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10. I will continue to apply foreign branding strategy on my products. 83.3% 16.7%

It also could be seen on the graphic below.

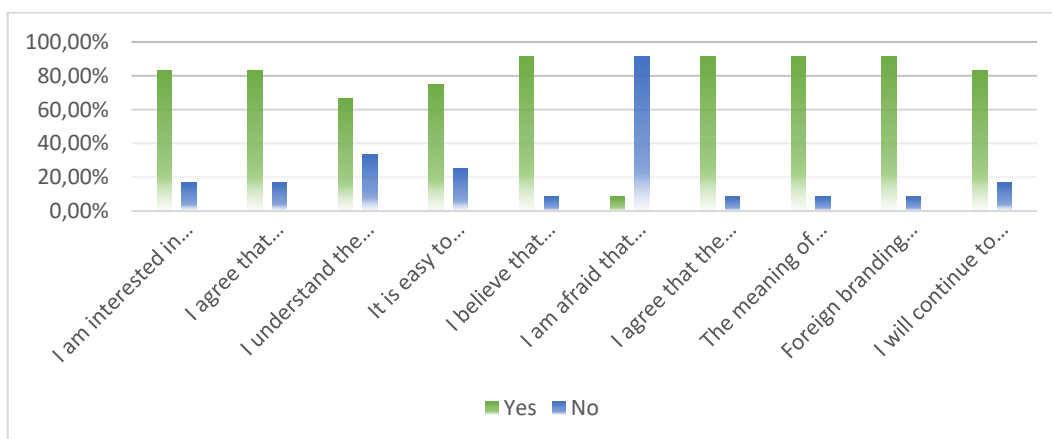


Figure 1. The Women Entrepreneurs’ Perspective on Foreign Branding Strategy

From the calculation, it was obtained that most of the statements of the questionnaire were in positive perspective that could be proved by the high score. Some statements that were in 91.6% which were the higher percentage were described as follow:

1. The respondents believe that foreign branding can represent good quality products.
2. The respondents agree that the meaning of English words are suitable to their products.
3. The respondents state that the meaning of English words are positive to their products.
4. The respondents agree that foreign branding strategy can increase their selling income.

While another statements were also stated in high score in 83.3%. The statements were:

1. The respondents are interested to apply foreign branding strategy to their products.
2. The respondents agree that foreign branding can promote good image to their products.
3. The respondents think that they wil continue to apply foreign branding strategy on their products.

DISCUSSION

This research supported the previous research which was done by Ariesmendi & Saraswati (2016). The result revealed that foreign branding which was done by Sour Sally as well as perceived quality and consumer buying interest as a whole are included in the good category with the percentage of the descriptive analysis was respectively 75.20%, 76% and 76.30% and it was also found that the

effect of foreign branding on perceived quality was 54.46%. While the influence of foreign on buying interest by 49%. It was concluded that foreign branding had a significant effect on perceived quality and consumer buying interest in Sour Sally Bandung.

Another research also supported the finding results of this research which was conducted by Purba & Saraswati (2022) and it showed that there was a significant influence of foreign brand names on purchasing decisions of Le Minerale. Respondents' reactions regarding foreign branding consisting of exclusivity, brand name and value variables have a level of 73.79% where each variable has an exclusivity value of 73.4%, brand name 73.9% and a value of 74.07% which are included in the good category. Respondents' reaction regarding purchasing decisions is 74.78% which is included in the good category. Exclusivity, brand name and value simultaneously influence purchasing decisions by 78.9% while the remaining 21.1% is the result of the influence of other variables which are not present in this study.

Sulhaini et al., (2020) in their research also found that young consumers in emerging nations are both passive brand haters toward domestic companies and enthusiasts of overseas brands. They demonstrate admiration for foreign businesses when they have a negative perception of their own nation. The hedonic value supremacy, which also significantly contributes to passive brand hatred against local brands, is what mostly influences the pleasant emotion, though. Due to their intense negative emotions, they favor foreign businesses that promote more hedonistic values. Positive emotion does, in fact, contribute far more to readiness to pay extra for international brands than does negative emotion. The document offers helpful managerial recommendations for local and international brand owners to compete in the nation's market.

CONCLUSION

Women entrepreneurs showed positive perspective on foreign branding strategy. They think that foreign branding strategy is beneficial to promote products, attract consumers’ interest to buy products, increase selling income, and they will continue to use foreign branding strategy on their products.

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