BRAND DEVELOPMENT FOR NAGIWA

Fitri Rizki Nurhasanah and Intan R Mutiaz
School of Business and Management
Institute Teknologi Bandung, Indonesia
Fitri.Rizki@sbm-itb.ac.id

Abstract—Indonesia’s population reaches more than 230 million people with the majority (85%) are Muslim. This is potential market for a company that would do business in Islamic clothing. One of the cities that are shopping center is Bandung. This city has a number of factory outlets, trade centers, and malls. Nagiwa is one of the companies engaged in the business of Muslim clothes. Nagiwa has been in the Muslim fashion business since 15 years ago. Nagiwa currently has several stores in Pasar Baru Bandung, and some resellers that are outside Bandung. But until now, Nagiwa’s brand awareness is very low due to the lack of uniqueness as well as high level of competition. This high competition can be seen from the number of Muslim clothing sellers in Pasar Baru Bandung, reached 60% of the total existing merchants. This causes Nagiwa’s market share becomes small. Methodologies used in this study are interviews and questionnaires in order to find new strategies that should be done. Interviews are done to the owner of Nagiwa and manager of Pasar Baru. The questionnaires on the other hand are given to teenage school students in Bandung. The purpose of interviews and surveys is to find strategies to solve root cause of Nagiwa’s problem, which are the low brand awareness and small market share. Strategy used to increase market share and brand awareness is to create a new brand extension for Nagiwa. The brand extension is Larova. The difference between Larova and Nagiwa is the target market; teenagers for Larova. This is because there is no company that sells Muslim specifically for youth, while the number of teenagers in Bandung is high. To obtain high brand awareness, marketing strategy activity is made through social media. Strategies that would be used is by cooperating with fashion bloggers and web stores. Furthermore, products-sounding is also done on Facebook, Twitter, Instagram, and blog / Tumblr. The implementation of this strategy is done in a period of one to two years. Next, if this strategy is successful, the implementation is conducted in the medium-term strategy. But if it does not work, exit strategy is executed in the form of re-analyzing new root causes or developing the parent business (Nagiwa).

1. Introduction

Indonesia is a country with biggest population that adheres to Islam. Indonesia’s population is more than 230 million people with 85% majority of them are devoted to Islam (Source: Badan Pusat Statistik), so Indonesia is a large market share for business. For example there’s the growing of Muslim dress and veil purchases during Eid al-Fitr and Eid al-Adha. One of the businesses that benefit from it is attire business and veils for Muslim women. Muslim clothes for women itself is composed of various types, ranging from robes to kaftans. For many species such as hoods, pashminas, scarfs, and other.

Bandung is a shopping destination that much visited by many tourists, both local and foreign. This is because the number of factory outlets lies within, in addition to the factory outlets there are also available from the trade center and mall, make Bandung a tourist center. Trade Center, which is the main destination for tourists to shop is Pasar Baru (new market). Peddlers in Pasar Baru sell a variety of items, but most primarily garment and fashion products. Things became interesting in this new market where the largest seller of fashion selling Muslim clothing and hoods. Amid the magnitude of Indonesia as a market to do business in the field of Islamic fashion, there are several barriers that often happens in a business. One of them is the high competition that happens in the business. This competition does not only apply to fellow Muslim clothing sellers but there is also competition with the seller of fashion in
general. This is because Moslem women in Indonesia are not only buy clothes only in Muslim clothing seller, but they also buy clothes from fashion center. Now Muslim fashion and hijab not only become a part of the religious law, but also began to develop into a lifestyle. This development is due to the emergence of fashion bloggers on the internet. At first, fashion blogger exists only in exceptional fashion products. The current time as the development of many fashion bloggers started using Muslim’s clothing. Some fashion bloggers who wear Muslim fashion is Dian Pelangi and Hana Tajima from Malaysia.

Fashion bloggers give effects to the user veil, because the current Muslim dress and veil became a distinctive fashion that looks fashionable but still adjusting to cover the nakedness of Islamic religion. After so many fashion bloggers, there’s a beginning of hijab users community being formed, the famous one is Hijabers Community. With the existence of these communities, it also began to develop events that raised the hijab as one of the themes of the events, such as hijab fashion week, hijab fest, etc. Another influence is the development of a concept store selling hijab fashion, the famous one being in Baltos, Bandung. This Fashion bloggers themselves becomes a reference to a brand awareness strategy of a product, because the consumers typically want to use the same clothes as a fashion blogger.

Nagiwa is a company that has been in the business of Muslim dress and veil for a long time. Their business has been done already more than 20 years, but the development of Muslim fashion business in Indonesia makes Nagiwa less known to the public as Shafira. Another thing that makes Nagiwa cannot create a strong competitive advantage that differentiates the company from other companies is their product is generic that has no special characters so they only gained a low brand awareness. Based on this, the authors will conduct research in the field of brand development and manufacturing strategy to create a competitive advantage for the company. Nagiwa itself has not been doing online sales strategy. This is because the managers still use the traditional way of doing business. Social media itself is a cheap marketing tool but has a great effect because the system is real time and can be used anywhere. Currently social media is growing, Indonesia itself is one of the largest countries that have facebook accounts. This is a tremendous opportunity to do brand development using social media as a marketing tool, so that in the future we will get brand awareness (Source: Simon Kemp from wearesocial.com). In addition to the increasing number of fashion bloggers, they give effect to create a brand image of a product.

2. Business Issue

Nagiwa has done the business for 15 years. When the business start Nagiwa gain a lot profit, but now days market share Nagiwa is small because high competition from other company. The other hand, because Nagiwa sell generic product (not segmented target) made Nagiwa has low brand awareness.

Bandung now has a lot of muslim wear brand, but 4 toughness is Zoya, Mirzani, Faira, and Rabani. They distribute product in around Indonesia. This make Nagiwa has a small market share. Thus the brand is the identity of a company. A good brand is a brand that is easy to remember by customers. From the perspective of the CBBE, model of brand knowledge is the key to making a brand becomes stronger. While the two factors that influence of brand knowledge itself is brand awareness and brand image. Both of these factors to Nagiwa it is still low due to the lack of a characteristic that is owned by the company, so the company is not easy to be remembered in the community.
This is the position Nagiwa between rivalries

With the translation from above it can be seen that the target market of Zoya and Rabbani is same, because the price offered is relatively more expensive than other competitors. This is because the market is for the use of their own products. Meanwhile Mirzani under, the target market is on middle and lower price. Fahira is the biggest competitor of Nagiwa, because the target market is down the middle and targets people who are shopping for resale so it offered a lower price.

Methodologies used in this study are interviews and questionnaires in order to find new strategies that should be done. Interviews are done to the owner of Nagiwa and manager of Pasar Baru. The questionnaires on the other hand are given to teenage school students in Bandung. The purpose of interviews and surveys is to find strategies to solve root cause of Nagiwa’s problem, which are the low brand awareness and small market share.

After analyzing the internal and external environment of Nagiwa, can be determined that the root cause is low brand awareness as well as low market share gained by Nagiwa. Internal variables that affect it are low brand equity of Nagiwa which leads the products that sold do not have any uniqueness, then due to low marketing activity undertaken by Nagiwa (such as non-use of social media as a marketing tool), making consumers do not have a positive experience of what has been done by Nagiwa. In addition, also due to lack of use of media marketing then make it difficult for consumers to get information about Nagiwa’s products. Another variable that influence the low brand awareness and market share is that the business are easily accessed by anyone who want to get involved in. Besides that, the high level of competition makes it difficult for Nagiwa to be developed.
3. Business Solution

Root causes that occur in Nagiwa, the brand and marketing communication. On brand, problem that happens is not the uniqueness of the brand itself. In addition, also the target market that has been chosen by Nagiwa has a high threat of new entrant, so the market share in obtained by the company is slight. So in the end, making the brand extension to take the niche market is an only option. At this time, there is still a lack of companies that took the teen market for Muslim fashion products is an opportunity for the company. Another thing that is easy to pick this strategy because the company's resources are still there, so the creation of brand extension is not going to make companies spend too much money. To determine customer behavior in adolescents, the authors administered the questionnaire to determine how the psychology and social environment influence the purchasing decisions of teenagers. This is the brand building block that Nagiwa must have if the targeting is teenager.

Larova is new brand of Nagiwa. The differentiation Nagiwa and Larova is target market. Larova choose teenager for target market. In teenager market, companies that provide muslim wear for them is low. So this is become an opportunity for Larova. Larova must build brand image like high quality, but teenager can buy that product.
Products to be offered is a Muslim fashion products and veil, then the gender segmenting taken are women. But it is possible for men buy these products for prizes. 14-22 year age retrieval based on the maturity level of a teenager. Usually at the age of 11 years to 13 years, the purchase of a product is still a decision of the parents. On age of 14 usually adolescent already have a desire for buy the products which desired in accordance with his personality. While at the age of 22 years, their attitude began to develop into adults. At the age level they usually want to dress like an adult, one example is to wear simple clothes without an over-crowded pattern.

While it is related to the price that will be sold, then the determination of the Social Economic Status (SES) is in group a and b. The c1 groups have income or ranges between IDR 1,500,000 to IDR 2,000,000 each month, while for The c2 groups have income or ranges between IDR 1,000,000 to IDR 1,500,000.

Demography section that used as an example is the city of Bandung. It deals with production sites located in Bandung. Besides that, nowadays, Bandung is one of the tourist destination for local and foreign travelers. One of the frequent overseas travelers visiting Bandung are tourists from Malaysia. This is an opportunity to make products that made can be known not only in Bandung and Indonesia, but can be up overseas. Other than personal use, there’s also buying motives for feast purposes. Indonesia is the largest Islamic country, therefore many communities celebrate Eid. On this Eid many teenagers who initially did not wear a veil, then wear a veil to celebrate the feast day.

Nowadays, there’s a lot of hijab user community emerged in Indonesia, the largest one’s called “Hijabers Community”. This is a huge market as this may occur inadvertently promotion by word of mouth. In addition to the importance of this community as described above, that teenagers loved to be in groups with people who have an affinity with something similar. In order for the strategies to be right on target, then the company must perform segmentation as unique as possible so that the entry of new competitors could be reduced. According that Larova must do marketing activity in teenager ways like via social media, or participant in some event.

According to the survey that was conducted, the most prominent psychology behavior among teens is that they love to follow the style of their idol. So the planning for that is corporate with fashion blogger. Now days fashion blogger who use hijab is increase like Dian Pelangi, Hanna Tajima, etc. So the
alternative starategies is choosing Indah Nada Puspita, Sari Putri Utami, Rd Siti Indiriati as their brand ambassador. Every fashion blogger can sounding Larova product not only in blog but can sounding product in Social Media like (Facebook, Twitter, and Instagram).

Social Environment gives great influence to teenagers, because there is one feature of a teenager, which is received in a circle or a particular community. Along with the many people who are interested in starting to use hijab, hijab is now evolving into a lifestyle and eventually led to the founding of several communities. This community provides good leverage because often hold activities that build as well as some events. The community that Larova will choose is Hijab Community and IndonesiaHijab Blogger.

Hijab community is a biggest community for women wearing a hijab. Corporate with hijab community give advantage to Larova. This is the reason why hijab community give advantage to Larova:

- Hijabers Community exist in all parts of Indonesia.
- Often hold gatherings as well as several events
- They have released a book
- They have biggest number of members among similar communities

Indonesia Hijab Blogger is community for people who like fashion. Now hijab blogger being well know because Dian Pelangi and Hanna Tajima. They make women who wearing hijab still can fashionable. Indonesia Hijab Blogger frequently held a gathering. This event can increase brand awareness and built brand image for Larova.

Social media this strategy must done so that companies get a brand awareness which is high and attain good brand image. Word of mouth is one biggest power for making brand awareness and brand image. Social media build relationship between company and consumer. Manufacturing strategy through social media was important because it has far-reaching effects and lower costs. The use of social media not only to sell a product, but provide information about the product. The target of social media strategy itself is the overall of the target market, because almost all teenagers now have social media accounts and smartphones, especially teenagers in urban areas. Marketing activity in social media is to increase sells, gain brand awareness and built brand image. With social media we can reach every people around the world but with less marketing cost. Social media account that Larova will use is Facebook, Twitter, Instagram, and Blog/Tumblr.

Now many webstore that sells a variety of products with different brands. Usually the system used is a consignment system. This provides the opportunity for Larova to get consumers. This is because the traffic on the webstore is higher when compared to making an own webstore. In addition, webstore also often provide information about what products are sold, so we have introduced our products to the public indirectly. Below are some Webstore as an alternative to selling Larova’s products.

**Larova Alternative Webstore**

Source : Analysis

4. Implementation Plan

Implementations for business issue divide by 2 steps, brand and marketing activity. For increase brand awareness of Larova, strategies must be arranged according to brand building Larova. Psychology of adolescents is want have product look like their idol, so Larova must have brand ambassador who will increase Larova brand awareness. The other strategy is Larova being partnership with community and web store. Timeline for this implementation is for 1 to 2 years period. Content for the timeline is search brand ambassador, deal with brand ambassador, photo shoot, upload photo shoot to social media, give information in Facebook and Twitter, update blog/tumblr, being partnership with hijab community, have a deal with web store, and quiz in social media.

For marketing timeline divide by three activities like digital ads, discount, and “buy muslim wear free hijab”. Larova in introduction step at product life cycle, so this marketing activity for gain awareness and loyal consumer. Digital ads is like placement an advertising Larova at sponsored column in Facebook, or sounding Larova via twitter account like @infobdg, @infobandung, and @forumjualbeli. Discount will be held every once a month, and the giveaway event every two month.

To introduce Larova to people, Larova will participate in exhibition like Hijab Fashion week, Hijab Fest, and Indonesia Muslimah Festivial. In this event larova will decrease a price for gain a loyal consumer and increase brand awareness. If that strategies going well, other step is implementation of middle –term strategies like have offline store, product development, and endorsement tv series in Indonesia for gain a brand activity in Indonesia.

Exit strategy will be done when develop strategy that have been made up not conforming to the implementation. Exit strategy divide by two steps. Step one is analyze back what has happened so that implementation not conforming as expected. This is essential to reduce the number of losses to be acquired. These analyses to get know a new root cause for answer the question why the implementation not according to what has been planned. Step two is focus business still to Nagiwa. This will be done because Nagiwa have a loyal consumer and improve new product for Nagiwa.

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