



## Marketing strategy development for MSME based on the Korean wave

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**Abstract:** Korean culture is currently growing rapidly and expanding globally in the last two decades, known as the Korean Wave. One of the impacts of this phenomenon in Indonesia includes shifting social, cultural, and economic trends. This study aimed to examine the influence of the Korean Wave on consumer purchasing decisions and its use as a marketing strategy development for MSME in Semarang City. The method adopted is Moderating Regression Analysis and Analytical Hierarchy Process. The results showed that brand image and the Korean wave have a significant relationship with purchasing decisions. The Korean Wave was meant to moderate the relationship between brand image and purchasing decisions. In an effort to develop a Korean wave-based marketing strategy, food and fashion actors are advised to insert a call to action sentence, select online marketing media that are often used by the community, optimize AdSense, and use the lowest possible production costs.

**Abstrak:** Dewasa ini budaya Korea berkembang pesat secara global yang dikenal dengan *Korean Wave*. *Korean Wave* memberikan dampak besar utamanya di Indonesia, mulai dari dampak pergeseran tren sosial, budaya, dan ekonomi. Penelitian bertujuan untuk meneliti bagaimana *Korean Wave* mampu mempengaruhi keputusan pembelian konsumen serta pemanfaatannya sebagai pengembangan strategi pemasaran UMKM di Kota Semarang. Metode yang digunakan dalam penelitian ini adalah *Moderating Regression Analysis* dan *Analytical Hierarchy Process*. Hasil penelitian menunjukkan bahwa *Brand Image* dan *Korean Wave* memiliki hubungan signifikan terhadap keputusan pembelian. Lebih lanjut *Korean wave* juga terbukti mampu memoderasi hubungan antara *Brand Image* dan harga terhadap keputusan pembelian. Sebagai upaya pengembangan strategi pemasaran berbasis *Korean Wave*, pelaku makanan dan fashion disarankan untuk menyelipkan kalimat *call to action*, Memilih media pemasaran online yang sering digunakan masyarakat dan optimalisasi *adsense*, dan menggunakan biaya produksi serendah mungkin.

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## Introduction

Korean culture is experiencing rapid and widespread growth on a global scale in the last two decades. Its existence is often embraced by the community from various circles, resulting in a phenomenon known as the Korean Wave or *Hallyu* (Wuryanta, 2012). One of the most sought-after products by Indonesian and worldwide audiences is Korean Pop music, commonly referred to as K-Pop. Indonesia, being the fourth most populous country in the world, has become a home for Korean culture enthusiasts and K-Pop fans (K-Popers). According to Statista (2020) data, Indonesia ranks as the third-highest country in the world, after Thailand, for tweets about K-Pop artists. The country also holds the second-highest viewership percentage for K-Pop videos on Youtube worldwide, accounting for 9.9% of total views.

As technological disruption and development continue to occur massively, the Korean Wave phenomenon can have significant impacts on the entertainment industry, as well as some crucial sectors of the national and global economy. Statista (2021) data showed that the searches for Korean food on Indonesian online marketplaces increased by 600% compared to the previous year. According to Nina Jobst (2022), *Hallyu* has a substantial influence on fashion trends in Indonesia, where 47% of Indonesian respondents expressed a preference for Korean fashion products as the most significant factor driving the trend. This empirical evidence showed the strong influence of *Hallyu* on international community preferences.

*Hallyu* can be considered an alternative strategy for economic development in a country. Suryani (2014) showed that *Hallyu* serves as an attraction and promotional medium to market products, resulting in a significant increase in the export value of a country. In particular, the ASEAN countries are highly affected by Korea's cultural exports compared to other nations (Sari, 2016). According to Huang (2011), Korean Wave opens up new markets for domestic consumers to embrace Korean commodities due to the influence of K-Pop culture and social media platforms on domestic consumer tastes and preferences. Consequently, domestic businesses across various industries continue to stimulate demand for Korean products among domestic consumers. Due to the significant influence of the Korean Wave on consumer perceptions and purchasing culture in Africa, it is a potential marketing strategy for products (Ochieng & Kim, 2019).

The results of various previous studies showed that the Korean Wave had a significant influence on the economy of various countries. Therefore, its contribution to the regional economy, specifically in large cities like Semarang, needs to be identified. It should also be acknowledged that Micro, Small, and Medium Enterprises (MSME) played a significant role in post-pandemic economic recovery through the utilization of Korean products, specifically food and fashion. Considering the high demand for Korean products in Indonesia, it is expected to become a sustainable marketing and development strategy for MSME.

Based on the illustration above, this study aimed to explore the existence of the Korean Wave as a marketing strategy for MSME in Semarang City. In this study, the Korean Wave is used as a moderating variable, while the independent variables consist of Brand Image, Price, Marketing Media, and Advertising, which are combined to formulate a Korean Wave-based marketing strategy.

### Literature Review

The various study about influence of brand image to customers intention or purchasing decision have been conducted. Research by Ochieng and Kim (2019) is interpreting about interaction of brand image and Korean Wave to affect the purchasing decision. In that research, the Korean Wave has been represented by the *Bangtan Sonyeondan* (BTS). As a brand ambassador for Tokopedia, they have proven to create a positive image for products sold on the e-commerce platform.

In this developing countries, rate or prices is a crucial variable. The study from Do, *et al.*(2022) found that price quality (price fairness) significantly affected customer (purchasing) decision. This research result is inline with the finding study by Rakib,*et al.*(2019). Hati,*et al.*(2021) also proven that price has negative significant effect on purchasing decision. Nevertheless, the research finding from Kartikasari,*et al.* (2023) precisely show that price doesn't have significant effect on purchasing decision, because customers more consent on design and trend.

Media is hold the main role in marketing industry at this era. The social media trend in Indonesia plays a crucial role in the cultural exchange process, directly impacting domestic consumer perceptions (Lee et al., 2020). Chia-Lhin Shu (2023) explained that there is improvement in there was an increase in total sales of children's shoes after improvising marketing through social media and mobile game applications.

Nasution (2021) conducted research on the influence of advertising attractiveness on product purchasing interest. Using a random sampling data technique from 130 respondents and processing it using the Partial Least Square (PLS) analysis tool, the research results show that advertising attractiveness has a significant positive effect on purchase intention.

Considering the literature review of the influence of Brand Image, Price, Marketing Media, and Advertising variables on purchasing decisions as well as the impact of the Korean Wave on the economy (which has been described in the introduction), the following hypothesis is formulated:

H1: Brand image has positif effect on purchasing decision.

H2: Price has negative effect on purchasing decision.

H3: Marketing media has positif effect on purchasing decision..

H4: Advertising has positif effect on purchasing decision.

H5. Korean wave has positif effect on purchasing decision

- H6: Korean Wave moderating (strengthen) the positif effect of brand image to purchasing decision.
- H7: Korean Wave moderating (weaken) the negatif effect of price to purchasing decision.
- H8: Korean Wave moderating (strengthen) the positif effect of marketing media to purchasing decision.
- H9: Korean Wave moderating (strengthen) the effect of advertising to purchasing decision

### Method

This study employed a quantitative approach, using primary data obtained through interviews and observations. The data was collected using random sampling with 350 respondents, determined through the Slovin formula. The responden is proporsionally taken by 70% customers of Korean Food & Fashion, then 30% by the Seller in Semarang. In this study, Brand Image, Price, Marketing Media, and Advertising were the independent variables, Purchasing Decisions were the dependent variable, and Korean Wave was the moderating variable.

Moderating Regression Analysis (MRA) method is used to explain the interaction between the independent and dependent variables as well as understand the role of the moderating variable in influencing their interaction. The equation for the MRA method is as follows:

$$Y = a + b_1BI + b_2H + b_3MP + b_4I + b_5KW + b_6KW.BI + b_7KW.H + b_8KW.MP + b_9KW.I + \varepsilon \dots \dots \dots (1)$$

Where Y is Purchasing Decisions, a is a constant, BI is Brand Image, H is Price, MP is Marketing Media, I is Advertising, KW is Korean Wave, and b<sub>1</sub>, b<sub>2</sub>, b<sub>3</sub>... b<sub>9</sub> are regression coefficients, ε is the error term.

To formulate the priority of marketing strategy, this study used the Analytical Hierarchy Process (AHP) method. AHP is selected as the basis for decision-making and the development of strategic policies through alternative policies formulated for the marketing strategy of MSME in Semarang City.

In the process of reaching conclusions, the results are obtained through several stages. The first stage involves testing the data quality through validity and reliability tests. This is followed by data analysis using regression and linear methods, and the results were interpreted to understand the moderation effects. The empirical data analysis results are summarized and used as a foundation for devising a marketing strategy in line with the study's purpose.

### Result

The data collection process showed that out of 350 respondents, the majority are females with a total of 69% or 242 individuals, while males account for 31% or 108.

The age of the respondents is mainly in the range of 17 to 22 years old, indicating empirical evidence that the Korean Wave significantly impacts females within the 17-22 age group.

**Table 1. Study Instrument Validity Test**

Number of Respondents: 355 People						
R-Table value: 0.1038						
No. Instrument	R-Count Value					
	Brand Image	Price	Marketing Media	Advertising	Korean Wave	Purchasing Decisions
1	0.531*	0.672*	0.554*	0.744*	0.751*	0.713*
2	0.624*	0.673*	0.589*	0.788*	0.708*	0.748*
3	0.671*	0.655*	0.676*	0.738*	0.779*	0.788*
4	0.683*	0.608*	0.659*	0.734*	0.825*	0.803*
5	0.609*	0.739*	0.604*	0.819*	0.826*	0.736*
6	0.610*	0.719*	0.632*	0.857*	0.854*	0.744*
7	0.682*	0.784*	0.677*	0.801*	0.752*	0.798*
8	0.726*	0.715*	0.723*	0.820*	0.756*	0.830*
9	0.732*	0.626*	0.758*	0.782*	0.742*	0.806*
10	0.686*	0.610*	0.736*	0.829*	0.799*	0.750*

Note: \* indicates that the R-count > the R-table, hence the data is said to be valid.

Source: Processed Data, 2023

Data analysis showed that the Korean Wave phenomenon in Semarang City is primarily triggered by trends and curiosity among the community, specifically the younger generation. Furthermore, the appeal of Korean products is driven by their good quality and variety, resulting in increasing popularity among the community. Based on this result, it can be concluded that the younger generation plays a vital role in shaping the impact of this phenomenon. The primary data used in this study were subjected to validity and reliability tests to ensure quality. Table 1 shows the validity test results of the study instrument.

The validity test results presented in Table 1 showed that the entire questions for each variable demonstrate an R-count > R-table. This confirms that all the data within the instrument are valid and suitable for the study model. Furthermore, a reliability test is conducted using Cronbach's alpha indication of 0.70. The Cronbach's alpha exceeding 0.60 indicates that the variables used are reliable because they produce consistent response values from the respondents. The reliability test results for the study variables are shown in Table 2.

**Table 2. Study Variable Reliability Test**

No	Variable	Cronbach's Alpha	Minimum Cronbach's Alpha
1	Brand Image	0.852*	0.70
2	Price	0.867*	
3	Marketing Media	0.847*	
4	Advertising	0.934*	
5	Korean Wave	0.928*	
6	Purchasing Decisions	0.925*	

Source: Processed Data, 2023

The reliability test results shown in Table 2 showed that the entire data within the variables have Cronbach's alpha above 0.7. Therefore, it can be concluded that all the data within the variables are reliable. Based on the validity and reliability test results, all the data in this study are deemed suitable and fulfill the requirements for analysis. Since the data for the variables are categorized as good according to the quality test, further analysis can be conducted.

**Table 3. Estimation Results of Moderating Regression Analysis**

Variable	Unstandardized Coefficients		t	Sig.
	B	Std. Error		
Constant	1.646	5.649	.291	.771
Brand_Image	.537	.247	2.173	.030*
Price	-.367	.245	-1.500	.135
Marketing_Media	.204	.237	.860	.391
Advertising	.002	.168	1.913	.059
Korean Wave	.431	.188	2.290	.023*
KW_BI	.016	.007	-2.148	.032*
KW_H	-.015	.008	1.899	.058*
KW_MP	.000	.008	-.061	.951
KW_I	.005	.005	.936	.350
<i>R Square: .666</i>		<i>Adjusted R Square: .657</i>		
F: 75.405		Sig. F: .000		

Note: \*significant at 5% (0.05) p-value

Source: Processed Data, 2023

Based on the estimation results of the moderating regression analysis model in Table 5 above, the following equation formula can be compiled:

$$KP = 1.646 + 0.537 \times BI - 0.367 \times H + 0.204 \times MP + 0.002 \times I + 0.431 \times KW + 0.016 \times KW \times BI - 0.015 \times KW \times H + 0.001 \times KW \times MP + 0.005 \times KW \times I + \varepsilon \dots\dots\dots(2)$$

The statistics of research result show that all hypotheses are accepted, although some of variable have insignificant power of effect.

### **Discussion**

The estimation above showed that brand image significantly influences purchasing decisions. This result is consistent with Musay (2013) that product, user, and company images significantly increase consumer purchasing decisions. Empirical evidence was also found by Wang and Tsai (2014) in the context of business financing companies in China, where the brand showed a positive direct and indirect influence on consumer purchasing decisions. This was explained through three dimensions, namely perceived risk, quality, and value. A study on the influence of brand image on consumer purchasing decisions was conducted by Badar (2021) at Semen Gresik company in East Java, Indonesia. The results show that brand image can enhance customer satisfaction, mediating a relationship between brand image and purchasing decisions. The implication is that brand image essentially generates a multiplier effect, particularly by instilling trust and satisfaction in consumers when using a product. Therefore, to increase sales intensity, business actors should enhance their brand image by emphasizing unique advantages, creativity, or other distinguishing features that set their products apart from competitors.

The Korean Wave significantly influences consumer purchasing decisions, indicating that the influx of Korean culture into Indonesia has, essentially, transformed consumer preferences when selecting products in the marketplace. This result is consistent with the report of (Ochieng & Kim, 2019) that Korean culture and K-pop music trends in Indonesia truly shift consumer preferences and behaviors. Empirical evidence was observed on the e-commerce platform Tokopedia, where appointing Bangtan Sonyeondan (BTS) as their main brand ambassador led to a significant increase of above 400% in sales and ad views. Furthermore, Tjoe and Kim (2016) found that the "Korean Wave," "Ethnocentrism," and "Country-of-Origin Image" significantly influence the purchasing intent of consumers towards Korean products in Indonesia. From a more empirical perspective, these results provided valuable insights and policy considerations for business practitioners and governments to develop and sustain the usage of the Korean Wave in business and marketing endeavors. By solely relying on the country's image, consumers may encounter challenges in making purchasing decisions. In other words, as stated by Son and Kijboonchoo (2018), a positive image of Korea, often represented by high levels of industrialization and a strong economy, is more likely to be enhanced by favorable product images and the appeal of Korean cultural trends.

This study also found that the Korean Wave can strengthen the relationship between brand image and consumer purchasing decisions. According to Noventhia (2016), the Korean Wave significantly impacts the national brand of South Korea, thereby becoming their instrument for internationalization in other countries. Ultimately, a brand image that incorporates elements of the Korean Wave is formed, leveraging the good reputation of Korea for culture worldwide. A study conducted by Rinjani et al., (2019) focusing on the context of Korean cosmetic products with a case study on students at Mataram State University, the Korean Wave significantly moderates the influence of brand image on purchasing decisions.

In this study, the Korean Wave are proven to strengthen the negative relationship between Product Prices and Purchasing Decisions, but not significantly. In marketing theory, price is crucial in determining the intensity of a product's sales. Shen and Kwak (2019) stated that the image of the Korean Wave significantly influences the cost set-up of Korean products as an approach to pricing. Moreover, the switching-cost effect is verified in this study, indicating that consumers are willing to pay a higher price for a product. This phenomenon arises from companies' product development or marketing strategy. Consequently, significant price changes may occur when switching brands, suppliers, or products from South Korean companies. Sembiring and Prabandari (2021) conducted a study on the consumers of Patbingsoo restaurant and the result showed that despite the relatively high food price at the restaurant, consumers continue to buy products due to the higher satisfaction obtained. This implies that through the Korean Wave, the price aspect becomes less prioritized in purchasing decisions, influencing consumers to buy products with Korean elements, even at a higher price than local products.

Advertising is significantly known to enhance consumer purchasing decisions. This result is consistent with the report of Hendayana and Afifah (2021) that Brand Ambassador advertising with the Korean Wave elements significantly increases shopping interest on Tokopedia. Furthermore, advertising and social media content crafted with the Korean Wave served as branding instruments and soft diplomacy for the country. This ultimately increased consumer interest and desire to use products or visit regions in South Korea to further explore their distinctive culture.

In this study, marketing media has no significant influence on consumer purchasing decisions. This is consistent with the results of Hussain and Li (2021) that marketing media essentially complement each other. Psychologically, each consumer perceives marketing media as options that fulfill their preferences and needs based on a demographic and psychological condition. Furthermore, marketing media will continue to evolve and synergize to create an omnichannel marketing approach that provides a better offline, online, or hybrid shopping experience for consumers.

The result of the study showed that the Korean Wave still moderate the influence of marketing media and advertising on purchasing decisions, but the level of beta if near of 0, and the power of moderating effect are insignificant. This is



consistent with the result of Mappatempo et al. (2022) that cultural and local wisdom aspects do not moderate the influence of advertising efforts on purchasing decisions at PT Megah Putera Sejahtera Suzuki Medan. Fernando (2015) also stated that cultural elements in advertising represent a soft diplomacy effort of a product to brand its culture but cannot drive purchasing intentions. In Indonesia, the Korean Wave only has a significant impact on Korean culture enthusiasts, such as K-Pop, K-Drama, and Korean foods. However, in reality, the trend and phenomenon of the Korean Wave in Indonesia showed that the main motivating factor behind the interest of the community is curiosity and the desire to follow trends alone. Therefore, in the long run, a significant impact is yet to be fully realized through the entry of Korean culture via advertising aspects of a product.

Based on the estimations above, the Korean Wave can strengthen the influence of brand image, price, and advertising on purchasing decisions. This implies that the phenomenon has essentially disrupted consumer behavior and affected purchasing decisions, mainly through the aspects of brand image, advertising, and price. Furthermore, business actors that implement the enhancement strategy of a brand image using the Korean Wave will achieve better sales performance. Offering a competitive price with good quality will also continue to attract consumers. Creative advertising that leverages cultural elements, distinctive features, or components such as K-Pop artists in the storyline can also be an alternative for marketing strategy development for MSME, specifically in Semarang City. In this study, the interaction of the Korean Wave in marketing media has not been able to significantly moderate its influence on purchasing decisions. This result implies that marketing media plays a crucial role in marketing strategy, yet it tends to maintain an absolute level and is difficult to be influenced by external factors, such as the Korean Wave. By the research result and discussion, the implication or solution then formulated by Analytical Hierarchy Process (AHP) method to know the priority level of marketing strategy (Table 6 and Figure 1).

**Table 4. Classical Assumptions of the MRA Model**

Variable	Normality	Multicollinearity		Heteroscedasticity
	One Sample K-S	Tolerance	VIF	Sig. Glestjer Test
Brand Image	0.078*	0.393	2.547	0.323*
Price	0.064*	0.394	2.535	0.276*
Marketing Media	0.350*	0.503	1.987	0.680*
Advertising	0.145*	0.323	3.095	0.445*
Korean Wave	0.987*	0.478	2.093	0.654*

Source: Processed Data, 2023

Therefore, the key point to be considered is that marketing media is one approach to developing a marketing strategy, and should be carefully examined by providing

diverse platforms to capture consumers as extensively as possible. In an attempt to validate the model's validity, the Moderating Regression Analysis (MRA) model must pass several classical assumption tests to ensure that this model can be accepted according to scientific study standards. Some of the classical assumption tests that need to be conducted include normality, multicollinearity, and heteroscedasticity tests. Table 6 shows the results of the classical assumption test of the MRA model.

**Table 5. Priority for Korean Wave-Based Marketing Strategy Development According to Element Synchronization**

Code	Element	Value
A	Brand Image	0.18594
B	Price	<b>0.31324</b>
C	Marketing Media	0.25807
D	Advertising	0.15555
E	Korean Wave	0.08721
Inconsistency		0.08593*

Source: Processed Data, 2023

The result in the table 4 above showed that the classical assumption test did not encounter normality issues as the value of the one-sample Komolgorov-Smirnov test is greater than 0.05. Similarly, all variables are free from multicollinearity problems as their tolerance value exceeds the p-value of 0.01, and their value is within the range of 1 to 10. The model is also free from heteroskedasticity issues, as indicated by the significance value of the Glejser test, which is greater than the p-value of 0.05. Therefore, it can be concluded that the model is free from all classical assumption problems and is considered valid and scientifically acceptable. This study used Analytical Hierarchy Process to formulate policies and alternatives for marketing strategy for MSME, specifically in Semarang City.

Based on the analysis using the Analytical Hierarchy Process method, the price is the priority element selected in this model. This indicates that in the efforts to develop a Korean Wave-based marketing strategy, business actors should carefully consider price as a priority aspect in formulating their marketing strategy to achieve high sales levels. Furthermore, the inconsistency level of  $0.08593 < 0.1$  indicates that this model is consistent and acceptable.

Table 6 showed that the selected priority alternative for the brand element is constantly innovating according to market developments with a value of 0.54995. This indicates that Korean food and fashion business actors need to constantly innovate and conduct studies to develop their products while considering trends, culture, shifting consumer preferences, and adapting to the Indonesian consumer

culture. The inconsistency value of  $0.01759 < 0.1$  indicates that this model is consistent and acceptable.

**Table 6. Priority for Korean Wave-Based Marketing Strategy Development According to Alternative Synchronization of Each Element**

Code	Alternative	Value
A1	<b>Constantly innovating according to market developments</b>	<b>0.54995</b>
A2	Performing franchise and reseller or dropship business schemes	0.20984
A3	Creating attractive logo designs, brand names, and product taglines	0.24021
<i>Inconsistency</i>		0.01759*
B1	<b>Using the lowest possible production costs</b>	<b>0.63371</b>
B2	Often conducting price study on competitors on similar products	0.17437
B3	Setting price discounts and bundling systems on certain dates or moments	0.19192
<i>Inconsistency</i>		0.00885*
C1	Selecting a store or outlet location close to public transportation access	0.25000
C2	<b>Selecting online marketing media often used by the community and optimizing AdSense</b>	<b>0.75000</b>
<i>Inconsistency</i>		0.00000*
D1	Applying a special price when the ad takes place	0.20000
D2	<b>Inserting a call to action sentence</b>	<b>0.80000</b>
<i>Inconsistency</i>		0.00000*
E1	Involving the role of influencers or the entertainment world in the marketing process	0.12196
E2	Displaying testimonials from previous customers	0.31962
E3	<b>Maintaining consistency of product quality in line with Korean Products</b>	<b>0.55842</b>
<i>Inconsistency</i>		0.01759*

Source: Processed Data, 2023

The selected priority alternative regarding the price element is using the lowest possible production costs with a value of 0.63371. This indicates that Korean fashion and food business actors need to offer a competitive price to maintain consumer purchasing traffic. There must also be a production efficiency strategy that should be considered by business actors to create a low price while ensuring high-quality and stable products. The inconsistency value of  $0.00885 < 0.1$  indicates that this model is consistent and acceptable.

For the Marketing Media element, the selected priority alternative is selecting online marketing media often used by the community and optimizing AdSense with

a value of 0.75000. The implication of this result is that Korean fashion and food business actors need to focus more on online channels by using social media and ads on various online marketing platforms. Similarly, the inconsistency value of  $0.00000 < 0.1$  indicates that this model is consistent and acceptable.

The selected priority alternative for the Advertising element is inserting a call to action sentence with a value of 0.80000. This indicates that Korean food and fashion business actors need to implement various advertising approaches, such as using a call to action sentence. The approaches will increase consumer awareness and curiosity about the advertised products, thereby enhancing the product's immersion. The inconsistency value of  $0.00000 < 0.1$  indicates that this model is consistent and acceptable.

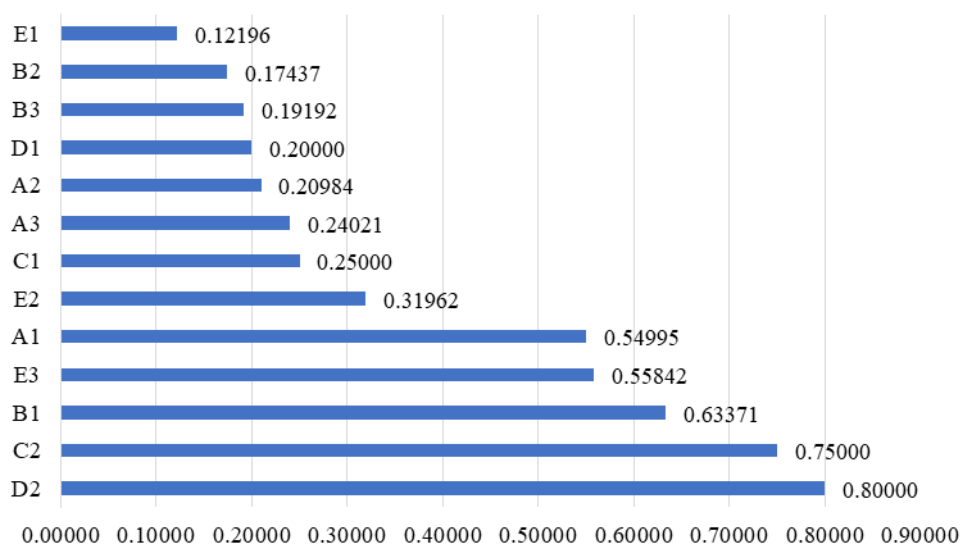


Figure 1. Overall Priority of Korean Wave-Based Marketing Strategy Development

Source: Processed data, 2023

The selected priority alternative for the Korean Wave element is maintaining consistency of product quality in line with their products, and the value is 0.55842. This indicates that Korean food and fashion business actors need to uphold product quality and ensure alignment with the quality of Korean products in order to sustain and compete in the market. By adopting this approach, Korean products can establish a unique selling point with the main advantage of attracting consumers to their products. The inconsistency value of  $0.08593 < 0.1$  indicates that this model is consistent and acceptable.

As shown in Figure 1, the overall priority alternatives for marketing based on the Korean Wave, which can lead to optimal sales results are inserting a call to action sentence (D2), selecting online marketing media often used by the community, and optimizing AdSense (C2), as well as using the lowest possible production costs (B1).

These three factors are the main priorities in developing a marketing strategy based on the Korean Wave. Furthermore, businesses in the food and Korean fashion industry should adapt, innovate, and align Korean products with local culture, in order to fully harness the potential of this phenomenon. This ensures that the influx of Korean culture in Indonesia does not have negative impacts, such as diluting the local culture among the younger generation through excessive Koreanization. It is important to preserve local culture and wisdom, along with genuine local products, in safeguarding the country's identity and fostering a positive global image. This will facilitate economic growth through creative and sustainable micro, small, and medium enterprises (MSMEs).

### **Conclusion**

In conclusion, the Korean Wave fundamentally represented both challenges and opportunities in terms of culture and economy. This study provided empirical results regarding the influence of the Korean Wave as a marketing strategy for MSME in Semarang City. Based on the estimation of the Moderating Regression Analysis (MRA) model, it was evident that brand image and the Korean Wave have a significant relationship with purchasing decisions. The Korean Wave was also proven to moderate the relationship between brand image and price in relation to purchasing decisions. Furthermore, as a marketing strategy based on the Korean Wave, businesses in the food and fashion industries are advised to focus more on the price aspect. Overall, based on the Analytical Hierarchy Process analysis, the recommended policies in Semarang City to develop their businesses by leveraging the Korean Wave phenomenon included inserting a call to action sentence, selecting online marketing media often used by the community, and optimizing AdSense, as well as using the lowest possible production costs.

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