ANALYSIS OF THE POSITIVE IMPACT OF VISUAL BRANDING IN IMPROVING THE PRODUCT IMAGE OF A MODERN COFFEE BUSINESS IN KENDARI CITY

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ABSTRACT

The contemporary coffee industry in Indonesia is growing rapidly among millennials and Gen Z, but MSMEs face the challenge of weak product image due to suboptimal visual branding in the era of social commerce. This study aims to analyze the positive impact of visual branding on improving the product image of contemporary coffee businesses. A qualitative method with a case study design was used, involving semi-structured interviews, observations, and thematic analysis of 10 MSMEs in Kendari City. Results show that visual elements such as earthy colors, local typography, and authentic imagery increase premium perceptions and loyalty, supported by visual ethics that prevent greenwashing. Theoretical implications enhance brand equity for emerging markets, encouraging MSMEs to implement authentic design via Instagram for coffee MSMEs.

Keywords: Contemporary coffee MSMEs, social commerce, visual ethics.

INTRODUCTION

The contemporary coffee industry in Indonesia is experiencing exponential growth in line with the post-pandemic transformation of consumer behavior, with millennials and Gen Z dominating the market segment with a preference for aesthetic and digital-based consumption experiences. The coffee beverage sector's share of MSME GDP reached 15% in 2024, with more than 50,000 contemporary coffee businesses emerging in major cities such as Jakarta, Bandung, and Yogyakarta (Husriadi et al. 2024; Ismoyowati, Wuryandani, and Wijayanti 2023). This phenomenon is driven by social commerce platforms like Instagram and TikTok, where visual branding, including logos, packaging, interior design, and visual content, has become a key instrument of competitive differentiation. Within the framework of brand equity, visual branding forms initial brand associations that have a perceptual mapping effect on consumers, positioning contemporary coffee products not merely as commodities but as symbols of an urban lifestyle (Husriadi, Ode Andi Rahmat Mulya, and Ayu Ningsi 2024; Sary, Boer, and Agustian 2025). However, amid market saturation, many contemporary coffee MSMEs fail to capitalize on this potential, resulting in a blurred product image and low brand recall (Mikraj et al. 2025; Muh. Husriadi 2025). Therefore, visual branding can be optimized to strengthen product image, particularly in the context of diffusion of innovations, where consumer adoption depends on compelling visual perception (Lu 2022). Furthermore, contemporary coffee businesses in Indonesia face the specific problem of a weak product image due to incohesive visual branding that is less adaptable to digital dynamics. Many MSMEs experience brand dilution, where visual elements such as monotonous packaging colors or generic social media imagery fail to build emotional attachment among consumers, resulting in lower purchase intention compared to competitors with premium designs (Steffl and Emes 2023). This problem is exacerbated by MSMEs' limited resources, which often ignore the principles of visual semiotics in building brand personality, making it difficult to create a unique value proposition in a hypersaturated market (Kumar and Thankachan 2025). The image of contemporary coffee MSME products tends to be trapped in the perception of low-value commodities, where brand differentiation is not strongly established in the minds of consumers. This condition directly impacts weak emotional bonds and low customer loyalty, as reflected in customer retention rates that remain below 40% (Bahar 2023). Therefore, research

(Bahar 2023) shows that conventional branding dominates products in the market, so a significant gap exists in the lack of empirical studies on visual branding specifically for contemporary coffee MSMEs in emerging markets such as Indonesia, where local cultural factors and social media aesthetics have not been integrated. Therefore, based on several empirical studies, it appears that the branding of coffee MSMEs still relies on a conventional approach that focuses on functional product elements. Meanwhile, empirical studies that specifically examine the role of visual branding in building the product image of contemporary coffee MSMEs are still very limited. These studies generally fail to integrate local cultural dimensions, social media aesthetics, and the digital consumer behavior of millennials and Gen Z, the dominant market for the contemporary coffee industry. Therefore, this condition indicates a research gap regarding how visual branding elements such as logos, colors, packaging, and digital visual content impact the formation of product image and brand value perceptions of contemporary coffee MSMEs in a hypersaturated market. Therefore, this study aims to analyze the positive impact of visual branding on improving the product image of contemporary coffee businesses, with the specific objective of identifying key elements of visual branding for MSMEs. This research is expected to contribute to MSMEs who focus on improving visual branding and product image. Meanwhile, the practical implication is to be able to empower MSMEs through scalable visual branding strategies that align with the national creative economy agenda.

LITERATURE REVIEW

The Concept of Visual Branding

Visual branding refers to graphic elements such as color, typography, symbolism, and packaging design that form a holistic brand identity. Visuals are something that can be seen and involve several stages: sensing, selecting, and understanding (Wang and Haizan 2025). Furthermore, branding is a name, term, sign, symbol, design, or a combination of these, intended to identify goods or services or a group of sellers and to differentiate them from those of competitors (Noor and Prahasta 2024). Furthermore, according to (Aisy, Iqbal, and Rahimah 2025), the definition of branding has evolved beyond simply the brand name or trade name of a product,

service, or company and other visible elements such as trade names, logos, or other visual characteristics; branding also encompasses image, credibility, character, impressions, perceptions, and assumptions in the minds of consumers.

The Concept of Product Image (Brand Image)

Product image is defined as a consumer's mental association with a brand, encompassing perceptions of quality, personality, and emotional value that differentiates a product from competitors. According to (Aisy, Iqbal, and Rahimah 2025), brand image is the perception of a brand as reflected by brand associations in consumers' memories. It can be concluded that brand image is a consumer's understanding of a brand as a whole, along with their beliefs and views on a brand. Meanwhile, (Maheshwari et al. 2025) defines brand image as a perception that arises in consumers' minds when recalling a brand from a particular product line. Furthermore, (Hemanth 2023) states that this experience will then be reflected or depicted in the brand, forming a positive or negative brand image depending on various previous experiences and images of the brand. According to (Chang 2025), brand image is explained as consumer perceptions and beliefs reflected in associations that occur in consumers' memories. These associations will equate and differentiate similar products with different brands. Brand image is the distinctive image produced and used as a comparison in these associations. Meanwhile, according to (Hussain and Salam 2026), brand image is a representation of the overall perception of a brand and is formed from information and past experiences with that brand.

RESEARCH METHOD

This study uses a qualitative approach to explore the phenomenon of visual branding impact in depth, in accordance with the exploratory nature of the contextual topic in contemporary coffee MSMEs. This approach was chosen because it allows for a subjective understanding of business owners' and consumers' perceptions of product image. The case study design uses a descriptive-interpretive type, to explore the specific context of contemporary coffee businesses in two sub-districts, namely Mandonga and Wu-Wua, Kendari City. The population includes 50 contemporary

coffee MSMEs in Mandonga and Wua-Wua sub-districts and a sample of 10 items (5 owners, 5 consumers) based on visual branding criteria that are active on social media. The research procedure includes participant observation, semi-structured in-depth interviews, and visual document analysis. The data analysis model uses the Miles and Huberman model.

RESULT AND DISCUSSION

Visual Elements

The results of this study indicate that the use of local-style serif typography combined with coffee bean symbols and an earthy brown-green color palette creates a premium and authentic perception for contemporary coffee brands. This is reinforced by a statement from Ms. Siti, who said that "the earthy brown-green coffee bean logo makes it look premium in the eyes of young people." The implementation of these visual elements resulted in increased brand recall after the visual branding application, while strengthening the brand's image as "authentic regional coffee" with a distinct identity in the social commerce market. These findings align with Peirce's semiotic theoretical framework, where visual elements function as representamen that encode emotional meaning and shape consumer perceptions. Consistent visual branding also plays a mediator in the formation of brand associations, thus supporting competitive differentiation. Therefore, these results align with research (Himawati, Riswanti, and Sitanggang 2025) which shows that color and typographic consistency in visual branding can increase brand awareness and consumer trust through social media. In addition, research (Sunarso and Mustafa 2023) confirms that visual elements in MSMEs contribute to accelerating digital engagement, which has an impact on increasing competitiveness by strengthening authentic brand identity.

Local Image

The results of this study indicate that local image plays a key role in driving consumer loyalty to contemporary coffee businesses. This finding is reinforced by a

statement from Ms. Siti, who said that "authentic local coffee makes my heart feel good when I see it, like returning to my hometown." This statement reflects how emotional narratives based on regional identity can build consumers' psychological attachment to the brand. Authentic local imagery, represented through visual elements, such as local coffee bean symbols and earthy designs, has been shown to increase the likelihood of repeat visits and strengthen the brand differentiation of contemporary coffee MSMEs compared to national brands that tend to be visually homogeneous. This finding is supported by a theoretical framework that positions local imagery as a builder of brand associations based on cultural values. From Rogers' diffusion of innovations perspective, emotional resonance built through local visual identity serves as an important mediator in encouraging the continued adoption of MSME products. These results align with research (Ofosu-boateng and Jose 2025) which shows that authentic local narratives can increase brand awareness and consumer loyalty through social media. Furthermore, (Kiran 2025) emphasizes that locality-based visual identity can strengthen brand image while creating deeper emotional attachments for consumers.

Visual Ethics

The results of this study indicate that visual ethics plays a key role in building consumer trust in contemporary coffee MSMEs. This finding is reinforced by Mrs. Rina's statement, which states, "The original image of Kendari coffee beans is not fake on TikTok." This statement reflects that the use of authentic visual representations, such as original photos of raw materials without excessive manipulation, can increase consumer trust and prevent visual greenwashing practices that have the potential to damage brand image. Honesty in visual claims has been shown to strengthen emotional loyalty, especially among Gen Z consumers who have a high sensitivity to digital ethics and content transparency on social media. This finding is supported by a theoretical approach that positions visual ethics as a positive interpretant within a semiotic framework, where the meaning captured by consumers aligns with the reality of the product. Consistent visual ethics function to strengthen brand trust and prevent brand dilution as stated by Aaker, especially in the social commerce ecosystem that relies heavily on trust. These results are in line with research by (Nazara, Nugrahaningsih, and Abdillah 2025) which states that authentic visuals through ethical

narratives on social media can increase consumer trust and loyalty. In addition, (Barokatuminalloh 2025) emphasized that the application of local design ethics without misleading imagery contributes to improving brand image and supports the sustainability of contemporary coffee MSMEs.

CONCLUSION AND SUGGESTION

This study concludes that visual branding enhances the product image of contemporary coffee MSMEs in two sub-districts in Kendari City through authentic elements such as earthy colors, local typography, and regional imagery, thereby increasing consumer loyalty. The findings confirm that visual ethics prevent greenwashing and thus strengthen competitive differentiation in social commerce. Meanwhile, the implications of this study enrich the brand equity literature with a hybrid visual-digital model for emerging markets for contemporary coffee MSMEs. Furthermore, MSMEs can apply authentic design to increase sales via Instagram.

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