

INTERIOR BRANDING: ISSUES AND OPPORTUNITIES FOR INTERIOR DESIGN BUSINESSES

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How to Cite: Yunita, et al (2024). Interior Branding: Issues and Opportunities for Interior Design Businesses. 8 (3) special edition, halaman 63-79. [https://doi.org/10.37715/aksen.v8i3 \(special edition\).4622](https://doi.org/10.37715/aksen.v8i3 (special edition).4622)

ABSTRACT

The interior design industry is growing, but this is also accompanied by increased competition. To successfully stand out, companies need to differentiate themselves by emphasizing the power of interior branding. The purpose of this research is to find out the advantages of applying interior branding to the interior as a strategy in increasing the value of a company. Conducted qualitatively, the research involved observing various consultancies in Indonesia and reviewing relevant literature. Expert validation was used as triangulation. Findings highlighted industry challenges, such as adapting to client needs and market forces is the threat of recession and global crisis that can affect the Indonesian economy, including the post-pandemic shift to the commercial segment. In addition, emerging trends such as technological advancements, socio-cultural influences, and regulatory complexities pose both threats and opportunities. Utilizing interior branding presents a strategic advantage by differentiating the company through brand characteristics and meeting the demands of an emerging market. One significant trend involves the utilization of technology to increase client satisfaction when designing interiors, potentially popular interior designs in helping companies improve interior branding, and understanding regulations that protect interior design work. Ultimately, this research confirms the efficacy of interior branding as a competitive advantage in the interior design consulting business.

Keywords: Competitive Advantage, Design Business, Interior Branding, Sense of Place.

ABSTRAK

Industri pada desain interior semakin berkembang yang diiringi dengan meningkatnya persaingan. Agar dapat menonjol, perusahaan perlu membedakan diri mereka dengan menekankan branding pada interior. Tujuan dari penelitian ini adalah untuk mengetahui keuntungan dari penerapan interior branding pada interior sebagai strategi dalam meningkatkan nilai sebuah perusahaan. Dilakukan secara kualitatif, penelitian dilakukan dengan melakukan observasi terhadap berbagai konsultan di Indonesia dan mengkaji literatur yang relevan. Validasi ahli digunakan sebagai triangulasi. Penelitian menyoroti tantangan industri, seperti beradaptasi dengan kebutuhan klien dan ancaman krisis global yang dapat mempengaruhi perekonomian Indonesia, termasuk pergeseran pasca pandemi ke segmen komersial. Selain itu, tren yang muncul seperti kemajuan teknologi, pengaruh sosial-budaya, dan kompleksitas peraturan menimbulkan ancaman dan peluang. Memanfaatkan branding interior memberikan keuntungan strategis dengan membedakan perusahaan melalui karakteristik merek dan memenuhi permintaan pasar yang sedang berkembang. Pemanfaatan teknologi untuk meningkatkan kepuasan klien saat mendesain interior berpotensi menjadi populer dalam membantu perusahaan meningkatkan branding interior. Pemahaman regulasi dapat melindungi pekerjaan desain interior juga termasuk dampak dari tren. Pada akhirnya, penelitian ini menegaskan keampuhan branding interior sebagai keunggulan kompetitif dalam bisnis konsultasi desain interior.

Kata Kunci: Bisnis Desain, Branding Interior, Keunggulan Kompetitif, Sense of Place

INTRODUCTION

The design industry is experiencing a paradigm shift, with interior branding emerging as a powerful tool for business differentiation and growth. According to Imani, N. & Shishebori, V. (2014), for brands to effectively communicate their identity and connect with customers, their physical spaces need to be designed with features that embody the brand's essence. Moving beyond purely aesthetic considerations, interior branding strategically integrates a brand's core identity, values and target audience into the physical space. This creates a cohesive and immersive experience that connects with customers, strengthens brand recognition, and ultimately grows loyalty (Beverland, 2020). Several factors drive the rise of interior branding which is an increasingly competitive market that is forcing businesses to stand out from others, consumers that are driven by the experience are actively seeking unique and memorable interactions with brands (Pinson, 2021).

In addition, the rise of social media adds another dimension that visually stimulating and brand-centric spaces become highly shareable, generating free marketing and strengthening brand awareness (Foys, 2019). To create this type of brand-centered space, a skilled interior design business is essential. By recognizing the importance of designing commercial areas with interior branding and unique characteristics that attract visitors and boost productivity, and

by understanding the important role that interior designers play in supporting business growth in Indonesia, interior consultants can contribute to the country's economic growth and infrastructure development.

However, the increasing focus on interior branding in the design business presents several factors that affect interior businesses that emphasize interior branding. According to Osterwalder, A., & Pigneur, Y. (2010), the factors that can affect the interior business are industry forces that develop effective strategies to navigate the competitive environment, take advantage of opportunities, and build a successful business.

As for market forces, these can adjust strategies and service offerings to develop in a dynamic and competitive environment. With key trends, interior design businesses can stay informed and adapt to evolving trends that create innovative spaces, attract new clients, and build a thriving business. These factors become the purpose of this study, which is to find out how industry forces, market forces, and key trends can affect interior businesses that emphasize interior branding. In addition, this research aims to find out how interior branding can be a competitive advantage that is a type of interior business differentiation.

METHODS

Observation

Observations were conducted online through social media and websites of interior consultants

in Indonesia who focus on commercial projects and emphasize interior branding. A thorough observation of the portfolio, social media platforms, and website content found valuable information regarding the consultant, business strategy, and design characteristics where the results were used in the industry forces discussion.

Interviews about business strategy were conducted online via personal chat and email with interior design consultants to clarify unclear aspects that emerged during observations at PT. X and PT. Z. Here are 3 interior consultants that were observed:

1. PT. X

PT. X in Indonesia and Singapore is a leading interior architecture firm that focuses on the commercial segment where the majority of its clients come from well-known food and beverage brands located in shopping centers in Indonesia. The number of people interested in PT. X's interior architecture services made the company divide the designer team into 5 associate designer teams consisting of 6-8 people. The design characteristic that is very prominent is combining classic modern with oriental style into the client's brand.

2. PT. Y

PT. Y is an interior design & build consultant that focuses on commercial and booth design where its clients come from Indonesia namely Jakarta, Makassar, Bali, Surabaya, and other cities. PT. Y has obtained awards such as Best Booth Design which is an advantage in

reaching various clients. In booth production, PT. Y emphasizes designs that match brand identity with the best production price offer. The characteristics of PT. Y's designs are applying brand identity and producing eye-catching designs that influence visitor behavior to visit.

3. PT. Z

PT Z is an interior consultant in Indonesia and Manila that focuses on the commercial segment, especially retail. Many well-known companies from various fields in the commercial sector who want to emphasize brand identity using the company's design services through design characteristics with a sense of organic elements, have a feminine impression, and adjust the needs and desires of clients.

Literature Reviews

Literature review on journals that support the understanding of current conditions. This journal explores how corporate brand identity can be strengthened through effective interior design. According to (Sepvirgo, E. et al., 2017). well-designed interiors that reflect a company's brand identity can be a powerful tool, not just for strengthening brand image but also for boosting the company's overall performance. This research examines how design companies integrate interior elements with other aspects of branding to create a unified and impactful brand experience, and this makes interior branding a competitive advantage for interior businesses

Figure 1. Literature Reviews

INTERIOR BRANDING			
Paper	Summary	Main Findings	Study Objectives
Penerapan Interior Branding pada Hotel Yello	This research explores how Yello Hotel's strategic use of interior branding, which incorporates storytelling and messaging to create a distinct atmosphere, has resulted in high visitor satisfaction.	The successfull of Yello Hotel with interior branding demonstrates how this approach can boost visitor satisfaction. This reinforces the importance of using interior design to create unique and memorable hotel experiences.	This research focuses on Yello Hotel's use of interior branding. It specifically examines whether the hotel's design aligns with the three key aspects of interior branding as defined by Kim Kuhtebli.
Branding with the Help of Interior Design	This paper focuses on the link between branding and interior design. It highlights how interior architecture plays a crucial role in shaping and reflecting a brand's identity.	This study investigates the factors behind successful brands. Studies the relationship between brands and their interior design, highlighting how interior design plays an important role in visually representing brand identity.	This study investigates the link between brand development and interior design. It explores how interior design contributes to successful brands, showcasing real-world examples and design solutions. Ultimately, the research emphasizes how interior architecture plays a crucial role in shaping a company's brand identity.
INTERIOR BUSINESS WITH INTERIOR BRANDING			
Paper	Summary	Main Findings	Study Objectives
Desain Brand Experience in Interior Space	This research explores how interior business create unique experiences and embodies a company's brand identity. It emphasizes the importance of integrating interior design with other design elements to create a cohesive and effective brand strategy.	This research examines how interior business contribute to experiencing a company's brand identity. It emphasizes the value of integrating interior design elements to gain a deeper understanding of the overall brand experience.	This research investigates the impact of interior business on experiencing a company's brand identity. It further explores how design firms craft a cohesive brand experience by integrating interior design with other design elements.
Perancangan Arsitektur Interior Kantor PT. Bali Alpes dengan Pendekatan Branding Interior Design	This research highlights the power of interior design in shaping a company's brand image and boosting its success. It emphasizes the importance of both strong branding and creating comfortable workspaces for employees in office environments.	Interior business aims to elevate the quality of Indonesian interior design, creating internationally competitive spaces that seamlessly integrate branding with architecture to enhance a company's performance.	This research focuses on boosting both company branding and Indonesian interior design quality. The goal is to create spaces that compete internationally by effectively combining a company's brand with its interior architecture.

Source : Personal analysis, 2024

In addition, data collection is carried out by manually done analyzing primary sources, namely books, academic journals, and publications, as well as secondary sources, namely articles and online news spread across the internet including: theories about business model generation such as industry forces, market forces, and key trends and analyzing data related to business model generation regarding the potential for interior branding to become a competitive advantage in the interior business. The aim is to understand the current conditions that may affect the use of interior branding for interior consultants. The results of this research are used to make strategic recommendations for interior consultants in

developing effective interior branding strategies that are adaptive to economic and market changes.

RESULTS AND DISCUSSION

Industry Forces

Supplier and Other Value Chain Actors

Companies in the interior field cannot be separated from the supply chain so that the company can compete with many companies out there. The need for networking with parties who can become competitors and also become important parties in the development of the company. Interior consultants can work with parties that provide services and goods that can

increase the value of interior branding such as interior contractors, architects, web developers, branding consultants, photographers, lighting designers, 3D Rendering Artist, and finishing suppliers.

Stakeholder

Interior design consultants really need Human Resources to run the company, so there is a need for supporting parties who can contribute directly or indirectly in increasing the company's value in the field of interior branding. To keep running, interior consultants need internal stakeholders, namely principal, interior designers, drafters, content creators, project managers, finance, and marketing. As well as external stakeholders, namely clients, contractors, suppliers, and the community.

Competitor and New Entrants

Competitors can be an inspiration for companies if they successfully analyze competitors to obtain more creative ideas, can collaborate with competitors to optimize company performance, and as a motivator in doing business due to healthy competition so that companies can produce varied and innovative services. In Indonesia, interior consultants who focus on commercial projects are experiencing an exciting trend. Many clients are showing high interest in strengthening their brand identity through interior design. This is both an opportunity and a challenge for interior consultants to add value and expand their outreach. Interior consultants who have been

in the industry for a long time have managed to attract the attention of well-known brands, both nationally and internationally. They demonstrate their expertise in translating brand identity into aesthetic and functional interior design.

PT. X is an interior consulting firm serving clients in Indonesia and internationally. Based in Jakarta, Metaphor focuses on commercial interior design such as retail, restaurants, bars, hotels, and offices. Their designs are characterized by a modern luxury style with an emphasis on branding and dramatic lighting. PT X with its project that presents a luxury modern cafe with animal statues that represent the brand, and restaurant with its alluring French countryside feel. Through observation, PT X provides an opportunity to inspire the interior business, especially in improving the company's reputation and business model, which is by providing innovative design services using interior branding and creating its own company characteristics so that it becomes a differentiator from other companies.

Furthermore, PT Y specializes in various segments such as residential, hospitality, office, retail, commercial, especially booths. The characteristic of PT Y's design is to apply brand identity and produce an attractive design so as to influence the behavior of visitors to visit. In the production of booths that prioritize designs that adjust brand identity, save décor offers the best prices for booth production, exhibitions, and bazaars. Thus, PT Y makes the interior business

learn how important the application of attractive and thematic designs in reaching the client's brand so that the design results have a positive impact on the brand and improve customer experience.

PT. Z is an interior consulting and contracting firm serving clients across Indonesia, Singapore, and Manila. They specialize in commercial projects, including retail, bars, restaurants, clinics, offices, and other commercial spaces, as well as some residential projects. Numerous renowned companies from various commercial sectors have utilized PT. Z design services to emphasize their brand identity. This serves as a strength in attracting new clients through existing client relationships, word-of-mouth recommendations, and their impressive portfolio. For instance, they applied a Balinese "sense of place" to a shopping center in Bali while incorporating PT. Z's signature style through the use of pastel colors and modern pop elements inspired by kitsch design.

This retail project highlights the importance of enhancing value proposition by offering unique designs that blend various styles to create a distinct identity. From the retail project, interior businesses can learn to increase their value proposition by providing designs that are not limited to established designs but combine several types of designs that form new design characteristics. This provides a different experience especially for client brands that want brand customers to get a different experience in the interior.

A well-integrated brand can be a strong design element, strengthening the overall impact of the interior space (Kuhteubl, 2016). When interior design reflects a brand's core values and taps into customer aspirations, it strengthens the brand-customer relationship. This emotional connection leads to positive feelings and fosters long-term loyalty (Ahn, 2019). For interior consultants looking to develop their business, this phenomenon is an important consideration. They need to add value and strengthen their differentiation in the market. This can be done by developing specialized skills in interior design branding, building a strong portfolio with successful projects, collaborating with well-known brands, and actively keeping up to date with the latest trends and technologies in interior design. By adding value and expanding their reach, interior consultants can capitalize on the opportunities presented by this branding interior design.

Market Forces

Creative Economy Issue

Every business sector, whether small or large, plays an important role in driving Indonesia's economy. The success and development of each sector collectively determine the progress of the national economy (Febriani et al., 2017). Business models and technologies that are created due to the pandemic provide a huge opportunity for the development of the creative economy sector (Harjawati, 2018). Creativity by the creative economy gives innovation in

creating value, especially in strengthening cultural identity.

According to the Ministry of Tourism and Creative Economy, Sandiaga Uno, the creative economy sector is a solution in creating businesses and employment to ensure the stability of basic material prices through the use of digital systems (Wakik, A., 2023). The creative economy industry sector has an important role, which is 26% of GDP in 2045, which is expected to increase competitiveness in innovating and applying digital technology to increase economic efficiency. With the creative economy programme, people can increase awareness of the creative economy in improving the Indonesian economy, especially in the use of products and purchasing services and increased public awareness bring changes to the creative economy in improving branding.

Thus, the issue of creative economy has a relationship with the important role of interior consultants who emphasize interior branding on interiors in improving the creative economy industry in Indonesia. The need for interiors that emphasize interior branding in retail, F&B, electronics, automotive, and shopping centers (Kusumowidagdo et al., 2015) is increasing as the main actors that improve Indonesia's economy through the creative economy sector.

Recession issue

Micro, small and medium enterprises in Indonesia are the main actors in solving economic

problems. The UGM Vice Chancellor explained that although the impact of the pandemic has an influence on MSMEs which are travel restrictions, the new normal has become a significant driving factor for MSMEs in making a major contribution to improving the real economy in Indonesia (Prakorso, J., 2022).

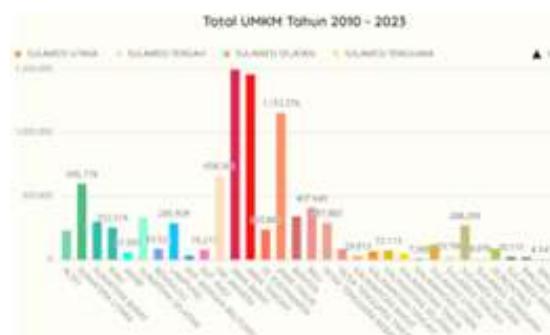


Figure 2. Total Indonesian MSMEs 2010-2023
Source: Dikn.kemenkeu.go.id, 2023

According to the Ministry of Cooperatives and SMEs, 61% of GDP in Indonesia is contributed by MSMEs, which is equivalent to Rp. 8,573.89 trillion, which is the solution to economic conditions in Indonesia including recession (Kementerian Koordinator Bidang Perekonomian Republik Indonesia, 2021). According to BRI President Director Sunarso, the challenges in 2023 are expected to be faced by MSMEs so that the chances of an Indonesian recession do not increase by 3% (Purwanti, 2023). The issue of recession has an impact on MSME businesses which will increase over time as the frontline in facing the challenges of a recession in Indonesia. Although the era of digital technology provides an abundance of solutions in marketing a business, MSME businesses in Indonesia have difficulties

in marketing and developing their businesses. There are 70% of MSMEs in Indonesia that have difficulties in marketing (Daily Social, 2023). Therefore, the importance of brand image needs to be built by Indonesian MSME business actors in marketing products in order to compete with other competitors.

Attracting and maintaining customers becomes difficult if MSMEs are not well-known because MSME products are less competitive with known products in Indonesia. In facing the problem of recession in Indonesia, interior consultants can provide interior services that emphasize interior branding in the interior and also assist MSME businesses in increasing branding by providing branding consultants. The use of interior branding services in the interior will create interior designs that adjust to existing and developing branding so that people can buy or use MSME products as well as activities to love domestic products.

Post Covid-19 Pandemic Issues

The end of the Covid-19 pandemic provides good news for people who want to travel, shopping activities that were previously carried out online are now turning offline. According to JLL Indonesia's Head of Research, the increase in retail stores in Jakarta has increased by 88% in the second quarter of 2023 (Ruhulessin, 2023). The change in human activity from Work From Home is now Work From Office to Work From Anywhere which gives a tremendous increase in doing outdoor activities. This change in

activity has also increased international events being organized in Indonesia. With the positive response in the international world, Indonesia was given the opportunity to host various international level events. Events taking place during 2022 are the G20 Summit in Bali, Inter Parliamentary, and World Conference of Constitutional Justice.

The development of commercial demand in Indonesia has increased in the fourth quarter of 2022 by 12.22% (Bank Indonesia, 2023), but decreased in the first quarter of 2023 by 9.25%. This decline in demand was caused by demand in the hospitality category, especially in the Denpasar area after the G20 event ended. In the Greater Jakarta area, commercial demand is still increasing, especially in the hotel segment due to the large number of events, namely meetings, exhibitions, conventions, and incentives held in the Greater Jakarta area.

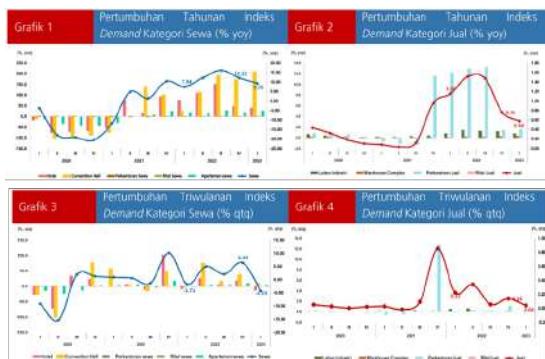


Figure 3. Commercial Property Demand Growth
Source: Bank Indonesia, 2023

The increase in Commercial Property suppliers increased in the first quarter of 2023 by 1.05%. This was due to the increasing demand for

rental categories in the office, retail, and hotel segments. As a result, commercial property prices increased by 5.15% in the first quarter of 2023 (Bank Indonesia, 2023).

Segment	2018	2019	2020	2021	2022	2023	
						Q1	Q2
Residential	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Commercial	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Office	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Retail	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Hotel	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Figure 4. Property Price Development
Source: Bank Indonesia, 2023

Based on the discussion of post-Covid-19 pandemic issues above, the increasing commercial segment, especially in retail and F&B in Indonesia, is an opportunity for interior consultants to expand their client reach, especially providing interior services that focus on the commercial segment. The existence of interior consultants contributes to interior design that emphasizes interior branding as an effort in marketing a business entity that pays attention to brand awareness, brand image, and brand identity.

Infrastructure Issues in Indonesia

In an effort to create the vision of Indonesia 2045, the Ministry of Public Works & Housing will continue the development of infrastructure in Indonesia with a thematic approach that becomes a major milestone in economic growth in Indonesia. Based on the Jakarta Architecture Fest international conference, the ministry and architects in Indonesia will jointly support Indonesia's infrastructure development with a

thematic approach, where each area especially in Jakarta will have its own characteristics with a focus on several industries such as fitness centers, business centers, tourism centers, shopping centers.

Commercial and residential segments will increase where major re-infrastructure in Indonesia causes each area to have its own characteristics. The existence of interior consultants in helping the development of infrastructure in Indonesia, especially in the commercial segment in shopping centers, businesses, and tourism with interior branding services on the interior so that each business in a particular area has its own characteristics. Not only is the development area thematic, the interior of a business in the area will become thematic according to the branding created.

Key Trends

Technology Trends

Simple design processes have been used by designers for a long time. so, computers have an important role in every design process. Some uses of technology that are trending in 2023 and help interior consultants in emphasizing interior branding.

1. Artificial Intelligence (AI)

There are 10 technology trends in 2023, namely digital immune system, applied observability, AI TRISM, Industry Cloud Platform, Platform Engineering, Wireless-Value-Realization, Superapps, Adaptive AI,



Figure 5. Technology Trends 2023
Source: Gartner, 2023

Metaverse, and Sustainable Technology (Gartner.com, 2023). Based on the data given, Adaptive AI technology can be an option for interior consultants in running a company.

It is estimated that by 2026, companies that apply AI engineering in managing adaptive AI will outperform operational AI models by at least 25% (Gartner.com, 2023). Interior designers now have AI technology that provides the potential to create innovation in space and personhood. AI is used by interior designers to create design and layout plans that produce a variety of design options based on specific sentences expressed by the designer. AI can combine room styles with unique colors where data from AI in the form of color trends, designs, and preferences on the internet create stunning and aesthetic results that save time in producing a design. Moreover, it is easy to suggest materials and finishes, color

preferences, and functional requirements to suit the client's taste.

AI can maximize the stages of the design process, especially the designs that are created more creatively and improve the visualization of a space. In the generating process that requires a fast time, AI can produce several image options so that interior consultants can choose which images are very suitable for the wishes and needs of clients, especially in the application of interior branding. AI makes it easy for clients who have difficulty in visualizing the mood board that has been made with the floor plan that has been designed. So that in finding interior inspiration that emphasizes interior branding.

2. Virtual Reality (VR) and Augmented Reality (AR)

Interior designers can communicate ideas and design designs through VR and AR which is an advantage over competitors. The majority of clients have difficulty in visualizing 2D images from designers, especially clients who do not have user references, so designers need visualization tools that can present their design designs, namely with the help of VR and AR (Gartner, 2023). When viewed in terms of clients who are various from those who are not familiar with interior design to those who are familiar with interior design, especially in reading technical drawings and visualizing a space, in particular

in the application of interior branding. This difference has the potential for interior consultants to add solutions that provide the latest experience in helping visualize interior designs to clients, namely the use of VR and AR. With the presence of VR and AR, interior consultant clients get the latest experience in visualizing interior design branding designs, and get the comfort of virtual visualization which can increase client satisfaction.

3. 3D Printing

3D Printing is present in interior design creating a wide range of items such as furniture, decorations, lighting fixtures, etc., providing many options to give a customized touch to a commercial space. The advantage of 3D printing is that it gives you the freedom to create all interior components that would otherwise be costly and time-consuming to create.

Interior branding design seeks to match the company's branding, but becomes a complicated challenge when executed through traditional methods involving workshops through contractors. Especially when the design is an element with a unique and complex shape that requires a lot of time if done by human labor. Therefore, interior consultants can use 3D printing technology to implement interior branding in construction. Through the use of 3D printing, interior consultants are able to overcome some of the

obstacles that can arise in the construction of interior branding designs that match the company's branding.

4. Laser Cutting

Laser cutting is increasingly popular in interior construction. With its outstanding performance, especially in the operation of proficient laser cutting equipment, laser cutting can be unique in describing a room, especially in interior branding, namely complex ceiling patterns, wall panels with various unique elements, and laser cutting results that are even better when illuminated by LED lights that produce charming silhouettes.

Similar to 3D printing, processing unique elements especially in tangibly describing the branding of a company is a challenge if the technology is not utilized. In this context, interior consultants can use technology such as laser cutting which has an important role in conceptualizing branding elements. Through laser cutting, the application of interior branding can be realized in a very detailed form, thus creating a unique visual in a space.

Societal and Cultural Trends

1. Post-pandemic consumer behavior

The COVID-19 pandemic has been a catalyst for major changes in people's behavior. Its impact extends beyond health and into many aspects of life, including physical interactions, communication, lifestyle and consumption

preferences (Hasyim et al., 2020). Based on findings from a survey in a journal entitled Predicting Consumer Behavior Orientation After the Covid-19 Pandemic with 220 respondents, 70.4% of respondents chose to recreate to relieve stress, which provides potential for the tourism sector. Then as many as 55.5% of respondents said that post-pandemic gathering and eating activities could treat their longing for social interaction that had been lost. Change itself is a transition from one thing or activity to another without eliminating everything related to that activity (Pitoewas, B. 2018).

People's behavior can influence interior consultants in determining interior design and supporting data that strengthens the target market which is the commercial segment. The design will provide solutions to the attention of behavior that has changed after the pandemic, especially in people who want to do activities outside to relieve stress. Integrating brand identity into interior design plays a key role in shaping a positive and memorable customer experience, which can significantly boost loyalty and satisfaction (Mafini & Dhurup, 2015). So that interior consultants need to provide the benefits of interior design, especially in emphasizing interior branding that can increase the value of brand identity, brand awareness, and brand image of a brand that provides comfort so that it can be the choice

of people who want to reduce stress. The balance between new ideas and brand identity gives companies the potential to create designs that are new and familiar to customers, thus fostering relationships and strengthening brand perception (Burnap et al., 2016).

2. Increased Social Media Usage

Social media users in Indonesia are increasing from year to year. The number of active social media users in 2022 is increasing rapidly with 191 million users. Social media users in Indonesia often spend as much as 3 hours 18 minutes every day which makes Indonesia ranked tenth in the world.

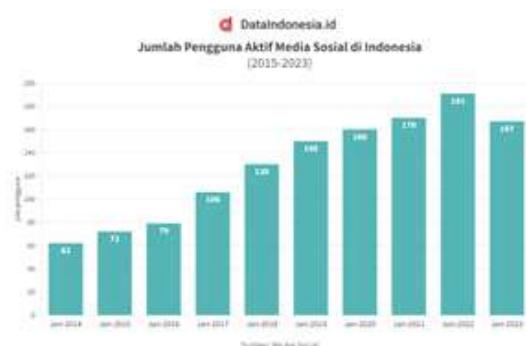


Figure 6. Number of Active Social Media Users in Indonesia

Source: DataIndonesia.id, 2023

The increasing use of social media, especially on the Instagram and TikTok platforms, can be an opportunity for interior consultants to increase channels, specifically portfolio publications that show the emphasis of interior branding on various social media to attract potential clients to use interior services.

3. Fear of Missing Out (FoMO)

Fear of Missing Out is a socio-cultural phenomenon that affects the customer's personality, especially psychologically. The increasingly widespread use of the internet and social media will increase the socialization of society and FoMO (Herman, D., 2000). In the business world, the majority of companies take advantage of the FoMO situation which can stimulate impulsive consumer behavior in purchasing.

The way that businesses influence consumer purchasing decisions is by influencing consumer perceptions of a product with limited services such as campaigns that increase consumers' fear of being left behind. The majority of consumers make purchases after seeing the experiences of consumers of a product or service. FoMO can also increase the desire to shop caused by the use of social media.

FoMO can also be seen in interior design, where a place that has its own characteristics has the potential to go viral so that social media users flock to want to be in the viral place. This also gives influence to interior consultant clients in increasing sales and marketing and becomes a consideration for interior consultants to compile portfolios. So, the need to emphasize interior branding in the interior with interior consultant characteristics

that differentiate the design from other interior consulting companies.

Interior branding as an Interior Business Differentiation Advantage

In today's rapidly globalized world, fierce marketing competition has emerged. As a result, brands are increasingly turning to experiential design as a strategic marketing tool (Onem, M., & Hasirci, D. (2020). One increasingly recognized strategy for interior design firms is leveraging interior branding as a competitive advantage (Pantano & Forlani, 2018).

Traditional branding research, as exemplified by Keller's work (2016) on strategic brand management, emphasizes the positive impact of a strong brand on business success. By embracing interior branding, design professionals open up many opportunities. A strong brand identity attracts clients looking for specific design aesthetics and values, resulting in more targeted clients. Additionally, interior branding expertise allows design businesses to command higher project fees due to the additional strategic value offered (Beverland, 2020). This approach fosters long-term relationships with clients, as design professionals build trust by deeply understanding the client's brand vision and translating it into tangible experiences.

According to (Kuhnebl, 2016), there are 3 main aspects in interior branding, the first is Clear Vision aspect which relates to the identity and vision of the brand company. This can be seen

from the application of logos, signage, area boundaries, space organization, and furniture arrangement. The second aspect is Unique Story which has a unique story and message from the company that is delivered to visitors through interior design. This can be seen through the meaning of logos, concepts, types of songs, and names in each area. Then the third aspect is Energy which relates to things that affect visitors first impressions such as visual beauty, quality, condition, and facilities that pay attention to comfort and attract visitors' attention. These three aspects need to be balanced to form interior branding.



Figure 7. Interior Branding Diagram
Source: Kuhteubl, 2016

By offering interior branding as a service, design firms expand their service proposition and demonstrate their understanding of branding principles. Through the strategic application of brand elements like colors, furniture, textures, and layout within commercial spaces, interior

business can elevate a company's brand identity and create a cohesive customer experience (Gunawan, A.I. (2017)). This experience goes beyond aesthetics; it reinforces the brand message, evokes emotions, and strengthens brand storytelling. (Pantano & Forlani, 2018).

CONCLUSION

This research investigates the potential of interior branding as a strategic tool for design companies, not only to increase company value but also to contribute to Indonesia's economic development. It identifies a change in client preferences, highlighting a growing demand for interior design that goes beyond aesthetics and actively strengthens brand identity. This trend presents significant opportunities for interior consultants who specialize in interior branding.

In addition, it also emphasizes the importance of Indonesia's growing creative economy sector, which allows these consultants to integrate branding into their design services. This integration is in line with the rise of micro, small and medium enterprises (MSMEs) in Indonesia, a sector that requires accessible yet impactful branding solutions. Analyzing the influence of post-pandemic trends on consumer behavior provides further insights. It revealed that a rise in social media usage and a desire for out-of-home experiences create opportunities for thematic interior design that aligns with a carefully crafted branding strategy. The transformative role of technological advancements in this field has been

recognized. Tools such as Artificial Intelligence (AI), Virtual Reality (VR)/Added Reality (AR), 3D printing, and laser cutting technologies significantly enhance the visualization and implementation of branding strategies.

By utilizing the power of interior branding and leveraging these cutting-edge advancements, interior consultants can strategically expand their reach within the commercial sector. This expansion ultimately contributes to Indonesia's economic development through diverse approaches. The future of the interior consultancy industry looks promising, especially for those who specialize in interior branding design. Businesses that make the most of this moment will find many opportunities, not only driving their own growth in a competitive world but also making a significant contribution to clients' brands. While challenges remain, strategic adaptation to market forces and embracing key trends can overcome them.

By understanding how to utilize interior design as a strategic tool for brand building, design firms can offer a unique service proposition that goes beyond traditional design services. This not only differentiates them from competitors, but also allows them to contribute more holistically to the success of the client's brand. Research shows that well-designed and branded spaces can increase customer engagement, improve employee productivity, and ultimately, higher sales conversion (Van den Berg et al., 2017). In conclusion, embracing interior branding

empowers interior design firms to become strategic partners in a brand's journey, driving differentiation and contributing to competitive advantage in the design industry.

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