The Effect of Circular Marketing and Storynomics on Brand Awareness and Profit Improvement of MSMEs in Bogor

Frans Sudirjo[1], Supriandi[2], Rival Pahrijal[3]

[1] Fakultas Ekonomika dan Bisnis, Universitas 17 Agustus 1945 Semarang and frans-sudirjo@untagsmg.ac.id
[2] Telkom University and supriandi@student.telkomuniversity.ac.id
[3] Nusa Putra University and rivalpahrijal@gmail.com

ABSTRACT

This study examines the impact of Circular Marketing and Storynomics on Brand Awareness and Profit Improvement among MSMEs in Bogor. A quantitative analysis was conducted with a sample of 160 MSME owners and managers, using a Likert scale survey and data analysis via Structural Equation Modeling (SEM-PLS 3). The results reveal that both Circular Marketing and Storynomics have a significant positive influence on Brand Awareness and Profit Improvement. Circular marketing enhances brand recognition by aligning marketing strategies with sustainable practices, while Storynomics improves profitability by fostering emotional connections with consumers through storytelling. The study underscores the importance of integrating sustainability and narrative-driven marketing strategies for MSMEs to enhance their market presence and profitability. These findings provide actionable insights for MSMEs aiming to thrive in competitive markets by adopting sustainable and innovative marketing practices.

Keywords: Circular Marketing, Storynomics, Brand Awareness, Profit Improvement, MSMEs.

1. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a pivotal role in Indonesia's economic development, contributing over 61% to the national Gross Domestic Product (GDP) and employing more than 97% of the workforce, thus serving as key economic pillars and social safety nets, particularly in rural areas [1], [2]. In cities like Bogor, known for their entrepreneurial dynamism, MSMEs face mounting challenges in adapting to rapid technological advancements, limited access to capital and technology, and shifting consumer behaviors, all of which hinder their growth and global integration [2], [3]. In response, innovative marketing approaches such as circular marketing—which emphasizes sustainability and eco-conscious business practices—and storynomics—which leverages storytelling to foster emotional bonds and brand loyalty—have gained traction among MSMEs as strategies to boost competitiveness, enhance brand awareness, and stimulate profit growth [3]. These methods not only differentiate MSMEs in a saturated market but also align with evolving consumer expectations toward authenticity and sustainability. To maximize their potential, policy support is vital, including improved access to capital, technology infrastructure, and entrepreneurship training, which collectively can empower MSMEs to remain resilient and continue driving economic progress [2].

Circular marketing, rooted in sustainability and resource optimization, focuses on creating closed-loop systems that minimize waste and maximize product value by maintaining their highest utility through biological and technical cycles, thereby aiming to decouple economic growth from resource consumption [4], [5]. MSMEs adopting circular marketing strategies increasingly transform waste into valuable resources, contributing to environmental preservation while encouraging sustainable consumption patterns [6]. Moreover, integrating circular economy principles with green marketing enables businesses to promote zero-waste consumerism, enhance brand loyalty, and align

with the values of environmentally conscious consumers [7]. In parallel, storynomics utilizes storytelling to build emotional connections between brands and their audiences, making MSMEs more relatable and memorable in competitive markets [8]. This narrative-driven approach deepens consumer engagement, fosters long-term relationships, and encourages sustainable consumer behavior by positioning brands not merely as sellers, but as storytellers with meaningful missions [8].

Despite the promising potential of these strategies, empirical studies investigating their effectiveness in enhancing brand awareness and profitability among MSMEs remain scarce. While previous research has examined the impact of digital marketing and traditional promotional methods, the interplay between circular marketing, storynomics, brand awareness, and profit growth requires further exploration. This study aims to fill this gap by examining the influence of circular marketing and storynomics on brand awareness and their subsequent impact on profit increase for MSMEs in Bogor.

2. LITERATURE REVIEW

2.1 Circular Marketing

Circular marketing strategically integrates circular economy principles into marketing by emphasizing sustainability, resource efficiency, and waste reduction, promoting products that can be reused, recycled, or repurposed to reduce environmental impact [7], [9]. This approach not only addresses ecological concerns but also meets rising consumer demand for eco-friendly practices, enhancing brand value and customer loyalty. For micro, small, and medium enterprises (MSMEs), adopting circular marketing can improve profitability by appealing to environmentally conscious consumers [5], [7], [10]. Effective strategies include eco-design, product lifecycle extension, and closed-loop supply chains that lower ecological footprints while sustaining business viability [7]. Nonetheless, implementation requires innovation in design, supply chain, and communication, involving collaboration with production and R&D teams to meet circular standards [9]. Key challenges include regulatory barriers, consumer skepticism, and balancing sustainability with economic goals [7].

2.2 Storynomics

Storynomics, the strategic use of storytelling in marketing, is a powerful tool for MSMEs to forge emotional connections with consumers, differentiate themselves, and build lasting brand loyalty by leveraging narratives that resonate deeply beyond traditional advertising techniques [11], [12]. By crafting authentic and engaging stories, MSMEs can showcase their unique values and journey, thereby fostering a stronger brand identity and consumer trust. Storytelling helps brands define their core identity and communicate their personality, serving as a competitive differentiator that taps into consumer emotions and enhances message retention [11], [12]. As a future-oriented branding strategy, storytelling engages consumers on an existential level, making it a powerful approach for brand awareness and loyalty [13]. Effective storytelling incorporates key elements such as a clear message, conflict, characters, and plot, forming relatable narratives that reinforce brand positioning when presented consistently over time [12], [14]. A notable example is HMNS, an Indonesian perfume brand, which uses storytelling to share the inspirations and creative processes behind

its products, thereby fostering emotional bonds and consumer loyalty through relatable narratives distributed via digital channels [15].

2.3 Brand Awareness

Brand awareness is a pivotal element in marketing, playing a crucial role in influencing consumer decision-making and loyalty by ensuring that a brand is both recognized and recalled across various contexts, thereby forming the foundation of brand equity and significantly impacting customer acquisition and retention [16], [17]. Successful campaigns like Nike's "Just Do It" and Coca-Cola's "Share a Coke" exemplify how strong brand awareness can resonate with audiences and drive market dominance [18]. For Micro, Small, and Medium Enterprises (MSMEs), strategies such as circular marketing and storynomics are instrumental in enhancing brand visibility and perceived value—circular marketing achieves this by aligning the brand with environmental and social responsibility, thus improving consumer perception [19]. while storynomics creates emotional engagement, making the brand more relatable and memorable [17]. These approaches, when combined, can synergistically elevate MSMEs' competitiveness in the marketplace [19]. To maximize their impact, effective marketing communication, strategic use of marketing-mix elements, and exposure through advertising, product placement, and event marketing are essential in increasing brand recognition and recall [16], [19].

2.4 Profit Increase

Adopting innovative marketing strategies such as circular marketing and storynomics can significantly enhance the profitability of Micro, Small, and Medium Enterprises (MSMEs) by aligning with consumer preferences for sustainability and authenticity, as these approaches not only increase brand awareness but also cultivate customer loyalty—an essential factor for long-term profit growth [20], [21]. Empirical studies reveal that businesses implementing sustainable and narrative-driven marketing outperform their counterparts in profitability by effectively bridging consumer expectations with responsible practices [22]. Sustainable digital marketing, which encompasses audience understanding, consistent branding, SEO, social media engagement, content creation, data analysis, and continuous innovation, is fundamental for MSMEs to thrive in the digital age [20]. By fostering authenticity, transparency, and social responsibility, MSMEs can build strong brand identities that resonate with modern consumers [21]. Moreover, sustainability-oriented innovations in products and operations contribute to financial gains through cost reduction, revenue growth, and access to emerging markets [23]. Beyond financial benefits, sustainable marketing enhances brand reputation, drives innovation, reduces costs, and promotes long-term viability while positively impacting employee engagement, talent acquisition, and broader societal outcomes [24].

2.5 Previous Research

Several studies have explored the relationship between innovative marketing strategies and business performance, revealing that circular marketing, through practices such as recycling, reusing, and refurbishing, enhances resource efficiency, reduces waste, and contributes to competitive advantage by aligning with consumer values of sustainability [9], [25]. This approach has been shown to improve business

performance, measurable through tools like the balanced scorecard, while also influencing consumer behavior and unlocking new market opportunities [8], [25]. On the other hand, storytelling in marketing, known as storynomics, strengthens consumer engagement by forming emotional connections that enhance brand loyalty and awareness, particularly when the narratives reflect consumer values [26]. Despite these insights, limited research exists on the combined impact of circular marketing and storynomics on brand awareness and profitability within the MSME sector. For MSMEs, integrating these two strategies offers the potential to appeal to environmentally conscious consumers, increase visibility, and foster a loyal customer base by differentiating themselves through both sustainable practices and compelling narratives [10].

This study builds on the existing literature by examining these relationships in the context of MSMEs in Bogor, Indonesia. By employing a robust quantitative methodology, this research aims to provide empirical evidence on how circular marketing and storynomics can drive brand awareness and profit growth, offering valuable insights for practitioners and policymakers.
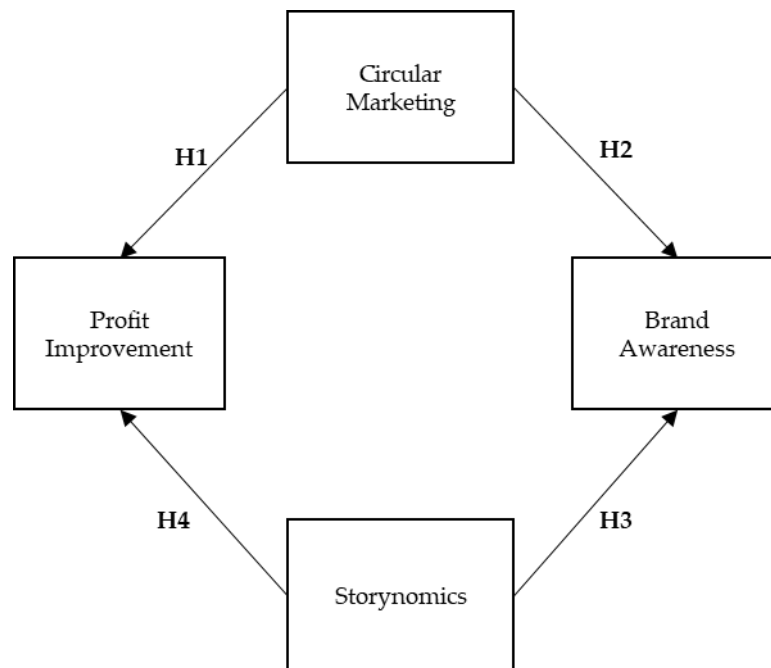

Figure 1. Conceptual Framework

3. METHODS

This study adopts a quantitative research design to examine the influence of circular marketing and storynomics on brand awareness and their impact on profit increase among MSMEs in Bogor. Data analysis was conducted using Structural Equation Modeling-Partial Least Squares (SEM-PLS), which is suitable for testing complex relationships and mediation effects between latent variables. A purposive sample of 160 MSME owners or managers was selected based on three criteria: the business must be operational for at least two years, the respondent must be directly involved in marketing or strategy, and the business must engage in branding activities. Data were collected using a structured questionnaire with a 5-point Likert scale, covering demographic information, circular marketing, storynomics, brand awareness, and profit increase.

The analysis using SEM-PLS 3 software consisted of three stages: (1) measurement model assessment using Cronbach's alpha, Composite Reliability (CR), and Average Variance Extracted (AVE); (2) structural model assessment to evaluate the strength of relationships through path coefficients and R² values; and (3) hypothesis testing using bootstrapping with 5,000 resamples, where a t-statistic above 1.96 indicated statistical significance at the 95% confidence level.

4. RESULTS AND DISCUSSION

4.1 Demographic Profile of the Sample

The demographic profile of the 160 respondents—comprising MSME owners and managers in Bogor—was analyzed based on gender, age, education, industry sector, years of operation, and organizational role to provide a comprehensive overview of the sample. In terms of gender, the majority were male (75%), suggesting male-dominated leadership, a common trend in various business sectors. Age distribution showed that 37.5% of respondents were aged 30–40, followed by 31.3% aged 41–50, indicating a predominantly young-to-middle-aged entrepreneurial demographic. Educationally, over half (53.1%) held a Bachelor's degree, followed by 25% with a diploma, demonstrating a relatively educated group of MSME leaders. Industry-wise, most respondents were involved in retail (31.3%) and food and beverage (25%), reflecting Bogor's sectoral strengths. Regarding business longevity, 62.5% had operated for more than four years, indicating a stable MSME environment. Lastly, 70% of respondents identified as business owners and 30% as managers, highlighting the strong presence of owner-led enterprises in the MSME landscape of Bogor.

4.2 Measurement Model

The measurement model was evaluated by examining the individual item loadings, Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE) for each construct. These metrics are essential for assessing the reliability and validity of the constructs used in the study. Below, we discuss the results for each variable.

Table 1. Measurement Model

Variable	Code	Loading Factor	Cronbach's Alpha	Composite Reliability	Average Variant Extracted
Circular Marketing	CM.1	0.851	0.925	0.947	0.816
	CM.2	0.952			
	CM.3	0.902			
	CM.4	0.906			
Storynomics	ST.1	0.890	0.885	0.929	0.813
	ST.2	0.932			
	ST.3	0.883			
Brand Awareness	BA.1	0.896	0.851	0.908	0.767
	BA.2	0.848			
	BA.3	0.881			
Profit Improvement	PI.1	0.757	0.904	0.927	0.679
	PI.2	0.743			
	PI.3	0.843			
	PI.4	0.874			
	PI.5	0.842			
	PI.6	0.873			

Source: Data Processing Results (2025)

The measurement model assessment shows that all constructs—Circular Marketing, Storynomics, Brand Awareness, and Profit Improvement—meet the required thresholds for reliability and validity. Circular Marketing (CM), consisting of four items (CM.1 to CM.4), has factor loadings ranging from 0.851 to 0.952, a Cronbach's Alpha of 0.925, Composite Reliability of 0.947,

and an AVE of 0.816, all indicating excellent internal consistency and convergent validity. Storynomics (ST), measured by three items (ST.1 to ST.3), shows strong factor loadings between 0.883 and 0.932, with a Cronbach's Alpha of 0.885, Composite Reliability of 0.929, and AVE of 0.813, confirming its robustness in capturing storytelling's impact on brand perception. Brand Awareness (BA), represented by three items (BA.1 to BA.3), has factor loadings from 0.848 to 0.896, a Cronbach's Alpha of 0.851, Composite Reliability of 0.908, and AVE of 0.767, confirming its reliability in measuring consumer recognition and recall. Lastly, Profit Improvement (PI), comprising six items (PI.1 to PI.6), shows loadings between 0.743 and 0.874, a Cronbach's Alpha of 0.904, Composite Reliability of 0.927, and AVE of 0.679, all indicating that the construct is valid and reliable for assessing the impact of marketing strategies on MSME profitability.

Discriminant validity refers to the degree to which a construct is distinct from other constructs in a model. To ensure that the constructs are not highly correlated, the Heterotrait-Monotrait Ratio (HTMT) is used to assess discriminant validity. The HTMT value should ideally be below the threshold of 0.90 to ensure that the constructs are sufficiently distinct from each other.

Table 2. Discriminant Validity

	BA	CM	PI	ST
Brand Awareness				
Circular Marketing	0.799			
Profit Improvement	0.531	0.607		
Storynomics	0.656	0.212	0.582	

Source: Data Processing Results (2025)

The discriminant validity of the model was assessed using the Heterotrait-Monotrait (HTMT) ratio, and all values were below the recommended threshold of 0.90, indicating that each construct is empirically distinct. The HTMT value between Brand Awareness and Circular Marketing was 0.799, suggesting a moderate correlation but clear distinction between the constructs. Similarly, Brand Awareness and Profit Improvement showed a weak correlation with an HTMT of 0.531, confirming their separateness. The relationship between Brand Awareness and Storynomics yielded an HTMT of 0.656, indicating a moderate but acceptable correlation. Circular Marketing and Profit Improvement had an HTMT of 0.607, supporting discriminant validity despite a moderate link. A very low HTMT value of 0.212 between Circular Marketing and Storynomics confirmed that these constructs are highly distinct. Finally, the HTMT value between Profit Improvement and Storynomics was 0.582, which is also well below the threshold, further validating the model's discriminant validity.
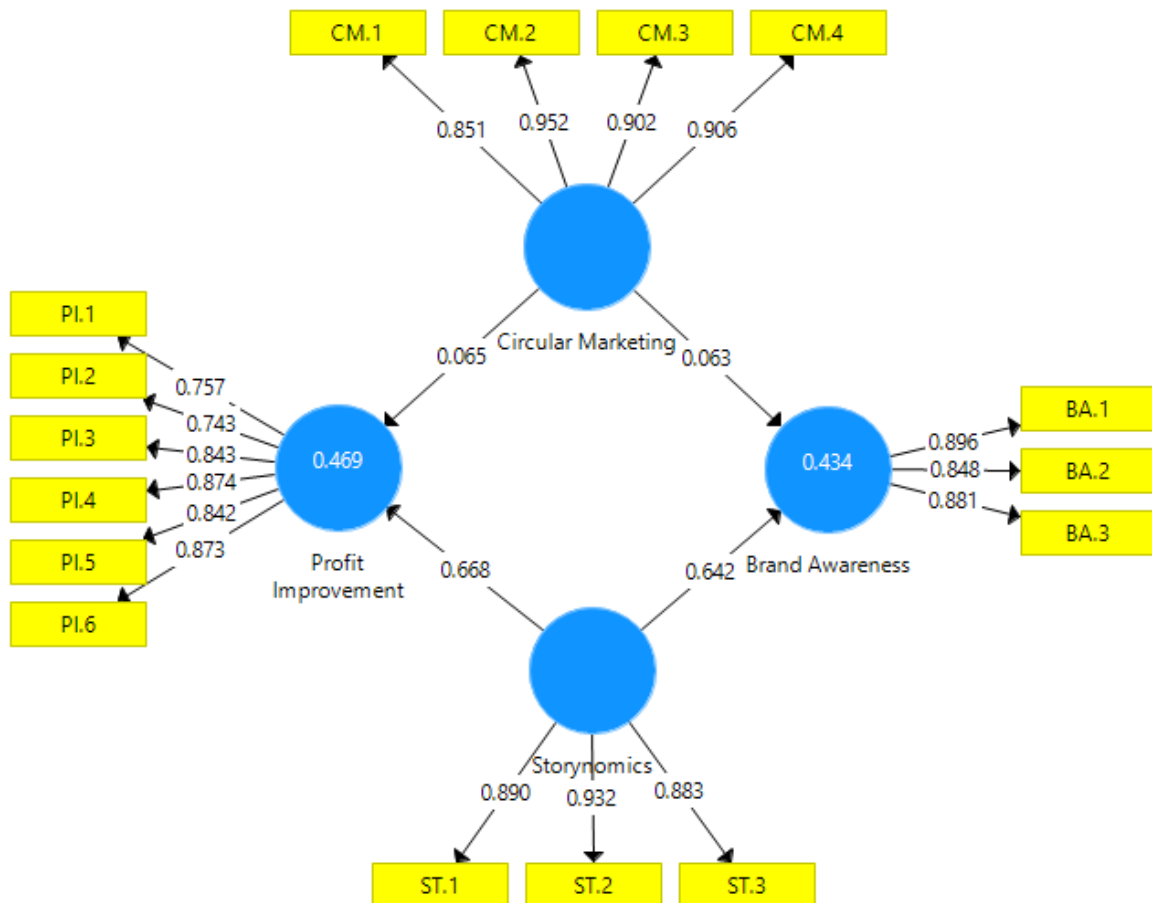
Figure 2. Model Results

Source: Data Processed by Researchers, 2025

4.3 Model Fit Evaluation

Model fit in Structural Equation Modeling (SEM) is crucial for assessing how well the proposed model represents the data. The key fit indices provided for both the Saturated Model (a model with no constraints) and the Estimated Model (the actual model being tested) allow for an evaluation of how well the model fits the data. Below is a discussion of these fit indices based on the values provided.

Table 3. Model Fit Results Test

	Saturated Model	Estimated Model
SRMR	0.073	0.123
d_ULS	0.725	2.041
d_G	0.560	0.722
Chi-Square	376.111	436.734
NFI	0.777	0.741

Source: Process Data Analysis (2025)

The model fit was evaluated using several indicators, including SRMR, d_ULS, d_G, Chi-Square, and NFI, comparing both the Saturated and Estimated Models. The SRMR for the Saturated Model was 0.073, indicating a good fit, while the Estimated Model showed a higher SRMR of 0.123, exceeding the acceptable threshold of 0.08, suggesting room for model refinement. The d_ULS value for the Saturated Model was 0.725, reflecting a strong fit due to the model's lack of constraints, whereas the Estimated Model had a considerably higher value of 2.041, indicating a larger discrepancy between observed and predicted covariances. Similarly, the d_G values for the

Saturated and Estimated Models were 0.560 and 0.722, respectively, with the latter suggesting the Estimated Model may not capture the data distribution as well. The Chi-Square value was 376.111 for the Saturated Model and 436.734 for the Estimated Model, with the higher value indicating a poorer fit; however, Chi-Square should be interpreted cautiously due to its sensitivity to sample size. Lastly, the NFI values were 0.777 for the Saturated Model and 0.741 for the Estimated Model, both falling below the 0.90 threshold, reinforcing the conclusion that the Estimated Model requires further improvement to achieve a better overall fit.

Table 4. Coefficient Model

	R Square	Q2
Brand Awareness	0.434	0.424
Profit Improvement	0.469	0.460

Source: Data Processing Results (2025)

R^2 (Coefficient of Determination) and Q^2 (Stone-Geisser Criterion) are key indicators in Structural Equation Modeling (SEM) used to assess the model's explanatory power and predictive relevance. The R^2 value for Brand Awareness is 0.434, indicating that 43.4% of its variance is explained by Circular Marketing and Storynomics, which reflects moderate explanatory power. Similarly, Profit Improvement has an R^2 of 0.469, showing that 46.9% of its variance is accounted for by Circular Marketing, Storynomics, and Brand Awareness—again indicating moderate predictive strength, though substantial unexplained variance remains. These values suggest that while the model is reasonably effective, it could be enhanced by incorporating additional predictors. In terms of predictive relevance, the Q^2 value for Brand Awareness is 0.424 and for Profit Improvement is 0.460, both exceeding the threshold of 0 and suggesting strong predictive capability. Notably, the Q^2 for Profit Improvement surpasses 0.35, which is considered a high level of predictive relevance. Collectively, these results confirm that the model has moderate-to-strong explanatory and predictive accuracy, reinforcing its usefulness in analyzing the impact of circular marketing and storynomics on MSMEs' brand awareness and profit outcomes.

4.4 Hypothesis Testing Discussion

Hypothesis testing is a critical part of structural equation modeling (SEM) as it helps assess the strength and significance of the relationships between variables. In this study, hypothesis testing was performed to examine the impact of Circular Marketing and Storynomics on Brand Awareness and Profit Improvement in MSMEs. The results provide important insights into the significance of these relationships, which are key to understanding how circular marketing strategies and story-driven marketing affect the growth and success of MSMEs.

Table 5. Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values
Circular Marketing -> Brand Awareness	0.563	0.570	0.078	4.811	0.000
Circular Marketing -> Improvement	0.565	0.575	0.073	5.897	0.000
Storynomics -> Brand Awareness	0.642	0.644	0.060	10.700	0.000
Storynomics -> Improvement	0.668	0.671	0.060	11.136	0.000

Source: Process Data Analysis (2025)

The results of the structural model evaluation show that all hypothesized relationships are statistically significant and positively associated, confirming the influence of Circular Marketing and Storynomics on Brand Awareness and Profit Improvement among MSMEs. For Hypothesis 1, the

path coefficient between Circular Marketing and Brand Awareness is 0.563 with a t-statistic of 4.811 and a p-value of 0.000, indicating a moderate and significant positive effect, suggesting that increased circular marketing efforts lead to greater brand recognition. Similarly, Hypothesis 2 reveals a path coefficient of 0.565 between Circular Marketing and Profit Improvement, supported by a t-statistic of 5.897 and a p-value of 0.000, confirming a moderate yet significant positive impact, indicating that environmentally responsible strategies contribute to better profit outcomes. Hypothesis 3, examining the effect of Storynomics on Brand Awareness, shows a strong positive path coefficient of 0.642, with a high t-statistic of 10.700 and a p-value of 0.000, emphasizing that storytelling effectively enhances brand visibility and consumer connection. Lastly, Hypothesis 4 presents a path coefficient of 0.668 between Storynomics and Profit Improvement, supported by a t-statistic of 11.136 and a p-value of 0.000, indicating that narrative-driven marketing significantly improves profitability. These findings collectively demonstrate that both Circular Marketing and Storynomics are effective strategic tools for boosting brand awareness and profit performance in the MSME context.

Discussion
1. Circular Marketing and Brand Awareness

The results indicate that Circular Marketing has a moderate positive influence on Brand Awareness in MSMEs, aligning with prior research that highlights the rising importance of sustainable and circular business practices in shaping brand reputation. Circular marketing, which promotes eco-conscious products and practices, enhances public perception and builds consumer trust. Sustainable brands are increasingly adopting practices like using recycled materials and aligning with circular economy principles to meet evolving consumer expectations [10]. Furthermore, engagement in Corporate Social Responsibility (CSR), including environmental initiatives, strengthens brand image and consumer confidence [27], while sustainability itself has become a critical component of a company's long-term reputation and viability [28]. As consumer behavior shifts toward valuing ethical and eco-friendly companies, sustainable marketing strategies—such as transparent communication and environmentally responsible product design—are crucial for aligning brand values with consumer demand [29], [30], However, despite positive attitudes, a gap remains between consumers' stated preferences and their actual purchasing behaviors, indicating the need for continued innovation and education [10]Authenticity is essential, as companies must avoid greenwashing to maintain credibility [29].

This positive effect on brand awareness underscores that consumers are increasingly aware of and value sustainability-driven business models, reinforcing the strategic relevance of circular marketing beyond a passing trend. By adopting circular principles, MSMEs can strengthen their competitive positioning and attract environmentally conscious consumers, thus improving their visibility in saturated markets. As sustainability becomes a key purchasing criterion for both consumers and corporate partners, integrating circular marketing can significantly contribute to long-term brand equity. This study adds to the growing literature showing that when circular economy values are clearly and authentically conveyed through marketing efforts, they can effectively enhance brand recognition and consumer engagement.

2. Circular Marketing and Profit Improvement

In line with the growing recognition of sustainability as a driver of business success, this study found a moderate positive effect of Circular Marketing on Profit Improvement. This finding aligns with prior research demonstrating that sustainable marketing and operational strategies can lead to cost savings, increased efficiency, and enhanced profitability. Circular marketing practices—such as waste reduction, resource efficiency, and eco-design—can lower operational costs by minimizing material usage and waste management expenses [7], [8]. Implementing closed-loop supply chains further enhances operational performance and sustainability [7]. Moreover, there is a rising consumer segment that values sustainability and is willing to pay a premium for environmentally responsible products, making green marketing an effective strategy for increasing

market share and brand loyalty [8], [10]. However, businesses may face challenges such as regulatory complexities and consumer skepticism, which must be addressed through transparent communication and stakeholder collaboration to build trust [7].

Profit improvement from circular marketing can thus be attributed not only to operational efficiencies but also to the market advantages gained from appealing to environmentally conscious consumers. For MSMEs in Bogor, this dual benefit—cost reduction and increased revenue potential—positions circular marketing as both a financially and ethically strategic approach. By integrating sustainability into their core marketing practices, MSMEs can enhance their competitive edge and ensure long-term viability in an increasingly eco-aware marketplace. This underscores the importance of strategic planning and innovation to effectively balance economic performance with environmental responsibility [7].

3. Storynomics and Brand Awareness

The study found that Storynomics, or the use of storytelling in marketing, has a strong positive impact on Brand Awareness. This finding is consistent with the work of various marketing scholars who argue that storytelling is a powerful tool for building emotional connections with consumers and enhancing brand recall ([31], [32]. Storynomics allows businesses to communicate their values, mission, and products in a compelling and relatable way, which can resonate with consumers and increase brand awareness.

By incorporating narratives that reflect the brand's ethos, MSMEs can create an emotional bond with their audience, ultimately improving brand recognition. In an era where consumers are bombarded with information and advertising, storytelling provides a way to cut through the noise and engage consumers on a deeper level. The results support the view that effective storytelling can help MSMEs establish a strong brand identity, which is crucial for standing out in a competitive market.

4. Storynomics and Profit Improvement

In addition to enhancing brand awareness, Storynomics also significantly influences Profit Improvement. The strong positive effect of storytelling on profit improvement suggests that MSMEs leveraging narratives in their marketing strategies can potentially increase customer engagement, loyalty, and, ultimately, sales. Storytelling helps humanize a brand, making it more relatable to customers, which can result in higher customer retention and repeat business [33]–[35].

Moreover, storytelling often leads to higher perceived value, as it allows customers to connect with the brand on an emotional level, making them more willing to pay a premium for products and services that align with their val[36]. The ability to create an emotional connection is particularly important for MSMEs that may face challenges in competing with larger corporations. By crafting a compelling story, MSMEs can build trust and loyalty, which are critical drivers of profitability.

5. Implications for MSMEs in Bogor

The findings of this study have important implications for MSMEs in Bogor, demonstrating that Circular Marketing and Storynomics positively influence both Brand Awareness and Profit Improvement. MSMEs are encouraged to integrate sustainability into their marketing strategies through Circular Marketing by showcasing eco-friendly practices and aligning with circular economy principles, which not only enhance brand reputation but also drive cost savings and operational efficiencies. Simultaneously, investing in Storynomics—by crafting compelling narratives that reflect local culture, values, and traditions—can strengthen emotional connections with consumers, fostering loyalty and deepening engagement. When combined, these two strategies offer a powerful, integrated approach that enables MSMEs to improve visibility, stand out in competitive markets, and boost profitability by appealing to consumers who prioritize authenticity and environmental responsibility.

6. Limitations and Future Research

While this study offers valuable insights, it also has several limitations that should be acknowledged. The focus on MSMEs in Bogor may restrict the generalizability of the findings to other regions or countries, and future research should consider expanding the sample to include MSMEs from diverse geographic areas to enhance external validity. Additionally, the study examined only the direct effects of Circular Marketing and Storynomics on Brand Awareness and Profit Improvement, leaving room for future studies to investigate potential moderating or mediating variables—such as consumer attitudes, competitive dynamics, or market conditions—that could influence these relationships. The reliance on self-reported data also introduces the possibility of response bias, suggesting that future research could benefit from incorporating multiple data collection methods, such as interviews or case studies, to gain a deeper and more nuanced understanding of how these marketing strategies impact MSME performance.

CONCLUSION

This study concludes that Circular Marketing and Storynomics are essential tools for enhancing Brand Awareness and Profit Improvement in MSMEs, particularly in the context of Bogor. Circular Marketing, by promoting sustainability and eco-friendly practices, helps MSMEs build stronger brand recognition and positive consumer perception. Meanwhile, Storynomics, through compelling storytelling, fosters emotional connections with consumers, contributing to higher profitability and customer loyalty. The findings suggest that MSMEs should adopt these strategies to differentiate themselves in a competitive market and achieve long-term growth. Further, the results emphasize the growing relevance of sustainability and narrative in modern marketing, urging MSMEs to align their practices with these trends to improve both brand value and financial performance. Future studies could explore these variables in broader contexts to validate the applicability of these strategies across diverse business environments.

REFERENCES

[1] N. Aprilia, W. T. Subroto, and N. C. Sakti, "The Role of Small and Medium Enterprises (SMEs) in Supporting the People's Economy in Indonesia," *Int. J. Res. Sci. Innov. XI*, pp. 368–376, 2025.

[2] M. Zulvikri, "Sinergi umkm dan ekonomi indonesia: Sebuah kajian komprehensif sebuah perspektif dan implikasi," *J. Manaj. Bisnis Era Digit.*, vol. 1, no. 2, pp. 255–265, 2024.

[3] A. Fauziah, A. Viola, A. R. Ardianti, F. Maulida, and E. G. Daeli, "Peran UMKM terhadap Stabilitas Ekonomi Indonesia," *J. Ris. Akunt.*, vol. 2, no. 4, pp. 83–92, 2024.

[4] Z. Grzymala, "Circular Economy as a Sustainable Development Marketing Tool," in *Handbook of Research on Achieving Sustainable Development Goals With Sustainable Marketing*, IGI Global, 2023, pp. 288–302.

[5] P. Hopkinson, R. De Angelis, and M. Zils, "Systemic building blocks for creating and capturing value from circular economy," *Resour. Conserv. Recycl.*, vol. 155, p. 104672, 2020.

[6] C. Calvo-Porral, "Creating value from garbage: a marketing and circular economy strategy for sustainability," in *Dynamic Strategic Thinking for Improved Competitiveness and Performance*, IGI Global, 2020, pp. 114–136.

[7] G. Prakash, S. Sharma, A. Kumar, and S. Luthra, "Does the purchase intention of green consumers align with their zero-waste buying behaviour? An empirical study on a proactive approach towards embracing waste-free consumption," *Heliyon*, vol. 10, no. 3, 2024.

[8] M. F. M. Maldonado, B. G. R. Loza, L. D. P. Rodríguez, and E. R. S. Eras, "Economía circular y marketing ecológico, impacto en el comportamiento del consumidor y oportunidades de mercado," *Rev. Multidiscip. Desarro. Agropecu. TECNOLÓGICO, Empres. Y HUMANISTA.*, vol. 6, no. 1, p. 9, 2024.

[9] M. P. Shetye, "Marketing Approaches for a Circular Economy," *MET Manag. Rev.*, vol. 10, no. 1, pp. 53–59, 2023.

[10] R. M. Rossi Valverde and R. G. Rossi Ortiz, "Logros y lecciones de las experiencias en la gestión moderna durante la última década: una revisión sistemática," *Rev. Univ. y Empres.*, vol. 25, no. 45, 2023.

[11] Ö. A. Çetinkaya, "Brand storytelling and narrative advertising," in *Handbook of research on narrative advertising*, IGI Global, 2019, pp. 281–291.

[12] S. K. Srinivasan, "Storytelling: branding in practice," *South Asian J. Manag.*, vol. 12, no. 3, p. 92, 2005.

[13] M. C. Yavuz, M. Sumbul, N. E. Ergec, and C. I. Derdiyok, "Storytelling in destination brand communication: A qualitative analysis," *J. Glob. Bus. Insights*, vol. 1, no. 2, pp. 63–72, 2016.

[14] E. M. Denga, "Brand Narrative in the 21st Century," in *The Role of Brands in an Era of Over-Information*, IGI Global, 2023, pp. 45–70.

[15] R. T. A. Putri and H. Nurhaqiqi, "Digital Marketing Communication Strategy for Local Perfume Brand HMNS@ hmns.

id," *Al-I'lam J. Komun. dan Penyiaran Islam*, vol. 8, no. 1, pp. 99–108, 2024.

[16]   D. Tulasi, "Marketing Communication dan Brand Awareness," *Humaniora*, vol. 3, no. 1, pp. 215–222, 2012.

[17]   K. J. Anwer, "Understanding Brand Awareness Dynamics," 2024.

[18]   T. Gustafson and B. Chabot, "Brand awareness," *Cornell Maple Bull.*, vol. 105, no. 1, pp. 1–5, 2007.

[19]   B. Gündüzyeli, "Factors Affecting Brand Awareness," *Avrupa Bilim ve Teknol. Derg.*, no. 31, pp. 675–680, 2021.

[20]   A. Risdwiyanto, M. M. Sulaeman, and A. Rachman, "Sustainable digital marketing strategy for long-term growth of msmes," *J. Contemp. Adm. Manag.*, vol. 1, no. 3, pp. 180–186, 2023.

[21]   A. Armen, "Sustainable Branding: Empowering SMEs Through Digital Marketing Strategies," *J. Kewirausahaan dan Manaj. Bisnis Cuan*, vol. 1, no. 1, pp. 113–120, 2023.

[22]   K. F. Sadriwala, Z. Ahmed, B. L. Pradhan, and M. F. Sadriwala, "Sustainable Marketing Strategies and Financial Performance: A bibliometric Analysis with Web of Science database," *Morgan J. Interdiscip. Res. Stud.*, vol. 1, no. 1, pp. 32–45, 2024.

[23]   S. Verma and H. Diwan, "Marketing innovation for sustainability: Review, trends, and way forward," *Bus. Ethics, Environ. Responsib.*, 2024.

[24]   X. Font and S. McCabe, "Sustainability and marketing in tourism: Its contexts, paradoxes, approaches, challenges and potential," *J. Sustain. Tour.*, vol. 25, no. 7, pp. 869–883, 2017.

[25]   M. Nosková, P. T. Procházková, and V. Zemanová, "The relationship between the circular economy and business performance: a systematic literature review," *J. Bus. Econ. Manag.*, vol. 25, no. 3, pp. 474–493, 2024.

[26]   S. Herrero-Luna, M. Ferrer-Serrano, and M. P. Latorre-Martínez, "Circular economy and innovation: a systematic literature review," *Cent. Eur. Bus. Rev.*, no. ART-2022-128647, 2022.

[27]   D. As, S. Sabari Varshini, A. Wilson, and M. J. Paul, "A Study on Impact of CSR on Brand Reputation and Consumer Behaviour," *INTERANTIONAL J. Sci. Res. Eng. Manag.*, vol. 8, no. 10.

[28]   L. Sujanska and M. Nadanyiova, "Sustainable Marketing and its Impact on the Image of the Company," *Mark. i menedžment innovacij*, vol. 14, no. 2, pp. 51–57, 2023.

[29]   A. Khalid, "Sustainable Marketing and its Impact on Society: A Study of Marketing Strategies and Opportunities Promoting Eco-Friendly Lifestyle," *Available SSRN 4570227*, 2023.

[30]   J. Sidhu, "Sustainability performance—A key marketing tool for consumer brands," in *Strategic marketing issues in emerging markets*, Springer, 2018, pp. 363–372.

[31]   A. Y. Salsabila and R. H. Nugroho, "Pengaruh Daya Tarik Iklan, Kemasan Produk, dan Kesadaran Merek terhadap Minat Beli Produk Tolak Angin pada Masyarakat Desa Kesamben Kabupaten Tuban," *Al-Kharaj J. Ekon. Keuang. Bisnis Syariah*, vol. 4, no. 6, pp. 1881–1894, 2022, doi: 10.47467/alkharaj.v4i6.1463.

[32]   Y. K. Dwivedi *et al.*, "Setting the future of digital and social media marketing research: Perspectives and research propositions," *Int. J. Inf. Manage.*, vol. 59, p. 102168, 2021, doi: https://doi.org/10.1016/j.ijinfomgt.2020.102168.

[33]   P. Yuruk-Kayapinar, "Digital consumer behavior in an omnichannel world," in *Managing customer experiences in an omnichannel world: Melody of online and offline environments in the customer journey*, Emerald Publishing Limited, 2020, pp. 55–73.

[34]   M. E. Ongko and S. R. H. Hati, "Analysis of Omnichannel Consumer Behavior: Purchase Intention on Omni-channel Restaurants in Indonesia," *Nusant. Sci. Technol. Proc.*, pp. 321–333, 2021.

[35]   J. C. S. Pérez, "Omnichannel Marketing in Ambato's SMEs," in *Marketing and Smart Technologies: Proceedings of ICMarkTech 2022, Volume 2*, Springer, 2023, pp. 331–343.

[36]   P. Cuesta-Valino, P. Gutiérrez-Rodríguez, and ..., "Strategic orientation towards digitization to improve supermarket loyalty in an omnichannel context," *Journal of Business ….* Elsevier, 2023.