The Decline of Negative Stereotype on Chinese Brand Smartphone: A Case Study on Facebook Groups

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ABSTRACT

People’s preferences for particular brands of smartphones are inextricably linked to the variety of smartphones available in the market. As the emerging power of the world economy, China also has many smartphone brands which are highly distributed in the global market, including in Indonesia despite the negative stigma which attached to the brands. The study examines this phenomena from the scope of cultural studies using the theoretical basis of the circuit of culture (du Gay et al., 1997). The study aims to enrich the perspective on how the consumption of Chinese smartphone brands among Indonesian are regulated, produced, consumed, and represented, which further constructs the perception of how the brands’ images are perceived by the Indonesian customers. The study is conducted based on qualitative approach by observing the interaction enacted in two Facebook groups about smartphones. The analysis of the circuit of culture reveals the development of the Chinese products’ image in Indonesia. The study found that the negative image on the Chinese brands smartphones is declining among the customers. Despite the existing negative comments, the group members often recommend the Chinese brand smartphones when it comes to the functional need with affordable price. Thus, the negative perspective on Chinese brand smartphones which believed that the phones are low quality low price is promisingly shifted into worth price to performance. The findings shows that Chinese smartphone brands are gaining more acceptance and positive perception among Indonesian consumers based on their affordable prices and improved quality.

Keywords: Chinese brand’s image, circuit of culture, Facebook groups, perception

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1. INTRODUCTION

People’s preferences for particular brands of smartphones are inextricably linked to the variety of smartphones available in the market. It prompted electronic brands to produce smartphones with a numerous variety of choices for the market. In order to dominate the industry, many smartphone vendors provide a variety of smartphones in a year so that consumers have various options to purchase products from that particular brand. Because there are so many smartphones on the market today, users are encouraged to consider carefully which brand best fits their desired smartphone criteria. Therefore, before deciding which smartphone to be purchased the customer often consider various criteria such as the quality of the product, the image of brand, and recommendation from the same customers (Nugroho & Hidayati, 2020; Sun et al., 2021). The consumers’ preferences for products are also considering the aspect of the country of origin in which the goods are produced (Asshifa & Yuniarinto, 2021; Nurunnisha et al., 2021). The country of origin is one determining aspect in marketing that may drive the motivation of the customer to buy the
products (Asshifa & Yuniarinto, 2021; Pharr, 2005). It has a significant impact on the brand perception and intention of purchasing (Pharr, 2005; Yunus & Rashid, 2016).

As the emerging power of the world economy (Fan, 2006), China also has many smartphone brands which are highly distributed in the global market. Chinese companies have developed significantly and become active competitors in the developed markets worldwide (Fan, 2006; Ulgado et al., 2011). The footsteps of Lenovo and Haier which have already entered the U.S. market and became the world class brands for personal computers and home appliances, respectively are followed by the smartphones brands such as Oppo, Xiaomi, and Huawei (Ulgado et al., 2011; Yunus & Rashid, 2016). In another world hemisphere, Chinese companies have already dominated the domestic market of some Asian countries, including in Southeast Asia, such as Indonesia. However, the image of Chinese brands, particularly in Indonesia is not quite as impressive as its development. The negative stigma attached to Chinese brands in Indonesia stems from the country's historical position as a major exporter of low-cost manufactured goods. For decades, 'Made in China' products flooding Indonesian markets were perceived as cheap, poor quality imitations with little regard for intellectual property rights. This association with cut-price knockoffs has ingrained a mindset that Chinese brands lack the sophistication and craftsmanship of Western competitors. (Fatih et al., 2016; Yuniar & Aji, 2022).

Despite several unpleasant image of Chinese brands, Indonesian market are in fact dominated by Chinese goods, such as smartphone market. The smartphone sales in Indonesia are dominated by Asian brand smartphones, particularly those from China and South Korea (Maulida, 2022). Smartphones from Asian manufacturers such as Samsung, Xiaomi, Oppo, Vivo, and Realme are produced in many types and various segments to compete with each other with more improved quality (Sari & Suyanto, 2022). They are widely available in the low-end, mid-range, and high-end areas of the market. According to data from IDC (International Data Corporation), companies like Samsung, Xiaomi, Oppo, and Vivo have dominated the Indonesian smartphone industry for the past five years (Andrenata et al., 2022). Moreover, until the year of 2021, these brands keep dominating the Indonesian smartphone market and rose to the top five in terms of sales along with Realme, another smartphone brand from China (Maulida, 2022).

The rise of Chinese smartphone sales in Indonesia has through a long journey in competing with other brands and negotiating with customers’ needs and perspectives on their brands. The word of mouth is one of the aspects which is considered essential in determining the perspective of the products. The word of mouth itself is defined the communication practices between customers in discussing a particular products which has significant influence on the perception of the products (Beneke et al., 2015). It is shown by the related study by Asshifa and Yuniarinto (2021) that people pay attention to the country of origin and the brand image in deciding whether to purchase the products or not. However, the word of mouth significantly lessens the effects of both factors in purchasing decision. It is in line with the study by Purwanto and Wibisono (2019) which stated that word of mouth has highly potential to influence the perception of consumers toward the products which further this perception will affect the buying intention. The study by Wilson (2020) also show that celebrity endorser significantly influence either to the buying intention or the brand awareness to the Chinese brand smartphones, the study found that the word of mouth or recommendation from other people have significant influence on perception to the brands. The Chinese brands are often associated negatively with their low quality, low price, thus the prestige (Fatih et al., 2016; Yuniar & Aji, 2022). However, this stigma is slowly decline, yet still exist, as shown in the study by Yuniar and Aji (2022), that the people start to perceive that the Chinese quality of Chinese products
are improving. In line with the notion, the study by Fatih et al., (2016) showed the people’s perception on Chinese brand smartphones which have decent quality, features, and relatively affordable price.

While previous research has examined factors influencing consumers' adoption of Chinese smartphone brands in Indonesia, the unique contribution of this research lies in its application of the circuit of culture framework to analyze the complex interrelationships between production, consumption, regulation, representation and identity. By examining these cultural processes, this study aims to develop a more nuanced understanding of how meanings and perceptions of Chinese brands are constructed, negotiated and transformed in the Indonesian context. In particular, the circuit of culture lens highlights the role of changing tastes, lifestyles and social dynamics in shaping brand images over time. Examining the circuit of smartphone culture advances knowledge beyond individual choice factors, to reveal the broader cultural dynamics that normalize and legitimize Chinese brands for Indonesian consumers. The novelty of this research exposes both barriers and facilitators in the acceptance of Chinese brands, explicating the cultural logics underlying their evolving positioning in Indonesia.

The present study examines this phenomena from the scope of cultural studies using the theoretical basis of the circuit of culture (du Gay et al., 1997). The study aims to enrich the perspective on how the consumption of Chinese smartphone brands among Indonesian are regulated, produced, consumed, and represented, which further constructs the notion of how the brands’ images are perceived by the Indonesian customers. It is necessary to emphasise that consumerism here is not limited to the consuming in terms of goods, but through a circuit of culture approach, this phenomenon can be examined about how production, consumption, representation, identity, and regulation are interrelated to each other in this consumption phenomenon. Through the analysis of the circuit of culture, the understanding of this consumerism phenomenon reveals the development of the Chinese products’ image in Indonesia.

2. METHOD

The study observes the discussion of members from two Facebook groups about technology, particularly smartphones which have numerous populations to be observed. These discussions represent the opinion and perspectives of the customers from these Facebook groups about some smartphone brands, which will become the data of the research. These Facebook groups are the Himpunan Teknologi (HIMPUNTEK) group and Hujatan Teknologi Indonesia (HTI): Mod Unlimited Money. The two groups have tens of thousands of followers, in detail, the group Himpunan Teknologi (HIMPUNTEK) has 108 thousand followers, and Hujatan Teknologi Indonesia (HTI): Mod Unlimited Money has 74 thousand followers. The members of these groups often actively discuss smartphones, such as smartphone updates, questions and answer about smartphones, et cetera. Here are two potential sentences acknowledging methodological limitations based on the information provided. While the large membership of these Facebook groups allows for gathering diverse opinions, relying solely on online interactions poses constraints in terms of representativeness and potential self-selection biases among group members. Additionally, the observational nature of this virtual data collection limits deeper investigation into the factors influencing perspectives expressed in online discussions.

The virtual observation is applied by joining the group and observing the interactions that take place in these Facebook groups. The types of interaction that are observed are the discussion among the members about a particular type of smartphone or brand, especially about smartphone brands from China such as Xiaomi, Realme, Oppo, and Vivo. Furthermore, the study uses the approach of the circuit of culture, which consists of five interrelated elements, namely the process of production,
consumption, identity, representation, and regulation which is observed in their interaction to analyse the findings.

3. RESULT AND DISCUSSION
3.1 The Analysis of Circuit of Culture

An analytical framework through which to view the products of popular culture is provided by Stuart Hall's (1997) circuit of culture. Five interacting components make up the circuit: representation, identity, production, consumption, and regulation. The degree of public visibility of these components varies. The elements of representation and identity are obvious, whereas production, consumption, and regulation are invisible and have a covert influence on the artifact of popular culture. To understand cultural phenomena, theoretical models of "culture circuits" and cultural processes of representation, identity, production, consumption, and regulation are utilized. These processes overlap, connect, or are articulated under specific circumstances (du Gay et al., 1997). Du Gay (1997) states that cultural objects do not always have meaning that can be deduced from them; instead, meaning is often derived from representations in visual and verbal language. As a result, the product is studied not only from a technical standpoint but also from a cultural one. For instance, cultural meanings are embedded in ordinary discourse and advertising. Paul du Gay's idea of a cultural circuit represents an effort to reconsider the functioning of cultural forms. This is not the consumption-production model, which is unidirectional and deterministic. Every element has a crucial connection to every other element. The relationship between these elements and their articulation are crucial for understanding cultural products and phenomena.

According to the theory of circuit of culture, the process of representation means the use of symbols to convey a particular concept. Hall (1997) argued that the process of representation involves the process of how language, which includes text, symbols or sign, and gesture, is fundamental in meaningful experience. In other words, these forms of language are essential in defining the meaning of a particular thing or concept on how they different or similar to the others which further establish their identity. In other words, it is the discursive process which involves the creation of the cultural meaning along with the symbol or language which represent a particular meaning. In line with the notion, the representation of smartphone from Chinese brands in the Facebook groups are varies which expressed through both posted threads along with the comments. The common representation being the affordable with fine quality and features in their class, especially those which manufactured by Xiaomi. The group members indeed show their negative opinions of the products. However, they appreciate the features and quality for being that good in such affordable price. According to the findings, the use of Chinese brand smartphones is represented as having fine quality and despite avoidable drawbacks, they are appreciable due to the affordable price. Therefore, they often being represented as the brands which understand users’ needs in functional aspects which signified by the users’ opinion on their low price but decent quality and features.

Identity involves represented meaning or concept which associated with the ascription of a particular image or notion to ones' image and their social group, and to other people and their social groups. In other words, it deals with how the finished product is used to create a person's or a group's identity once meaning has been created. It is frequently formed through comparisons of like and unlike things which further differentiate a particular group of people or things to the other groups which do not belong to them. Moreover, it is replicated via a representational system (Hall, 1990). Furthermore, it may create the sense of belonging to the represented values which in accordance to the associated identity. The interaction among the group members created the grouping of the
member who fan each brand, such as the fans of Xiaomi, the fans of Realme, and those who root for non-Chinese brand, such as Samsung and iPhone. Thus, it classifies the identity of the members as those who support and loyal to the Chinese brand smartphones and those who often recommend non-Chinese brand smartphones. This identity comes out from the members who often recommend, give good opinion, or even rooting the brands by comparing it to other brands with favouring their brands by highlighting the good things.

Production refers to the process of creating a product which covers the products or goods, experiences, and the construction of intended messages or notion. At the moment, it involves everyone involved in the creation of the product. The creation of these intended products (message, notion, goods) occurs at the institutional level. It is in line with the institutional purpose, in which the institution means to encode their creation with particular meaning which (du Gay et al., 1997). The findings show that the production which was observed from the interaction among the group members are the smartphones produced by Chinese-based corporation, especially Xiaomi, Oppo, Vivo, and Realme. Xiaomi Inc. or known globally as Xiaomi is a Chinese corporation which design and produce electronic goods which various products span from gadgets, such as smartphones and the related products, into home appliances. It is competing with Korean brand, Samsung as the largest smartphones manufacturers globally, with Samsung being the first one. From the same country along with Xiaomi is Oppo, Vivo, and Realme which belong to the member of BBK Electronics Corporation or known as BBK groups among the members of these Facebook groups. The corporation produce not only smartphones but also other types of electronic groups such as tablet computers, smart TVs, and software related gadgets. Along with Xiaomi, the BBK group manufactured smartphones which dominate the market in Indonesia, in Asia, and in the world. Their top brands are Oppo, Vivo, and Realme which are very well-known and dominate the market in Indonesia and also OnePlus which is more famous in western hemisphere such as USA.

Consumption is not limited to how a product is utilized, but it covers conceptual process on how the meaning that users attribute to it, and the social environment in which it is used. It frequently occurs in a variety of settings. The process of consumption concern on how the meaning encoded by the producer is perceived. As argued by Hall (1980), in accepting the meaning which is intended by the producers, particular social groups or individuals may accept the meaning altogether in line with the intended meaning, which is called as preferred reading. Subsequently, the meaning might be negotiated, in which they can accept some parts while rejecting the others in order to adapt to their needs and values. Or the intended meaning may be rejected altogether. Regarding the phenomenon among these group members, the consumption process on the Chinese brand smartphones are varies. The decode meaning by the members are varies in responding to the message encoded by the producers which offer decent quality devices that able to compete other brands. The members who accept the encode meaning mainly are the Chinese brand smartphones are those who also loyal, show recommendation and even persuade the other members to like to buy the products. Meanwhile, some members of the groups also show rejection to the encoded meaning of the producers in which some of them are not the fans of the Chinese brands or those who negotiate with the offered value of the products. These group of members who are non-Chinese brand smartphones fans are showing their argument by the fact that the phones do not have decent quality compared to other brands, such as Samsung and even iPhone which have more prestige. However, those who consumed the Chinese brand smartphones who show their support to the brands do not take it into an account the prestige, they mainly highlight the point of decent quality and performance with affordable. Thus, they accept the products as worth the price to performance rather than prestige.

Regulations is defined as an effort which aims to adjust the meaning in accordance to the production and consumption related processes (Thompson, 1997). The enactment of regulation is
not limited to the formal sector such as governmental or institutional policies and laws. However, it also extends beyond government formal rules, in which relates to societal standards and ideals, affecting how goods are perceived in society, such as determining the informal norms of what is right or wrong and what is acceptable and unacceptable in limited social scope (du Gay et al., 1997). For instance, the members of those groups have common opinion on the smartphone quality and feature per price. The Chinese brand smartphones, such as Xiaomi, Oppo, and Vivo are known to offer the best features and quality in their class and price range. Those from Xiaomi are known with decent quality of performance and those from Oppo, Vivo, and Realme with their fine quality of camera and charging technology. Therefore, the offer allows the brands being likeable ones to the customer and further create the informal regulation among them. These Chinese brand smartphones become the ‘benchmark’ to decide whether a particular smartphone is worth the price to be bought, which often affects another non-Chinese brand. It further leads to the fact that these brands with such price are not worth to buy because the Chinese brand ones have the same price with better quality.

3.2 The Shift of Perspective on Chinese Brand Smartphones

The interaction among these Facebook group members who discuss the Chinese brand smartphones are the kind of or electronic word of mouth. It refers to the practices of ‘advertising’ between customers about the particular products and play an significant role in influencing people’s perception toward the products (Beneke et al., 2015; Sun et al., 2021). The practices of word of mouth can be broaden into electronic networking such as trough internet by email, blog, and social media (Beneke et al., 2015). According to the classification of electronic word of mouth by Weisfeld-spolter et al. (2014), namely many-to-one, one-to-many, many-to-many, and one-to-one, the discussion on these Facebook groups mainly show visible one-to-many and many-to-many electronic word of mouth. The findings in line with the study by Asshifa and Yuniarinto (2021) which show that people pay attention to the country of origin and the brand image in deciding whether to purchase the products or not. However, the word of mouth significantly lessens the effects of both factors in purchasing decision. Likewise, the study Purwanto and Wibisono (2019) also stated that word of mouth has highly potential to influence the perception of consumers toward the products which further this perception will affect the buying intention. From the findings, it is shown that the group members are performing electronic word of mouth which further influence their perception on the Chinese brand smartphones.

These people on Facebook groups who are engaged to this discussion often gives recommendation, review, even sharing personal experience as the user of a particular Chinese phone, such as Xiaomi, Oppo, Vivo, or Realme. These assessments or opinion from the members are deemed as more authentic as it comes directly from the first hand of the user which has less to no tendency to bring the purpose of the institution to spread their intended message. In line with the notion of a study by Wilson (2020) which show that celebrity endorser significantly influence either to the buying intention or the brand awareness, the study found that the word of mouth or recommendation from other people have significant influence on perception to the brands. However, it differs from the study by showing that in influencing people’s perception on brands, the opinion of people from non-celebrity group is also considerable. The celebrities have power of influence on their attractiveness and popularity, meanwhile, the member of these groups have decent related knowledge which is more empirical and objective as the firsthand subject.

In related to the country of origin, the Chinese brands have had tendency to be perceived negatively or at least in sceptical way in terms of quality (Fatih et al., 2016; Yuniar & Aji, 2022). It is due to its relatively cheaper price with the adjusted quality to price. However, the study found that the image on the Chinese brand smartphones is getting better in related to the products quality.
Instead, they members found it acceptable that the price to performance of the Chinese brand smartphones is relatively worth the price. In other words, the members. It is in line with the finding that Chinese smartphones such as Xiaomi, Oppo, Vivo, and Realme are produced in many segments and types and able to compete with the other big global brand such as iPhone and Samsung in term of sales and improvement of quality and feature innovation (Sari & Suyanto, 2022). In line with the study by Fatih et al., (2016), the present study found that the group members perceive the notion that the smartphones products of China are believed to be more understanding to the user in term of functional needs and price.

4. CONCLUSION
The process of production and consumption is not limited to economic aspects but also interrelated to the socio-cultural aspect. For instance, in responding to the consumerism of Chinese brand smartphone and the image which attached to the brands. Through the analysis of five elements of circuit of culture, it is found that the phenomenon is not limited to the process of production and consumption, but it involves all five of elements, namely representation, identity, regulation, along with production and consumption. These elements are interrelated to each other which further the study found that the analysis show how the Chinese brand smartphones are perceived among Indonesian customers. The study found the negative image on the Chinese brands smartphones is declining among the customers. It is shown by the members of Facebook groups who discuss about smartphones including Chinese brand ones. The analysis of the circuit of culture reveals the interconnections between representation, identity, regulation, production, and consumption that shape the changing perception of Chinese smartphone brands in Indonesia. The study found that, despite the existing negative comments, they often recommend the Chinese brand smartphones when it comes to the functional need with affordable price. The shifting representations and identities related to Chinese phone brands demonstrate their potential for gaining greater acceptance among Indonesian consumers. Thus, the negative perspective on Chinese brand smartphones which believed that the phones are low quality low price is promisingly shifted into worth price to performance.

Analyzing the cultural circuit provides insight into the socio-cultural dynamics that are reducing negative perceptions and enabling Chinese brands to increase their presence in Indonesia's smartphone market. Further research could examine other emerging markets to analyze if similar cultural shifts are occurring regarding Chinese smartphone brands. Additionally, future studies could track Indonesian consumer perceptions over time to determine the longer-term impact of changing representations and identities on Chinese smartphone consumption.

REFERENCES


