

Product Innovation and Diversification: Buttonscarves' Strategy in Maintaining Brand Relevance

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ABSTRACT

Along with the increasing public awareness and need for modest fashion, the Muslimah fashion industry in Indonesia is growing rapidly. As a leading brand in this field, Buttonscarves has managed to maintain its relevance and competitiveness by implementing product innovation and diversification strategies. This research aims to analyze the implementation of the strategy and its impact on brand sustainability. In this study using a qualitative descriptive approach with a case study method, the data results were collected through digital documentation on e-commerce platforms and official social media from Buttonscarves. The results show that exclusive hijab designs, collaboration with international brands and the use of premium materials enable product innovation. Buttonscarves marketed products continue to innovate such as hijab, accessories, bags, women's shoes to home living products. This study shows fashion businesses the importance of continuous innovation and product diversification to deal with the market dynamics.

INTRODUCTION

The Muslim fashion industry in Indonesia has experienced very rapid development in recent years, this is due to the increasing awareness and needs of the community in the world of modest fashion. Muslim fashion that is currently trending, ranging from hijab, clothing, gamis, accessories and so on, opens up promising business opportunities. Initially, Muslim clothing functioned as protection from the hot sun. However, over time, clothing has developed into an important element in human life that not only plays a role in protection, but also reflects ethics and aesthetics in society (Wahidah, 2025). The Muslim population in the world continues to increase including in Indonesia, with the majority of the Indonesian population being Muslim, creating an increasing demand for Muslim clothing that is in accordance with Islamic law but remains stylish. Indonesia is among the leading countries in the development of world Muslim fashion. Referring to data from the Ministry of Industry, Indonesia is in third place as a country with the best Muslim fashion industry, below the United Arab Emirates and Türkiye (Arsj, 2022). Based on real-time data from “Global Muslim Population” Indonesia ranks first in the world as a Muslim population with 244,712,757 people out of a total population of 281,279,031 people.

Table 1. Number of Muslims

No.	Country	Number of Muslims	Total Population Number
1.	Indonesia	244,712,757	281.279.031
2.	Pakistan	239,671,886	248,364,649
3.	India	223,353,809	1,450,349,407
4.	Bangladesh	159,675,563	175,854,144
5.	Nigeria	118,937,264	232,753,942

Source: Sindonews.com (2025)

Currently, the modest fashion industry in Indonesia faces intense competition, marked by the emergence of various new brands, both locally and internationally (Helmi, Heriwibowo, & Muslihun, 2022). Rapid changes in consumer preferences require brands to continuously adapt to evolving seasonal trends, presenting challenges in maintaining consumer loyalty (Wahidah, 2025). Additionally, the presence of global brands offering similar designs at competitive prices presents additional challenges for local brands to maintain consumer loyalty (Yunitasari & Muhadjir, 2022).

In the world of Muslim fashion, there is business competition with the existence of many brands. There are several big brands that have many Muslim women fans in Indonesia such as Zoya, Ria Miranda, Zaskia Mecca, Kami, Rabbani, Elzatta, Umama Scarf, Buttonscarves, Hira, Kakha and others. One brand that has succeeded in becoming a major player in this industry is Buttonscarves, which was founded in 2016 by Linda Anggre. The motivation for establishing Buttonscarves was to have a great desire to produce comfortable, quality hijab products, but still make its consumers look stylish. Buttonscarves is a favorite brand in fashion among Muslim women because it has its own

characteristics and offers premium quality. Along with the development of design and product quality, this brand is increasingly attracting the attention of Muslims to foreign countries including Singapore, Brunei Darussalam, and Malaysia (Assegaf, 2023). Buttonscarves does not only rely on sales at offline stores, but also begins to innovate and expand its market share through online sales at Shopee, Tokopedia, Blibli, Zalora and Hijup. A business can survive long because it prioritizes innovation and creativity (Helmi et al., 2022). In addition, innovation continues to be developed so that Buttonscarves has more consumers and can continue to compete with other brands. The development of technology and high competition encourages every company to continue to innovate in its business products. This continuous innovation will ultimately strengthen the company's competitive advantage in the market (Yunitasari & Muhadjir, 2022).

Many studies have discussed the importance of product innovation in maintaining competitive advantage (Curatman, Rahmadi, Maulany, & Mastur, 2018); however, research specifically examining the simultaneous impact of product innovation and diversification on brand relevance in the modest fashion industry, particularly premium local brands like Buttonscarves, remains limited (Arsj, 2022; Assegaf, 2023). This study aims to fill this gap by analyzing in depth how the combination of product innovation and diversification affects brand sustainability.

The strategy implemented by Buttonscarves is to implement a product diversification strategy by adding to the ready-to-wear clothing line, accessories, bags, and home living products. This diversification aims not only to expand the product portfolio, but also to strengthen the brand identity as a lifestyle brand that targets the modern Muslim consumer segment. Careful marketing planning is needed to ensure the appropriate target market and determine the right market positioning strategy (Ariza & Aslami, 2021). Referring to Kotler & Keller, product diversification can help companies create added value for consumers, expand market share, and minimize the risk of dependence on one type of product. Product diversification strategy is one of the important steps in maintaining relevance amidst dynamic changes in consumer preferences. However, the effectiveness of this diversification strategy needs to be studied more deeply, especially from the consumer perspective. Therefore, the researcher's goal is to find out the phenomenon in terms of product innovation and diversification carried out by Buttonscarves which is able to maintain brand relevance in the midst of a very competitive modest fashion industry.

LITERATURE REVIEW

Buttonscarves

Buttonscarves is a Muslim fashion brand from Indonesia that markets its products such as premium hijab, modest fashion clothing, accessories, bags, shoes and others. Linda Anggeaningsih founded Buttonscarves, since 2016 and continues to innovate in each of its products. Buttonscarves sales start from various regions of Indonesia such as Java, Sumatra, Kalimantan, and Sulawesi (Sahara. A. R et al., 2023). Globally, sales have reached Malaysia, Singapore and Brunei Darussalam. This brand prioritizes the best quality in every product. Its target market is the middle to upper class, with its marketing strategy focused on

Lifestyle Marketing (Wahidah, 2025). Buttonsscarves has a logo taken from the combination of the letters "B" and "S" forming the number 8. While the Button brand comes from the word Button which means button. Buttonsscarves consumers have a special community called BS Lady (Ciptasari et al., 2024). In addition to having a physical store, Buttonsscarves also markets its products through Shopee, Tokopedia, Blibli, Zalora and the official store website.

Innovation

Innovation is not just about creating something new, but also how the innovation can be accepted and adopted by society or the market. Innovation is applied to products, services or ideas that are considered new by someone. Even though an idea has existed in the past, the idea can still be considered innovative (Curatman et al., 2018). Quoting from The Last Supper (2022) In Everett M. Rogers and Floyd Shoemaker's theory of diffusion of innovation, there are four main indicators in it:

1. Innovation itself can be measured by relative advantage, compatibility, complexity, trialability, and observability. If it contains these measurements, a product will be classified as an innovation that is beneficial to the wider community.
2. In the relative diffusion of innovations, the time elapsed between when a person becomes aware of an innovation and their decision to adopt or reject it is a key indicator. One way to measure this is by looking at how people make decisions about releasing new innovations to the market. Another metric is how inventive people are. This can be interpreted as a measure of how slowly or quickly a person adopts an innovation in their social environment.
3. Members of a social system measure the innovativeness of a society by how quickly or slowly it adopts innovations from other societies. Here, pioneers who are not afraid to try new things can play a role by inspiring the rest of society to adopt more progressive practices and ways of thinking. Any member of the general public who would benefit from the availability of continually improving products is an informant of innovation.
4. Communication channels are any media through which information can be sent from one party to another. This will be divided into two, namely personal channels and mass media in the form of delivering messages through news in newspapers or social media used.

Product Diversification

The aim of diversification is to expand or increase the variety of products and services to increase company profits (Hadi & Al-Farisi, 2016). Product diversification is an important strategy for companies to survive and thrive amidst tight market competition. Referring to Tjiptono and Chandra (2017), there are four indicators of product diversification:

1. Creating durable products, which ensures that the products produced have good durability to provide a more satisfying user experience. This aims that if consumers buy the product, they feel they get more value for

the money they spend. To achieve this, business actors can innovate in the design of existing products to be more competitive in the wider market.

2. Leading to ready-to-consume or ready-to-use products, which present products that can be used directly without requiring many additional processes to increase customer satisfaction.
3. Consumer needs and expectations, which must be oriented to the needs and expectations of consumers who use the product. This can be seen from conducting market research to analyze existing trends so that it can create products that are relevant to the current market share. If it is based on the real needs of customers, it will be easier to accept and have a greater chance of successfully competing with other competitors.
4. Providing added value, which will tend to be superior to similar products on the market. This added value can be measured by the emotional benefits of the opinions of its consumers. With this added value, it can increase their competitiveness and can set a premium price that is comparable to the advantages of a business with this strategy.

Strategy

Strategy is a plan designed by top management to achieve certain goals (Rusliani et al., 2023). In running a competitive business, companies must have the right strategy to achieve excellence in the market. Strategy can be interpreted as a plan designed as a whole, which connects the strengths of the work unit with challenges and opportunities (Witjaksono & Amir, 2022). Referring to Hisyam Alie quoted by Rafi'udin et al. (2004), to achieve a strategic strategy, several things must be considered:

1. Advantages are all businesses that are different and superior to their competitors, can be quality products, friendly customer service, or advanced technology. The goal is to find strengths that can help businesses gain competitive advantage.
2. Weaknesses are areas that require more attention for the progress of a business that relies on certain suppliers or has a bad reputation. The goal is to improve business performance that is often overlooked, even though it is very important.
3. Opportunities are external things that can increase market value, including new trends or opportunities to collaborate with other parties. The goal is to develop a business without having to start from scratch so that if there is an opportunity, it is used well.
4. Threats are external sources that can stop a company's progress, such as intense competition, market changes, or economic fluctuations. The goal is to help businesses prepare for problems before they arise.

METHODOLOGY

The type of research used in this research is descriptive qualitative with a case study approach. This approach was chosen to thoroughly understand the phenomena that occurred in this research by prioritizing elements related to product innovation and diversification strategies. The data collection technique in this research is to use documentation via Instagram and e-commerce used by

Buttons scarves. This documentation is used to directly observe the processes applied in the business that is the object of research. In the data analysis process, it is collected from data reduction, data presentation, and drawing conclusions. At this stage, the information obtained from the documentation is simplified and categorized according to the theoretical studies that have been presented. Furthermore, a narrative description is given according to the data that has been reduced to make it easier to understand and the existing relationships can be identified. Finally, conclusions are presented based on the results of the data analysis to provide a complete picture of the product innovation and diversification strategy in maintaining brand relevance.

RESEARCH RESULT AND DISCUSSION

Product Innovation as the Key to Excellence

Buttons scarves continues to innovate to provide attractive and high-quality products in order to maintain competitiveness in the Muslim fashion industry. A main strategy implemented is to create exclusive hijab designs with unique patterns that are not only implemented is to create exclusive hijab designs with unique patterns that do not just follow the trend, but also have their own characteristics. Also in terms of choice present to the consumer high quality materials like premium voal, satin and silk which found to greatly increase the value of product. Price according to the product and quality of material, designed in a range which goes from IDR 115,000 – IDR 3,225,000. Not only put focus on design and material innovation but also into collaboration with public figures and other brands to bring out unique special edition collections like Disney and My Little Pony. To expand market reach and at the same time increase brand's appeal among fashion enthusiasts. Also not only limited to just hijab but constantly coming up with other products which include bags, accessories, basics, home and beauty, women's shoes and modest fashion clothing to cater to a larger market. Variety of themes and series which get from different countries like Dubai and New York the capital of America. In this way it built up an identity as a premium Muslim fashion brand which is very much in the know of what is going on in the fashion world..

Diversification to Expand the Market

Buttons scarves has gone into related products to grow its market and maintain its leadership in the Muslim fashion industry. Mainly came in to the picture as a premium hijab brand which had exclusive designs. But Buttons scarves has made many innovations with various other fashion products which Buttons scarves categorizes as fashionable luxury fashion. As a part of diversification Buttons scarves added to product lines which include modest fashion wear, bags, accessories, women's shoes, souvenirs and the list goes on. Each of products Buttons scarves design with elegance in mind and Buttons scarves use high quality materials which is what the Buttons scarves brand is all about. Through this Buttons scarves have been able to get in to a new set of customers which are not just looking for hijab but also for a full fashion go which is moderate and luxurious. Also Buttons scarves have been into geographical diversification which Buttons scarves did by expanding into the international

market. Buttonscarves have opened physical stores in many countries and Buttonscarves has also partnered with global distributors who have helped expand its market reach to Malaysia, Singapore and Brunei Darussalam. In terms of marketing, Buttonscarves has implemented an omni channel strategy where it sells products through physical stores, official websites, and also marketplaces. This Buttonscarves did to give customers a wider choice in terms of where they can shop, be it offline or online. Through product diversification Buttonscarves have been able to maintain relevance in the Muslim fashion industry, grow market share and at the same time Buttonscarves have strengthened position as a premium brand which is always at the forefront of innovation..

Branding and Digital Marketing Strategy

Buttonscarves has put together a great brand identity through what they did really well in terms of branding and digital marketing on Instagram and TikTok. They achieve great feed appeal with a consistent look which includes appealing color schemes and unique design elements that play into the luxury fashion brand image. What Buttonscarves does on TikTok also stands out in the way that they present attractive visuals which is not only to put forward their products but also to have customers and the public enjoy the content. Also they work with influencers and Key Opinion Leaders (KOL) to increase their credibility, reach out to new markets, and build up consumer trust. In addition they put out useful content like outfit inspiration photos which makes them more than just a brand but a source of inspiration for their users and the public at large. Also they are into trend research and in depth market analysis which helps them keep what they put out relevant and on point for customer need. Today Buttonscarves is a very competitive player in the domestic and international Muslim fashion market thanks to their consistent brand strategy, use of social media to the full, and that they are very interactive..

Impact on Brand Relevance and Sustainability

Buttonscarves' digital marketing on Instagram and TikTok is what really puts them on the map in terms of brand and sustainability. They've been able to grow their reach and at the same time enhanced their premium fashion brand image by way of Instagram Stories that include high quality posts and interactive content. As for TikTok they put out Fashion Week videos which went viral in the community and also made use of the Shop feature to improve the customer experience by selling marketed products. Also, it is very much so that Buttonscarves has built a strong brand image in the minds of the consumers which Buttonscarves see from the consistent quality of the content and the aesthetic of their photos and videos. Also they have put together a loyal customer community like BSLady which in turn improves customer relationships and brings in repeat business. Buttonscarves is now a player in the international markets of Malaysia, Singapore and Brunei which they achieved through a digital strategy that proved they as a local Indonesian brand can go global. Also they will do well to sustain their relevance and success in the Muslim fashion space by paying attention to social trends which in turn they can use to adapt their content and products to what the customer wants..

CONCLUSIONS AND RECOMMENDATIONS

This study reports that Buttonscarves' product innovation and diversification efforts have paid off in terms of maintaining brand relevance in the dynamic modest fashion space. Through product design refreshes, partnerships, and geographic and category expansion, Buttonscarves has indeed cemented its place as a premium brand (Wahidah, 2025; Assegaf, 2023). Also they have put in place very effective digital marketing which has in turn strengthened brand image and grown international reach (Ciptasari, Wiryaningtyas, Arifin, & Sibarani, 2024).

Buttonscarves has been able to maintain its relevance through a product innovation and diversification strategy. Buttonscarves see that they are not only focused on hijab fashion but have incorporated other fashion lines which has increased their market reach. Their position as a premium brand in the modest fashion industry is also due to design innovation, use of digital tech, and collaboration with public and international brands. This diversity in products increases customer appeal and helps the brand to compete better. Buttonscarves see in Buttonscarves' case that key to their success is innovation and diversification which they use to ride the wave of market trends, maintain high product quality and improve the customer experience.

This research Buttonscarves present is of a qualitative descriptive nature which used documentation from social media and e-commerce platforms but did not include consumer perspective through interviews or surveys. Buttonscarves recommend for future research to use a mixed method approach which includes quantitative data from customer surveys along with the qualitative data to get a better picture. Also it is recommended that in future studies Buttonscarves look at in more detail the issue of digital innovation's role in building long term customer loyalty (Tjiptono & Chandra, 2017; Yunitasari & Muhadjir, 2022). Also Buttonscarves suggest that future research look at in depth the impact of digital strategies on customer loyalty over the long term (Ariza & Aslami, 2021).

ADVANCED RESEARCH

This research is limited to a qualitative descriptive approach, relying solely on documentary data from social media and e-commerce platforms without directly involving consumer perspectives through interviews or surveys. Therefore, future research is recommended to utilize a mixed-method approach, integrating quantitative data from consumer surveys with qualitative data to achieve more comprehensive analysis results (Tjiptono & Chandra, 2017; Yunitasari & Muhadjir, 2022). Future studies could also explore more specifically the impact of digital innovation strategies on long-term customer loyalty (Ariza & Aslami, 2021).

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