

MIDTERM EXAMINATION ANSWERS

Entrepreneur & Management Research

Case: Threads of Sumba - Cultural Authenticity and Digital Market Growth

Course	Entrepreneur & Management Research
Coverage	Meetings 1-6: problem diagnosis, research questions, paradigms, literature review, conceptual framework, research design, and sampling strategy.
Answer Style	Structured analytical essay with strong methodological and ethical justification.
Main Argument	The issue is not merely whether TikTok increases sales, but how digital storytelling, authenticity, information quality, and trust shape sustainable repeat purchase.

A. MIDTERM QUESTION CHECK AND ANSWERING STRATEGY

Core judgement

This midterm question is academically strong because it does not test memorization alone. It requires students to transform a real managerial situation into a researchable academic problem that is testable, ethical, and methodologically coherent.

Brief assessment: The Loka Tenun Prai Madeta case is intentionally designed so that students do not simply accept the management team's claim that "TikTok increases sales." The claim is too simple because sales growth may be influenced by awareness, trust, perceived authenticity, product information quality, price perception, and customer retention. A strong answer must distinguish managerial symptoms, practical business problems, and academic research problems.

Question Aspect	Assessment	Answering Implication
Alignment with the syllabus	Very strong	It covers research significance, problem identification, research questions, paradigms, literature review, conceptual framework, design, and sampling.
Difficulty level	Medium-high	Students must think analytically rather than merely define concepts.
Best answer key	Argumentative and consistent	Every methodological decision must be connected: problem -> research questions -> paradigm -> framework -> design -> sampling.
Common potential mistake	Too narrow	Answering only that "TikTok increases sales" without explaining the mechanisms of trust, authenticity, and repeat purchase.

Reusable thesis sentence for the answer

Digital marketing effectiveness in cultural entrepreneurship should not be reduced to platform exposure; it must be explained through the mechanisms of authenticity, product information quality, trust, and repeat purchase intention.

Suggested Structure

1. Diagnose symptoms first, then separate practical business problems from academic research problems.
2. Formulate research questions and objectives that are narrow, data-based, and non-normative.
3. Choose a pragmatic paradigm because the case requires both measurable consumer data and cultural-ethical interpretation.
4. Build a literature map and conceptual framework that explain mechanisms, not merely correlation between TikTok and sales.
5. Use mixed-methods design with survey, interviews, and content analysis to protect methodological consistency and ethical sensitivity.

1. Diagnosing the Research Problem

a. Three managerial symptoms shown in the case

Managerial Symptom	Case Evidence	Analytical Meaning
Digital visibility increased significantly	One video reached more than 150,000 views and Instagram followers increased from 2,100 to 8,400.	The enterprise successfully gained awareness, but awareness alone may not explain purchase or loyalty.
Sales increased, but repeat purchase remained low	Marketplace sales rose from 35 to 72 products per month, but only 20% of buyers made repeat purchases.	The key issue may not be initial attraction, but conversion, trust, satisfaction, or retention.
Buyers still questioned authenticity and product information	58% were unsure about authenticity, 38% said product information was incomplete, and 45% considered the price expensive.	Consumers may need stronger trust signals, clearer product information, and better value justification.

b. Practical business problem vs academic research problem

Type of Problem	Answer
Practical business problem	Loka Tenun Prai Madeta needs to improve its digital marketing strategy so that digital attention can be converted into sustainable sales and repeat purchases.
Academic research problem	The study must explain why and how digital storytelling influences consumer trust, perceived authenticity, purchase intention, and repeat purchase intention in the context of cultural products and social enterprise.

c. Stronger research problem

Research problem

Although Loka Tenun Prai Madeta's digital storytelling has increased online reach and monthly sales, the enterprise still faces low repeat purchase, buyer uncertainty about authenticity, incomplete product information, and ethical concerns from the weaving community. Therefore, it is necessary to examine how digital storytelling, perceived authenticity, and product information quality influence consumer trust and repeat purchase intention in Sumba woven products.

d. Importance for entrepreneurship and management research

This research problem is important because cultural entrepreneurship does not only depend on digital exposure. A viral video may create awareness, but sustainable entrepreneurship requires trust, authenticity, customer retention, and ethical value creation. For management research, the case shows that digital marketing effectiveness should not be measured only through views, followers, or short-term sales. It should also be assessed through consumer trust, repeat purchase intention, and responsible cultural representation.

2. Research Questions and Research Objectives

a. Academic problem statement

Loka Tenun Prai Madeta has experienced strong digital growth after using Instagram, TikTok, online marketplaces, and live selling. However, the increase in digital reach and monthly sales does not automatically indicate sustainable market success. The case shows that many buyers are still uncertain about product authenticity, some consider the products expensive, product information remains incomplete, and repeat purchase is low. In addition, some weavers are concerned that digital promotion overemphasizes exotic cultural stories without sufficiently explaining the production process and economic value distribution. Therefore, this study examines how digital storytelling, perceived authenticity, and product information quality influence consumer trust and repeat purchase intention in the context of Sumba woven products.

b. Three related and researchable research questions

1. How does digital storytelling influence perceived authenticity of Sumba woven products?
2. How do perceived authenticity and product information quality influence consumer trust?
3. How does consumer trust influence repeat purchase intention for Sumba woven products?

c. Two aligned research objectives

1. To analyze the influence of digital storytelling, perceived authenticity, and product information quality on consumer trust.
2. To examine the role of consumer trust in shaping repeat purchase intention for Sumba woven products.

d. Why the formulations are appropriate

These research questions are not too broad because they focus on specific constructs: digital storytelling, perceived authenticity, product information quality, consumer trust, and repeat purchase intention. They are not normative because they do not ask what the enterprise "should" do; instead, they ask relationships that can be examined through data. They are also answerable through survey data from consumers and interview data from weavers or managers.

3. Research Paradigm and Research Reasoning

a. Most suitable paradigm

Chosen paradigm

The most suitable paradigm is the pragmatic paradigm.

b. Justification

The pragmatic paradigm is appropriate because the case contains both measurable consumer behavior and socially sensitive cultural meaning. On one side, the researcher needs quantitative data to examine relationships among digital storytelling, perceived authenticity, trust, and repeat purchase intention. On the other side, the researcher also needs qualitative data to understand weavers' concerns about cultural representation, exoticization, and fairness in value distribution.

A purely positivist paradigm may be too narrow because it may reduce the issue to statistical relationships only. A purely interpretivist paradigm may be rich in meaning but less able to test whether trust and authenticity actually influence repeat purchase intention. Therefore, pragmatism is stronger because it allows the researcher to combine survey data with interviews.

c. What counts as evidence within the pragmatic paradigm

- Survey data from buyers measuring digital storytelling perception, perceived authenticity, product information quality, trust, and repeat purchase intention.
- Interview data from weavers and managers explaining how cultural stories are selected, represented, and linked to economic value.
- Document or content analysis of TikTok, Instagram, marketplace descriptions, and live selling scripts to examine how authenticity and cultural meaning are communicated.

d. Methodological risk if the wrong paradigm is chosen

If the researcher chooses a paradigm that does not fit the problem, the study may become methodologically weak. For example, if the researcher uses only a positivist survey, the study may measure consumer trust but ignore the ethical concerns of the weavers. Conversely, if the researcher uses only interpretivist interviews, the study may describe cultural meaning well but fail to test whether authenticity and product information actually influence repeat purchase intention. This would weaken the alignment between problem, data, and conclusion.

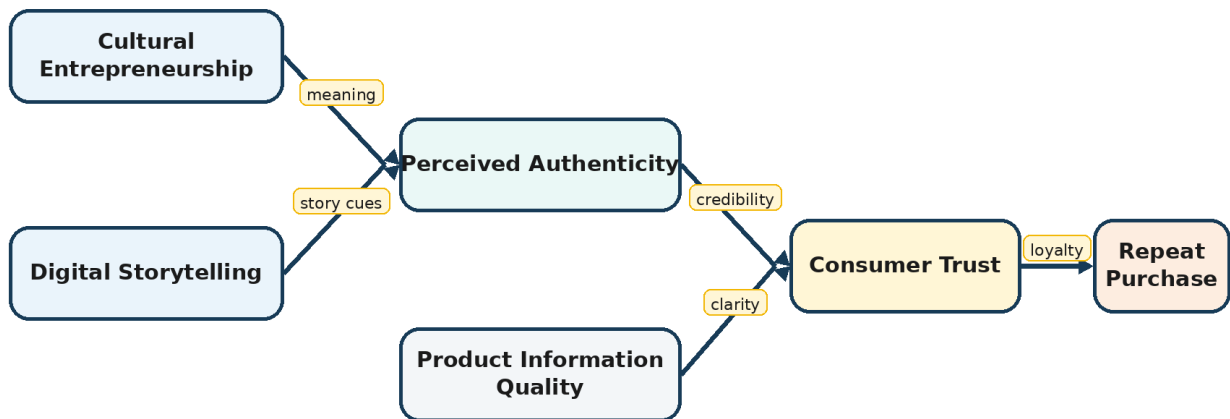
4. Literature Review as Strategic Mapping

a. Relevant literature keywords

Digital storytelling	Cultural entrepreneurship	Perceived authenticity	Consumer trust	Product information quality
Purchase intention	Repeat purchase intention	Social enterprise marketing	Ethical cultural representation	Digital marketing for local products

b. Simple literature map

Literature Map: Key Concepts and Analytical Logic



Interpretation: The literature map shows that digital content does not directly create repeat purchase. Digital storytelling may first shape perceived authenticity, while product information quality reduces uncertainty. Both perceived authenticity and product information quality may increase consumer trust. Trust then becomes the key bridge toward repeat purchase intention.

c. Reasonable research gap

Research gap

Previous digital marketing studies often emphasize reach, engagement, and sales conversion, but fewer studies explain how digital storytelling creates sustainable repeat purchase in cultural social enterprises through perceived authenticity, product information quality, and consumer trust.

This gap matters because cultural products are different from ordinary consumer goods. Buyers do not only evaluate price and design; they also evaluate authenticity, cultural meaning, ethical production, and whether the product genuinely supports local communities. Therefore, research on Sumba woven products should not only test "TikTok increases sales," but should explain the mechanism behind consumer decision-making.

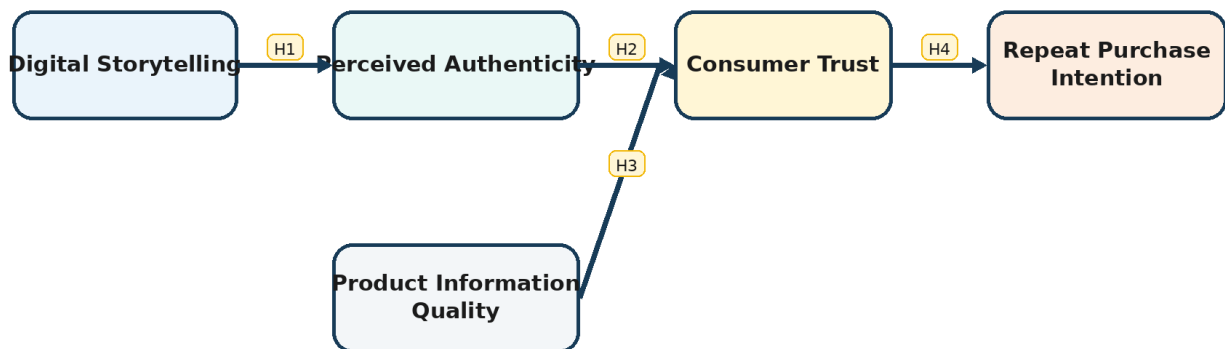
d. Four main concepts and operational definitions

Concept	Operational Definition
Digital storytelling	The extent to which digital content communicates product origin, weaving process, cultural meaning, and human stories behind the product.
Perceived authenticity	The buyer's perception that the product is genuinely made by local weavers and reflects real cultural meaning.
Product information quality	The completeness, clarity, and usefulness of product information, including size, material, motif meaning, price, and production process.
Consumer trust	The buyer's confidence that the product, seller, production process, and cultural claims are reliable and honest.

5. Conceptual Framework and Theoretical Argument

a. Conceptual framework

Conceptual Framework



b. Direction of relationships

Digital storytelling is expected to increase perceived authenticity because stories about natural dyeing, traditional motifs, and local weavers help consumers understand the cultural origin of the products. When consumers perceive the products as authentic, they are more likely to trust the enterprise. Product information quality also strengthens trust because clear information about size, material, motif meaning, and production process reduces uncertainty. Finally, consumer trust is expected to increase repeat purchase intention because buyers are more willing to buy again when they believe the product is genuine, fairly produced, and clearly presented.

c. Hypotheses

Hypothesis	Statement	Argumentative Logic
H1	Digital storytelling has a positive effect on perceived authenticity of Sumba woven products.	Cultural stories provide origin cues and meaning, making products appear more genuine.
H2	Perceived authenticity has a positive effect on consumer trust.	When consumers believe the product is genuinely local, they are more likely to trust the seller and the claims.
H3	Product information quality has a positive effect on consumer trust.	Clear information reduces uncertainty about size, material, motif meaning, and value.
H4	Consumer trust has a positive effect on repeat purchase intention.	Trust reduces perceived risk and encourages buyers to repurchase.

d. Why this framework is stronger than simply testing "TikTok increases sales"

Key argumentative point

The framework is stronger because it explains the mechanism behind digital marketing effectiveness. It does not stop at platform exposure; it explains how storytelling becomes authenticity, how authenticity and information quality become trust, and how trust becomes repeat purchase intention.

The statement "TikTok increases sales" is too simple and may create a false causal conclusion. Sales may increase because of viral reach, but repeat purchase may remain low if consumers do not trust the authenticity, do not understand product information, or perceive the price as too expensive. The proposed framework shows that digital platforms are not the only factor. The important process is how digital storytelling builds authenticity, how authenticity and information quality build trust, and how trust leads to repeat purchase intention.

6. Research Design and Sampling Strategy

a. Type of research design

Recommended design

The most appropriate design is mixed-methods research, especially an explanatory sequential design.

The study can begin with a quantitative survey to test the relationships among digital storytelling, perceived authenticity, product information quality, consumer trust, and repeat purchase intention. After that, qualitative interviews can be conducted with selected buyers, weavers, and managers to explain the survey findings and explore cultural-ethical concerns.

b. Data collection techniques

Technique	Purpose	Data Expected
Survey	To collect quantitative data from buyers.	Perceptions of digital storytelling, authenticity, information quality, trust, and repeat purchase intention.
Semi-structured interviews	To explore perspectives of weavers and managers.	Narratives about cultural representation, fairness, production process, and digital storytelling ethics.
Content analysis	To examine Instagram, TikTok, marketplace descriptions, and live selling content.	Evidence of whether content explains only exotic stories or also includes production process, authenticity indicators, and economic value for weavers.

c. Population, unit of analysis, sampling frame, sampling technique, and criteria

Component	Proposed Answer
Population	Consumers who have seen or purchased Loka Tenun Prai Madeta products through digital platforms.
Unit of analysis	Individual consumer.
Sampling frame	Marketplace buyers, Instagram followers, TikTok viewers who interacted with the content, and customer database if available.
Sampling technique	Purposive sampling for buyers who have seen digital content or purchased products; possible snowball sampling for interview participants.
Respondent criteria	Must be at least aware of the product through digital platforms; preferably has purchased or seriously considered purchasing Sumba woven products.
Informants for qualitative data	Women weavers, enterprise managers, digital marketing staff, and selected buyers.

For quantitative survey, a larger sample is needed than the preliminary 40 buyers because 40 respondents are only useful as early indication. For qualitative interviews, the researcher may select fewer but information-rich informants, such as weavers who are directly involved in production and managers responsible for digital promotion.

d. Two important research ethics considerations

Ethical Consideration	Explanation
Protection of cultural dignity and community voice	Cultural stories should not be treated merely as marketing tools. The researcher must avoid exoticizing the weavers and must represent their voices fairly. This is important because the case shows that some weavers felt the digital strategy overemphasized exotic stories without sufficiently explaining the working process or value sharing.
Informed consent and transparent data use	Buyers, weavers, and managers should know the purpose of the research, how their data will be used, and whether their identities will be protected. This is especially important because the research involves cultural identity, women weavers, social enterprise practices, and possible sensitive issues about economic value distribution.

C. FINAL CONCLUSION

Strong closing argument

The strongest answer to this midterm examination is not to prove that TikTok increases sales, but to show that digital marketing effectiveness in cultural entrepreneurship is more complex. Visibility and sales growth exist, but sustainability is uncertain because repeat purchase is low, authenticity is questioned, product information is incomplete, and cultural representation creates ethical tension.

Therefore, the better research direction is to study how digital storytelling, perceived authenticity, product information quality, and consumer trust shape repeat purchase intention. This answer is stronger because it aligns the research problem, research questions, paradigm, literature map, conceptual framework, research design, sampling strategy, and ethics into one consistent academic argument.

Quick Scoring Checklist

Assessment Aspect	How This Answer Meets It
Conceptual accuracy	Uses research problem, research questions, paradigm, literature map, conceptual framework, research design, and sampling appropriately.
Depth of analysis	Connects each concept to case evidence: views, followers, sales, repeat purchase, authenticity doubt, product information, and ethical tension.
Methodological consistency	Maintains alignment from problem diagnosis to pragmatic paradigm, mixed-methods design, and purposive sampling.
Academic clarity	Uses structured sections, tables, definitions, hypotheses, and strong explanatory paragraphs.
Originality and ethics	Does not reduce culture to sales metrics; includes weavers' voices, consent, and fair cultural representation.

Source Basis

This draft was prepared from the uploaded syllabus and midterm question paper. The syllabus emphasizes research paradigms, literature review, conceptual framework, methodology, analytical competence, and academic integrity. The question paper asks students to transform the case into a researchable academic problem and to answer all six analytical questions consistently.