Strengthening The Economy And Branding Of Digital-Based MSMEs In Wirokerten Village

Atik Septi Winarsih¹*, Sakir Ridho Wijaya²
¹,² Department of Government Affairs and Administration, Universitas Muhammadiyah Yogyakarta, Indonesia
atikseptiwinarsih@umy.ac.id

Abstrak. Micro, Small, and Medium Enterprises (MSMEs) hold an influential role in the Indonesian economy. However, during the COVID-19 Pandemic, MSMEs players faced various problems, such as capital constraints and product marketing. This is due to the lack of understanding of business owners about marketing, primarily through digital technology. The Wirokerten Village, located in the Banguntapan District, Bantul Regency, Special Region of Yogyakarta, is known to have many MSMEs. The MSMEs actors who are members of the Wirokerten Village have home-based businesses such as making melinjo chips, rambak crackers, tofu pearl, and others. There are 142 MSMEs in total; of course, they have different markets or customers. Each of these MSMEs customers certainly hopes that the MSMEs business will continue and progress with the changing times. The efforts made in this Community Partnership Program are to assist MSMEs actors in product branding to strengthen the people's economy. The form of this assistance is the creation of a product logo to support a better product appearance in the future.

Keywords: Strengthening the Economy, MSMEs, Product Branding, Digital

1 Introduction

Micro, Small, and Medium Enterprises (MSMEs) hold an influential role in the Indonesian economy. According to the Ministry of Cooperatives and SMEs, Indonesia has an immense number of MSMEs business sectors. These MSMEs are estimated to be around 64.19 million by 2021. MSMEs contributed 61.97 percent or IDR 8.6 trillion to the national gross domestic product (GDP) [1]. The emergence of the COVID-19 pandemic in the country certainly presents complex problems for MSMEs. The impact of this problem includes capital and marketing of MSMEs products[2]. In the current post-COVID-19 pandemic situation, an effort is needed to deal with this problem. These efforts include expanding a product's reach, which also requires a strong branding strategy with attention to quality so that the product can be competitive [3]. However, until now, some MSMEs still have problems in need of specific solutions.

Due to the strike of COVID-19 pandemic, the government restricted various community activities, hampering the community in carrying out activities – one of which is obtaining goods[4]. This situation is exacerbated by the lack of steps some business actors, such as MSMEs, take to produce and market their products. This condition is due to the lack of understanding of MSMEs owners about marketing through digital technology and production activities that still use conventional methods. MSMEs must have an authentic branding strategy to market their products to be well known by the wider community[5]. In addition,
it aims to carry out broader marketing, namely by carrying out branding in the form of attractive packaging or MSMEs logos. The lack of this authentic branding constrained the product from being marketed to other regions. Based on the results of previous observations, there are obstacles in branding MSMEs products. The problems are [5], [6]:

A. Production still uses conventional methods. This certainly impacts the intensity of production, lacking the ability to produce products in large quantities, and has not been able to expand the marketing area since the product packaging used is still processed in the old way.

B. There is no attractive packaging or product logo. The absence of good packaging and a product logo makes it impossible to form a product profile with specific characteristics.

C. There is no digital container that can coordinate branding properly. The lack of digital containers that can be used as branding on an ongoing basis prevented production figures from the expansion of marketing.

2 Methodology

The implementation of this service used the ABCD (Asset Based Community Development) approach model. The ABCD approach is a community empowerment model that prioritizes using assets and potential owned by the community or community who are empowerment partners [7]. The implementation method for the Community Partnership Program was divided into three stages: preparation, implementation, and program evaluation. These stages are sorted based on the following [7]:

Preparation Stage

This stage begins with deploying the community service team to partner locations and then approaching MSMEs supervisors in the Wirokerten Village. Out of the 142 MSMEs, there were 15 MSMEs selected.

Implementation Stage

In implementing this program, the focus is targeted on three main areas of service. First, assistance was provided in procuring production machines as needed, which helped increase income by enabling faster production of larger quantities. Second, a team of graphic design experts assisted in creating logos for MSMEs products to establish a recognizable identity. Third, intensive assistance in using digital media for branding – including e-commerce and social media platforms, to meet specific needs and promote product branding – was provided. Technical guidance and training was offered to ensure sustainable economic development for MSMEs through optimal product branding.

Monitoring and Evaluation Stage

The monitoring and evaluation stages were implemented in two ways, namely internal and external. Internal monitoring and evaluation were implemented as a form of monitoring the activity of the service team in carrying out their duties and responsibilities while participating in this series of Community Partnership Program activities. Then, external monitoring and evaluation were carried out to determine the role and involvement of partners in participating in a series of Community Partnership Program activities. The monitoring and evaluation results were then used to improve the following program.

3 Results and Discussion

This community service was held for two days at the Wirokerten Village Hall, Banguntapan District, Bantul Regency. Before the work was carried out, a meeting was held
with the village chief and the MSMEs supervisor in the Wirokerten Village. From the meeting results, data collection was then carried out on MSMEs in the Wirokerten Village. There are a large number of MSMEs in the village, 142 MSMEs in total. If mentoring was carried out with all MSMEs, available funds would not be sufficient. It would also take too long. Therefore, 15 SMEs were selected from various products. On average, the selected MSMEs are engaged in the food/culinary sector following the availability of funds. On the first day of the mentoring, MSMEs actors gathered at the Village Hall to receive training on making a product logo. Mentoring was then carried out. After the training on creating a product logo was completed, each participant was asked to make a logo according to the line of business or product they owned. This product logo was created using the Canva application. Initially, all participants were asked to download the Canva application from their cell phones using a free one. After each training participant finished making their logo, they showed the results to the presenters. The presenters then analyzed whether the results of the logo were good or needed to be revised/improved. Each MSMEs actor was competing to create the best logo. There were several revisions before the final result. Some of the created logos results can be seen in Figure 1 as follows:

![Figure 1. Examples of product logos made by mentoring participants](image1)

The logos displayed above are utilized in the packaging of MSMEs. While some logos were created with the help of trainers, many participants were able to design their logos independently. During the second meeting, MSMEs actors gathered in a meeting room to assess their product outcomes. Attendees were asked to bring the results of the products they had developed.

![Figure 2. Examples of MSMEs products monitored by the team](image2)
During the monitoring and evaluation, the product logo had not been created due to the short time interval since the first one was made. The meeting was concluded with a group photo and distribution of grants to the participants of the MSMEs training and assistance program in Wirokerten Village.

Figure 3. Assistance participants with the MSMEs service and mentoring with the expert of Drs. Widayanto, S.E.

The event was closed with a group photo of all participants with the MSMEs coaches and the dedication team.

Figure 4. Photos of the handover of the grant items given to each of the participants

Strengthening the economy and branding of digital-based Micro, Small, and Medium-sized Enterprises (MSMEs) in Wirokerten Village, or any similar rural area, requires a comprehensive strategy that combines economic development, technology adoption, and branding efforts. Here’s a step-by-step plan [8]:

a. Assess the Current Situation
   1) Start by conducting a thorough assessment of the current economic situation in Wirokerten Village, including the existing MSMEs, their products/services, and their digital capabilities.
   2) Identify the strengths and weaknesses of the local economy and the digital landscape.

b. Digital Infrastructure Development
1) Ensure that the village has access to reliable internet connectivity, which is essential for digital-based MSMEs. Work with local authorities and telecom providers if necessary.
2) Establish communal digital hubs or co-working spaces where MSMEs can access high-speed internet and share resources.

c. Digital Literacy and Training
1) Organize digital literacy programs to train local entrepreneurs in using digital tools and platforms for business.
2) Offer workshops on e-commerce, digital marketing, and online payment systems.

d. Financial Inclusion
Collaborate with local banks and financial institutions to promote financial inclusion among MSMEs. Encourage them to open bank accounts and access credit facilities.

e. Incubation and Mentorship
Establish a business incubator or accelerator program to support aspiring entrepreneurs in Wirokerten. Provide mentorship, funding opportunities, and shared workspace.

f. Marketplace Development
1) Create a local digital marketplace or e-commerce platform where MSMEs can list and sell their products. Ensure the platform is user-friendly and secure.
2) Promote the marketplace among local residents and neighboring areas.

g. Quality Control and Certification
1) Implement quality control standards for products and services to build trust among customers.
2) Seek certifications for products where applicable, as this can enhance the branding and reputation of MSMEs.

h. Digital Marketing and Branding
1) Develop a cohesive branding strategy for Wirokerten Village as a hub for digital-based MSMEs. This should include a unique selling proposition and a compelling narrative.
2) Invest in digital marketing campaigns to promote both individual businesses and the village as a whole.
3) Encourage the use of social media, websites, and online advertising for promotion.

i. Collaboration and Networking
1) Facilitate networking events, trade fairs, and business forums to encourage collaboration among MSMEs.
2) Encourage partnerships between local MSMEs and larger businesses for mutual benefit.

j. Monitoring and Evaluation
1) Continuously monitor the progress of digital-based MSMEs and the impact of the initiatives.
2) Collect feedback from entrepreneurs and customers to make necessary improvements.

k. Policy Advocacy
Advocate for supportive government policies that foster the growth of digital-based MSMEs, such as tax incentives and reduced bureaucratic hurdles.

l. Sustainability
Ensure the long-term sustainability of digital-based MSMEs by promoting eco-friendly practices and responsible resource management.
m. Measuring Success

Measure success not only in terms of increased revenue but also in terms of job creation, improved living standards, and the overall economic well-being of Wirokerten Village.

Remember that this is a long-term process, and it requires the active participation and cooperation of local authorities, business owners, community members, and external organizations. Regularly review and adjust the strategy as needed to adapt to changing circumstances and emerging opportunities.

4. Conclusion

The conclusion from this dedication is to stress the importance of ongoing promotions to increase sales for MSMEs. To achieve this, digital promotions are being conducted by providing training and guidance on creating product logos. The training was well-received, with all participants attending and showing enthusiasm. After the training, the participants created attractive logos that caught buyers' attention and increased sales. These logos need to be re-evaluated at least once a year to ensure they remain effective. Suggestions for improving the logos should also be considered. Additionally, the grants provided have been helpful in supporting MSMEs and ensuring their sustainability. MSMEs hope that this collaboration can continue beyond just one year.

References