Branding Design and Trademark Registration for Micro, Small dan Medium Enterprises (MSMEs)

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Abstract

The introduction of a product through a brand or brand that is easily remembered and recognized by consumers will have an impact on the development of the business. "Atiqa Handycraft" is one of the Micro, Small and Medium Enterprises that are members of the Family Welfare Improvement Business Group in Lowokwaru District, Malang City which produces bags, wallets, masks, book covers and mukena. Atiqa Handycraft's products are of good quality but have not been able to enter stores because there is no brand yet. In this mentoring activity, Partners are given an explanation of the importance of a Mark and are assisted on how to register a trademark. The results of the activity are the design of the Atiqa's brand and assistance for trademark registration to the Office of Micro, Small and Medium Enterprises of Malang City.

Keywords: Brand, Trademark, Handy craft, MSME

INTRODUCTION

Rapid technological developments affect consumer behavior in choosing a product. The tendency of consumers to become more practical because of this technology has increased buying and selling activities in the online market. This digitalization phenomenon has a significant impact on changes in human habits, including buying and selling market activities (Christianingrum et al., 2021). In addition, this rapid development makes competition also increase (Rokhmah & Yahya, 2020).

Intense competition makes business actors have to be good at racking their brains in order to survive. A strategy is needed that must be carried out by MSME actors in order to be able to win such tight competition in the midst of economic globalization (Faizah, 2019). Moreover, the increasing breadth of marketing media, both conventional and online, requires business actors to be able to provide added value and uniqueness of their products. This selling value increases when the resulting product gets added value from attractive packaging (Zen et al., 2017) as well as logos that are easy to remember. The introduction of a product through a brand or brand that is easily remembered and recognized by consumers will have an impact on the development of the business. In addition, a brand for business actors serves to introduce and differentiate their products from other products to potential consumers (Christianingrum et al., 2021). A brand is said to be successful if it can establish a relationship between the company and consumers.

Household craft businesses that are members of the Family Welfare Improvement Business group (UPPKS) in Lowokwaru District, one of them is "Atiqa handycraft" which is a business managed by housewives and currently employs other housewives. This business has made significant progress since online marketing assistance was carried out by the service team in the previous year. The use of e-commerce is very effective as a support for business activities in SMEs (Rokhmah, 2015). In the previous stage of mentoring, partners received online sales training and assistance which included product photo technique training, product photo uploading techniques, creating business Instagram accounts and joining e-commerce. The mentoring activity resulted in an increase in product sales, especially mask products which were new products produced during the Covid 19 pandemic.

Sales of other products, such as bags and wallets, also increased after online sales were made. The increase in sales turnover from an average of Rp1.500.000 per month to around Rp3.000.000 Rp6.500.000 or an average of Rp5.500.000. The increase in partner income during

the Covid-19 pandemic was caused by the increase in demand for mask products from several regions. This is a great achievement because before training, the income of Rp1.500.000 is gross income or sales turnover and after training, this figure is net income. During the assistance the Partner has been able to set aside his income to add 1 new sewing machine unit for IDR3.500.000.

Based on the evaluation between partners and implementers of the implementation of the activities that have been carried out, it can be seen that the buyer is satisfied with the partner's product because the product ordered is in accordance with the buyer's request and besides that the product is unique and has a different motive for each production. Ordering motifs and models is always evolving and different. For bags and wallet products, consumers are always different from one another because production is based on orders. The number of products produced shows that the quality of partner products has been trusted by the user community. Many consumers or partner customers provide input so that the product is given a brand logo so that it looks classy and the public is more confident and always remembers the products used, especially products from partners. A logo must have a basic philosophy and framework in the form of a concept with the aim of giving birth to an independent character (Rahman, n.d.). So far, partner product brand logos only use a ribbon that says Atiqa and is so small that it's not clear whether it's a brand or not. For this reason, input from consumers who ask for brands on products must be done immediately so that consumers who have purchased products will not switch to other products. Online consumers will also easily remember the product if it has a brand. Protection of partner products from competitors who produce the same goods will be more secure if partner products have brands that are easy to remember. Brands can also increase consumer confidence, so consumers will be more confident in using partner products. The existence of a brand is important for production results so that the product is better known in the market (Kurniawati et al., 2018).

Brands are important for MSMEs because they represent the products they produce. Product brands can strengthen consumer perceptions based on product quality, advertising, customer service, and attractive product packaging. Product brands can be said to be successful when the positive image of MSMEs is collaborated with good product quality (Ahluwalia et al., 2022). So that the mark needs to be registered to obtain protection of exclusive rights in the form of economic and moral rights as well as for legal certainty in the event that a third party uses the mark without permission. According to Article 1 point 1 of the Law on Marks and Geographical Indications, a mark can be displayed graphically in the form of an image, logo, name, word, letter, number, color arrangement, in two-dimensional and/or three-dimensional form, sound, hologram, or a combination. of these two or more elements to distinguish goods and/or services produced by persons or legal entities in the activities of trading goods and/or services.

Based on consumer input about their desire for partner products to be branded and so that partner products are better known, easy to remember and can provide confidence for those who use them or for Partners to provide solutions offered in the form of assistance in creating brands and registering Partner product brands to the Directorate General of Intellectual Property especially for bag products. Moreover, trademarks that are not registered with the Directorate General of Intellectual Property are also vulnerable to misuse by other parties which will result in losses for the business actors themselves (Indrawati & Setiawan, 2020).

METHOD

The method of implementing the service program for technical assistance in design and product brand registration in the handicraft business of the UPPKS group, Lowokwaru District, Malang City, is carried out in several stages of implementation as follows:
1) Preparation
a. Collecting data related to Atiqa's Handycrat business run by a member of the UPPKS Lowokwaru District, Malang City. This activity aims to obtain information related to the main problems faced by business actors. The service team can design solutions and assistance that are appropriate and in accordance with partner problems. In addition, the service team

can see the production activities that have been carried out by Atiqa's Handycraft business actors.

b. Preparation of community service programs. This activity is carried out to create programs that are right on target to solve problems that exist in the business run by Atiqa's Handycraft. The main program of this community service is assistance in making brand designs and registering the Atiqa's Handycraft brand.

c. Formulating the strategy for implementing the service program. At this stage, the strategy for implementing the service program is drawn up in stages and prepares the equipment and documents needed to create and register the brand

2) Implementation

a. Counseling on brand knowledge / brand. The purpose of this activity is awareness of the importance of having a brand for a product in order to attract consumers to buy the product. The service team provides counseling by explaining to partners the importance of brands for a business as well as tips on making brands easy to recognize and remember by consumers.\

b. Brand design technical training. The purpose of this activity is to create a representative and attractive brand design for Atiqa's Handycraft. Partners are expected to be able to prepare a brand plan and a description of the desired design.

c. Assistance in trademark registration. This activity aims to obtain proof of registration and legality of registered trademarks. The service team helps prepare the required documents and register them with the Directorate General of Intellectual Property online.

3) Monitoring and Evaluation

a. Monitoring and evaluation activities are carried out taking into account time and cost constraints. This activity is carried out regularly, every 2 weeks within a period of 1 (one) year of service.

b. The evaluation stage includes the preparation of an agreed schedule of activities between partners and the service team. There is an activity report form containing activity progress reports filled out by partners so that the service team can monitor activities and developments as well as obstacles faced when the service and mentoring program is running. This can give the dedicated team the time to provide the solutions they need.

4) Reporting

The preparation of the report is carried out after the entire series of mentoring activities have been completed according to a predetermined schedule.

RESULTS

In general, based on the results of the implementation of community service program activities in the form of technical assistance in designing and registering product brands at the Atiqa's Handicraft business which is a member of the UPPKS group, Lowokwaru District, Malang City, partners gain knowledge regarding the importance of brands, brand design techniques and brands/brands that are used. ready for use in the product. Previously, Atiqa's handicraft did not have its own brand label so that consumers were not easy to recognize the product. Branding aims to strengthen the image of the products produced so as to build consumer trust and loyalty to Atiqa's handicraft products.

DISCUSSION

The community service and mentoring program has a significant impact on the development of the handicraft business. There was an increase in demand and sales of masks, bags, and other products during the service period. The following are the stages of implementing the service program that has been carried out.

1) Preparation

The preparation stage begins with observing the partner's place of business. Previously, the service team had provided assistance to partners in the form of marketing through online media, namely e-commerce. So that the observation phase carried out includes evaluating the

previous program and discussing the obstacles faced. Based on the results of observations, several problems faced by partners were found, including the following:

a. Lack of partner knowledge about the importance of brand for a business
b. Atiqa's handicraft products are well known but do not yet have an attractive and easily recognizable brand label
c. There is no trademark registered in HAKI

Based on the problems expressed by partners, the service team provides several solutions to unravel the problems that exist in Atiqa's handicraft business. The solutions provided focus on branding and trademark registration.

2) Implementation

The community service and mentoring program is carried out by providing solutions to the problems that exist in Atiqa's handicraft business. The stages of implementing the activities are as follows:

a. The importance of brand education

The implementation of counseling on the importance of brands for business actors will be held on May 15, 2021 at partner businesses. The extension was also attended by 5 other members of the Prosperous Family Income Improvement Business (UPPKS) group. Partners really understand the importance of brands in developing their business because the presence of a brand will be able to increase the added value of the products produced. Through this product brand, MSMEs are expected to be able to create the vision and mission of the business they run, be able to describe the quality and main benefits of the business or product, and integrate product brands with all aspects of the business (Tudor & Negricea, 2012). The existence of a brand will make it easier for buyers to find these products and can also attract buyers' attention to new products.

b. Brand design technical assistance

Brand design technical assistance will be held on May 25, 2021 at the partner's business location. The training involves graphic designers so that they can provide message interpretation, can communicate inspiring ideas and deliver a visual message manually through images. The main idea of the brand comes from partners and in consultation with graphic designers.

After the brand design is finished, the activity is continued by ordering a brand made of leather at an engraving artist. The existing brand design will later be used to register the trademark at the Department of Cooperative Industry and Trade of Malang City. The resulting product brand can be seen in Figure 3.

c. Brand registration assistance

Assistance activities for trademark registration will be carried out in July 2021 with the stages of taking partners to the Department of Cooperative Industry and Trade of Malang City to inquire about administrative requirements and registration procedures. Trademark registration requirements for Micro, Small and Medium Enterprises in Malang City can be done online. General requirements for trademark registration include:

i.   Malang City Identity Card (KTP)
ii. Check on the dgip.go.id website to find out whether the brand has been / has not been used by others or is similar to other existing brands. If there is, it must look for another name to avoid rejection of the mark to be registered.
iii. If there are no similarities/similarities, the next step is to fill out a form that can be done offline or online. The application form for registration of the mark is as shown in Figure 4.

d. Products after mentoring

After the training and mentoring activities were carried out, some changes to the products produced were the existence of a brand on the product previously all products did not use a brand or were plain, so they could not be easily remembered by consumers and showed more quality products that could not be trusted. Products that do not yet have a brand logo as shown in Figure 5.

Examples of products in Figure 5 are products that were produced before the addition of a brand label. After the addition of the brand label, the resulting product becomes more attractive and adds value to the product itself. The product after the assistance can be seen in Figure 6 where there is already a brand label, namely "Atiqa's".

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the service and mentoring activities of Atiqa's Handycraft, which is a member of the UPPKS Lowokwaru District, Malang City, the service team provided several solutions to the problems faced by the business. These solutions have an impact on the development of the handicraft business, namely with the aim of providing knowledge training about the importance of brands for a business, providing technical training on brand design, providing assistance in preparing documents for trademark registration to the Malang City Industry and Trade Cooperative Service, as well as various service program activities. others with the aim of improving the welfare of the handicraft business.

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APPENDIX

Figure 1. Counseling on the Importance of Brands

Figure 2. Brand Design Technical Assistance

Figure 3 Brand Label

Figure 4 Trade Mark Registration Form

a) Mask

b) Wallet

c) Bag
Figure 5. Products Before Brand Labeling

a) Bag

b) Prayer Set

c) Holy Book
Figure 6. Products After Branding Assistance