

Mentorship of Packaging, Branding, and Digital Marketing as Institutional Reinforcements of the MSMEs Community in Kapanewon Turi

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ABSTRACT

The COVID-19 pandemic has impacted changes in people's consumption patterns, namely from fundamental markets to online markets, so there needs to be an adaptation from MSME actors. MSMEs are one of the economic sectors that support the economy, especially in developing countries such as Indonesia. MSMEs in Kapanewon Turi, Sleman Regency is one the MSMEs with high potential to develop. However, institutional strengthening is needed for the MSME community in this region because there is no coordination and organization in an MSME community in Kapanewon. In addition, the Packaging of some MSMEs is not up to standard, branding is not yet strong, and the information technology capabilities of MSME actors are still low. Based on these problems, a solution for each problem is needed. Community formation and institutional strengthening of MSMEs were formed and continued with legal registration to become PT MSMEs by presenting resource persons from the Kapanewon Turi office. MSME actors are assisted in registering a NIB (Enterprise Identification Number) to achieve the legality of PT MSMEs. Then, counseling, training, and mentoring activities will increase MSME actors' knowledge and skills in Packaging, branding, and digital marketing. The result of this service is that most MSMEs participants who already have a NIB and take part in counseling, training, and mentoring experience increased their knowledge and skills in Packaging, branding, and digital marketing.

Keywords: Community service, MSMEs, Packaging, Branding, Digital marketing.

INTRODUCTIONS

Indonesia has many MSMEs; the Ministry of SMEs shows that the number of MSMEs in Indonesia continues to increase from time to time. The amount is equivalent to 99.99% of the total business in Indonesia. The Ministry of Cooperatives and SMEs noted that micro, small and medium enterprises (MSMEs) reached 65.47 million units in 2019. This number increased by 1.98% compared to 64.19 million units in the previous year. This amount reaches 99.99% of the total business in Indonesia.

Meanwhile, large-scale businesses only amounted to 5,637 units, equivalent to 0.01%. In detail, as many as 64.6 million units are micro-enterprises. The amount is equivalent to 98.67% of the total MSMEs throughout Indonesia. A total of 798,679 units are small businesses. The proportion is 1.22% of the total MSMEs in the country (KEMENEKOPUKM, 2020).

Meanwhile, medium-sized enterprises only amounted to 65,465 units. This amount contributes 0.1% of the total MSMEs in Indonesia. This is confirmed by Kurniawati et al. I. (2019) that MSMEs should not be underestimated because they have a huge role and can potentially improve the Indonesian economy and can increase the absorption of large numbers of workers nationally.

The data shows that MSMEs are one of the sectors that support the economy in Indonesia. However, the MSMEs business has had the most critical impact of the Covid Pandemic since 2020. Based on information from the Ministry of Cooperatives and MSMEs (KEMENEKOPUKM, 2020). there are at least 949 reports from cooperative actors and micro, small and medium enterprises (MSMEs) affected by the Coronavirus outbreak (Covid-19). So there is a need for

support and cooperation from various parties to invite all parties, including the private sector, BUMN, academics, and the community, to help MSME actors remain productive during the Covid-19 pandemic. Moreover, tens of millions of business units in the micro sector will certainly become a big problem if not addressed.

The pandemic shows a pattern of changes in the consumption of public goods and services from offline to online. MSMEs actors have difficulty achieving the targets that must be achieved when the economy is disrupted. MSMEs should follow the pattern change to survive and develop to deal with new normal conditions. Digitalization is something that SMEs cannot avoid during this pandemic (Kalam & Nigam, 2018); however, some areas have limited access to information and understanding of MSMEs actors towards technology, limited online marketing, production processes, and access to the online market which are still considered not optimal enough.

Most MSMEs have decreased turnover, and some have laid off their workers due to economic difficulties. Therefore, only a minority can survive this pandemic. However, with this pandemic, transaction difficulties that still use conventional methods can be solved using e-commerce and marketplaces that are popping up today. This system is called online marketing (Wahyudi et al., 2019). Online media can facilitate transactions and avoid direct contact between buyers and sellers. This can be a solution to increase turnover and facilitate transaction access so that even in a pandemic, existing problems can be resolved. The Ministry of Cooperatives and SMEs noted that at least since the pandemic occurred, sales in e-commerce have risen by 26 percent or reached 3.1 million transactions per day. However, many MSMEs are unfamiliar with e-commerce and marketplaces, and some do not yet know information technology in marketing the existing MSMEs.

During this pandemic, IT technology that is applied to digital marketing (Santosa et al., 2021) with smartphones or other digital equipment is indispensable so that the market reach of MSMEs is wider and easier for their customers to access. This concept is better known as mobile marketing. Mobile marketing application provides several benefits to MSMEs, including connecting MSMEs with consumers more quickly through the internet, increasing MSME income, making MSMEs more cost-efficient, helping MSMEs in market penetration, and increasing MSME competitiveness (Sasongko et al., 2021).

Improvement of Packaging in MSMEs is also very important (Sue Ying & Anuar, 2019); Packaging is very important to consider in a business in the form of goods. Packaging failure occurs when the product inside is not properly protected, the Packaging is easily damaged, and it does not meet standards. In addition, bad Packaging will make potential buyers not interested. Therefore, knowledge and skills in product or goods packaging must be innovated to be attractive and according to standards. Therefore, Packaging innovation will increase buyers' attractiveness and the sale of business products of MSMEs (Maryama et al., 2018; Yuliani, 2020). As has been done in the previous service efforts, in these services, training and assistance are carried out in the design and manufacture of good and innovative Packaging (Candraningrat et al., 2018; Hardilawati et al., 2021; Mandiri et al., n.d.; Prasetya¹ et al., n.d.; Ridho et al., 2019).

A business unit requires good branding for the continuity and development of its business. This needs to be applied in SMEs as well. One of the strengths of MSMEs comes from the strength of brands or brands that are known by the wider community. Therefore, training and mentoring in branding is very important for MSMEs (Irawan & Affan, 2020; Juariyah & Frozen, 2021; Putri et al., 2021; Yuliani, 2020). Kapanewon Turi, Sleman Regency, is an area that has good and growing business potential. Kapanewon, directly adjacent to Kapanewon Sleman, is experiencing rapid development, especially in business and tourism. The potential exists in the sub-area and one of the hamlets in the Donokerto sub-district, namely Bandaran hamlet. Most of the MSMEs in it is included in the food sector category. However, in this hamlet, an MSME community lacks coordination and organization. In addition, the Packaging of some MSMEs is not up to standard, branding is not yet strong, and the information technology capabilities of MSME actors are still low. Based on an initial survey conducted on MSME actors in Bandaran hamlet, 90% of a sample

of 20 MSME actors did not have knowledge and experience in digital marketing, and only 5% had branding on their business or in other words, only 1 person had branding on their business. His efforts. While the knowledge and experience of Packaging are according to standards, no one understands and implements it. Therefore, in this service, a series of activity programs are carried out that provide solutions to these problems

The initial survey that was carried out shows that none of the MSMEs in Bandaran hamlet already have a NIB (Enterprise Identification Number). NIB is the identity of business actors that business actors in business activities must do according to their line of business because it can cut down the licensing process and speed up the licensing application process (Manovri & Damayanti, 2021). The advantage of having a NIB for business actors (MSMEs) is as proof of the legality of MSMEs and obtaining a Micro Small Business Permit (IUMK), which is carried out through OSS (Online Single Submission) (Wulandari, 2017). Based on the problems found in Kapewonan Turi, so as academics, it is necessary to carry out an activity in the context of community service as a solution, namely mentorship are Packaging, branding, and digital marketing as institutional reinforcements of MSMEs Community in Kapanewon Turi.

ACTIVITY METHOD

The problems in UMKM in Kapanewon Turi need to be done through institutional strengthening for all micro business actors in this village. The formation of MSME group will be formed in this service program. In addition, the legal registration of becoming a PT UMKM and obtaining a NIB was accompanied by this service team. Then it is necessary to increase knowledge and skills in Packaging, branding, and digital marketing because the Packaging of some MSMEs is not good, and the branding is not strong. The IT capabilities of business actors are still low.

So that the solution needed for each problem, namely the first, is the formation of MSME groups so that there is synergy and collaboration between MSMEs engaged in the food sector. The second solution is registering micro business actors with PT UMKM and NIB (Enterprise Identification Number) (Wulandari, 2017). The third solution is Mobile Marketing or Online Marketing Training through smartphones or smartphones to increase market reach, facilitate buyer access, and increase MSME turnover (Hardilawati et al., 2021; Prasetya et al., n.d.; Ridho et al., 2019). The fourth solution is to provide product packaging training to improve the quality and improvement of micro business product packaging (Maryama et al., 2018; Ridho et al., 2019; Yuliani, 2020) Finally, the fifth solution is to provide training in strengthening the branding of each MSMEs (Irawan & Affan, 2020; Juariyah & Frozen, 2021). Table 1 below summarises the problems and solutions offered in this community service.

Table 1. Problem and Solution Offered

No	Problem	Solution	Results
1	No institutional reinforcements yet	Build MSMEs community and organization	Have MSMEs community and well organization
2	Have no MSMEs legal	Socialization, counseling, and mentoring NIB registration for MSMEs	MSMEs have been registered as PT MSMEs and have NIB
3	MSMEs are not familiar with digital marketing or E-marketing	Counseling and training, as well as digital marketing assistance	Improved knowledge and skill in digital marketing practice as a way to increase market reach and sales capacity
4	MSMEs' product packaging needs to be improved	Counseling and training, and mentoring on Packaging	MSMEs package products as well and according to standard

5	MSMEs don't have good branding yet	Counseling and training, and mentoring on branding	MSMEs have knowledge and skill in making well branding
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The flowchart of the method of implementing the service is in the figure below :

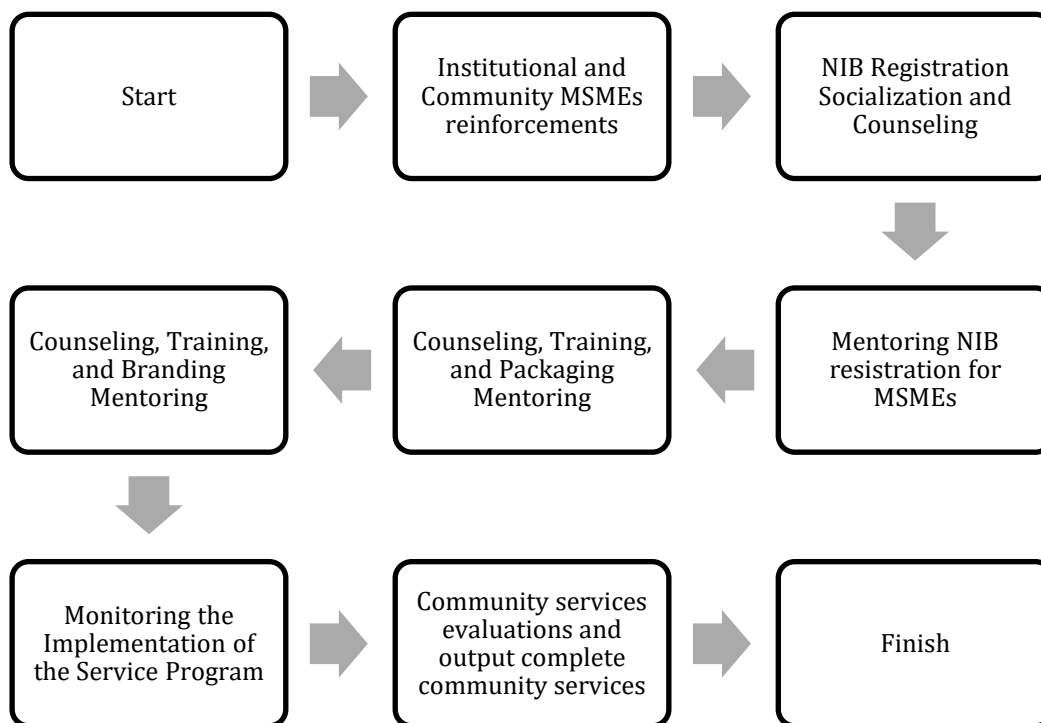


Figure 1. Flowcharts Community Services Implementation

The method of implementing the Community Service Scheme of the KKN-PPM in 2022 is with the following stages:

1. Reinforcements MSME Institutions and Communities
2. Socialization and Counseling on NIB Registration
3. Assistance in NIB Registration for MSMEs
4. Counseling, Training, and Branding Assistance
5. Counseling, Training, and Packaging Assistance
6. Digital Marketing Counseling, Training, and Assistance
7. Monitoring the Implementation of the Service Program
8. Evaluation of Service Activities and Completing Service Outcomes

RESULT AND DISCUSSIONS

The results of the implementation of community service for the KKN-PPM scheme are presented following the implementation method that has been carried out with a predetermined systematic order. In addition, the activity Mentorship is Packaging, Branding, and Digital Marketing as Institutional Reinforcements of the MSMEs Community in Kapanewon Turi in 2022; the survey results and a description of the implementation activities are also presented in this sub-chapter.

1. Institutional Reinforcements of MSMEs Community

This activity was attended by 40 participants of MSME actors in this Bandaran hamlet. The MSME actors were gathered to classify and classify MSMEs which were divided into 5 groups, namely MSMEs in the food sector, MSMEs in the service sector, MSMEs in the non-consumptive goods sector, MSMEs in the production and factory sector, and MSMEs in the

handicraft/homemade sector. An organizational structure was also formed; a service team accompanied this process to create a good organizational structure. Figure 2 shows the activities of institutional strengthening and the formation of MSME communities that Dukuh Bandaran supervises.



Figure 2. Bulid MSMEs Community at Bandaran

This activity went smoothly; all participants were enthusiastic and recorded the MSME actors who were not present in this activity to be included in the WhatsApp group according to their respective clusters or sector groups. In the form of this WhatsApp group, it will make it easier to communicate and coordinate to advance MSMEs in this Bandaran hamlet jointly.

1. Socialization, counseling, and mentoring NIB registration for MSMEs

Socialization and NIB registration counseling was conducted by inviting resource persons from Kapanewon Turi, Mr. Rahmad, Head of Business Legality Management. This activity was attended and attended by 40 MSME actors. The participants were very enthusiastic and wanted to register a NIB for the legality of their business. Participants have also understood the importance of NIB as business legality. Figure 3 illustrates the socialization and extension of NIB registration activities for MSMEs in Bandaran hamlet.



Figure 3. Socialization and Counseling on NIB Registration

3. Counseling, Training, and Mentoring in Branding, Packaging, and Digital Marketing

This activity was followed by a cluster or group of MSMEs in the food sector. This sector was chosen because it has the largest number of members compared to other sectors. In addition, the majority of business actors in this sector are the elderly or the generation of 50 years and over. Based on the initial survey, it was found that many MSME actors were still unfamiliar with the use of information technology devices for marketing and did not have branding and Packaging that was according to standards. So there needs to be assistance in terms of Branding, Packaging, and Digital Marketing. Twenty people attended this activity.



Figure 4. Counseling, Training, and Mentoring Branding, Packaging, and Digital Marketing

The knowledge aspect of the participants was improved by the extension method. Participants are given knowledge about Branding, Packaging, and Digital Marketing theory. Meanwhile, the skill aspect is improved through training methods by practicing directly. To maximize the running of the community empowerment program, mentoring is also carried out to the participants after the counseling and training activities are completed so that they can apply it well in their respective businesses.

Survey data for the implementation and post-implementation of Extension, Training, and Mentoring is shown in Table 2 below. Based on the survey data, there is an increase in knowledge in terms of branding by 95%, Packaging by 100%, and the use of Digital Marketing tools by 90%. Meanwhile, there is also an increase in skills in terms of branding by 85%, Packaging by 90%, and the use of Digital Marketing tools by 90%. Therefore, 85% of SMEs in the food sector have branding, 90% have standardized packaging/Packaging, and 90% have been able to use Digital Marketing tools (even though those who operate it are employees or children of the MSME owners).

Table 2. Prasurey data and Post Implementation of Extension, Training, and Mentoring

No.	Aspek Bidang	Survey data from 20 participants (MSMEs actors)			
		Pra counseling (Knowledge)	Pra Traning and Mentoring	Post counseling (Knowledge)	Post Traning and Mentoring
1	Branding	5%	5%	100%	90%
2	Packaging	0%	0%	100%	90%
3	Using devices for digital marketing	10%	10%	100%	100%
4	Media Social user (Facebook)	10%	10%	100%	95%

No.	Aspek Bidang	Survey data from 20 participants (MSMEs actors)			
		Pra counseling (Knowledge)	Pra Training and Mentoring	Post counseling (Knowledge)	Post Training and Mentoring
5	Media Social user (Instagram)	10%	10%	100%	100%
6	E-commerce and Marketplace	0%	0%	90%	10%

MSMEs in the food sector prefer to use Facebook and Instagram social media for their digital marketing compared to e-commerce or marketplaces. Based on the data in Table 1, 95% have used Facebook, and 100% have used Instagram for marketing their business. With a respondent of 20 participants, it means that there is only 1 participant who does not use Facebook because they prefer Instagram, which is more attractive and has many features. Of the 20 respondents, only 10% or 2 used e-commerce and marketplaces, namely catering and bakery SMEs. This is because the creation of e-commerce is complex, and the use of the marketplace is not suitable for perishable food.

4. Evaluations of Community Service Program

Monitoring is carried out to find out the success of this community service program. The existing obstacles will be identified, and solutions will be immediately sought so that the assisted MSME actors can more easily apply all the fields that have been given in this program. As a result, MSME actors, especially the food sector, already have branding and are known more by their customers. For example, in the field of packaging/packaging, MSMEs already have Packaging that meets the standards shown in Figure 5, which is one of the Packaging for MSMEs in the food sector, namely MSME bread.



Figure 5. One of the packaging product MSMEs post training and mentoring

The use of social media can be said to be successful because, based on data, all MSMEs in the food sector have applied to Instagram for their digital marketing media. While on Facebook, only one MSME actor does not use it because he prefers Instagram to focus more. Figure 6 below is some Instagram that MSMEs in the food sector have owned. Although the number of followers is still relatively small, MSME actors are committed to increasing social media use to increase their sales turnover.

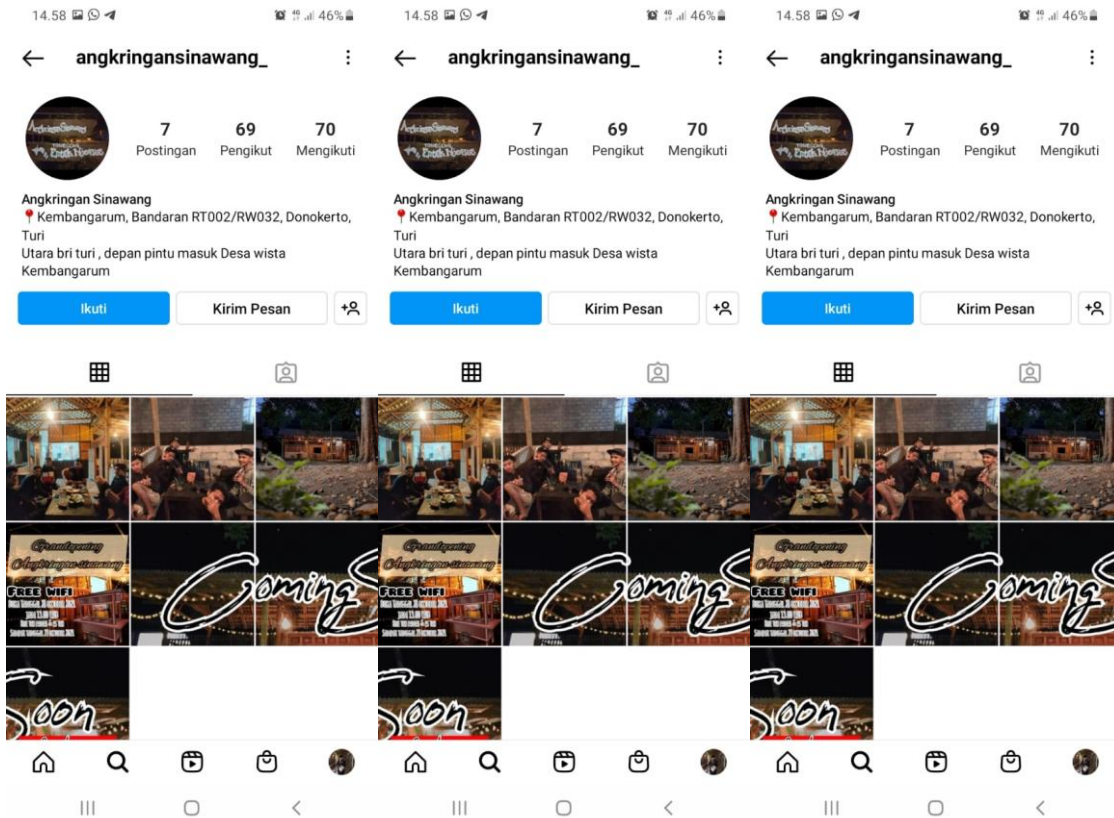


Figure 6. Instagram account one of MSMEs post training and mentoring

5. Evaluation of Community Service Activity and finishing output

The entire service team evaluates activities and community representatives (MSME representatives) to evaluate the shortcomings in implementing the service program. Representatives from MSMEs said this program could motivate MSME members in the airport hamlet to advance their MSMEs further. It is hoped that MSME business actors can continue to apply the knowledge and skills that have been given during this series of service programs.

The output of this service consists of three things: scientific articles published in proceedings or service journals, videos uploaded on YouTube, and news published in mass media. The output of this service has been completed; in addition to scientific articles, there are outputs in the form of devotion videos uploaded on youtube (https://www.youtube.com/watch?v=1uanS_TqHxo&t=4s) and news in the mass media (<https://kumparan.com/asylum/cool-lecturers-umy-strengthen-and-accompaniment-institutional-umm-with-digital-marketing-1xyCqnlrV1h/4>).

CONCLUSION

MSMEs actors in Bandaran village have well institutions and communities. They have been grouped into their respective sectors or clusters to be able to communicate and coordinate according to their respective sectors. Most of the MSMEs in Bandaran village have registered the NIB as a form of legality for their business, and some others want to register to make licensing and so on easier. In terms of knowledge and skills in branding, Packaging, and digital marketing, MSMEs actors already have an understanding and are skilled in applying these three things in their business. Every time have had social media that as Facebook and Instagram as digital marketing media in their business. MSMEs actors prefer social media like Facebook or Instagram to e-commerce or marketplaces because e-commerce is complex and marketplaces are incompatible with perishable food.

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