

# Promotion of Indonesia's MSMEs Food Products through Trademark Protection and Information Technology Optimization

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For micro, small and medium enterprises (MSMEs), the trademark and how to brand it is something new, but inevitably has to be considered and efforts to 'own' it in an effort to introduce products in the market, involve a closer correlation with consumer needs and efforts to increase competitive ability, especially in this global era. Marketing that is still conventional needs to be abandoned and a move towards optimizing information technology, especially e-commerce must be made. This research is expected to make an input to the field of traditional food policy and regulation makers as well as being a foothold for the development of MSMEs, especially in branding their products. The ultimate goal is to elevate the empowerment of MSMEs with regional special products by developing science and technology to enhance competitiveness in the market, achieve superior products and raise local wisdom. The method used is applied juridical research, initially carried out through empowerment with various training (years 1-2) and a needs assessment in terms of the application of models and constraints, further problem solving was carried out in the Focus Group Discussion (FGD) forum, to look for the solutions. Based on the results of three years of research, MSMEs products are found to be feasible to be developed together by raising local wisdom, protected with branding and geographical indications, protected from free competition, promoted with the help of the government's side and managed with good branding strategies, good management and marketing with e-commerce and promoted vigorously. Throughout the three year, researchers have accompanied the registration of more than 25 trademarks, 1 geographical indication and several marketing permits and halal certifications, as well as copyrights to e-commerce.

**Key words:** *Traditional food products, MSMEs, branding, information technology.*

## Introduction

This research helps elevate the empowerment and inevitability of Indonesia's MSME products to be able to compete in the market, become brand mark products, supported by trademark ownership and geographical indications while contributing to research results as a form of intellectual moral dedication in which models and their application, constraints and empowerment mechanisms are carried out to become brand mark products and promotions and e-commerce transactions. Initially carried out through empowerment with various training (first and second year research), needs assessment is needed in the application of models and constraints. Various training models were used in empowerment efforts both management, legal entities, industrial design, halal and trademark certification, geographical indications and marketing and e-commerce applications; problem solving was also conducted in the FGD forum, to find a solution.

At present three years of research have been completed (third and final year). The current condition is that there are thousands of MSMEs in Indonesia and only a small number are protected by branding and halal labels using e-commerce. Most of the MSMEs do not know how to compare in an effort to introduce products in the market, to get closer to the interpretation of consumer needs and efforts to improve their competitive ability in the 4.0 era. The MSMEs are actually tough and tough personalities and not easily broken with a very big motivation to survive and move forward. In the second year of this study, it was found that these MSMEs are motivated to take care of Household Industry Food licensing (PIRT) and trademarks, even at the beginning of the 3rd year, they worked hard to immediately realize e-commerce. In addition to the application of computer programs and trademarks in this 3rd year also, the Team facilitated halal certification and the preparation of geographic indication requirements books, added MoU with the Bantul Regency Government of Yogyakarta (DIY) and facilitated the legal entity of the Geographical Indication Conservation Society (MPIG) “Wedang Uwuh” Bantul, Yogyakarta. They want to catch up and compete in registering trademarks to build their business reputation, as well as making and lifting regional-specific products with geographical indications.

It has taken a long time in Indonesia to have a branding regulation, the 1961 Trademark Law that replaced the Industriële Eigendom Kolonien Stb.1912 Regulation number 545 jo.Stb.1913 number 214. The next development in 1992 was the birth of a new Trademark Law which was then revised in 1997 and in 2001 adjusted to TRIPs, and finally Act No. 20 of 2016 concerning Branding and Geographical Indications. Several regulations related to MSMEs are also available in Indonesia, among others related to (1) Licensing of MSMEs must take care of

licensing so that MSMEs businesses become legal. A business permit is also needed so that everything can go well in the future. Permits for Trade Business Permits (SIUP) are issued based on business domicile and it is important to have them so that business owners have proof of endorsement from the government. This is because trade business licenses also have an important role in promoting business, especially when applying to banks or other financial institutions.

For MSMEs there is also a legal basis for a Micro Small Business License (Licensing of MSMEs) regulated by Republic of Indonesia Presidential Regulation Number 98 of 2014. In more detail the rules are included in the 2014 State Gazette of the Republic of Indonesia Number 222. In addition to the Presidential Regulation above, there are also Minister of Domestic Affairs Regulations Number 83 of 2014 concerning Guidelines for Granting Micro and Small Business Permits. Members of Micro Small Business Permit card holders must clearly state their business location in accordance with the population on the Resident Identity Card (KTP); (2) Taxation Regulations, the Government provides tax concessions for MSMEs that are just starting businesses with limited capital and turnover of no more than Rp 4.8 billion a year, the government issues Government Regulation (PP) No. 23 of 2018 in order to provide more space for MSMEs to develop.

The latest MSMEs regulations that regulate Income Tax (PPh) on income from businesses that are received or obtained by taxpayers who have a certain gross circulation, or the final income tax (PPh) rate, which is imposed by MSMEs, is reduced to 0.5% from 1% previously; (3) Funding Regulations for example through the People's Business Credit (KUR) distribution program. KUR is credit or financing provided by banks to MSMEs that are feasible but not yet bankable. The Government through the Coordinating Ministry for Economic Affairs set a new KUR policy in accordance with Regulation of the Coordinating Minister for the Economy No. 11 of 2017 effective from January 1, 2018, the KUR interest rate is set at 7 percent per year and varying subsidy schemes for each KUR category in the range of 5.5 percent to 14 percent; and (4) Partnership, the Government has also regulated the matter in the Government Regulation of the Republic of Indonesia Number 17 of 2013 concerning the Implementation of Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises.

The central government and regional governments as well as MSMEs actors and related institutions based on empowerment synergy (empowerment models that have been published by the author in the Journal of Advanced Research in Law and Economics (JARLE) Volume IX Issue I (31) Spring 2018) as stakeholders certainly have more roles, so that the empowerment of MSMEs is a necessity in their own country and with local strength can penetrate the international market. At present it is necessary to improve the Government's partisanship in facilitating policy support and coordinate the formulation of policies and programs for implementation, monitoring, evaluation and general control over the

implementation of the Partnership, so that the problems of MSMEs are handled optimally, not only for survival, but efficient existence to effect a reality.

The fundamental problem of MSMEs that must be addressed is how to promote MSME empowerment as a target of achieving the empowerment of Indonesian MSME? and What is the optimal role of trademark reputation and information technology in the empowerment strategy of Indonesia's MSMEs?

## Theory

The conditions of MSMEs in Indonesia number in the thousands with extraordinary resilience capabilities, still while they can exist in any condition, raising local wisdom with simplicity, they deserve to be addressed to increase capacity. In terms of the sustainability of its production, not much thought has been put into registering trademarks, providing halal certificates or innovating and e-commerce. Some of them have stretched, registered their trademarks, even formed a legal entity association to become a forum for friendship and as a means of developing capacity. Referring to Yordanov, the biggest challenge for the growth of a small enterprise is the integration of many responsibilities. In small food processing companies, there is no different workforce for marketing, operations management, human resources, financial management, and networking and the growth of the marketing network is integrated into business strategies, taking into account their particular characteristics (Yordanov, 2015).

A trademark not only functions to differentiate products from one another, but also guarantees the quality of the product and the reputation of the manufacturer. Building a reputation with branding must necessarily optimize promotion and information technology means, its trademark is used continuously and registered in many countries. A particular product trademark makes sure that the public or consumers know the product, that it is truly a well-known brand (wellknownmark). A trademark is a complex phenomenon (Maurya & Mishra, 2012). Branding means more than just giving a name and signalling to the outside world that such a product or service has been stamped with the mark and imprint of an organization (Kapferer, 2004; Hajdari, 2018).

Kapferer (2004) emphasized trademark as an identity structure with six integrated facets of culture, personality, self-projection, physique, reflection and relationship. This research also takes the view of Williams who recommends keeping in mind that the more you differentiate your trademark from others in your industry, the easier it'll be to protect. Choose a name and logo that clearly identifies your business and this will protect it from competitors (Williams, 2007). Particularly with regard to food products there are trade secrets about recipes or ingredients which producers intentionally want to keep secret and this also strengthens the

ability to compete in the market. Knowledge based competitive advantages such as trade secrets are best protected by documents such as confidentiality agreements and employee contracts. In the food industry, secret ingredients such as spices and herbs would be covered under a trade secret (Burrus, 2018). Products that are protected by trade secrets or patents still need to be branded as much as possible so that their trademarks stick out in the midst of competition and gradually become famous and are in demand by many consumers, dominating the domestic market and penetrating exports.

Utilization of information technology as wisely as possible is focused on the display of product excellence and of course needs to include a modern product design and tagline that is easy for consumers to remember but totally different from that of other manufacturers. E commerce facilities must also be made as concise and as easy as possible for consumers to use, so that consumers feel less confused when buying or ordering products. Of course software makers must understand how software is not easily hacked by irresponsible parties. Maurya & Mishra state that businesses tend to have several operating systems information at the same time and to maintain steady and accurate information in every organization optimization of information technology becomes vital. A potential problem with relying on electronic communication and processing of information is the loss of the vital human element (Maurya & Mishra, 2012). Davis (2011) claimed that a technology must satisfy basic usability requirements and be perceived as useful by its intended user community.

If you observe the development of MSMEs in China (Evalina), these initiatives are reflected in China's 12th Five-Year Program, which includes five primary missions relating to MSMEs: 1) improve the capacity for establishing business and creating new jobs; 2) optimize the structure of MSMEs; 3) boost the development "new, distinctive, specialized, and sophisticated" industries and industrial clusters; 4) upgrade enterprise management levels; 5) refine the service system of MSMEs (Evalina, 2018). Further to this, the Jordananov Small food processing company experienced difficulties in procuring partnerships that are not limited to a particular project but contribute to broader and long-term growth. Resolving mutual problems is a factor for improved interaction between partners in a network (Yordanov, 2015).

In Indonesia, with local wisdom and the uniqueness of each region that colours and shapes the characteristics of the products of each MSMEs, a touch of innovation, partisanship and regulation in needed to ensure that MSMEs are not only able to survive in any condition but are elevated to become an internationally oriented local product/export. Regulation on the 2016 Trademark Law and the 2008 MSMEs Law needs to be synergized with the optimization of the role of information technology and the ease of developing producers and their legal bureaucracy because we know that most MSMEs are very limited in terms of production factors. Yogo states that the ability of MSMEs to create, access and commercialize new knowledge on global markets is fundamental to their sustained competitiveness (Yogo, 2013).

He further refers to the need for innovation and that the application of innovations in specific products tends to be rejected by most consumers, most likely by the marked traditional characters of the products studied and the existing emotional links between them and participants (Guerrero, Claret, Verbeke, & Hersleth, 2016).

Producers of MSMEs need to learn to see where their market share is and how it relates to their competitive strength. Feasibility studies are rarely conducted. Guerrero found that the existence of segments of consumers with different beliefs and attitudes offers some opportunity of success to the implementation of innovations in the traditional food market. Regarding the actual purchasing behaviour for innovated products, European consumers seem unwilling to pay more for the innovated version of a product even if it is accepted. This information could help producers of traditional foods in making decisions when applying differing innovations with respect to communication strategies, product placement and new developments (Guerrero et al., 2016)

## **Methods**

Since the first year of research and through until the third year (2019), researchers worked with partners and related institutions as stakeholders to jointly achieve the goal of empowering MSMEs as a necessity. In this research (third year), the method applied is descriptive and qualitative by making use of participatory (PRA) and sociological-juridical approaches. The research areas are Central Java, Special Region of Yogyakarta and East Java, Indonesia. The research was carried out from January to September 2019. Data was collected using questionnaires, records, interviews and actions towards MSMEs, in the form of assistance and training and making e-commerce. Data was analyzed according to the type of data. Action data was analyzed by impact analysis, qualitative data was analyzed by the four steps from Denzin & Lincoln (2009).

## **Result and Discussion**

### ***a. Results of analysis of research data***

Respondents in the study as well as research partners who have made their associations by the research team numbered 300 MSMEs, a total of 100 MSMEs have participated in filling out the questionnaire last year (third year). The results of data collection using the survey method through the distribution of research instruments to 100 respondents can be seen in the following Table 1.

**Table 1:** Central Tendency of Respondents' answers to the Research Instrument

		No_1	No_2	No_3	No_4	No_5
N	Valid	100	100	100	100	100
	Missing	0	0	0	0	0
Mean		3.6800	3.5600	3.7000	3.7800	2.9200
Median		4.0000	4.0000	4.0000	4.0000	3.0000
Mode		4.00	4.00	4.00	4.00	2.00
Std. Deviation		.83943	.90252	.46057	.81128	.91762
Variance		.705	.815	.212	.658	.842
Range		3.00	3.00	1.00	3.00	2.00
Minimum		2.00	2.00	3.00	2.00	2.00
Maximum		5.00	5.00	4.00	5.00	4.00
Sum		368.00	356.00	370.00	378.00	292.00

**Source:** 2019 data analysis results

Based on the analysis of central tendency data on five questions in the research instrument it can be seen that:

1. Related to item number 1 on understanding about how to promote a product, out of 100 respondents, an average score of 3.6 (rounded up to 4) is that they have understood how to promote the product. Respondents' answers that appear most often are 4 (four) in the sense that the respondents understand how to promote the product. The lowest answer (minimum) is 2 (two) in the sense that there are some respondents who do not understand how to promote the product. The highest answer (maximum) is 5 (five) in the sense that the respondents are very understanding about how to promote the product.
2. Regarding item number 2 on understanding the differences between conventional transactions and on-line marketing, out of 100 respondents, the average score is 3.5 (rounded up to 4), that is they have understood the differences between conventional transactions and on-line marketing. The most frequent answer is 4 (four) in the sense that the respondents are familiar with the differences between conventional transactions and on-line marketing. The worst answer (minimum) is 2 (two) in the sense that there are some respondents who do not understand the difference between conventional transactions and on-line marketing. The highest answer (maximum) is 5 (five) in the sense that the respondents are very familiar with the differences between conventional transactions and on-line marketing.
3. Regarding item number 3 regarding the management of products trademark and companies in order to always meet the profit target, out of 100 respondents, an average score of 3.7 (rounded to 4) is that they have understood the management of the product trademark and

the company in order to always fulfil the target profit. The most common answer which arises is 4 (four) in the sense of understanding the management of products and companies in order to always meet profit targets. The lowest answer (minimum) is 1 (one) in the sense of not very understanding about the management of products and companies in order to always meet profit targets. The highest answer (maximum) is 4 (four) in the sense that the respondents understand about the management of the product and the company in order to always meet profit targets.

4. Regarding item number 4 on how to package products to be attractive in both the conventional and e-commerce markets, out of 100 respondents, an average score of 3.7 (rounded up to 4) is that they have understood how to package products to attract both in conventional market and in e-commerce. The most frequently answered answer is 4 (four) in the sense that respondents understand how to package a product to be attractive in both the conventional and e-commerce markets. The lowest answer (minimum) is 2 (two) in the sense that there are some respondents who do not understand how to package a product to be attractive both in the conventional market and in e-commerce. The highest answer (maximum) is 5 (five) in the sense that the respondents are very knowledgeable about how to package products to be attractive in both the conventional and e-commerce markets.
5. Related to item number 5 on understanding of the application of online / e-commerce transactions, out of 100 respondents, the average score of 2.9 (rounded up to 3) is that they have sufficiently understood the application of online / e-commerce transactions. The most frequent answer appears is 2 (two) in the sense that the respondents do not understand about the application of online / e-commerce transactions. The lowest answer (minimum) is 2 (two) in the sense that there are some respondents who do not understand how to apply online / e-commerce transactions. The highest answer (maximum) is 4 (four) in the sense that respondents understand about the application of online / e-commerce transactions.

The results of data analysis relating to the understanding of MSMEs about how to promote products can be tabulated as follows in Table 2.

**Table 2:** Frequency Distribution Respondents' responses to how to promote the product

Valid	Frequency	Percent	Valid Percent	Cumulative Percent
2	16	16.0	16.0	16.0
3	8	8.0	8.0	24.0
4	68	68.0	68.0	92.0
5	8	8.0	8.0	100.0
Total	100	100.0	100.0	

**Source:** Results of analysis of research data 2019

Based on the results of the analysis of the data collected it can be seen that: a) the number of respondents who do not understand how to promote products was as many as 16 people (16%), b) the number of respondents who already know enough about how to promote products as many as 8 people (8%), c) the number of respondents who already understood how to promote the product was 68 people (68%) and d) the number of respondents who had a very good understanding of how to promote the product was 8 people (8%). So it can be concluded that the majority of respondents in this case the owners of MSMEs in the Regencies of Bantul Yogyakarta (DIY), Brebes, Central Java and Surabaya East Java, Indonesia have understood how to promote products.

The results of the data analysis relating to the understanding of MSMEs about the differences in conventional transactions and on-line marketing can be tabulated as follows in Table 3.

**Table 3:** Frequency Distribution Respondents' answers about the differences between conventional transactions and on-line marketing

Valid	Frequency	Percent	Valid Percent	Cumulative Percent
2	16	16.0	16.0	16.0
3	24	24.0	24.0	40.0
4	48	48.0	48.0	88.0
5	12	12.0	12.0	100.0
Total	100	100.0	100.0	

**Source:** Results of analysis of research data 2019

Based on the analysis of the data collected it can be seen that: a) the number of respondents who do not understand the difference between conventional transactions and on-line marketing was 16 people (16%), b) the number of respondents who are well-versed about the differences in conventional transactions and on-line marketing -line was 24 people (24%), c) the number of respondents who understood 48 people (48%) and, d) the number of respondents who knew very well about the differences in conventional transactions and on-line marketing, 12 people (8%). So it can be concluded that the majority of respondents in this case the owners of MSMEs in Bantul Special Region of Yogyakarta (DIY), Brebes, Central Java and Surabaya Malang, East Java, Indonesia have understood the differences between conventional transactions and on-line marketing.

The results of the data analysis are related to the understanding of MSMEs about product and company management so that they always meet the profit target can be tabulated as follows in Table 4.

**Table 4:** Frequency Distribution Respondents' responses to product and company management so that they always meet profit targets

Valid	Frequency	Percent	Valid Percent	Cumulative Percent
3	30	30.0	30.0	30.0
4	70	70.0	70.0	100.0
Total	100	100.0	100.0	

**Source:** Results of analysis of research data 2019

Based on the results of the analysis of the collected data it can be seen that: a) the number of respondents who already understand the management of the product and the company in order to always meet the profit target of 30 people (30%) and b) the number of respondents who have a very good understanding of understanding of product management and companies to always meet the profit target of 70 people (70%). Thus, it can be concluded that the majority of respondents in this case the owners of MSMEs in the Regencies of Bantul, Yogyakarta (DIY), Brebes, Central Java and Surabaya Malang, East Java, Indonesia have been very understanding about the understanding of product and company management in order to always meet profit targets.

The results of the data analysis relating to the understanding of MSMEs entrepreneurs on how to package products to be attractive in both the conventional and e-commerce markets can be tabulated as follows in Table 5.

**Table 5.** Frequency Distribution Respondents' answers to how to package products to be attractive both in the conventional market and in e-commerce

Valid	Frequency	Percent	Valid Percent	Cumulative Percent
2	8	8.0	8.0	8.0
3	22	22.0	22.0	30.0
4	54	54.0	54.0	84.0
5	16	16.0	16.0	100.0
Total	100	100.0	100.0	

**Source:** Results of analysis of research data 2019

Based on the results of the analysis of the data collected it can be seen that: a) the number of respondents who do not understand how to package products to be attractive both in the conventional market and in e-commerce was 8 people (8%), b) the number of respondents who already know enough how to package products to be attractive both in the conventional market

was 22 people (22%), c) the number of respondents who already know how to package e-commerce products to attract both the conventional market and in e-commerce was 54 people (54%) and d) the number of respondents who already know how to package products to be attractive in both the conventional and e-commerce markets was 16 people (16%). Thus, the results of the data analysis can be concluded as that the majority of respondents in this case the owners of MSMEs in Bantul Regency, Yogyakarta (DIY), Brebes, Central Java and Surabaya, Malang East Java, Indonesia have understood how to package products to be attractive both in the conventional market and in e-commerce and as such only need a little industrial design training.

The results of the data analysis relating to the understanding of MSMEs about the application of online / e-commerce transactions can be tabulated as follows in Table 6.

**Table 6.** Frequency Distribution Respondents' responses to the application of online / e-commerce transactions

Valid	Frequency	Percent	Valid Percent	Cumulative Percent
2	46	46.0	46.0	46.0
3	16	16.0	16.0	62.0
4	38	38.0	38.0	100.0
Total	100	100.0	100.0	

**Source:** Results of analysis of research data 2019

Based on the results of the analysis of the collected data it can be seen that: a) the number of respondents who do not understand about the application of online / e-commerce transactions was 46 people (46%), b) the number of respondents who have enough knowledge about the application of online / e-commerce transactions, 16 people (16%) and c) the number of respondents who already understand about implementing online/e-commerce transactions, 38 people (38%). Based on the results of the data analysis, it can be concluded that the majority of respondents, in this case MSMEs owners in Bantul Regency, Yogyakarta (DIY) and Brebes, Central Java, Indonesia do not understand the application of online / e-commerce transactions. Therefore, further guidance is needed in the form of developing models about the application of online/e-commerce transactions.

The steps taken by the researchers conducting FGDs regarding the application of online/e-commerce transactions reflect that based on the FGD, e-commerce was developed and as a result all MSMEs in Brebes and Bantul Yogyakarta (DIY) were able to understand and carry out e-commerce-based marketing of all the products they produce.

### ***b. Strategy for Empowering Indonesian MSMEs***

As explained, this research is an empowerment research (action research) with a participatory approach, the team has conducted the following training and debriefing activities. 1) legal entity training and association assistance, as well as the making of 2 notarial deeds related to the establishment of the Traditional Food and Beverage Association (ASMAMITRA) MSMEs Association and the “Wedang Uwuh” Bantul Conservation Society in Yogyakarta, 2) training and branding mentoring for 3 years, 3) management and marketing training, 4) halal certification training and registration, 5) industrial design training, 6) FGD in the 2nd and 3rd year research, 7) geographical indication making training, 8) geographical indication drafting “Wedang Uwuh” Bantul Yogyakarta (DIY) (list October 2019), 9) Lab test sample of “Wedang Uwuh” IG , and 10) the creation, training and mentoring of e-commerce “tokobrebes.com” and “tokoasmamitra.com”

The research was based on interviews with Subandi, Chairperson of ASMAMITRA and MSMEs who also participated in product exhibitions such as at the Bantul Expo, Kuala Lumpur and other events facilitated by MSMEs Bantul Regency Cooperative Office and who wanted to strengthen the sustainability of production, build reputation, maximize e-commerce and want to reach foreign markets. Based on the initial FGD Product Protection MSMEs in April 2019 and the FGD registration “Wedang Uwuh” in August 2019, which was followed by all stakeholders in Bantul Regency and related agencies namely Regional Development Planning Agency (BAPPEDA), Office of Cooperatives for Micro, Small and Medium Enterprises and Trade (KUMKMP), Regional Secretariat of Bantul Regency, and Business Actors (MSMEs) that the “Wedang Uwuh” had been tested by a lab and agreed to be a geographical indication of the Bantul district of Yogyakarta (DIY). The latest information from Maryadi, the Bantul Cooperative Office of MSMEs and observers of “ASMAMITRA”, stated that there were already 3 export products from the “ASMAMITRA” association, particularly to China and Malaysia.

Ahmad Sobirin Chairperson of the MSMEs Forum in Brebes Regency, Central Java, Indonesia stated that although akin to pushing a heavy burden, MSMEs must keep going forward, step by step, both stimulated from the front and motivated from behind to bring local wisdom and regional icons to the competitive global market. The Brebes MSMEs Forum will progress with University of YARSI step by step in building itself starting from trademark registration and e-commerce utilization and trademark ownership and halal certificates through to achievement of strategic goals.

Tatik, from CV Dayang Sumbi, Sidoarjo, East Java, Indonesia stated that they already have a trademark but are in the process of renewing, are wanting to have certificate on How to Make Traditional Medicines well (CPOTB) but they need more extensive land and adequate facilities

and infrastructure, marketing and halal permits are also being processed, all of them take time and energy. If possible there is a need to trim all processes efficiently and ensure ease of access. East Java Surabaya Mimin still coordinates MSMEs in the Herbal Medicine Association (GP Jamu) link and connects with the East Java food association for branding facilitation and assistance from the Team.

Dina and Sutrisno who are also owners of pineapple plantations in Pemasang, Central Java, Indonesia hope that MSMEs will be facilitated not only by the sustainability of production but also for branding, marketing and training such as in industrial design. This request was carried out by the writing team in August 2019. Training and mentoring for branding, halal and industrial designs was held both in Brebes and Bantul. As for East Java, Indonesia is continuing cooperation with the East Java Herbal Entrepreneurs Association, coordinating with the East Java Food Entrepreneurs Association, by maintaining assistance in the registration of MSME trademarks in Sidoarjo, Surabaya and Malang, East Java, Indonesia.

Putri said that she has produced fried shallots both Brebes onions and organic onions and all of them sell well in the market. The market is still local but she expects marketing assistance to be more extensive via the internet. The MSMEs do not have onion land, but buy from collectors. Sutrisno (Aab), the owner of the “River” trademark, said that he currently occupies a rest area with 1 year free facilitation, but in the 6th month he must pay the first instalment to pay 5 million per month. Dina, the owner of the salted egg “HTMN” trademark, stated that his turnover was smooth. The price of salted eggs is sold per seed of the original Rp 5.000 and Rp 5.500 burns or smokes.

Guppiano from the Regional Development Planning Agency (BAPPEDA) Bantul regency, Yogyakarta, e-commerce is very helpful for Bantul MSMEs. It is known that in Bantul Regency, Yogyakarta (DIY) there are 3 marketplaces: bebakulan.com, bebantul.biz and roamingbantul.com. “Bantul smart city” is the motto and program that Bantul Regency wants to make every village have internet access and become a digital village. Handayani, the owner of the “Den Bagus” as a Wedang Uwuh trademark, hopes that MSMEs will be more advanced and thankful for the team's concern, so that they hope that they will not only be accompanied by trademark registration, but also the geographical indications of “Wedang Uwuh”. Handayani then later served as Chairperson of the “Wedang Uwuh” Bantul Geographical Indication Conservation Society, together with the Research Team to complete the book on geographical indications for wedang uwuh, which was registered in October 2019.

In the FGD “Wedang Uwuh” Registration as a Geographical Indication in Bantul Regency Yogyakarta (DIY), Hendro from the “DIY Culture Office” states that for geographical indications of “Wedang Uwuh”, there must be a link to sustainable (raw material) and one of the raw materials as typical is emprit ginger which only exists in Bantul Regency Yogyakarta

(DIY). Dewi from the Department of Industry and Trade (Disperindag) Yogyakarta (DIY) as a Management Center, stated that the sustainability of production with the availability of raw materials has been alerted, as well as Sri Kayatun, Imogiri sub-district head, that there is a Location of large-scale planting (Kebon) of “Wedang Uwuh” in Imogiri precisely in Giri Rejo and Bukit Sari. According to Subandi, it is better if the geographical indication naming can be Imogiri or Bantul or even co-operate with Imogiri Bantul.

The empowerment strategy involves the active participation of MSMEs actors, MSMEs organizations/associations, local government alignments and related institutions who together are able to boost the condition of our MSMEs. Much needs to be underlined, that bureaucracy in governance such as the passing of a decree, the issuance of trademark certificates and others related to MSMEs production, needs to be accelerated and summarized, coupled with adequate incentives, which are more reasonable proportionate, given the number of MSMEs that are in the thousands and the limited finances for facilitation. Consultation with other parties who consider themselves to be stake holders to contribute as a charity land to the citizens of this grass root is necessary. All targeted trademark registration activities in 3 research areas have been completed according to the research target with a minimum of 25 list of trademarks (plus 10 in mentoring), 3 halal certificates, and 1 IG “Wedang Uwuh” have been registered at the Directorate General of Intellectual Property (Ditjen KI) through the Republic of Indonesia Ministry of Law and Human Rights (Kemenkumham). Further, several copyrights and books have also been made and e-commerce has been handed over to tokobrebes.com and tokoasmamitra.com in July and August 2019 respectively. Even for Yogyakarta (DIY) has been welcomed by the Bantul regency, to be united by Communication and Information Office (Kominfo) in e-commerce in the Bantul Regency area.

Halal training and industrial design in addition to involving the research team as experts, also involved the local Indonesian Ulema Council (MUI) and Drug and Food Control Agency (BPOM) as resource persons. The training was not only attended by partners but also by other MSMEs who were moved and inspired by the success of the association that had been developed. The “ASMAMITRA” Association which when the Team was established in 2017 only amounted to 85 MSMEs, currently the membership has increased to 120 MSMEs. In fact, to provide registration support for geographical indications, the researchers formed 1 more association “MPIG Wedang Uwuh Bantul Yogyakarta” whose members numbered 95 MSMEs. Likewise, the Brebes MSMEs Forum is increasingly active in registering trademarks and some have received halal certification.

Finally, it needs to be a collaboration of all stakeholders, researchers and related institutions (especially the Office of MSMEs and Local Government Cooperatives) to raise all the problems of MSMEs. The majority of MSMEs have understood how to promote the products they produce, however their understanding is still limited to the conventional methods of

promoting, not on-line or e-commerce. The majority of MSMEs have understood the differences between conventional transactions and on-line marketing, it's just that they only conduct conventional transactions, and have not yet practiced how to do online transactions. The majority of MSMEs owners in the Bantul Regency, Yogyakarta (DIY), Brebes, Central Java and Surabaya Malang, East Java, Indonesia have a very good understanding of product management and company management to always meet profit targets.

This occurs because the majority of MSME practitioners have experience and even practice directly how to manage products and how to manage the company well, so that targeted profit can be achieved. The majority of MSME owners in the districts of Bantul Regency Yogyakarta (DIY), Brebes, Central Java and Surabaya Malang, East Java have understood how to package products to be attractive in both the conventional and e-commerce markets. Through a long process of packaging they experience development and progress continuously, especially supported by the existence of printing services by using sophisticated machines that are able to print MSMEs product packaging in accordance with the wishes and orders of MSMEs. The majority of MSMEs owners in the Regencies of Bantul Regency Yogyakarta, Brebes, Central Java and Surabaya Malang, East Java do not understand the application of online / e-commerce transactions.

## **Conclusion**

1. Raising the empowerment of MSMEs as a target of achieving the empowerment of Indonesian MSMEs can be accomplished with the synergy and alignment of related institutions and active participation of MSMEs partners and associations as a forum. All parties are involved in the empowerment of MSMEs actors, accompanied and facilitated, encouraged and given stimulants.
2. Optimizing brand reputation and information technology in Indonesia's MSME empowerment strategy can be developed together with local wisdom, branding and geographical indications and can be continuously promoted by e-commerce.

## **Acknowledgment**

Thank you to University of YARSI for providing support in conducting this research, as well as for the Ministry of Research, Technology and Higher Education who have provided financial support for this research.



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