

CHAPTER I

INTRODUCTION

1.1 Background Of The Project

In a world where technological development is very rapid and innovation is also renewable, creative and innovative thinking is needed, if you don't keep up with developments you will be left behind by the times and will easily be replaced. As in today's culinary field, what is sought is not only good taste, but also appearance, how the product is packaged and promoted so that it can attract buyers.

Bengkalis is a sub-district located in Bengkalis Regency, Riau Province, Indonesia. Bengkalis is one of the districts on the island of Sumatra. This sub-district area covers the northern part of Sumatra Island and is located north of the district capital, namely Bengkalis City. Bengkalis Regency has an area of around 514.00 square kilometers and is one of the largest sub-districts in Bengkalis Regency. This sub-district area consists of land and also a number of islands scattered around the waters of Bengkalis. The majority of Bengkalis District residents make their living as fishermen, farmers and traders. This district also has quite large tourism potential, especially because of the beauty of its beaches and the diversity of the surrounding islands.

Kuala Alam Village is a village in Bengkalis District, Bengkalis Regency, Riau Province. Kuala Alam Village is bordered to the east by Penampi Village, to the west by Sungai Alam Village, to the south by the Bengkalis Strait Sea, and to the north by Bantan District. Kuala Alam Village is an area with low land conditions, especially on the seashore where flooding will always occur at high tide, therefore flood management is carried out efficiently in accordance with Standard Operating Procedures. In Kuala Alam Village there is a river that divides residential areas that border the sea. The river is one of the economic access points for some residents of Kuala Alam Village. Access for the entry and exit of fishing boats at sea and the anchorage for fishing boats. During the rainy season, overflows often occur which result in flooding in residential areas. The flooding

that occurred due to rainfall in the Bengkalis area was quite high, coupled with high tides.

Micro, Small and Medium Enterprises (MSMEs) are businesses that have an important role that have a direct impact on society and play a role in the Indonesian economy, both in terms of job creation and in terms of the number of businesses. The challenge faced in this digital era in an industry is that business actors must have competitiveness against other business actors, including micro, small and medium enterprises or MSMEs, who also have to compete with large companies in promoting their products. The demand for product innovation must continue to develop and create new products for business actors, so that consumers do not get bored quickly and business actors can continue to survive in the competition between business actors. Therefore, it is necessary to brand MSME products so that they can become successful big brands through a strong branding process.

According to Swasty (2016), branding is a program that specializes or focuses and projects brand values. Programs that create differentiation between products and customers in the customer's decision-making process and provide value to the company. So branding is the entire process starting from elements, values, to what is promised by an entity such as products, services and companies in order to build awareness and expand customer loyalty. Personal branding is a way to shape a company image, company character which aims to form a positive perception of each customer. The awareness of MSMEs in Indonesia in the branding aspect needs to be increased because many MSME products are of high quality but are still weak in terms of branding, even though branding can create potential for MSME businesses to compete even at the international level.

1. Pineapple Sticks

Sticks are a snack that is well known among many people, these sticks are an innovation from several sticks in general, so a creative idea emerged to make pineapple sticks. Pineapple sticks are a snack in general, only they use pineapple as the main ingredient.

2. Lomek Stick

Sticks are a snack that is well known among many people, these sticks are an innovation from several sticks in general, so a creative idea emerged to make lomek sticks. Lomek sticks are a snack in general, except that the main ingredient is lomek fish.

3. Lomek Crackers Ready to Eat

Lomek crackers are a traditional snack or snack originating from Indonesia, especially West Sumatra. Lomek crackers are usually made from fish, such as mackerel or anchovies, which are processed into a paste and then dried, but these lomek crackers are made using fresh lomek fish as the main ingredient. After drying, these crackers are fried in hot oil until they expand and become crispy crackers that are ready to be served.

4. Frozen Lomek Crackers

Lomek frozen crackers are traditional crackers which are usually made from tapioca flour and other ingredients, then steamed until fluffy. These crackers are then frozen to retain their moisture before being packaged and served. For making frozen crackers, namely; prepare ingredients such as tapioca flour, salt and other spices according to taste such as garlic or chili. Mix all the ingredients together, stir until smooth then shape the dough into the desired shape. Then the mixture is steamed and allowed to cool first. After the crackers have cooled, the crackers are then sliced into oval shapes, which is the shape of crackers in general.

5. Smoked Lomek Fish

Smoke lomek fish is a traditional dish made from smoked fish. Fish is usually smoked with firewood, giving it a distinctive smoky taste. Lomek smoked is a delicious traditional dish. The way to make it is; Choose fish that is still fresh, clean it and then smoke it in the traditional way or by smoking. Then cook it according to taste, for example fried or custard with certain spices. Usually smoking gives a unique taste to the fish.

6. Nipah Sugar

Nipah sugar is sugar produced from the nectar of nipah flowers. The process of collecting nectar is usually done by cutting the nipah flower and collecting the nectar. The nectar is then fermented by natural microorganisms to produce sugar. Palm sugar has several advantages compared to coconut sugar or cane sugar. One of them is the taste of palm sugar which is considered richer and has a distinctive aroma. Apart from that, the process of making palm sugar is considered more environmentally friendly because it does not require a complex processing process like cane sugar. Palm sugar is usually used in traditional cooking in several regions, especially in Southeast Asia. Its uses include as a sweetener in drinks or food, and this sugar can also be used as a raw material for making various processed products.

7. Dried Lomek

Dried lomek is a typical Kalimantan dish made from salted mackerel or other fish and then dried in the sun. It tastes salty and is usually eaten as a snack or accompaniment to main dishes. How to do it is; prepare the lomek fish that has been cleaned and, if desired, chopped. Coat the fish with enough salt to coat evenly. Leave the fish in a closed container at room temperature for several hours so that the salt is absorbed. After the fish has absorbed the salt, place the fish slices on woven bamboo or a special rack. Dry the fish in direct sunlight until completely dry, store in an airtight container to maintain shelf life and taste.

8. Fish Sticks

Sticks are stick-shaped crackers made from selected processed fish. Fish sticks are a traditional product made by processing raw materials into fish sticks that taste salty and delicious.

9. Pineapple Juice

Juice is a liquid extracted from pineapple fruit. It is obtained by pressing or crushing pineapple pills and straining them into a liquid that has the typical sweet and slightly sour and sweet taste of pineapple fruit.

Pineapple juice is often used as a fresh drink or as an ingredient in various other foods and drinks because of its fresh taste. The way they do this is; Peel and cut the pineapple into small pieces. Discard the hard center, if any. Puree or crush the pineapple pieces until they become a smooth mass. After that, strain the mashed pineapple mixture through a clean sieve or fine sieve to separate the fibers and make pineapple juice. If you want to reduce the water content, pineapple can be cooked in a frying pan over low heat.

10. Herbal Tea

Herbal tea is a mixture of flowers, leaves, seeds, roots or dried fruit to make a drink, also called herbal tea. Even though this concoction or drink is called tea, it does not contain tea plant leaves. Herbal tea is usually brewed with hot water to produce a fragrant drink.

11. Fish Powder

Fish powder is the result of drying fish which is then ground into powder. The process is to dry the fish until it is completely dry and then grind it until it becomes a fine or coarse powder. Fish powder is often used as a condiment or cooking seasoning, which provides a salty taste and additional flavor to dishes.

12. Nipah Vinegar

Nipah vinegar is vinegar made from palm sap. The fermentation process produces vinegar, which is often used for health purposes. How to make it is; Pour the palm juice into a clean, airtight container. Let the coconut water ferment naturally at room temperature for several weeks to several months. During the fermentation process, the container is covered with a clean cloth to prevent insects from entering. But let the air in. After some time, check the taste and aroma of the nipah vinegar that has formed. Then strain the nipah vinegar into an airtight bottle or container and store it in a cool, dark place.

13. Nira Nipah

Nipa Nipah is a mangrove fruit that grows a lot in the waters of the Bengkalis river. Nipah produces sap which can be obtained through tapping fruit bunches. When fresh, palm sap has a sweet taste because it contains quite a lot of sugar. This liquid is a fertile medium for the growth of microorganisms, so palm sap has the potential to be used as a raw material to produce products through a fermentation process.

14. Nipah Coffee





Nipah coffee is a drink made from coffee cooked using palm sap water. Nipah coffee is the same as coffee in general, only this nipah coffee does not use water and sugar, just palm juice which is cooked with the coffee.




In relation to brand awareness, branding can play an important role in describing the extent to which a brand can be recognized by consumers. Brand awareness is the extent of consumer awareness in terms of remembering a brand in certain conditions or in terms of public awareness of a brand.


The following are the names and products of MSMEs in Kuala Alam Village, Bengkalis Regency.

Table 1.1 Names and Products of MSMEs

NO	PRODUCT NAME	PACKAGING / STICKERS
1	Pineapple Sticks	
2	Stick Lomek	

3	Ready to Eat Lomek Crackers	
4	Fish Sticks	
5	Smoked Lomek Fish	
6	Nipah Sugar	

7	Pineapple Juice	
8	Nipah Coffee	
9	Nira Nipah	

10	Nipah Vinegar	
11	Strained Herbal Tea	
12	Dried Lomek	
13	Fish Powder	

14	Frozen Lomek Crackers	
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Source: Processed Data 2023

Based on the explanation above, it can be linked to the superior MSMEs in Kuala Alam Village, which have not been seen from the branding aspect, namely packaging and product photos which are the main identity in a brand. The first problem is that the product packaging does not have any distinctive characteristics, does not explain the advantages and uniqueness of the product, and the colors and fonts seem boring. The second problem is that there is packaging that is less attractive to customers, the use of packaging often changes so that it does not have its own characteristics. For example, the first production used plastic packaging. Then in the second production using areca nut leaves. The use of packaging seems inconsistent. The third problem is that Kuala Alam Village MSMEs are still lacking in product photos, even though product photos are also important in attracting consumer interest.

Based on these problems, the author and the team carried out re-branding and re-marketing of the Kuala Alam Village MSMEs in the hope of correcting deficiencies so as to create the distinctive characteristics of the brand. This branding activity also aims to increase public appeal and brand awareness. Apart from that, it can also help increase profits and business progress of Kuala Alam Village MSMEs. Based on this background, this final assignment was created with the title **"Optimalization of Re-Market Brand Image for MSME Products in Bumdesa Kuala Alam"**.

1.2 Project Identification

Based on the background explanation above, the formulation of the problem that arises is the branding aspect of Kuala Alam Village UKM products:

1. How to design an attractive label to attract consumers to whom the product is sold?
2. How to increase sales of Kuala Alam Village MSME products?

1.3 Project Objectives

1.3.1 General objectives

The general aim of writing this final assignment is to optimize the application of product re-branding to MSME products.

1.3.2 Specific objectives

The specific objectives of the final assignment in optimizing the re-branding of MSME products are as follows:

1. Redesign of less attractive Kuala Alam Village MSME product labels.
2. Increase the attractiveness and brand awareness of MSME products in Bumdesa Kuala Alam.
3. Increasing the sales volume of MSME products in Bumdesa Kuala Alam.

1.4 Project Benefits

1.4.1 Benefit For Entrepreneurs

The following are the benefits of this project for entrepreneurs.

1. Increase brand awareness

By implementing an effective branding strategy, MSME products can gain wider exposure and increase brand awareness among consumers. This helps MSME products to become better known and expand their market share.

2. Increased sales

Strong branding can increase product value, consumer trust and customer loyalty. By implementing a good branding strategy, MSMEs can experience increased sales and higher income.

3. Increase consumer trust

Strong branding can create greater trust among consumers. By communicating brand values, product quality and good reputation, MSMEs can build higher trust and establish long-term relationships with customers.

4. Increased wider market access

By optimizing product branding, MSMEs can expand their market reach. With a strong brand image, MSME products have a greater opportunity to enter larger markets, both at the local, regional and international levels.

1.4.2 Benefits for Writers

The Authors of this project gained valuable experience in developing branding strategies and analyzing their impact on MSME products. They can develop skills in marketing and branding, which can be useful for their future career development.

1.4.3 Benefits to the institution

Relevant institutions such as universities or research institutions can use this project as a case study or research that contributes to understanding effective branding strategies for MSMEs. This can improve the institution's reputation in the field of small business research and development.

1.4.4 Contribution to other areas of knowledge

The project to optimize the application of product branding to MSMEs can contribute to the fields of marketing, business management and the economy. The research and findings from this project can be used to develop better branding theory and practice in the SME context.

1.5 Place and Time of Project Implementation

1.5.1 Place of Project Implementation

The location for planning and making the Product Branding project is in Bumdesa Kuala Alam Bandar Jaya, Kuala Alam Village.

1.5.2 Project Implementation Time

The implementation time for Optimizing the Implementation of Branding & Marketing Applications for MSME Products is from June to December 2023.

1.6 Writing System

The systematics of writing the Optimization Project for the Implementation of Product Branding for MSME Products is as follows:

CHAPTER I : INTRODUCTION

Chapter 1 explains the background of the problem, project identification, project objectives and systematics of project writing in the final report

CHAPTER II : LITERATURE REVIEW

Chapter 2 describes the general and specific theories in this final report, namely for the general theory which explains the identification of branding planning, and for the specific theory which explains the identification of Product Branding Applications.

CHAPTER III : METHODS AND ACHIEVEMENT PROCESSES

Chapter 3 explains the identification of project preparation plans, project implementation plans, project completion plans and project reporting plans which include project activity implementation reports and financial reports on project activity implementation.

CHAPTER IV : DISCUSSION RESULTS

Chapter 4 explains the business activity profile, project activity implementation reports which include project preparation, project implementation, project completion, project reporting and marketing reports.

CHAPTER V: CONCLUSIONS AND SUGGESTIONS

Chapter 5 explains the conclusions and recommendations after the project is implemented.