http://ejournal.uika-bogor.ac.id/index.php/amk

# Optimizing the Quality of MSME Products: KKN 72 UINSA's Assistance to Alza Chips through Legality, Rebranding, and Digital Marketing

# Mukhammad Alfani \*, Aisha Rahmawati, Elly Rahmah Yanti, Jihan Nazila Salsabila, Putri Galuh Afandi, Silvi Nur Laila Sari, Nova Lusiana

Universitas Islam Negeri Sunan Ampe Surabaya Jl. Ahmad Yani No.117, Jemur Wonosari, Kec. Wonocolo, Surabaya, Jawa Timur 60237, Indonesia

# **Article Info**

#### Article history:

Received November 7, 2024 Revised November 18, 2024 Accepted November 24, 2024

#### Keywords:

Alza chips Business legality Community Service Product rebranding MSME

#### **ABSTRACT**

Business legality is really needed, especially for MSMEs, so that their business has an identity and can make all business permits easier. The aim of this community service is to improve the quality of MSME products through legality, rebranding, and digital marketing. The method used in the process of implementing this service is the ABCD (Asset Based Community Development) method. The ABCD method is a technique for finding and recognizing a community's capabilities so that it can manage its assets, strengths and potential. The results of this service are assistance with business legality through creating NIB, rebranding logos and packaging, and carrying out digital marketing by making promotional videos and registering production sites on Google Maps. Assistance activities for making NIB, product rebranding and digital marketing ran smoothly and had a good impact on improving the quality of the Alza chips business products.

This is an open access article under the <u>CC BY-SA</u> license.



#### Corresponding Author:

Mukhammad Alfani

Universitas Islam Negeri Sunan Ampel Surabaya

Email: alfanialfa853@gmail.com

#### INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) means businesses carried out by individuals, groups, small business entities, and households in Indonesia as a developing country to serve as the main foundation of the community's economic sector. MSMEs in Indonesia play an important role in improving the economy of every Indonesian citizen. This can be attributed to the contribution of widespread employment available to support the local economy. MSMEs can also create jobs that can drive economic growth. Efforts to improve MSME products are not only to help increase the income of small entrepreneurs but can also provide added value in innovation and creativity of MSME actors. Therefore, to meet all the needs of the community as a whole, economic growth must increase with legalization and branding(Aliyah, 2022).

Making NIB (Business Identification Number) is a form of business legality which indirectly has an important element as a marker or proof that the individual business or business entity is legal and legally valid (Putri Kurniawati et al., 2023). NIB is also an identity that is usually owned by a business entity or individual business. By making NIB, the business will be easy to overcome all

forms of licensing and administrative activities. Therefore, NIB is important for every MSME actor to have this business license, because this shows that the business exists and is worth operating (Prameswari et al., n.d.).

In this day and age, technological developments are very sophisticated to change the scope of the marketing world. This marketing activity is often referred to as digital marketing which functions to facilitate interaction with producers, market intermediaries and potential consumers. Digital media is used as a way of marketing products so that consumers can recognize what has been produced by MSMEs. With digital marketing, a business will be able to reach more customers, not only in the conventional way. Today, everything is digital and digital marketing has been integrated into almost every aspect of business, which fundamentally changes the mindset or way a company or business entity communicates and reaches their customers (Naimah et al., n.d.).

The legality and utilization of digital media in a business can be used as a strategy in the development of regional MSMEs, because this empowerment is not only the responsibility of the government but also MSME players (Dinamika & 2022, n.d.). The development of regional MSMEs can also increase regional development. In addition, the role of MSMEs in the region aims to reduce poverty, increase economic growth, create jobs, and provide equitable distribution of data.

Pasuruan Regency is an area in East Java that has resources and potential in each region to be utilized and developed comprehensively. This development can support the achievement of one of the regional missions, namely improving the quality and productivity of production sectors and superior products of Pasuruan Regency. The superior products in this district are relatively many and varied, including apples processed into apple cider drinks in the Nongkojajar area, mushroom chips in the Bangil area, tape villages in the Sukorejo area, and typical coffee capitol coffee in the Prigen, Purwosari, and Purwodadi areas (Suwandono et al., n.d.).

The utilization of the natural potential of the region which is processed into superior products is a source of livelihood for the local community to improve the economy, so that MSME actors in Pasuruan Regency are relatively diverse. This data is supported based on the official website of Pasuruan Regency in 2017, explaining that the number of MSMEs reached 257,144 units consisting of 245,028 macro business units, 992 medium business units, 11,124 small business units.

Jeladri Village, precisely in Winongan sub-district, is part of one of the villages in Pasuruan district that has MSMEs. The MSME business in the village is a chip business that has the brand "Keripik Alza". In this work, the author takes the home business "Keripik Alza" as the target of product quality development which is engaged in the culinary field by producing natural products in the form of breadfruit, cassava, and bananas into savory chips.

The problems faced by Alza chips business actors who produce various kinds of chips are in less than optimal product branding such as packaging and product brands that are less attractive and marketing products only through WhatsApp and Facebook social media, and utilizing conventional marketing by leaving products in stalls around. In addition, another problem of the Alza chips business is that it has not yet obtained business legality. Business legality is needed especially for MSME players so that their business has an identity and can facilitate all business licensing. With this problem situation, it is necessary to provide assistance to Alza chip MSMEs, namely making NIB (Business Identification Number) online through OSS (Online Single Submission), product rebranding, and helping to market their MSME products on social media. So that this service aims to improve the quality of MSME products through legalization and rebranding.

159 ISSN: 2654-8127

#### **METHOD**

Community service through the Real Work Lecture (KKN) program was carried out in Jeladri Village, Winongan District, Pasuruan Regency. The implementation of activities began on June 19 to July 25, 2024. The method used in this service is the ABCD (Asset Based Community Development) method. ABCD theory was first developed by John Mcknight. The ABCD approach says that the community is the only one who can solve its problems, and every improvement effort starts with improving social capital.

The ABCD method is a technique to discover and recognize a community's ability to manage its assets, strengths, and potentials. The ABCD method is considered an appropriate approach to discovering and redeveloping assets owned by local communities that have not been or are underdeveloped (Haris et al., n.d.).

The stages of mentoring with the ABCD method according to Christopher Dureau (2013) are divided into five steps, including:

# 1. Discovery

Discovery is the stage of data collection to find information related to assets owned and asset mapping is carried out. Based on data collection, assets were found in the form of cassava plants that can be planted in home yards and rice fields.

#### 2. Dream

Dream is the stage of designing dreams through targets that will be achieved to fulfill the assets owned in the area. Based on the results, a dream is designed, namely assistance in improving the quality of processed cassava production through MSME actors.

#### 3. Design

Design is a community mission that is developed in the form of programs. A mission can encourage the community to actively create programs and then arrange the priority scale of the programs that have been proposed. This stage is through Focus Group Discussion (FGD) activities with forum participants from village officials and representatives from the village community where all members are involved in the process of learning about their strengths or assets in order to utilize them collaboratively.

### 4. Define

Define is the stage of defining or determining the program to be implemented by the community. At this stage, it determines the details of the program implementation which includes the time, place, and division of labor of each community member.

#### 5. Destiny (do)

Destiny is the stage of implementing the program that has been designed and as a determinant of the success of the discovery stage. The steps that will be implemented in the quality improvement assistance process include business legality assistance, product rebranding, and digital marketing.

#### **RESULTS**

The development and mentoring of MSMEs is a form of community service carried out by the author in West Sentono Hamlet, Jeladri Village, Winongan District, Pasuruan using the door to door method, namely delivering directly to one of the MSME actors. Rebranding is the stage of changing something that already exists in the brand to be developed again for the better. This activity includes the creation of new names, terms, symbols, designs, or brand combinations for existing brands with the aim of making them different (Rumijati et al., 2021.).

Business legality by making NIB (Business Identification Number) and rebranding is an important part of a business to be developed and have competitiveness with other MSMEs (Budiarto dkk., 2022). Thus, this will also have implications for increasing the selling power of the products offered by business actors (udah et al., 2022.). Therefore, the MSME legality and rebranding assistance program in Jeladri Village is the main focus of the author in improving the quality of village superior products and expanding market reach.

The problem that the author found during the survey of Alza Chips MSMEs in West Sentono Hamlet is that most business actors still do not understand how important NIB legality is for a business, due to the lack of knowledge of MSME actors and of course also do not have NIB legality

in their business. In addition, there are shortcomings in terms of branding, namely from the appearance (packaging), logos/stickers owned by Alza Chips and the form of marketing. The results of the author's dedication and assistance have resulted in results for MSME actors, namely becoming more aware of the uses and benefits obtained from NIB registration and having NIB legality in their business, and successfully assisting in re-packaging (changing packaging), remaking stickers (logos), and marketing products to social media. That way, the dedication that the author does will have a direct impact on the Alza Chips business in obtaining ease in the funding aspect (access to People's Business Credit / KUR) and efforts to obtain legality, and Alza Chips MSMEs will be better known than before.

# 1. Business Legality Assistance

For MSME players, one of the most important factors is the legality of the company, which serves as proof that the business is viable and has met all the requirements for safe products. The Business Identification Number (NIB) is one of the licenses that a business has and NIB helps businesses to apply for commercial or operational licenses and business licenses. In order to facilitate and accelerate the process of obtaining various licenses for MSME players, now the making of NIB can be done online, namely through the Online Single Submission (OSS) system which is free of charge (Mas'udah dkk., 2022). The benefits obtained for business actors who have obtained NIB are automatically registered as labor social security and health social security.

Providing assistance in registering the legality of the Business Identification Number in one of the MSMEs in West Sentono Hamlet, the author carried out this activity by providing knowledge about the legality of NIB before registering NIB using the door to door method, namely going directly to the Alza Chips MSME actor at his residence. Because it is felt that using the door to door method will be more personalized, effective, and more flexible than gathering all MSME actors in one place. The form of the author's assistance is the first by providing knowledge starting from the definition of NIB, the benefits and uses that will be obtained after NIB registration, as well as the requirements for NIB registration at OSS (Online Single Submission).



Figure 1. Assistance in Making NIB for Alza Chips MSMEs (Source: Personal Documentation)

In the assistance of making NIB, the author does from the initial stage of collecting the necessary files or data until the last stage, namely until the issuance of the NIB letter, namely the collection consisting of the business actor's cellphone number that is actively used and has been connected to the WhatsApp application, NPWP (Taxpayer Identification Number) if they have one, NIK (Population Identification Number) according to the data on the E-KTP, and email address (optional). The next stage that the author does in making the Alza Chips business NIB after the documents or data files have been prepared and prepared is as follows:

- 1) Go to the following URL: https://oss.go.id (OSS Web page)
- 2) On the webpage, select "Register" in the top right corner.
- 3) In the section for selecting the scale of business, click "Select" in one of the two options (click "Select" in the UMK section if the business has a capital of less than equal to IDR 5 billion).

- 4) Select the type of business that matches the business status, after the Type of Business Actor column appears. Individuals and business entities are the two categories of business options.
- 5) Enter an active phone number in the Mobile Number column, which has been connected to WhatsApp.
- 6) Enter an active email address in the Email Address column.
- 7) Input the full name of the business.
- 8) Enter the password that will be used to access the OSS account (can consist of a maximum of 8 characters and consists of a combination of uppercase letters, lowercase letters, numbers, and symbols).
- 9) Verify the information entered, then click "Confirm" to submit it.
- 10) Enter the NIK, gender, date of birth, and full address of the business owner.
- 11) The system will automatically send the password and username to the registered email.
- 12) The registered access account can be used to log in to OSS.

After the steps to register an access account to OSS are completed and successful, the next step is to register the Alza Chips MSME to obtain a NIB, as follows:

- 1) Will be automatically redirected to the main page (OSS homepage).
- 2) Select "Business Licensing" at the top of the homepage, then select "New Application".
- 3) After that, complete the Product/Service Data, Business Detail Data, Business Actor Data, and Business field Data.
- 4) Verify the data that has been filled in again after it is deemed to have met the registration requirements.
- 5) Complete the Environmental Approval document (Indonesian Standard Business Field Classification "KBLI").
- 6) Read and understand the self-approval that appears, then tick the approvals listed.
- 7) Check the proposed company license (draft).
- 8) The option to print the document will appear after you have completed the above-mentioned procedures.
- 9) Select the blue "Print NIB" option, and a PDF version of the document will open.
- 10) Next, select the print icon located at the top right corner of the document, and click "Print" to validate.
- 11) That's it, the NIB has been successfully printed.



Figure 2. Providing the finished NIB document

(Source: Personal documentation)

After the assistance that the author provided for the Alza Chips MSME, the author provided the NIB document that had been issued in printed or physical form so that the MSME Chips business actors had physical legality. With the hope that from the results of the assistance that the author provides to Alza Chips business actors, they can obtain and take advantage of the benefits of NIB registration for a business, which is useful in providing convenience in arranging other licenses needed for business development and with the hope that the MSME business that the author assists will receive legal protection.

#### 2. Product Rebranding

Rebranding is one of the activities that can build brands and brands more attractively. Rebranding is a form of product symbol that can be seen in terms of logo, color, packaging or packaging is the hallmark of a product. The benefit of Rebranding is that MSMEs develop and are more widely recognized by many people so that MSMEs can experience an increase in orders. Rebranding has the potential to increase brand value in the eyes of consumers, and this can help restore customer loyalty and even attract new customers (Haris et al., 2023.).

# Product logo update

Mrs. Aini's chips business already has its own logo which is edited independently without having special skills in editing. The initial logo of this UMKM has a plain design, then the author changed it to rebrand the logo, so that the product logo can attract more customers. By adding variant details in the logo that will be printed in the form of stickers, business location, telephone contact to order, and NIB number.



Figure 2. Old logo of Alza chips (Source: Personal Documentation)



Figure 3. The new logo of alza chips that has been rebranded (Source: Personal Documentation)

# Product packaging update

The choice of packaging is one of the media for alza chips products cannot be separated from the analysis that has been done. From the observations made by the author, the alza chips business already has clear plastic packaging but does not attract consumer interest and is less than optimal in maintaining product quality due to the lack of plastic thickness for the type of chip product. Therefore, the author updates the product packaging by giving advice to business owners to increase the thickness of the plastic in order to maintain product safety and quality.

163 ISSN: 2654-8127



Figure 4. Packaging of the new Alza chips (Source: Personal Documentation)

# 3. Digital Marketing

Digital marketing is a way to market and promote a product in the form of goods or services targeted by utilizing digital technology. Promoting brands, forming preferences and increasing competitiveness through several ways of digital marketing are the main objectives of digital marketing (Andy Prasetyo, W., Martha, J. A., & Indrawati, A...., 2020.).

The role of digital marketing is to help get new connections, prospects and potential buyers. Digital marketing plays an important role in marketing a business, considering that in this day and age everything is digital and the majority of people prefer to buy goods online through social media.

# • Registration of production site on Google Maps

The use of the Google Maps application can be utilized by MSME players in promoting products. Google Maps can help consumers find MSME businesses and can increase sales because they are known by many people (Lestari et al., 2022.).

Utilization is done by registering a production site in the Google Maps application, so that it can make it easier for consumers to buy products directly and facilitate transactions between sellers and buyers. This registration is carried out using the cellphone of MSME actors whose email accounts have been registered in the Google Maps application. Followed by filling in the data by following the existing steps, as well as account verification for the final stage of registration.



Figure 5. Practical results of business registration on Google Maps (Source: Personal Documentation)

# Video marketing

The traditional marketing system has many limitations and weaknesses. For example, the limited reach of the target market. The purpose of making promotional videos is so that potential buyers know more about the intended MSME business while building trust. Video marketing can display sound and images at the same time, and also the resulting videos can be uploaded on various social media. That way it can positively influence the audience, in addition to being better and more

interesting. On the other hand, so that the MSMEs assisted by the author have wider marketing access and are known by everyone.

Video marketing is a marketing strategy that uses videos to market and promote products or others. So making marketing videos can help and support the sales process. Because in this digital era, people prefer to see and buy goods using social media.



Figure 6. Video marketing of UMKM "Alza Chips" (Source: Personal Documentation)

#### **CONCLUSION**

The initial stage in carrying out this service, the author conducted mapping or asset discovery by conducting interviews with village officials. from this activity it was known that there was an Alza chips MSME in Jeladri Village. To make sure, the author conducted a survey to the Alza chip production site. In addition, the author also conducted interviews with business actors to obtain data related to the business. From the results of surveys and interviews, it was found that the Alza chips business has several problems.

The problems faced by Alza Chips business actors in Pasuruan Regency are in the legality that still does not have and product branding that is still lacking. To overcome these problems, mentoring activities in making NIB and product rebranding are very suitable and necessary to improve the quality of Alza chip products. Assistance activities for making NIB and product rebranding are carried out with the approval of the Alza chips business owner. Making NIB online through the Online Single Submission (OSS) application. Meanwhile, product rebranding is carried out by updating the product logo, updating product packaging and digital marketing in the form of registering production sites on Google Maps and video marketing.

Assistance activities for making NIB, product rebranding, and digital marketing can run smoothly and have a good impact on improving the quality of Alza chip business products. From this activity, it is hoped that the Business Identification Number (NIB) can be used properly and rebranding such as logo updates and packaging updates as well as digital marketing can continue to be carried out by Alza chip business actors.

#### REFERENCES

- [1] Aliyah, A. H. (2022). Peran Usaha Mikro Kecil dan Menengah (UMKM) untuk Meningkatkan Kesejahteraan Masyarakat. WELFARE Jurnal Ilmu Ekonomi, 3(1), 64–72. https://doi.org/10.37058/WLFR.V3I1.4719
- [2] Andy Prasetyo, W., Martha, J. A., & Indrawati, A.... Google Scholar. (2020). Retrieved November 7, 2024, from https://scholar.google.com/scholar?hl=id&as\_sdt=0%2C5&q=Andy+Prasetyo%2C+W.%2C+Martha%2C+J.+A. %2C+%26+Indrawati%2C+A.+%282020%29.+Digital+Marketing+%28N.+A.+Fransiska%2C+Ed.%29.+Edulite ra&btnG=
- [3] Dinamika, A. H.-J. P., undefined. (2022). Strategi Pengembangan Umkm Desa Cibingbin Menuju Entrepreneurs Village Berbasis Sumberdaya Alam. Jurnal.Untirta.Ac.IdA HamzahJurnal Pengabdian Dinamika, 2022•jurnal.Untirta.Ac.Id. Retrieved November 7, 2024, from https://jurnal.untirta.ac.id/index.php/Dinamika/article/download/17860/9813
- [4] Haris, M., Solusi, D. L.-, undefined. (2023). REBRANDING DAN UPAYA PENINGKATAN LOYALITAS PELANGGAN. Journals.Usm.Ac.IdM Haris, DIT LestariSolusi, 2023•journals.Usm.Ac.Id. Retrieved November 7, 2024, from https://journals.usm.ac.id/index.php/solusi/article/view/6125
- [5] Lestari, A., ... N. W.-D. J, undefined. (2022). Penggunaan Aplikasi Google Maps dan Imooji Sebagai Media Promosi UMKM Desa Tiyaran. Ejurnal.Pps.Ung.Ac.IdAS Lestari, N Wahyuningsih, N Maharani, L Sanjaya, AP Putra, A KhomariahDikmas: Jurnal Pendidikan Masyarakat Dan Pengabdian, 2022•ejurnal.Pps.Ung.Ac.Id. Retrieved November 7, 2024, from https://ejurnal.pps.ung.ac.id/index.php/dikmas/article/view/1459
- [6] Naimah, R., ... M. W.-J. I., undefined. (2020). Penerapan digital marketing sebagai strategi pemasaran UMKM. Ejurnal.Poliban.Ac.IdRJ Naimah, MW Wardhana, R Haryanto, A PebriantoJurnal IMPACT: Implementation and Action, 2020•ejurnal.Poliban.Ac.Id. Retrieved November 7, 2024, from https://ejurnal.poliban.ac.id/index.php/impact/article/view/844
- [7] Prameswari, M., ... A. B.-J. S. H.,, undefined. (2023). Pendampingan Pembuatan Nomor Induk Berusaha (NIB) Secara Online Pada Umkm Jahe Merah Instan Bima Sakti. Terbitan.Sasanti.or.IdMD Prameswari, A Bachtiar, K AsmaraJurnal Sosio Humaniora Sasanti, 2023•terbitan.Sasanti.or.Id. Retrieved November 7, 2024, from https://www.terbitan.sasanti.or.id/index.php/JSHS/article/view/143
- [8] Putri Kurniawati, Nabil Abiyu Rohman, Adistia Nurul Aini, Vivia Nur Salsabila Trisnalia, Ardi Zulva Budianto, Aji Qolbu Wibawa Syah'alam, & Dewi Puspa Arum. (2023). Pembuatan Nomor Induk Berusaha (NIB) Sebagai Dasar Legalitas Usaha Pada UMKM di Kelurahan Sentul. Jurnal Pengabdian Masyarakat Nusantara, 5(2), 27–35. https://doi.org/10.57214/PENGABMAS.V512.296
- [9] Rumijati, A., ... N. A.-B. J., undefined. (2021). Rebranding untuk Meningkatkan Nilai Tambah Produk di Kelompok Usaha Mikro Olahan Susu pada Ikatan Pengusaha 'Aisyiyah (IPAS). Jurnal.Stie-Aas.Ac.IdA Rumijati, N Asfiah, IR FuadiputraBudimas: Jurnal Pengabdian Masyarakat, 2021•jurnal.Stie-Aas.Ac.Id. Retrieved November 7, 2024, from https://www.jurnal.stie-aas.ac.id/index.php/JAIM/article/view/1792/0
- [10] Suwandono, M., Huda, M., Manajemen, N. A.-M. J., undefined. (2022). TRANSFORMASI UMKM PRODUK UNGGULAN DI KABUPATEN PASURUAN PADA MASA PANDEMI COVID 19 MENGGUNAKAN TECHNOSOCIOPRENEUR. Maker.Ac.IdMA Suwandono, M Huda, N AjizahMaker: Jurnal Manajemen, 2022•maker.Ac.Id. Retrieved November 7, 2024, from https://www.maker.ac.id/index.php/maker/article/view/487
- udah, K. M., Wuryandari, Y., ... Y. N.-K. U., & 2022. (2022). Pendampingan UMKM dalam Meningkatkan Branding dan Legalitas di Desa Pulosari. Ojs.Atds.Ac.IdKW Mas' Udah, Y Wuryandari, Y Nathania, N Andriani, RY Zhalsabilla, EP Pratama, N ZakqyKARYA UNGGUL-Jurnal Pengabdian Kepada Masyarakat, 2022•ojs.Atds.Ac.Id. Retrieved November 7, 2024, from https://www.ojs.atds.ac.id/index.php/karyaunggul/article/view/87