

Economic Empowerment of Nusantara Cooking Business Group through Design of Can Packaging and On-Line Marketing in Sidoarjo

Siti Rosyafah, Rifki Fahrial Zainal, Juliani Pudjowati

Abstract

The Covid-19 pandemic that hit Indonesia is a challenge that inevitably must be faced wisely and creatively. Two things that are opposite to each other in dealing with the COVID-19 pandemic are maintaining public health by social distancing which is contrary to efforts to sustain the community's economy. On the other hand, the impact of the development of business digitization, the economic effect that is most affected is on the MSME environment, so there must be a breakthrough in information technology and an increase in product competitiveness, especially food and beverages to maintain the existence of the community's economy with the application of packaging design design technology and marketing development. based on-line along with the development of the Industrial revolution 4.0.

The determination of Sidoarjo Regency as an MSME city must be welcomed with support from the community, as well as the joint decision to go-online MSMEs by the Ministry of Cooperatives and SMEs and the Ministry of Communication and Information of the Republic of Indonesia. Empowerment of e-commerce-based business actors to carry out the National Movement for digitizing MSMEs, especially food and beverage producers to be more empowered, to be able to make products connected to on-line marketing through good packaging design and to make these food and beverage products able to compete in the free and modern market widely.

The purpose of this study is to increase the competitiveness of food and beverage products by applying on-line-based packaging design and marketing design applications so that SME products have product quality assurance (certified), have proportional packaging, so that they have a longer consumption period, have a wider market reach. wider and ultimately have higher competitiveness in modern markets and global markets with on-line-based marketing and distribution, in the new normal era of Covid-19.

The research method used is the identification of Indonesian seasoning products that have a wide market share, followed by a need assessment of the expected design design, followed by the development of Indonesian seasoning products and their on-line marketing.

The results of the study show that there are many products of Indonesian cuisine, food and beverages that can be developed into products that are ready to compete in the wider modern market, with product certification from the authorized institution and having an official distribution permit from the government to compete in a wider market. online in the midst of the COVID-19 pandemic and the current era of globalization.

Keywords: *Design, Packaging, Seasoning, Nusantara, Sidoarjo.*

Date of Submission: 18-11-2022

Date of Acceptance: 02-12-2022

I. Introduction

1.1. Research Background

The Covid-19 pandemic that hit various regions in the Republic of Indonesia, has had a very broad impact on the national economy, due to social restrictions imposed to reduce the level of spread of Covid-19 in the community in Indonesia. Likewise, its distribution in the Sidoarjo Regency has made this area a dangerous area for public health in general, and has also hit the economic sector of the community, especially food and beverage traders, especially at the MSME level. To deal with the pandemic, however, it must be faced with optimism, creativity and innovation, so that the community remains empowered through appropriate technological innovations that are relevant and useful to help the MSME community. Along with the development of the technological revolution 4.0 and the attack of the Covid-19 pandemic, it is necessary to have a new transformation in the economic empowerment of people in certain communities (Corten, 1986) so that poverty reduction mechanisms can be reformulated that involve elements of the community, in a "comprehensive policy starting from stages of planning, implementation, to monitoring and evaluation. (Mas RoroLilik, 2012).

The government of Sidoarjo Regency is one of the regencies in East Java which is located in the ring area of the big city of Surabaya, namely Gerbangkertasusila, as a supporting area for the metropolitan city of

Surabaya. Economically, Sidoarjo Regency has become a Regency that prioritizes MSME business development so that Sidoarjo Regency has earned the nickname as MSME Regency. The main weakness of MSMEs is in the field of capital and the ability to maintain production quality and poor packaging design. Especially regarding the packaging of food and beverage products from these SMEs, in general they are less able to make packaging that can represent the quality of the products made, and are able to promote themselves through visual communication designs of packaging made for food and beverage products from these MSMEs.

1.1. Problem Formulation

Based on the description, it can be formulated the problem of this research as follows:

1. How to empower the GeluranCemerlang food and beverage producer group, so that they can develop their business in the midst of the Covid-19 pandemic?
2. How is the design of the packaging design for certified cooking seasoning products developed so that they can be marketed more widely in the New Normal era of the Covid-19 Pandemic?

1.2. Specific Purposes

The specific objectives of this research are:

1. To describe and analyze the empowerment of the GeluranCemerlang food and beverage producer group, so that they can develop their business in the midst of the Covid-19 pandemic?
2. To describe and analyze the design development of certified cooking spice product packaging designs so that they can be marketed more widely in the New Normal era of the Covid-19 Pandemic?

II. Literature Review

2.1. Definition of Community Empowerment

The impact of the Covid-19 pandemic has spread to various fields of life, as well as its impact on food and beverage product MSMEs, which are generally carried out by the lower middle class. Theoretically, in the midst of the powerlessness of the impact of the Covid-19 Pandemic, it is very relevant if empowerment is carried out for business groups within the MSME scope. With the development of the pattern of community economic empowerment, of course there will be a process of alignment, amid the economic impacts caused by the Covid-19 pandemic and in the midst of the disruption of the industrial revolution 4.0. that hit various countries in the world. So in an effort to adjust to the development of the situation that occurs, it is necessary to shift or empower in accordance with the development of the current situation and conditions. On the other hand, community development as stated by David Corten (1986) in his book "Community Development (Asia Experience)". It was explained that: Community Based Development, must be able to develop socio-culturally compatible, where the social process of the community will be developed more productively and economically able to develop itself into an efficient, effective and economical social fabric for the development of prosperity with the community.

2.2. Definition of Packaging

According to Cenadi (2010), packaging can be defined as all activities of designing and producing a container or wrapper or packaging of a product.

There are three main reasons for wrapping, namely:

1. Packaging meets the requirements of safety and expediency. Packaging protects the product on its way from producer to consumer. Packaged products are usually cleaner, more attractive and resistant to weather damage.
2. Packaging can carry out marketing programs. Through packaging product identification becomes more effective and by itself prevents exchange by competing products. Packaging is the only way a company differentiates its products.
3. Packaging is a way to increase company profits. Therefore the company must make the packaging as attractive as possible. With a very attractive packaging is expected to attract and attract the attention of consumers. In addition, packaging can also reduce the possibility of damage to goods and ease of delivery.

2.2.1. Impulsive Buying and Effects of Packaging Design.

The packaging of a product is expected to make a maximum contribution in an effort to attract consumers to use the packaged product. This desire or interest to buy from an attractive packaging is called Impulsive Buying (Tendai, Mariri and Crispin, Chipunza, 2009). According to Rook D.W in Cahyorini&Rusfian (2011), Impulsive Buying is the tendency of consumers to buy spontaneously, reflexively, suddenly and automatically. From this definition, it can be seen that impulsive buying is something natural and is a quick reaction to the effects of a good packaging design and invites consumers to like and choose the products offered to consumers. Impulsive buying occurs when consumers enter a retail store and it turns out to buy the retail product without planning beforehand, is a form of success from the packaging design that is made.

Emotions are concerned with solving limited or spontaneous buying problems. They make purchases without thinking about the use of the goods they buy, the important thing is that customers are satisfied. "Impulse buying is driven by affective forces beyond the individual's control" (Tendai&Crispen, 2009).

Impulsive buying is an activity that is based on a person's emotions that arise because of a sense of interest in a particular product. This of course begins by looking at the packaging of the product, so that consumers know, and then are interested in buying the packaged product. This is done quickly without thinking long, therefore, with the impulsive buying factor for consumers, it is a problem.

2.3. On-Line Marketing.

According to Kotler (2002), on-line marketing is a process to make online sales. The process consists of making, offering, and selling products, on-line. Thus, online marketing is a strategy to promote products that are very influential on sales. Because it is online, it is done through platforms on the internet. Online marketing can be done with paid advertising or other media. The purpose of online marketing is certainly to introduce online products to consumers and increase their buying interest. The types of Online Marketing Channels are as follows:

1. Social media, such as Youtube, Twitter, Instagram, TikTok, Pinterest, and many more.
2. Marketplace, namely online marketing media that allows online stores to start their business, such as Shopee, Tokopedia, and others.
3. Search Engine Optimization (SEO), which is a tool to make your online shop and products on the first page of search.
4. Search Engine Marketing (SEM), the difference with SEO is that with SEM, your online store and products can be in the top three when searched.
5. Email Marketing, is an online marketing strategy with product content that will be sent to consumers' e-mails.
6. Affiliate Marketing, which is a system of cooperation with parties who can promote your product.
7. Content Marketing, which is a strategy to create interesting and consistent content.
8. Google Ads, which is an online marketing strategy by displaying advertisements for your products or online stores through Google.

III. Research Method

This research is an action research (Kemmis, Stephen and Robin McTaggart (eds.), 1988), which begins with the identification of various potential products of regional specialties that can be developed in cans, with the hope that the packaged seasoning products can last longer, and can be stored in the bedroom without the additional power costs of electricity such as food that must be in the freezer, with the cold chain which is expensive. Through packaging in cans, food products can be more durable, have a long consumption life and can be distributed in a wide marketing network. So that economically it has a high added value, especially if it is marketed in areas where food production is very rare, so it has a high selling value.

In addition, with can packaging, a packaging label design can be designed that can provide complete information about the content and benefits of these cooking seasoning products, along with their uses. Thus, the canning of these cooking spices can provide high economic added value and can be distributed in a wide marketing range, as well as having great potential for export.

At this need assessment stage, a focused group discussion was conducted on various related parties, starting from the production, marketing and distribution parties. Through this method, various information is obtained about cooking seasoning products which are well known by the public in general and much favored by housewives.

The objects in this research are several cooking spices produced by several UMKM "home industry" (Lestari, Tri & Rianto, Budi, 2016), which are members of the GeluranCemerlang UMKM group, so that several cooking spices that require packaging development and packaging design design so that they can be widely promoted in the context of marketing some of these cooking spice products.

To obtain accurate research data results, in this study, data collection techniques were used not only from information through the FGD mentioned above, but also actions were taken on the object under study, ranging from various materials needed for the manufacture of certain types of cooking spices, tracer to the market where the product was purchased, to ensure the goodness and originality of the ingredients for the seasoning. Furthermore, observations were also made during the production process carried out at the place of the SME partners studied, the hygienic process of making the seasoning products, as well as guarantees for the cleanliness of the tools and various other equipment and the production room.

Furthermore, the data analysis technique is carried out using a qualitative approach, based on logical thinking, namely by using an interactive model analysis as developed by Miles and Huberman (1984) which consists of 4 (four) analysis components, namely (i) Data Collection, (ii)) data condensation, (iii) data presentation, and (iv) drawing conclusions.

IV. Research Results And Discussion

4.1. Overview of research object

Sidoarjo is one of the areas that is the center of MSMEs in Indonesia and has become a national spotlight because of its success in fostering cooperatives and MSMEs, making Sidoarjo designated as an MSME city. One example of a prominent MSME in Sidoarjo is the bag craft in Tanggulangin District (Asikin, 2020). According to data from the Office of Cooperatives and Micro Enterprises in Sidoarjo Regency, from year to year the development of MSMEs in Sidoarjo has grown quite rapidly. Until now, the number of MSMEs in Sidoarjo has reached 13,075 MSMEs with 68 types of businesses spread across 18 sub-districts. Based on data from the Cooperatives and Micro Business Office of Sidoarjo Regency, the 4 main sectors affected by Covid-19 are (1) the processing industry by 42 percent, (2) accommodation and food and drink providers by 24 percent, (3) wholesale and retail trade by 19 percent, and (4) agriculture, forestry, and fisheries by 3 percent.

Along with the spread of the Covid-19 outbreak, the Sidoarjo Regency Government provides guidance to food and beverage producers so that they can be packaged properly and can continue to move in the midst of social restrictions due to the spread of the Covid-19 pandemic, with the hope that food availability can be maintained and can reach the community in the midst of social limitations and restrictions on stalls and restaurants selling food and drinks so that there is no gathering of people that triggers the spread of the Covid-19 virus in the community.

Therefore, Micro, Small and Medium Enterprises (MSMEs) in Sidoarjo Regency which are engaged in the production of food and beverages, are fostered on how to use safe and quality product preservatives as well as packaging that is safe and without preservatives. This is because every food product will have an expiration date, so according to the Head of the Sidoarjo Regency Cooperative and Micro Business Office, they must know about the rules for preservatives that must be used. "So that food and beverage products marketed by MSME actors can safely reach the hands of consumers, even if there are chemicals, they must know how many doses are allowed." Of the thousands of food and beverage MSMEs in the Sidoarjo Regency environment that received guidance, there were 100 MSME personnel, to help food and beverage MSME actors continue to exist during the Covid-19 outbreak. in Sidoarjo Regency. This activity is an effort to support Sidoarjo as an MSME city in Indonesia.

Among the MSME actors in food and beverage production in the Sidoarjo Regency environment, who are members of the GeluranCemerlang group, from the results of the FGD with their leaders, it was decided that five superior products would be packaged using cans, and then a relevant packaging design design was made so that it could be marketed. as wider and capable of being a trigger in the economic empowerment of the MSME group who are members of the GeluranCemerlang group in Geluran Village, Taman District, Sidoarjo Regency. The five products of Indonesian spices that are potential for export include:

1. Rawon seasoning.
2. Seasoning Gule.
3. Rendang Cooking Seasoning.
4. Soto Cooking Seasoning.
5. Lodho Cooking Seasoning.

Furthermore, on the five selected cooking spices, canning trials were carried out with the application of hermetic technology, namely the method of preserving food products by heating at 100 degrees Celsius and pressure of one bar for 30 minutes to kill various pathogenic bacteria in the can. The application of this technology is known as the pattern of food preservation in cans, which can have a long consumption life and an inexpensive storage system at normal temperature, so it does not require additional costs for storage.

The next step in this research is to conduct a laboratory examination of the feasibility of consuming the canned cooking spices, to identify the content and benefits of the canned cooking spices. The results of these laboratory examinations will then be used as the basis for designing label designs, information on content and benefits for body nutrition, in order to provide correct information on the content and benefits of these cooking spices, to get an impulse or attraction for potential consumers to buy them.

The next step is to broadcast the various products of the archipelago's canning spices to various on-line media to develop product branding and introduction to consumers. This online-based marketing pattern is prioritized considering the Covid-19 pandemic that has hit the community has made the government carry out social restrictions, in order to prevent the acceleration of transmission of the disease in the community.



Figure 1: The five types of Nusantara Cooking Spices that are packaged in cans

So that it can be conveyed the urgency and advantages of canning the cooking spices, which are as follows:

1. With packaging in cans, the product is safer and well protected.
2. By packing in cans with the application of hermetic technology, heating in cans, the cooking seasoning products are more hygienic and more durable in the cans.
3. With packaging in cans, the consumption period becomes longer with a shelf life of up to approximately 2 years.
4. By packaging in cans with a long shelf life, the product can be marketed more broadly with a broad market network as well.
5. With packaging in cans, the product is easy to store at room temperature when it is normally open, the product will not be damaged, so that it is cheaper for deviation and distribution of marketing.

Based on the results of the packaging design design that has been carried out on the canning of the archipelago's cooking spices, then on-line-based promotions and marketing are carried out either through the market place, as well as various other social media such as: Face Book, TikTik, and others to can be communicated to the consumers who need the results of canning the cooking spices. One of examples can be seen in the market place as follows:

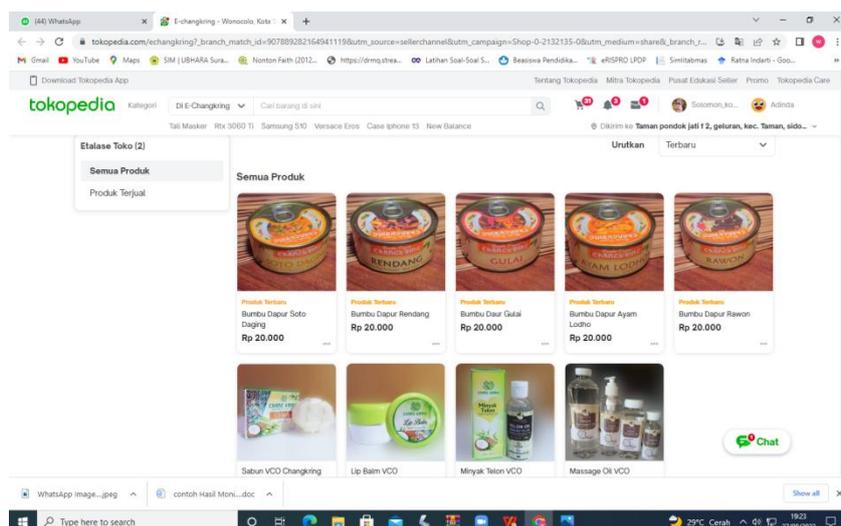


Figure 2: On-line marketing of Nusantara cooking spices products based on online.

V. Closing

Based on the action research that has been carried out on the production of MSMEs in Food and Beverage, several Indonesian cooking spices that have potential and can be developed in cans include the following:

1. Rawon seasoning.
2. Seasoning Gule.
3. Rendang Cooking Seasoning.
4. Soto Cooking Seasoning.
5. Lodho Cooking Seasoning.

The five seasoning products, according to the results of the study, have the feasibility to be packaged in cans with the application of hermetic technology, so they have a long shelf life and can be given packaging designs that can provide impulse buying to consumers to buy these goods.

By designing the design of cooking spices in cans, it is possible for buyers to use them at home to cook food according to their taste, so that in the midst of social restrictions, cooking can be done at home and can reduce social interactions which can reduce the rate of transmission of the Covid-19 outbreak which causes many human casualties. On-line marketing with the design of relevant packaging designs allows for a wider marketing reach, greater turnover and greater economic benefits, so that the MSME actors can be more empowered and can develop in the midst of social restrictions due to the impact of the Covid-19 pandemic. various parts of the country in various countries.

Bibliography

- [1]. Ekowanti, Mas Roro Lilik, 2012, Perencanaan, Implementasi dan Evaluasi Kebijakan atau Program (Sebuah Kajian Teoritis dan Praktis), hal 61; Surabaya: CV. Litera Media Center.
- [2]. Korten. C. David. 1986, Community Based Development, Asian Experience, Kumarian Express, USA.
- [3]. Kotler Philip (2002), Marketing Management Millenium Edition, Prentice Hall International, Inc,
- [4]. Kemmis, Stephen and Robin McTaggart (eds.), 1988. The action research planner. Victoria, Australia: Deakin University Press.
- [5]. Lestari, Tri & Rianto, Budi, 2016, Economic Empowerment "Peasants" Beef Cattle Through The Intensive Scale House District Trenggalek, Academic Research International Vol. 7(1) January 2016.
- [6]. Miles,M.B, Huberman,A.M, danSaldana,J. 2014. Qualitative Data Analysis, A Methods Sourcebook, Edition 3. USA: Sage Publications. TerjemahanTjetjepRohindiRohidi, UI-Press.

Siti Rosyafah, et. al. "Economic Empowerment of Nusantara Cooking Business Group through Design of Can Packaging and On-Line Marketing in Sidoarjo." *IOSR Journal of Business and Management (IOSR-JBM)*, 24(11), 2022, pp. 24-29.