

# The Implementation of Branding and Socialization of Intellectual Property Rights in the Microfinance, Small, and Medium Enterprises (MSME) Community in Yogyakarta

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**Keyword:** Branding, Microfinance, Small, and Medium Enterprises (MSME), Intellectual Property Rights

**Abstract:** The emergence of branding on MSME's products causes by the needed for the identity for products of MSME's for entering in the national market, thus increasing penetration. In fact, many MSME s are not yet aware of the importance of branding for competitiveness and not aware of the importance of protecting intellectual property rights. The MSME's are more focused on aspects of product sales. The purpose of the research is that known the business conditions and application of branding of MSME's snacks and implementations of the socialization of intellectual property rights in the Yogyakarta District. The result of this activity is to increase entrepreneurial skills to the community by providing capabilities to homemakers and youth to teaching how to market product results online and branding good, also awareness of the importance and the process of registering intellectual property rights.

## 1 INTRODUCTION

The development of SMEs in Yogyakarta is growing rapidly, and this is inseparable from the support of the Regional Government and banks. Also, BUMN, BUMD, private companies, and communities also help improve the skills and quality of human resources. At present the MSME sector, based on 2016 census data, from a total of 533,670 business units/companies, the number of micro and small businesses (MSEs) is 524,935 companies (98.40%) and large businesses of 8,735 companies (1.60%). Some successes have not only succeeded in meeting the needs of the national market but also succeeded in penetrating international market competition. The great potential of businesses in the Yogyakarta Regency provides new opportunities for the community to increase budgetary needs in the local area. Hopefully, this information can be useful for readers and motivate people in various regions to start businesses immediately.

One of the problems experienced by the majority of MSMEs is the lack of understanding of branding as a function of maintaining business

Sustainability. Most MSME business people still focus on trading and forget about the branding side.

This can be caused by ignorance, ego, or their closed nature over new ideas, and feeling quickly satisfied.

Seeing the good conditions above, it turns out that the existence of MSMEs in Yogyakarta still has several obstacles, namely the branding/media promotion and also the protection of trademark intellectual property rights. Because it is very important for every MSME to have a clear and unique strategy and approach for an identity to be outlined in branding through social media or other digital media. Why does identity or brand identity or branding design through social media help the SME industry a lot? One of them is helping MSMEs to form and look professional. This will increase consumer confidence in the products and services offered. A strong brand identity is very important because the character of the Indonesian people is easier to remember images than writing. There is a saying that "pictures speak is equivalent to thousands of words". Social media

Branding is usually in the form of symbols or symbols so that it is easily identified comfortably rather than a pile of pages of words contained in a company profile. In addition, the graphic design side of branding through social media can increase awareness of the products or services offered, especially if the name of the company does not

necessarily explain something. The value of a brand or brand can be a profitable added value if at any time the SMEs or business units decide to transfer it to the heir or others. From a theoretical approach (Fandy Tjiptono,

Brand Management & Strategy, 2005), this good brand is produced through branding decisions. This branding decision covers six main aspects, namely First, the decision regarding whether to use the brand or not for the product produced. Branding applies to all types of products (goods, services, retailers, online businesses, people, organizations, places, and ideas). Namely by giving a name to the product and include the meaning or specific meaning regarding what is offered the relevant product and what distinguishes it from competing products. The second aspect of brand sponsor decisions, namely decisions regarding who should sponsor the brand. Each marketing organization has three main choices: (1) products use manufacturing brands; (2) the manufacturer sells the product to a distributor or intermediary who will then use the house brand or private label; and (3) implementing a mixed brand strategy. The third aspect of brand hierarchy decisions, namely decisions regarding whether each product needs to be given its own brand or use a corporate brand. The fourth aspect of brand extension decisions, namely decisions regarding whether specific brand names need to be extended to other products. The fifth aspect of a multi-brands decision is to develop two or more brands in the same product category. The sixth aspect of brand repositioning decisions, namely the decision to change the product and its image in order to better meet customer expectations.

## 2 SOLUTIONS AND OUTPUT TARGETS

Community service activities are trying to help partners (in this case the Kompak Jogis Community and Forkom Karya Manunggal Yogyakarta to be able to make branding through social media products of MSMEs) and understand the IPR registration procedures, the activities that will be carried out to address partner problems are:

1. Information dissemination and material regarding the importance of branding/brands for MSMEs
2. Dissemination and distribution of material concerning Overview of Intellectual Property

Rights in the Trademark, Industrial Design, and Copyright categories.

3. Training on the design of branding concepts through social media and other digital media (websites)
4. Assistance with the branding design process
5. Intellectual Property Rights registration assistance

## 3 METHOD OF IMPLEMENTATION

This research used qualitative research. Qualitative research is a scientific method of observation to gather non-numerical data. This sort of inquiry refers to the meanings, concepts, definitions, characteristics, metaphors, symbols, and description of things "and not to their "counts or measures. This research answers how and when a particular phenomenon occurs. According to Hennink et al., "qualitative research is an approach that allows you to examine people's experiences in detail, by using a specific set of research methods such as in-depth interviews, focus group discussions, observation, content analysis, visual methods, and life histories or biographies".

This Research undertaken is to provide awareness of the importance of branding/brands for MSMEs and also to assist in making branding through social media as the identity of MSMEs. This activity was carried out in partnership with the Kompas Jogis Community and Forkom Karya Manunggal in the city of Yogyakarta. Specific problems faced by community service partners, namely the Kompak Jogis Community and Forkom Karya Manunggal Yogyakarta, are to provide awareness of the importance of branding/brands for MSMEs, to the assistance of branding through social media as the identity of MSMEs in their associations, as well as socialization activities on the importance and procedures protection of Intellectual Property Rights in Trade Marks of MSME products.



Figure 1: Socialization Activities of Intellectual Property Rights



Figure 2. Training on the design of branding concepts through social media and other digital media.

Referring to the above activity items, the problems of the Kompak Jogis Community and the Forkom KaryaManunggalYogyakarta as a service partner carried out by the Universitas Pembangunan Nasional “Veteran” Yogyakarta include the following:

- 1 To strengthen the Kompak Jogis Community and Forkom Karya Manunggal Yogyakarta, one of the important strategies implemented is to provide awareness of the importance of branding/brands for MSMEs and also to assist in making branding through social media as the identity of MSMEs. Branding strategies need to be carried out to be able building the image and identity of the products produced by MSMEs that can influence consumers to have a positive perception of the product, character, ability, appearance, and offer being promoted. Moreover, to enter the era of free trade on a national, regional, and global scale

that cannot be separated from the support and influence of the branding carried out.

- 2 So far, branding has become one of the things that are considered trivial for some business people, none other than MSMEs. Whereas UMKM actors must have an awareness that packaging or identity/branding through social media that is made and used must be able to be uniquely involved and attractive so that it becomes a reliable promotional media. The interesting branding through MSME social media is the main attraction for the product being sold. Generally, consumers on the market want to buy an item after seeing a unique and attractive product packaging. So the packaging design is very important for MSMEs.
- 3 Another problem is that there is not enough knowledge about the importance of having a clear and unique strategy and approach for an identity to be poured out for MSMEs through social media. One thing to do is to approach social media. Two facts must be kept in mind when talking about social media and SMEs. First, SMEs will always want to add connections to social media. Second, SME owners have limited time and money for social media. Fortunately, social media does not mean that SMEs must appear on all social media platforms. SMEs can choose one or two of the most relevant and effective social media to reach out and focus on consumers. It should be remembered that neglecting the existence of social media will have a negative impact on the development of MSMEs. Problems like this have not been much expressed by the Yogyakarta Jogging Compact Community.
- 4 The most important final problem for MSME practitioners is that there is no awareness of the importance of legal protection regarding intellectual property rights regarding trademarks, copyrights, and industrial designs. So it is feared that the products will be plagiarized by others or prosecuted because there are products that have the same trademark.

## 4 OUTCOMES

For the form and realization of the above method, the work procedure is as follows:

1. Making Branding Re-Design through social media and other digital media MSME products.
2. Making a Branding Design Handbook through morning media on MSME actors.
3. Registration of Copyright Guidebooks.

Through branding design, the outcomes resulting from PbM activities are as follows:

- a. Improving the quality of social media branding designs
- b. Improved marketing strategy
- c. Branding Design Handbook for SMEs
- d. Proceedings and Journals
- e. Copyright of Intellectual Property Rights

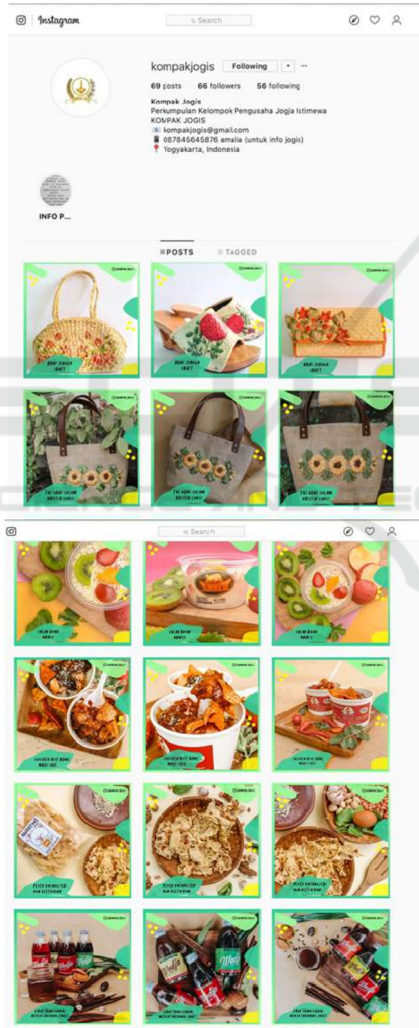


Figure 3. Branding Strategy through Social Media

This output was generated through socialization activities and the provision of material on Brief Information on Intellectual Property Rights in the Trademark, Industrial Design and Copyright

categories see Doc 1. And through training on the design of branding concepts through social media and training on online marketing. The first thing they do is introduce them to an online marketing strategy through Instagram. One example of marketing via Instagram can be seen in Figure 3

## 5 CONCLUSIONS

The conclusion of this community service activity is trying to help partners (in this case the Kompak Jogis Community and Forkom Karya Manunggal Yogyakarta to be able to make branding through social media products of MSMEs, and understand the IPR registration procedures are:

1. Some SMEs' responses related to branding appear, this is caused by, 1) because they do not understand the knowledge of branding; 2) do not have a positive entrepreneurial character 3) have never received assistance.
2. Referring to these conditions, the Universitas Pembangunan Nasional "Veteran" Yogyakarta Service Team needs to hold technical guidance on branding strategies for MSMEs in Yogyakarta to provide understanding for MSMEs about the benefits of branding for business development, which in the end is able to compare products well. The function of branding as a means to embed the image and image of the product and its business in a positive way in the minds of consumers must be truly understood by the SMEs, because product branding is one of the important points so that MSME products will always be remembered by the public or consumers in the time period long.
3. Linkages with Intellectual Property Rights, a choice that must be made by SMEs in the city of Yogyakarta if they want to survive in trade competition. The obstacles that arise in trademark registration occur mainly because of the misunderstanding of MSME actors in understanding the brand. Therefore, MSMEs need government support to be able to develop brands. This support can be in the form of providing brand development training as well as ease in obtaining brand protection.

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