volume 2025 http://dx.doi.org/10.11594/nstp.2025.47xx



Conference Paper

Strengthening "Istana Buah" SME Brand at Trawas, Mojokerto

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ABSTRACT

Small and Medium Enterprises (SMEs) in the field of fruit chips are a promising business sector. The growth of this business can be seen from the increasing interest of consumers in natural and health products. Market expansion opportunities are also wide open because fruit chips have an appeal not only locally, but also internationally. However, there are still obstacles in the aspect of brand image that can affect its sustainability and development. This was experienced by the "Istana Buah" SME where the results of the questionnaire stated that 87% of respondents said they did not know the "Istana Buah" brand. This article discusses how to provide guidance to the "Istana Buah" SME so that they have an understanding and ability to build a more attractive brand and reflect the characteristics of SMEs. The first stage is to collect data related to the "Istana Buah" SME to determine the potential and characteristics of the brand. Second, data analysis and formulation of brand concepts. Third, presentation and discussion with the "Istana Buah" SME. Fourth, implementation of the approved brand concept. With this program, we hope that the "Istana Buah" SME can develop further and be able to utilize the potential of its region optimally in order to improve its welfare.

Keywords: Branding, small and medium enterprises, fruit chips

Introduction

The government pays attention to SMEs (Small and Medium Enterprises) to improve the people's economy. Indonesia's economic growth is greatly influenced by the growth of SMEs. As conveyed by the Indonesian Chamber of Commerce and Industry (KADIN), the contribution of SMEs reaches 99% of all business units in Indonesia. In 2023, the number of SMEs will reach more than 66 million. Around 61% of Indonesia's Gross Domestic Product (GDP) is the result of contributions from SMEs, which is equivalent to IDR 9,580 trillion. In addition, SMEs are also able to absorb 97% of the total workforce in Indonesia, or around 117 million workers (Sekretariat, 2023).

Social welfare refers to living conditions that reflect the standard of living of society, which can be measured through the standard of living (Badrudin, 2012). According to the Central Statistics Agency (2018), there are eight indicators used to assess community welfare, namely income, food, living conditions, housing facilities, health, access to health services, educational facilities for children, and ease of obtaining transportation facilities.

SMEs engaged in the fruit chips sector are a prospective business opportunity, especially for people who live in areas with local plantation potential. In this industry, various fruits are processed into healthy snacks that are increasingly popular with the public. The growth of fruit chips SMEs is reflected in the increasing interest of consumers in natural and health products. Based on the 2023 Asia Pacific Health Priority Survey, as many as 83% of consumers in Indonesia experienced a change in their health priorities after the pandemic. As many as 68% of respondents stated that they now prefer a healthy lifestyle through healthy food and regular exercise

(Rachmawati, 2024). The market expansion opportunity for fruit chips is very large because this product attracts attention not only in the local market but also in the international market. For example, in Batu City, East Java, in 2023, fruit chips have become one of the leading export commodities. Many SMEs have succeeded in exporting fruit chip products to various countries, with a total turnover of around IDR 700 million (Amrullah, 2024).

The success of fruit chip SMEs has not yet spread evenly to other regions. This is the case with fruit chip SMEs in Trawas Village, Mojokerto. The village has considerable potential in the agricultural sector, but there are still challenges that can affect its sustainability and growth. One of these challenges lies in the aspect of branding.

According to Amalia (Fauzi, 2021), branding involves a series of communication activities carried out by a company in the context of building and expanding a brand. Branding is not only intended to win market competition by getting the target segment to choose your brand over others but also to ensure that customers believe your brand is the best and capable of meeting their needs.

Branding is also an effort to strengthen products and services. However, branding is not limited to differentiating products but also involves trademarks, visual identity, credibility, perception, logo, image, impression, character, and consumer awareness of the product or service (Kotler & Amstrong, 2001).

Brand awareness is crucial for winning market competition, as before consumers decide to purchase a product, they will recall the brand that first comes to mind. If the awareness is strong, it will have a greater impact on their purchasing decision (Ameliawaty & Halilah, 2018).

Another study similar to this research is "Designing Visual Identity and Branding for SMEs in Penanggungan Village" conducted by Navaldy Arya Pratama and Pungky Feby Arifianto. That study focused on SMEs in the same sub-district, Trawas. However, the object of that research was micro-enterprises, specifically small stalls selling food, whereas our research focuses on small businesses with assets exceeding 50 million rupiah, engaged in the processing of local agricultural products.

The aim of this study, titled "Strengthening the Brand of Istana Buah in Trawas Village, Mojokerto," is to provide an overview of effective and communicative strategies for strengthening brand awareness that align with the characteristics and uniqueness of an SME engaged in processing local agricultural products in its area, in this case, Istana Buah.

Material and Methods

The research entitled "Rebranding 'Istana Buah' in Trawas Village" uses data collection techniques by means of observation at the Istana Buah business location, and by conducting interviews with business owners. The collected data will be analyzed using a qualitative descriptive approach, namely explaining the essence of each data collected. After data analysis, the next step is the formulation of the design concept and design implementation.

Results and Discussion

UKM Istana Buah, which has been operating since 1997 in Trawas, is known as a provider of high-quality fresh fruit and a center for regional souvenirs. Since 2004, the company has successfully grown and become one of the main destinations for tourists looking for local products. However, with the rapid changes in the digital era and technological advances, UKM Istana Buah faces new challenges and opportunities that require strategic responses to remain relevant and competitive.

In the digital era, consumers increasingly rely on the internet and social media to find products and services. Consumer preferences have shifted towards a more personalized and technology-based shopping experience. Without a strong online presence, UKM Istana Buah risks losing access to a wider audience and potentially ignoring the latest market trends. Digital technology has changed the way businesses operate, from marketing to distribution. Digitalization

allows for more efficient processes, more targeted marketing, and better interaction with customers. Without adapting to the latest technology, UKM Istana Buah could be left behind by more tech-savvy competitors.

With more and more small and medium enterprises (SMEs) taking advantage of digitalization, competition in the market is becoming fiercer. To maintain market share and attract customers, SME Istana Buah needs to innovate and update its marketing strategy and visual identity to remain attractive and relevant. Digital transformation allows SME Istana Buah to increase visibility through online platforms such as websites, social media, and e-commerce applications. With a strong digital presence, companies can reach a global audience, increase brand awareness, and make it easier for customers to purchase products online.

Digitalization does not only cover marketing but also the overall customer experience. By using technology, SME Istana Buah can offer a more interactive shopping experience, product personalization, and more responsive and efficient customer service. A modern and consistent visual identity is important to create a strong and professional impression in the market. Updating the logo, packaging design, and marketing materials will help SME Istana Buah reflect a fresher and more relevant brand image with current trends, and differentiate it from competitors.

Digitalization allows SME Istana Buah to manage inventory, marketing, and sales more efficiently. A technology-based management system can help in stock monitoring, customer data analysis, and marketing strategy optimization, which can ultimately reduce operational costs and increase profitability. By transforming digitally, UKM Istana Buah can be better prepared to face future changes and challenges, including economic crises, regulatory changes, and evolving market trends. Sustainability and adaptability are key to ensuring that companies survive and thrive in the long term. UKM Istana Buah's transformation in the era of disruption is a strategic step to ensure the growth and sustainability of UKM amidst the rapid changes in the business era. By utilizing digital technology, updating visual identity, and improving customer experience, UKM Istana Buah can better face market challenges and take advantage of new opportunities for expansion and innovation.

SWOT analysis of SME Istana Buah

Based on the results of the eight observations that have been carried out, the SWOT results of the Istana Buah UMKM are as follows: Imposition

The judges who decide the corruption case decide by applied imposition, there are 2 (two) imposition models, The imposition model consists of Rzk (2006):

Table 1. SWOT

	Strengths (S)	Weaknesses (W)	
2. '	Sales are good and stable The brand name is well known Product quality is good	 Not yet digitalized Do not have a social media account Manual transactions Limited product stock 	
	Opportunities (0)	Threats (T)	
1.	The market is getting wider	1. New competitors	
2.	Demand for products is increasing	2. The development of digitalization is getting	
3.	Opportunities for new market diversification	faster	
4.	Located near tourist attractions		

Based on the results of the observation data, a TOWS Matrix analysis was conducted to obtain more indepth data related to the SME Istana Buah.

Table 2. TOWS Matrix Analysis

	Strengths (S)	Weaknesses (W)
Opportunities (0)	 Increase sales through a wider market. Utilize a good brand name to attract customers in new markets. Improve product quality to meet increasing demand. Utilize Trawas tourist locations to promote products more widely. Create attractive promotions at tourist locations to increase sales. Use customer testimonials to increase trust in new markets. 	 Digitalizing to reach a wider market. Optimizing social media to promote products. Automating transactions to increase efficiency. Developing product variations to attract more customers. Integrating e-commerce platforms to increase sales. Use the name of the tourist location "Trawas" to introduce new products directly.
Threats (T)	 Increase sales with a stronger visual identity to overcome new competitors. Improve product quality to compete with competitors in the digital market. Use a strong brand to build customer trust. Provide high-quality products to retain customers. Hold promotional events to highlight product advantages. Maintain good relationships with customers to face competition. 	 Starting the digitalization marketing process to compete with new competitors in the digital market. Developing social media to increase competitiveness. Automating transactions to increase efficiency in digital marketing. Diversifying products to overcome product limitations. Increasing product variations to attract customers and reduce the threat of new competitors. Increasing production capacity to meet greater market demand.

Based on the results of the TOWS Matrix analysis, it can be concluded that the urgency of strengthening the brand identity of Istana Buah and developing its social media related to the needs of competition in the digital market. A more detailed explanation is as follows:

The importance of strengthening the brand identity of Istana Buah

Istana Buah has stable sales and a very good brand name. This shows that the Istana Buah brand already has a place in the hearts of consumers and is known in the market. By strengthening brand identity, Istana Buah can strengthen customer loyalty, attract more new customers, and expand its market share. A strong brand identity creates a more professional and trustworthy impression, which ultimately increases sales and business growth.

Istana Buah products are known to be of good quality, which is one of the main strengths of the brand. Strengthening the visual identity that reflects product quality can increase consumers' positive perceptions of the brand. Consumers who are satisfied with product quality tend to make repeat purchases and recommend the brand to others.

With an increasingly broad market and increasing demand for products, Istana Buah has a great opportunity to develop its business. Strengthening brand identity helps attract the attention of new markets and increase brand awareness among potential customers. With a strong identity, Istana Buah can take advantage of new market opportunities more effectively and efficiently.

Istana Buah's promotions are not yet digitalized. They do not have social media, and transactions are still done manually. This hampers operational efficiency and the ability to reach more customers. By strengthening its visual identity and developing digital promotions, Istana Buah can improve operational efficiency, provide a better customer experience, and increase its market reach. Digitalization helps speed up transactions, reduce errors, and increase customer satisfaction.

The importance of developing Istana Buah's social media

In the digital era, a brand's presence on social media is very important to increase visibility and market reach. Without a presence in the digital market, Istana Buah loses the opportunity to interact with customers more widely and intensely. Developing social media allows Istana Buah to reach more customers, provide information and education about products, and interact directly with customers. A strong digital presence helps increase brand awareness, attract potential customers, and build an active customer community.

Social media allows for more personal and direct interactions with customers. Interesting and interactive content can increase customer engagement and participation. By increasing engagement through interesting content, Istana Buah can strengthen relationships with customers, increase loyalty, and encourage customers to share their positive experiences. This not only increases brand visibility but also strengthens a positive image in the eyes of consumers.

The presence of new competitors and the acceleration of digitalization in the business world require Istana Buah to adapt and increase its competitiveness. Developing social media and strengthening brand identity helps Istana Buah stay competitive. By utilizing digital technology and online marketing strategies, Istana Buah can overcome threats from new competitors and stay relevant in an ever-growing market. A strong digital presence also helps Istana Buah to respond to market trends and customer needs more quickly and effectively. Strengthening brand identity and developing social media are crucial strategic steps for Istana Buah SMEs. With a strong visual identity and solid digital presence, Istana Buah can increase brand awareness, attract more customers, and maintain customer loyalty. Digitization through social media allows Istana Buah to educate customers, increase engagement, and face competition more effectively. These steps will ensure sustainable growth and long-term success for Istana Buah in an increasingly competitive market.

Visual identity concept

Based on the TOWS Matrix, some keywords that have been found are as follows: Souvenir, fresh fruit, quality, palace, modern, simple, and Trawas tourism. These keywords will be the guidelines for producing the visual identity concept of Istana Buah.

Table 3. Keyword

	Keywords	Visual Concept	Description
1	Trawas tourism	,	Visualization that reflects the natural beauty of Trawas with mountains and green trees, creates a refreshing and natural atmosphere, giving the impression of a beautiful and calming tourist spot.

2	Souvenir	Souvenir packaging icons, logos with typical souvenir elements	Packaging and logo designs that include typical souvenir elements, such as attractive packaging and product illustrations, give the impression of a suitable place to buy typical Trawas souvenirs.
3	Fresh fruit	Fresh fruit images, bright colors (green, red, yellow)	Visuals of fresh fruits with bright colors show the quality and freshness of the product, giv- ing a fresh and healthy impression.
4	Quality	Emblem, elegant fonts	Visual elements that reflect high quality, such as emblems or stamps that indicate quality products, as well as the use of elegant fonts to add an exclusive and trustworthy impression.
5	Palace	Palace architectural elements, crowns, use of the color gold	Use of visual elements that reflect the palace, such as the silhouette of the palace building or the crown, with the color gold to give the impression of luxury and elegance.
6	Modern	Minimalist design, clean lines, use of sans-serif fonts	A minimalist design approach with clean lines and the use of modern sans-serif fonts creates the impression of a brand that is on trend and relevant to the digital age.
7	Simple	Design that is not excessive, focuses on function	Visuals that do not have too many elements, with a focus on the main function, create a simple but effective impression in conveying messages and information, providing comfort in seeing and understanding the brand identity.

Logo design

After going through the brainstorming process, alternative designs, and evaluation with the owner of the Istana Buah UKM, the final result of the Istana Buah logo is as follows:



Figure 2. Logo Desain

Conclusion

After the entire research and design implementation process has been carried out, several points can be concluded as follows. First, in building a brand, a more in-depth qualitative data aggregate is needed to find the value of the brand, in this case, the UKM Istana Buah. Second, a sharp descriptive-qualitative analysis is needed to conclude the data that has been collected. Third, it is necessary to have sensitivity in designing verbal and visual concepts based on the results of data analysis.

This research and design are expected to be able to encourage the emergence of further research and design that can encourage and improve the implementation of the Istana Buah brand in Trawas Village, Mojokerto.

Acknowledgment

We would like to thank LPPM Universitas Pembangunan Nasional Veteran Jawa Timur for the financial assistance provided for the implementation of this community service and research. We would also like to thank UKM Istana Buah in Trawas Mojokerto, as well as the lecturers and students who helped in this research process.

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