

ONE VILLAGE ONE BRAND, AN ALTERNATIVE CONCEPT PERSPECTIVE TO IMPROVE MEDIUM SMALL BUSINESSES

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ABSTRACT

Products from the village are always unable to compete with products from areas close to the city. In fact, in terms of quality, products from the village are of the same quality as products from areas near the city, even better. Several problems regarding the rural economy include: low economies of scale, weak market access, long distribution channels, low post-harvest facilities, and finally the difficulty of capital. In Presidential Regulation number 59 of 2017 concerning the implementation of achieving the national Sustainable Development Goals (SDGs). Then implemented through Presidential Decree number 13 of 2020 concerning priority use of village funds in 2021.

The purpose of this study is to describe the government's efforts to implement the village's Sustainable Development Goals (SDGs) agenda in order to increase economic growth in rural areas through One Village One Brand. This research is very urgent because with the One Village One Brand program, it can help accelerate government programs through the Ministry of Health as stated in the SDGs at the point of equitable village economic growth. The method in this study uses a Systematic Literature Review (SLR) by examining several sources used as material in searching and obtaining literature. These sources are used as the basis for analyzing and deriving a conclusion in making the results of the study.

This research can show that the government's efforts to improve the rural economy through One village one brand which is supported by village funds make the rural economy grow rapidly. So that the welfare of the village community can increase. With the One Village One Brand, it will improve the image of the village and the characteristics of the village.

Keywords: one village one brand, an alternative concept, SME

INTRODUCTION

This research begins with a reality that shows that products from rural areas are often unable to compete with products from areas close to urban areas. This is the case in developing countries which present the same issues. Therefore, APEC as one of the organizations that cares about the state of the economy of the countries that are members of it, is car-

rying out a project called One Village One Brand. This program aims to enlighten the public about the awareness of the importance of a brand and an understanding of intellectual property rights by means of branding. In addition, APEC makes a real contribution in developing a product brand to increase the capacity of local communities, for sustainable economic growth [1]. This program was ad-

opted by Thailand, which in 2016 initiated the one tambon one product (OTOP) program with a focus on food and handicraft exports with a turnover of nearly US \$ 3 billion with products coming from 6000 small and medium enterprises and community based enterprises throughout the country [2].

The government has shown its concern for the growth of micro, small and medium enterprises, by issuing regulations that regulate the existence of micro, small and medium enterprises, including regulations on business licensing, tax regulations, funding regulations, and partnerships. Because micro, small and medium enterprises are able to help government programs to alleviate poverty and reduce unemployment, as well as overcome several economic challenges with policies that encourage the development and sustainability of micro, small and medium enterprises [3]. Small and medium enterprises are also not limited to regional/international activities, but are also increasingly integrated into the global economy [4]. These small and medium enterprises play an important role in the economies of developed and developing countries, so they must remain standing tall, sustainable and growing [5].

One of the causes of failure of small and medium enterprises is the environment, so that the workforce resource strategy needs to be adapted to the environment in order to achieve high performance [6]. The environment in this case also includes the condition of geographical location which causes weak access to the market, thus causing the distribution channel to become longer. Apart from the working conditions environment, the impacts of climate change and extreme weather events also have disastrous consequences for small and medium enterprises which tend to be unprepared [7].

Small and medium enterprises are also deemed less capable of adopting information and communication technology, resulting in failure rates and their inability to gain a competitive advantage [8]. For example, the use of mobile marketing as an advertising medium becomes an important tool for small and medium enterprises to be able to gain their own targeted market share [9]. However, many business actors in this sector have not mastered this technology.

Capital and financing problems are also often the classic reasons for many small and medium business actors. The banking sector said that lending to the small and medium business segment was very low due to a lack of demand for quality credit. While small and medium enterprises are of the opinion that financing for small and medium enterprises is abundant, the supply of bank financing is largely unavailable to them [10]. This problem needs serious attention and handling by the relevant authorities, in this case the government must act as a mediator for banks and small and medium enterprises to meet and find solutions.

LITERATURE REVIEW

One Village One Product

The One Village One Product concept was first introduced in Japan more than three decades ago [11]. The emergence of the One Village One Brand (OVOB) concept was actually preceded by the implementation of the One Village One Product (OVOP) concept and although it was previously supported by the existence of One Commune One Product (OCOP) in a village. Thus, the existence of institutional institutions becomes important before being able to produce products and brands. Because in OCOP it can produce several multieffects such as job opportunities, income, increased creativity & ability of local employees [12].

Research in Malaysia also shows that the One Village One Product (OVOP) concept has created new jobs and new sources of income for local people, households/workshops, encourages innovation through the use of technology for promotion, marketing and modern approaches including the use of molds to improve productivity. However, it also found several problems that, although handled first, include: 1) difficulty in maintaining skilled and trained workers or craftsmen; 2) competition in the market for local products has increased, which could threaten similar businesses from different villages; 3) the ability to guarantee product availability according to market demand for village community products; 4) dilemma to integrate modern and traditional approaches in the production process [13].

Some of the obstacles that are often faced in starting and implementing the One Village One Brand concept in Indonesia include the unavailability of raw material business units and inadequate human resources due to unsupportive education. In addition, the issue of capital ownership is also important because in the village it has not been supported by microfinance institutions [14]. Other obstacles that are often encountered are the lack of product processing capacity, limited marketing, inefficient institutions and continuity of production and lack of assistance for human resource development [15].

Therefore, efforts to implement the One Village One Brand concept must be based on local wisdom and limiting factors for each village. So even though it is understood that each village has its own characteristics, both advantages and disadvantages [15]. The One Village One Product program offers enormous potential to be explored as an inclusive regional development strategy, if planning and

implementation are carried out with the right understanding of local needs, contexts and the readiness of local communities/entrepreneurs.

A study in Senegal developed the concept of One Village One Product supported by the concept of design thinking which integrates several important factors in relation to the values that exist in the village including strategy, goals, and innovation as well as actions in the form of implementing use of technology [11].

Supply Chain Management

Supply chains depend on community resources such as entrepreneurs, natural resources, and facilities for value creation and successful operations, while communities need development opportunities from supply chains to build and maintain prosperity. The mutual influence between the supply chain and society offers an opportunity to integrate sustainability initiatives into the chain. Village-owned enterprises are village financial institutions that have been regulated by the government since the colonial era to the present. This provides an opportunity for the village to prepare itself in an effort to establish a Village Owned Enterprise in accordance with the local potential both human and natural resources owned by the village. The Village Law provides opportunities for villages so that Village-Owned Enterprises can become a means of fighting for economic improvement and welfare through a sustainable supply chain. The challenge of establishing and developing a Village-Owned Enterprise business is increasingly complex. This is because not all villages in Indonesia are ready with adequate human resources in making village regulations, looking for business opportunities, becoming managers, making reports and implementing supply chain management for Village-Owned Enterprises. The interactions

between the supply chain and the community provide significant insights on how to create sustainability for both. not all villages in Indonesia are ready with adequate human resources in making village regulations, looking for business opportunities, becoming managers, making reports and implementing supply chain management for Village-Owned Enterprises. The interactions between the supply chain and the community provide significant insights on how to create sustainability for both. not all villages in Indonesia are ready with adequate human resources in making village regulations, looking for business opportunities, becoming managers, making reports and implementing supply chain management for Village-Owned Enterprises. The interactions between supply chain and the community provide significant insights on how to create sustainability for both [16].

RESEARCH METHODS

In this study the authors used the literature review method, namely the collection of data sources by citing and reviewing theories, the findings of several scientific articles in the form of journals, books, the internet and other literature from several authors around the world related to the topic being discussed, then providing reviews and analysis of the aims and objectives of the research results. Literature reviews or also known as literature searches are used to avoid plagiarism or duplication, because by searching the literature we can see previous research that has been done by other researchers. The results of several literature reviews will be used to identify the one village one brand program in the perspective of alternative concepts to improve small and medium enterprises.

RESEARCH RESULT

From the results of several studies of literature review data sources, there are

several findings that we can make into concepts: Branding Product

Branding is a process of direct involvement in creating a brand identity for a product, both goods and services. So that people can know and know our products, we must give a name to a product so that consumers can easily identify it. In addition to the name, identification of a product can be on the logo packaging design, characteristics and there must be something that distinguishes our product from other products. Consumer behavior in purchasing goods and services is influenced by consumer and brand characteristics [17]. In addition to characteristics, emotional branding is also important, which involves emotional consumers to participate in creating designs and ideas together, achieving happiness by helping others fulfill some of their needs, expressing themselves and realizing positive desires [18].

Place branding

It is an attempt to compare a place, in this case a village, so that it sticks in the consumer's memory so strongly that when the name of the village is mentioned, it will automatically appear in the consumer's mind about a product which is a representation of the village. The concept of place branding is to understand place as a product, which can be branded and marketed to consumers [19]. A slogan and logo also have an important role in the promotion of the place brand, besides that the preservation of culture and history is no less important in strengthening the brand as a place [20]. From the marketing of place and place brands, it is hoped that in the future a state brand, regional brand, city brand and village brand will emerge so that the term destination branding will emerge [21]. To carry out the place branding process, it is necessary to have research, challenges of participa-

tion and the role of intensive communication [22].

Social media

Social media such as YouTube, Facebook, Twitter are proven to have a contribution and can influence characteristics [23]. The effectiveness of the influence of marketing on social media on small and medium enterprises is also influenced by brand image and reputation, customer involvement and performance of online small and medium enterprises, customer attitudes and performance towards brands [24]. In creating value and innovatively creating newer products and services for the market, social media platforms can be used by small and medium enterprises [25].

Some of the digitization of small and medium-sized businesses that can take advantage of social media applications as a means to introduce products or brands to the public include: digital marketing for local businesses, SEO for local businesses, google advertising for local businesses, Facebook advertising for local businesses, Instagram advertising for businesses. local, WhatsApp marketing, Facebook group optimization, Facebook marketplace optimization, and broadcast SMS. For ecommerce you can take advantage of go-food or grab food and others.

DISCUSSION

As explained in the abstract, this research is to describe the government program on village revitalization. That the village is part of the territory of a country that is often not touched by development, especially infrastructure, so that transportation becomes a problem and an obstacle in the mobility of its population. The facilities and infrastructure in the village are also minimal so that many rural residents are unable to keep up with developments. Many rural areas are not covered by technology called the internet so

that access to information to see the outside world is closed. And this affects the economy of rural residents directly. Due to the remote access to the market, many products from the village cannot be sold to the market, even if they do get to the market, the product can be damaged by rotting. Also long distribution channels result in prices becoming expensive and unable to compete with similar products from areas near the market. Weak postharvest facilities are also an obstacle, because products are sold at low prices without any innovation to make the product more valuable. Capital difficulties are also the classic reasons voiced by small and medium enterprises.

One of the goals of the village's Sustainable Development Goals (SDGs) is to increase economic growth. The concept of one village one brand tries to provide a solution to the weakness of products from villages in competing in local, regional, national and even international markets. The first is comparing the village. What we have to do is identify that the village has advantages and what superior products? A product does not always have to be a good or a service, but a place can also be called a product. And this must be branded so that people know, recognize, and stick firmly in their memory. An image, experience and image about a brand are important factors in branding. For example, in East Java, if we mention Pare sub-district, Kediri Regency, then people know Pare as the village of English. Or when mentioning the name of an apple, what will come to the mind of the public is the apple of Batu city. Various food names associated with place names are examples of branding that sticks in people's memories. For example, gudeg jogja, madiun pecel, soto lamongan, madura satay, rambutan Aceh, Ambon banana and so on. This is brand-

ing that successfully attaches a food name and place of origin. But this is still general, it is necessary to do a more specific and innovative branding.

To do branding on product names, small and medium enterprises must register their product names with several related agencies. For example, the P-IRT permit, BPOM, MUI halal certificate, and patent rights. Can also consult with the cooperative and UMKM offices. For bureaucratic interests, business actors should partner with village apparatus to process product branding. For costs and capital, the apparatus, in this case the village head, can budget a large enough village budget from the government to finance product branding from small and medium enterprises in the village. Or you can contact the bank that offers loans with the lowest interest rates

Therefore, the Government has assisted efforts to increase the economy in rural areas, among others, by disbursing very large amounts of village funds. On the other hand, the concept of one village one brand, is a new breakthrough alternative to increase sales of micro and medium enterprises. How are our efforts to compare a village, introduce the products of a village through social media and other technology, with government support through village funds, so that rural products can compete and become market leaders in their class.

CONCLUSION

The final conclusion of this research is that a product must be given an identity in the form of a unique brand name and different from other products but easy to remember in the minds of consumers, a unique logo or image symbol, attractive packaging design and characteristics. A brand must be able to engage the emotion of customers. When they have tried the product, and are then called the brand

name, then they will feel a beautiful memory of the product brand in the past.

Brand is not only given to products in the form of goods or services, but a location where a brand can be assigned, which is an identity about the characteristics and characteristics inherent in that area or place. Usually a tourist destination location that often sticks in people's memories. Or create a tourism village, such as a chocolate village, a wine village, fruit and vegetable picking tours and activities that prioritize natural nuances and can be sold.

For products from agricultural products, it is hoped that there will be authorized parties from related agencies and institutions who can provide counseling and training to the community so that they are able to process their harvested products so that they become more valuable. With the addition of value, through varied, branded, hygienic food processing, and attractive packaging designs it is hoped that it can help to increase sales of small and medium enterprises as well as arouse the sluggish tourism sector due to the prolonged pandemic.

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