VILLAGE BRANDING: INSTRUMENTS OF PLACE BRAND IDENTITY FOR DESTINATIONS AND MSMES IN THE TOURISM VILLAGES

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ABSTRACT

This research aims to discuss the instruments in place brand identity for destination development and MSMEs in a tourism village. The participatory approach was carried out by conducting the FGDs (Focus Group Discussions) sequence to involve citizens in assisting the process of formulating place branding. The citizens made and identified designs and icons, provided design directions, and gave the feel of story to the resulting design. In previous research, place branding was mostly carried out in cities or places with dominant government hierarchies. In contrast, this research was conducted in villages and areas with a solid community base because the selected tourism villages were community-based tourism (CBT) villages. In addition, this research also observes how place branding can be done by trying to understand personality association through a participatory process and came from the citizens themselves. This research is expected to be able to contribute to the necessary instrument schemes for forming of place branding in the village and community-based contexts. Several findings were noted in this research namely related to the challenges of MSMEs and destinations in carrying out branding, profit allocation issues, the difference of value or selling unique in formulating branding, the benefits of branding and technology, as well as challenges in supporting technology application. Based on the findings, this research was able to show several instrument applications in place branding, including three pillars, i.e., place physics, place practice, and place personality.

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1. Introduction

Place branding is the idea of discovering or creating some uniqueness, which differentiates one place from others in order to gain competitive brand value (Wibawanto, 2015). This research is not about the concepts or justifications, but about how it is actually done at the local level, which has particular socio-cultural nuance so that in the Indonesian context, by rethinking the meaning of place branding which came from the aspect of community participation (Hudson et al., 2017). This research is helpful in exploring the main instruments in regional planning used by several studies if a participatory approach is applied. The three main instruments are place physics, place practice, and place personality (Taecharungroj, 2019). Specifically, this research focuses more on place personality where a place associated with individuals, history, literature, art, politics, entertainment, sports, pictures, icons, or even mythology, and hopefully from these unique qualities can be transferred to that place, for example in a tourism destination (Ashworth, 2009). The focus on place personality was conducted because there is no formulation of place personality where research projects are implemented that are already running, already have profitability, and already have specificity for tourism.

In Indonesia, tourism destinations contain not only a territorial perspective, but also on the socio-cultural aspects of the local community (Hudson et al., 2017). In the community aspect, the community was involved in various things, including the destinations management such as the Pokdarwis (Tourism Awareness Group) and the MSME groups (Murti, 2019b). Meanwhile, the COVID-19 pandemic has created problems for Micro, Small, and Medium Enterprises (MSMEs) managers in the production and marketing process of their products. Micro, Small, and Medium Enterprises (MSMEs) are businesses developed by the community to support the development of a tourism village in one place. On the other hand, there are often many inconsistencies between destinations and their supporting MSMEs. For example, destinations try to develop their uniqueness, and at the same time, MSMEs operate independently and do not formulate integration of place personality that is a strong part of what is known as place branding.

This research was conducted using a participatory approach that lasted for four years (2019-2022). The participatory approach is carried out by conducting a series of FGDs (focus group discussions) to involve citizens in assisting the process of formulating place branding. Citizens are involved in making and identifying designs and icons, providing design directions, and give the resulting design a story nuance. In previous research, place branding was mostly carried out in cities or areas with dominant government hierarchies, while this research was carried out in villages with a strong community base because the selected tourism village was community-based tourism (CBT) villages. In addition, this research also observes how place branding can be done by trying to understand personality association through a participatory process and came from the citizens themselves. This research is expected to be able to contribute to the necessary instrument schemes for forming of place branding in the village and community-based contexts.

According to the American Marketing Association, a brand is a name, term, sign, symbol, design, or any other features that identifies one seller's goods or service as distinct from those of other sellers (Riaz & Tanveer, 2012). The brand gives the customers the source of products. In addition, the brand protects customers and producers from competitors who try to provide identical products (Aaker, 2012). A brand is one of the important attributes of a product, where the brand of a product can provide value added to the product. A brand is
not only a name for a product, but more than that, it is an identity to differentiate from products produced by other organizations, places, products or services. With a specific identity, particular products will be more easily recognized by customers, making it easier to repurchase the product (Riaz & Tanveer, 2012). According to Aaker (2012), a brand is a sign in the form of an image, name, word, letters, numbers, arrangement of colors, or a combination of these elements that have distinguishing features and are used in trading goods or services.

Branding itself has become one of the most important aspects of business strategy. However, it is also one of the most misunderstood. Branding is sometimes considered only as an advertising function (Ashworth, 2009). Many managers and business writers hold the view that branding is about managing product image, a supplementary task that can be isolated from the main business of product management (Holt, 2003). Brand strategy is appropriate when the business objective can be achieved by increasing the product's perceived value. While branding is often a central component of an effective marketing strategy, there are several business issues for which branding is not particularly relevant. Conversely, it is also important to consider whether non-branding strategies (e.g., lowering costs to serve, pursuing price discrimination by promotions) have unintended consequences on branding (Holt, 2003).

Place branding as a marketing activity that supports the creation of names, symbols, logos, word marks, or other graphics, both to identify and differentiate destinations (Murti, 2020; Ashworth, 2009) conveys the promise of a unique and memorable travel experience associated with the destination and serves to consolidate and strengthen pleasant memories of the destination experience (Murti, 2021). These all aim to create an image influencing customer decisions to visit these destinations (Govers and Frank, 2009).

Yananda and Salamah (2014) stated that city marketing (place branding) is closely related to construction, communication, and image management, so the articulation of a city image becomes very important in marketing a city (Murti, 2020). It is a different case with place branding, specifically city brands. This process provides a different focus to city suggestions. Ashworth (2009) said that place branding could be defined as an overall effort done by the government of a country, region, and city which aims to market the area they represent (Murti, 2021a). With one area that has a brand, it will introduce the area more and have a profitable selling value. For example, districts have their own unique city branding (Murti, 2021a), and the Japanese and Indonesians have their own national branding (Murti, 2019a).

Instruments in place branding are forms or ways in which people build their own or other people's comprehension of a place or territory. Taecharungroj (2019) stated there are three instrumental pillars in place branding: place physics, place practice, and place personality. Place physics or physical places are the physical appearances of a place, for example, landscapes and buildings (Murti, 2020). Place practice is an action or activity that is built in a place. The domination of this instrument is the person who carries out the activity. Meanwhile, place personality is an affective characteristic associated with a place. The relationship between physical and practical in an institution that houses a destination can include managers or Pokdarwis (Tourism Awareness' Group), who have a normative system to regulate the place (Murti, 2019b). Meanwhile, the relationship between the physical place and the personality of the place is a representation or narrative of a place in the minds of the audience or the media. In contrast, the relationship between practice and personality is a good experience cognitive, emotional, and personal experience. Instrumentally, this is what forms the place's brand identity.
Place branding became one of the most popular concepts, generally in place marketing, especially in tourist destinations (Avraham and Ketter, 2008). According to Lucarelli (2015), place branding is commonly understood as the application of marketing and commercial ideas, strategies, measurements, and logic to the realm of places such as cities, regions, and nations (Murti, 2019a). Place branding is the coordinated use of marketing tools supported by a share customer-oriented philosophy for creating, communicating, delivering, and exchanging urban offerings that have value for the city’s customers and the city’s community at large (Hudson et al, 2017).

Adopted from the purchasing decision concept of Ashworth (2009), the decision to visit is the stage of the decision process in which customers, tourists, actually purchase products, in this case visiting destinations, districts, or tourism villages for foreign and domestic tourists (Murti, 2021b). The decision to visit a place is related to the purchase decision because before someone decides to visit a place, it means that the customers has made a purchase decision to enjoy the place. The decision to visit a place/tourism destination made by a customer/tourist is also related to the concept of customer behavior, as Ashworth (2009) revealed that customer purchasing behavior influenced by cultural, social, and personal factors.

2. Method
   a. Research Location

   Tinalah Tourism Village or known as Desa Wisata Tinalah (Dewi Tinalah) is a tourism village in Purwoharjo Village, Samigaluh District, Kulon Progo, Special Region of Yogyakarta. This tourism village is located in the Menoreh Mountains, which are wealth in natural, cultural, historical, and educational potential. Tinalah is a name taken from the Tinalah River which divides the village. Tinalah Tourism Village is located at Jalan Persandian Km. 5, Sendang Sari, Purwoharjo Village, Samigaluh District, Kulon Progo Regency, Special Region of Yogyakarta. Geographically, Tinalah Tourism Village is included in Purwoharjo Village, Samigaluh District, Kulon Progo Regency, Special Region of Yogyakarta. The administrative boundary of this
tourism village in Kulon Progo Regency is to the west by Purworejo Regency (Central Java Province), to the east by Bantul Regency and Sleman Regency, to the north by Magelang Regency (Central Java Province), and to the south by with the Indian Ocean. Geographically it is located at 7° 38'42" - 7° 59'3" South Latitude and 110° 1'37" - 110° 16'26" East Longitude. The address of Tinalah Tourism Village is at Jalan Persandian Km. 5, Purwoharjo Village, Samigaluh District, Kulon Progo Regency, Special Region of Yogyakarta. The distance from Yogyakarta City to Tinalah Tourism Village is 25.8 km or 46 minutes. The Dewi Tinalah area is located in the Menoreh Mountains (altitude 300 – 600 meters above sea level) which is hilly, has fresh cool air and beautiful scenery (Figure 2).

Figure 2: Map of the Tinalah Tourism Village Area

The advantage that Dewi Tinalah has is because of the fresh cool air and beautiful scenery. These conditions attract tourists to camp while enjoying the rice fields that are maintained by their ecosystem and the beauty of the Tinalah River. The hills at Dewi Tinalah, such as Talun Miri Hill and Kleco Peak, are the main attraction for many tourists. A tourist area must have attractions such as natural beauty, culture, cuisine, and other attractions that can be offered to tourists, such as special products as local souvenirs.

Historically, the community and government acted actively in developing the village into a tourism village through the Independent Tourism National Community Empowerment Program (Program Nasional Pemberdayaan Masyarakat/PNPM) in forming the Tinalah Tourism Village (Dewi Tinalah). The development of this tourism village began in 2012 and was officially established on October 13, 2013. The Tourism Awareness Group (Pokdarwis) of Tinalah Tourism Village strives to develop tourism potential in their area, which is wealth of natural resources, education, and culture. The following picture is an example of activity in Tinalah Tourism Village (Figure 3).
However, the development above has not been followed by the development of MSMEs, a division of the Pokdarwis Dewi Tinalah, with ten employees. The products of these MSMEs are tourism boosters. Citizens have developed ten products, namely pegagan chips, cassava chips, wingko, rock paintings, t-shirts, banana steam chips, key chains, sandals, ashtrays, and herbs. On various focus group discussion opportunities, many discussions and findings indicate that Pokdarwis Dewi Tinalah's MSME has not fully developed nor has an interesting brand and packaging.

b. Data Collection Method

The method used in this research is using participatory research. This research project used a participatory approach by selecting, involving, and collaborating with the local community (Cahyanto, 2021). This project involves a community group called Pokdarwis, or Tourism Awareness Group. This group was established for community-based tourism destinations in Indonesia under local government-level coordination and registered under the ministry of tourism and the creative economy (Murti, 2019a). Participants consisted of local management and ten MSMEs who focused on developing tourism and MSME businesses in their area. The researcher then discussed the benefits of the training, focus group discussions, submission of informed consent forms, and directions for the research process.

The problems related to the development of Place Brand Identity noticed that the tourism supporting MSME products issues that have not been integrated, then this research was conducted in a participatory way to integrate Place Brand Identity with Point of Sales Technology. Some stages will be carried out according to how the Place Brand Identity will be formed. This will forming a strong identity for MSMEs. As value-added, technology will also be created by the principle of fulfilling user needs in Point of Sales Technology.
c. Identify the assets for the icon and branding process

This stage is the stage of identification and training preparation. The focus of this meeting was to conduct FGDs, interviews, and observations related to the products and services available in the Tinalah Tourism Village, which are already in production but have yet to be branded, either as a destination or as MSMEs. This is important to identify potential graphics that can be used as icons and brands.

d. Basic understanding of the importance of branding and tourism product icons

This meeting will discuss the basics of branding concepts, branding, and selecting icons. Researchers use easy-to-understand concepts to bridge information about the importance of brands and icons in marketing communications. The focus of this meeting is the aspect of cognition and affection. The aspect of affection will invite participants to merge their identities into the brand and icon they will choose through a process of discussion, presentation on icon selection and brand naming, and color identity selection.

e. Finding icons and brands in products and integration of tourism identities

At this meeting, the focus was on the psychomotor aspect, where the participants started to imagine the future vision of the chosen brand and icon. In addition to using sketches and networking training, this training also focuses on identifying the market for these brands and icons specifically.

f. Graphic creation and selection for the master plan brand and technology production

This meeting also focuses on researchers bringing design tools/examples to help create brands and products. The results of this meeting are expected that participants can create their own brand and icon. This meeting also focused on the production of technology adapted to the needs of building the character of a place. Researchers also focus on mobile-based applications that will help the process of implementing tourism businesses and MSME businesses digitally. After that, the team will conduct skills training in using technology in accordance to the role of destinations and MSMEs in tourist destinations.

g. Production of place brand identity instruments in participatory

Through various discussion processes to training and implementing the creation of place brand identity, this research has produced several icons that are integrated, especially for two key main role in a destination, namely for destination managers.

### Table 1: Data Collection Process

<table>
<thead>
<tr>
<th>Main icon found</th>
<th>Technology that supports the destination as a place character</th>
<th>An integrated icon between destinations and the MSMEs</th>
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W: http://spektrum.stikosa-aws.ac.id/index.php/spektrum | E: spektrum@stikosa-aws.ac.id
3. Results and Discussion

The findings of this data were collected through field observations and interviews with local management and MSME doers in Tinalah Tourism Village. In this case, the interview process with the informant was carried out directly. There are several noted findings in this research, namely regarding the challenges of MSMEs in carrying out branding, profit allocation issues, different values or unique selling, the benefits of branding and technology, as well as challenges in supporting technology applications.

a. The Challenges of MSMEs in Branding

The development of MSMEs in the Tinalah Tourism Village is one way to support tourism. The development process was done by building local product brands with several stages. However, in the process found there are significant challenges in the branding process. One of the SMEs, TN, said that:

"The price. The price can automatically goes up, but the value has increased. The profit has also increased, but from an appearance perspective, this is interesting." (Interview with TN, 2022)

The statement from TN explained that the main challenge in branding is that production prices will increase, but with this branding, it can provide the value added for MSME products. Branding and packaging that is done on MSME products in the Tinalah Tourism Village can increase future profits for the product and selling process. Even though there were challenges in branding implementation, this activity potentially increases creativity and professional selling power as a business strategy.
Figure 4: The MSME of Dewi Tinalah that does not have a brand and packaging yet
Source: Personal Documentation, 2020

Figure 5: The MSME of Dewi Tinalah that already owns the brand and packaging
Source: Personal Documentation, 2022
b. Profit Allocation Issues

There are various MSME products produced by Dewi Tinalah, such as peyek cabe (chili crackers), geblek garing (crispy geblek), rock painting, sandals, keripik gedebog pisang (banana steam chips), keripik peyek pedas (spicy peyek crackers), and palm sugar. To develop MSME products with attractive branding and packaging, integration of MSME products was carried out with the selection of designs derived from the "Mbak Dewi" icon. The “Mbak Dewi” icon is the place identity of Dewi Tina which has been formulated previously in this research process. In the integration process, it is necessary to consider the profit allocation issues between Dewi Tinalah managers and MSME owners. Tinalah Tourism Village manager, GA, said:

“While this is still in progress, we will manage it for all that comes in. We are going to get traffic, just like in the marketplace. In the marketplace, people who buy come with traffic, the marketplace gets a tip. Therefore, we will discuss it first, how much percentage we will take — either a percentage or specific nominal. For example, in this way, Dewi Tinalah will get 2,000, right? So, how much will it be from MSME and how much will be the selling price from Dewi Tinalah.”

The process of profit allocation between the management of Dewi Tinalah and the MSME owner will still be discussed further to apply the applicable justice principle between MSME and the manager of Dewi Tinalah. This should be considered in order to avoid conflicts between MSMEs and Dewi Tinalah managers, so that could build a good cooperation in developing Dewi Tinalah’s MSMEs.

c. Unique Selling

In the process of branding and packaging, there were several aspects to consider, namely color tone, visual design, and packaging shape. In determining these aspects, discussions were held with MSME doer, so that packaging could suit the needs of each owner. The results of this branding can create eco-friendly packaging and more attractive. One of the informants from the MSME owners, AS, said:

“I think it is very helpful for our products, from previous package that still simple. One of them is being able to attract buyers’ interest later” (Interview with US, 2022)

US explained the previous branding and packaging of the products they owned were very simple. By doing branding on this packaging, it can attract buyers’ interest with eco-friendly packaging and looks more attractive. In fact, not only from its appearance, but from each of these products also has a unique motto. Another informant, YM, said:

“The motto that was created builds the enthusiasm to reach the buyers.” (Interview with YM, 2022)

This explained that MSME doer also wants to spread their enthusiasm in the development process through their motto. With this motto, buyers can be interested in buying local MSME products with eco-friendly and unique packaging.

d. The Benefits of Branding and Technology

With branding, it created the value added to the quality of MSME products. One of them is to make food products more maintained. An informant, BP, who has culinary MSME owner said:

“Keep it crunchier because there is no incoming wind. Its shelf life is even longer than the previous packaging.” (Interview with BP, 2022)
The statement from BP explained that with branding, it could make the packaging better and keep the products crunchy. This packaging can make the product durable to be stored. In addition, the branding results in the packaging also contain a QR Code that can direct customers to the Tinalah Tourism Village website. Customers can access the Tinalah Tourism Village website by scanning the QR Code. The website will contain explanations of products from Dewi Tinalah, the history and potential of Dewi Tinalah. Moreover, the customer can also access the tour packages offered. The informant, GA, who is an administrator for Pokdarwis, said:

“There is a QR Code that helps people to see Dewi’s information completely. So that more and more trading, after packaging. It means that the product is added on the web and we have to update it.” (Interview with GA, 2022).

The explanation of GA can be seen that packaging that is integrated with technology can provide benefits to both Tinalah managers and MSME product owners. The benefits received by Dewi Tinalah's managers can help increasing the trading from their website. Furthermore, it can also help promote tourism potential and MSME products owned by the Tinalah Tourism Village community.

Online cashier technology was also developed in the development of integrated branding for MSMEs of Dewi Tinalah. With this online cashier technology, it can provide benefits for Dewi Tinalah managers and MSME owners. The informant, GA, also explained:

“They said it can help management efficiency, then transparency of financial data so that we can see the transactions. Later, we can select the products that are in great demand, so we can strengthen the best-selling product that become potential for sale and being able to see the opportunities. The data that easy to access any time, and the management now that must be fast-paced, so with this, the management method can be more organized. So making it easier for everyone to filter reporting data in one month and we can do it all at once. Then the product management can be from this data. It can strengthen the existing product development strategies in the tourism village, and later it can be used to improve and optimize product management which is designed with a variety of existing MSME products, and the sales can be one track.” (Interview with GA, 2022).

From this statement, it can be explained that online cashier technology provides benefits, namely helping the efficient management of MSME products, determining product development strategies so that they can strengthen products, transparency of financial data for reporting can be easier, and optimizing MSME product management.

e. The Challenges in Technology

In the process of developing technology, there are challenges faced by the people of Tinalah Tourism Village. Especially in the process of using the online cashier application. This is explained by the informant, AF:

“It is still under development for invoicing, it can use local server, but if it is from a public server or we use it for the general public, there are still improvements. So, there is an imagination how to operate it. Therefore, maybe when it is used, we are waiting for it to be repaired first for the public invoice service.”
The challenge faced is the use of servers on technology for invoicing which still cannot be used optimally. There is still a need for optimization on the application server, so that it can be used properly, especially in public services in invoicing applications. However, MSME managers also hope to coordinate with each other to optimize the invoice technology process.

f. Place Branding Instrument of Tourism Village

Branding is a powerful method of building a competitive advantage. The concept of brand culture helps us see why it is done (Ashworth, 2009). Brand culture is “sticky”. Once they accept it as conventional wisdom, people are usually reluctant to leave the cultural conventions of brands. Unless they have product experience or come across a brand story that contradicts the convention, people are usually pleased to retain their perceived brand understanding (Avraham & Kettler, 2008). Earlier, the POS cashier was complete with products, product variations, and then the payments. In general, the invoice still needs improvement. Maybe it can also be added for QRIS payments, so to maximize it, we are still waiting for the system to run smoothly."

The main role of branding is to create and strengthen an identity that ensures difference points of for Dewi Tinalah customers in relevant. Place brand identity is the way in which a place, such as the Tinalah Tourism Village, is introduced and be introduced to the outside through brand attributes such as symbols, icons, logos, etc. (Holt, 2003). This includes creating a consistent visual and verbal identity, which is used in promotional and marketing communications (Hudson et al., 2017). The challenges of MSMEs in the Tinalah tourism village can be overcome by creating different values or unique selling points that are specific from the village. This can be done by optimizing the unique culture, products or activities offered in the Tinalah Tourism Village. In addition, fair profit allocation is also important to increase the competitiveness of MSMEs in the Tinalah Tourism Village. Several ways to achieve it are by increasing awareness of the rights of MSME owners and providing equal access to all MSME owners to sell their products. Point of Sales (POS) technology can help MSMEs in the Tinalah Tourism Village by providing a fast and secure payment system, as well as assisting in managing sales and inventory data. However, the challenge in using this technology is the cost required to purchase and operate the device, as well as the skills required to operate it.

Instruments in place branding include three pillars, namely place physics, place practice, and place personality (Taecharungroj, 2019). Place physics refers to the physical aspects of a place, such as architecture, environment and topography. Place practice refers to the institution that oversees the destination, such as managers or Pokdarwis who have a normative system to regulate the place. Place personality refers to a representation or narrative of a place in the mind of the audience or media. The relationship between these three pillars forms the place brand identity. Tinalah Tourism Village as an example, the relationship between physical and practical is the manager or pokdarwis who have a normative system to regulate the place, while the relationship between physical place and the personality of the place is a representation or narrative of a place in the minds of the audience or media, and the relationship between practical and personality is an experience both cognitive, emotional, and personal experience that can be obtained by tourists visiting Tinalah Tourism Village.
4. Conclusion

Place brand identity is how a place (tourism village) convinces people that the place is a good choice to visit. Tourism villages that have a strong brand identity will be more easily recognized by tourists and easier to attract tourists. Point of Sales (POS) technology can be used to simplify transaction processes in tourism villages, such as payment and purchasing entrance tickets. MSMEs in tourism villages can increase their product sales by using POS and by utilizing the tourism village brand identity.

Future research can be focused on how to increase the effectiveness of the combination of place brand identity, tourism villages, POS technology, and MSMEs. This can be done by measuring the level of satisfaction of tourists and MSMEs, as well as evaluating the economic impact of this combination. As a recommendation, tourism village practitioners can combine the concept of place brand identity, POS technology, and MSMEs by:

1. Define a strong brand identity for their tourism village, which reflects the uniqueness and attractiveness of the village.
2. Incorporate POS technology in various places in tourism villages, such as in MSME shops and at payment place.
3. Promoting MSME products in tourism villages by using the tourism village brand identity.
4. Conduct regular evaluations of the impact of this combination, and make changes according to the evaluation results.

References


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