



Optimizing MSME Product Sales with Brand Awareness and Eco-Friendly Packaging: A SWOT Analysis Perspective

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Abstract: The objective of this investigation is to employ a SWOT analysis approach to evaluate the impact of brand awareness and the implementation of environmentally friendly packaging on the selling value of banana crackers manufactured by MSMEs in Tabanan, Bali. Tabanan's banana snack MSMEs are hindered by a lack of brand recognition and environmentally unfriendly packaging, despite their substantial market potential. As a result of this investigation, numerous opportunities, threats, strengths, and shortcomings that influence product competitiveness were identified. The analysis' findings indicate that the attractiveness of a product can be enhanced by increasing brand awareness through the use of environmentally responsible packaging and a more appealing logo design. Consequently, in order to satisfy the demands of consumers who are becoming more cognizant of sustainability concerns, MSMEs must enhance their branding and substitute plastic packaging with alternative, environmentally favorable materials. The study also suggests the implementation of e-commerce platforms and digital marketing to broaden the market. It is anticipated that the implementation of these strategies will enhance the selling value of Tabanan banana snacks in domestic markets.

Keywords: Brand Awareness, Eco-Friendly Packaging, Sales Value, MSMEs.

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Introduction

High-quality products from micro, small, and medium enterprises (MSMEs) frequently arise from the use of superior local raw resources that possess unique attributes appealing to consumers (Nirwana et al., 2024; Putri & Novitaningtyas, 2021). Banana chips are recognized for their delectable taste and the quality of locally sourced banana raw materials utilized in their production. The Tabanan region, recognized for its substantial agricultural potential (Setiawan et al., 2022), produces banana chips as a processed product with a unique and authentic flavor. This product possesses significant commercial potential in both the local Bali market and the broader national market, particularly due to the growing interest of tourists in regional souvenirs.

However, despite the excellent quality of MSME banana chips, these products face several obstacles that hinder their development in the wider market. One of the main problems faced is the lack of adequate brand awareness among consumers (Maulidah et al., 2024). Many consumers may not be familiar with Tabanan's banana chips as a whole, so they tend to buy other products that are better known. This is exacerbated by the packaging design that still uses single-use plastic, which in addition to having a negative impact on the environment, is also less attractive and does not reflect the quality and authenticity of the product. This environmentally unfriendly packaging is one of the major obstacles

in broadening the product's appeal in a market that is increasingly concerned with sustainability issues.

On the other hand, the consumer market is becoming increasingly aware of the importance of sustainability, and many consumers are looking for products that have environmentally friendly packaging and support sustainable business practices (Budiman et al., 2024; Kusuma & Kautsar, 2020; Rachman et al., 2024). Therefore, changes in packaging strategy and increased brand awareness are necessary to meet this challenge. Banana chip MSMEs in Tabanan need to increase their efforts in building a stronger brand image, which not only highlights the quality of the product, but also pays attention to environmental sustainability aspects. In addition, the use of more environmentally friendly packaging, such as paper-based packaging or recycled materials, can not only reduce negative impacts on the environment, but can also attract consumers who are concerned about environmental issues.

In addition, a more targeted brand awareness strategy is also key to introducing Tabanan banana chips to a wider market. Increasing brand recognition will make it easier for consumers to recognize the product in the market, as well as build consumer loyalty. One of the steps that can be taken is through an effective marketing campaign (Nainggolan et al., 2023), the use of social media to introduce the product (Aristana et al., 2024; Wahidin et al., 2024; Wijaya et al., 2022) as well as creating partnerships with the local

tourism sector that can utilize these MSME products as typical Balinese souvenirs.

As a first step to designing an effective development strategy, it is important to conduct a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis of the condition of banana chip MSMEs in Tabanan. With a SWOT analysis, MSME owners can identify the strengths and weaknesses present in their business as well as the opportunities and threats faced in the market (Babayo & Milala, 2024; Sunaryono et al., 2024). From the results of the analysis, clearer insights can be obtained on how to optimize strengths, mitigate weaknesses, take advantage of opportunities, and face existing threats.

This study aims to analyze the influence of brand awareness and the use of environmentally friendly packaging on the selling value of MSME banana chips products in Tabanan, Bali. Through a SWOT analysis approach, this research is expected to provide a deeper understanding of the factors that influence product competitiveness in the market, as well as offer relevant recommendations for MSME players to overcome existing challenges (Halik et al., 2021; Herlina, 2024; Radhitya et al., 2024). By increasing brand awareness and implementing environmentally friendly packaging, it is hoped that Tabanan banana chip products can gain a better place in local and national markets, as well as support the sustainability of environmentally friendly and profitable businesses for local communities.

Method

This research uses a SWOT analysis approach to evaluate strengths, weaknesses, opportunities, and threats (Wahyudi et al., 2024) faced by banana chip MSMEs in Tabanan. In addition, this study also applied qualitative methods with interviews and direct observation to MSME owners and several consumers who bought banana chip products. Socialization and mentoring were provided to MSME players related to the importance of building brand awareness and implementing environmentally friendly packaging. Through mentoring, MSMEs in Tabanan are taught to design more attractive and environmentally friendly packaging, as well as increase brand awareness through the right logo and promotion (Sudirjo et al., 2023). The method used in this research is qualitative data analysis taken from interviews with MSME players and consumers, as well as SWOT analysis to assess the competitive position of banana chips in the market.

Results and Discussion

Increasing Sales Value of Banana Chips of Tabanan MSMEs

Banana chips produced by MSMEs in Tabanan, Bali, have great potential to become a leading product in local and international markets. However, although this product has excellent quality, various obstacles related to brand awareness and unattractive packaging have hampered efforts to increase its selling value. Based on the results of the SWOT analysis, several factors were found to be strengths, weaknesses, opportunities, and threats in the development of this product.

Strengths

1. Superior Product Quality

The quality of Tabanan MSMEs' banana chip products is recognized by consumers as one of their main strengths. The banana chips are produced using fresh, high-quality local bananas, with a manufacturing process that preserves freshness and flavor. The bananas used are carefully selected to ensure perfect texture and flavor, which gives them a competitive advantage over similar products from other regions.

In addition, the traditional production process with attention to hygiene and quality also contributes to the product's reputation. Tabanan banana chips have a crunchy and savory taste, and are not too oily, which makes them preferred by consumers who prioritize healthy food.

2. Affordable Price

These banana chips are competitively priced when compared to similar products sold in the local market and by competitors. This affordable price is one of the main attractions, especially for consumers who are looking for snacks at an economical price without sacrificing quality.

3. Broad Market Potential

Bali, as one of the major tourist destinations in Indonesia, provides a huge market for regional snack products. These banana chips are not only in demand by the local community, but also by domestic and foreign tourists who come to bring Balinese souvenirs. This huge market potential is an opportunity to increase product sales volume.

Weaknesses

1. Unattractive and Environmentally Unfriendly Packaging

One of the main weaknesses identified in the banana chips products of Tabanan MSMEs is that the packaging still uses conventional plastic. Plastic is not only less environmentally friendly, but it also does not attract enough attention from consumers, especially those who are more concerned about sustainability issues. Transparent and simple plastic packaging makes these products look less premium, and does not adequately reflect the quality of the product inside. In addition, unattractive packaging also limits the visual appeal of products on store shelves or e-commerce marketplaces, where consumers tend to choose products that look attractive and innovative. Less modern packaging also reduces a product's chances of standing out in a highly competitive market, especially in the souvenirs and snacks sector.

2. Weak Brand Awareness

Most consumers who buy banana chips in Tabanan may not recognize the brand directly, which makes it difficult for the product to compete with better-known brands. In the absence of a strong brand identity and consistent promotion, the product is known only by taste and quality, but lacks sufficient brand recognition to differentiate it from other products in the market. Although the product is popular among locals and tourists, this problem of brand vagueness is an obstacle in building consumer loyalty. In an increasingly competitive market, the difficulty in brand recognition could make these banana chips easily forgotten, despite their excellent quality.

3. Limited Market Reach

Banana chip products from Tabanan MSMEs are mostly sold in local markets and around tourist destinations. While this provides a good opportunity to reach tourists, the market reach of these products is still limited to Bali. This limits the potential for growth and market expansion beyond Bali, both in other domestic markets and internationally. Therefore, it is important to develop wider distribution channels, either through partnerships with souvenir shops, e-commerce platforms, or by expanding marketing beyond the Bali area.

Opportunities

1. Healthy Food Trends

Today, many consumers are increasingly aware of the importance of healthy and environmentally friendly food consumption. Banana chips, which are made from natural ingredients and contain no preservatives, can be positioned as a healthy snack that appeals to consumers who care about a healthy lifestyle. Therefore, this trend opens up a great opportunity to market banana chips as a healthier snack alternative. In addition, more and more consumers are interested in environmentally friendly products. By replacing plastic packaging with more environmentally friendly materials, such as recycled paper or biodegradable plastic, these banana chips can attract consumers who care about sustainability, as well as enhance the brand image as a socially and environmentally responsible product.

2. Government Support and MSME Programs

The Bali government provides various supports for MSME product development, in the form of training, marketing, and access to wider markets. These programs can be leveraged to increase sales of banana chips, for example by participating in local product exhibitions or gaining access to a wider distribution network through partnerships with souvenir shops or larger marketplaces.

3. Utilization of Digital Marketing and E-Commerce

Digital marketing through social media such as Instagram, Facebook, and TikTok can introduce banana chips to a wider audience, both domestically and internationally. In addition, e-commerce platforms such as Tokopedia, Bukalapak, or Shopee provide a very efficient distribution channel to sell these products to a wider market without having to open physical branches outside of Bali.

Threats

1. Intense Competition

One of the biggest threats faced by Tabanan banana chips is the large number of competitors in the snack food market. Many similar products already have a big name in the market, both from within Bali and from outside Bali. These competitors may have an advantage in terms of brand awareness and wider distribution, thus threatening the market share of Tabanan banana chips.

2. Raw Material Price Fluctuations

Changes in the price of bananas and other raw materials can affect production costs and product selling prices. This is

especially problematic when raw material prices spike, potentially reducing profit margins and making products less competitive.

3. Dependence on Tourists

As most of the sales of banana chips come from tourists, fluctuations in the number of visitors to Bali can affect sales volume. For example, if there is a decrease in the number of tourists, as happened during the pandemic, product sales may be hampered. Therefore, diversification of sales and marketing channels is very important to reduce dependency on one market segment.

Applicable Strategies

Based on the SWOT analysis, several strategies can be proposed to overcome weaknesses and take advantage of existing opportunities, in order to increase the selling value of MSME banana chips in Tabanan:

1. Rebranding and Strengthening Brand Awareness

The implementation of a more modern and attractive logo and an intense promotional campaign on social media will help introduce this product to a wider audience. Marketing through influencers and endorsements from local or international celebrities can increase brand recognition among tourists and the general public.

2. Application of Environmentally Friendly Packaging

Replacing plastic packaging with packaging made from recycled paper or biodegradable plastic will attract consumers who are concerned about sustainability issues. In addition, an attractive packaging design with Balinese elements, such as traditional motifs or images of Balinese nature, will strengthen the product's identity and enhance its visual appeal.

3. Market Expansion Through E-Commerce

The use of e-commerce platforms will help these products reach a wider range of consumers, not only in Bali, but also outside the region, even internationally. E-commerce sales will allow the product to reach consumers from all over Indonesia and the world, reducing dependence on the local market.

Conclusion and Suggestions

This research highlights the importance of strengthening brand awareness and implementing environmentally friendly packaging to increase the selling value of banana chips products of MSMEs in Tabanan, Bali. Based on the results of the SWOT analysis, it can be concluded that this product has strengths in the form of superior quality local raw materials and affordable prices. However, the product still faces weaknesses related to unattractive and less environmentally friendly packaging, as well as weak brand awareness, which limits its competitiveness in the broader market. Opportunities, such as healthy food and sustainability trends, can be capitalized on by introducing environmentally friendly packaging, which is expected to attract consumers who are more concerned about sustainability. In addition, digital marketing and the utilization of e-commerce platforms offer great opportunities to expand markets and increase sales, both domestically and internationally. As a recommendation for future research, the

influence of eco-friendly packaging on consumer perception needs to be further investigated, as well as how the packaging can be used to promote sustainability.

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