

**DIGITAL BRANDING STRATEGY MSMEs FOR SNACKS IN TANJUNG MULIA VILLAGE**

**Nurbaiti<sup>1\*</sup>, Jeane Agretta Mandalika<sup>2</sup>, Dian Novita Dinata<sup>3</sup>, Ikhwan Rinaldi Lubis<sup>4</sup>, Fitra Ardiansyah<sup>5</sup>**

<sup>1</sup>Program Studi Manajemen, Fakultas Ekonomi dan Bisnis Islam, Universitas Islam Negeri Sumatera Utara, Medan, Indonesia

<sup>2,3</sup>Program Studi Akutansi Syariah, Fakultas Ekonomi dan Bisnis Islam, Universitas Islam Negeri Sumatera Utara, Medan, Indonesia

<sup>4</sup>Program Studi Hukum Ekonomi Syariah, Fakultas Hukum dan Syariah, Universitas Islam Negeri Sumatera Utara, Medan, Indonesia

<sup>5</sup>Program Studi Ilmu Hukum, Fakultas Hukum dan Syariah, Universitas Islam Negeri Sumatera Utara, Medan, Indonesia

\*Correspondence Email: [nurbaiti@uinsu.ac.id](mailto:nurbaiti@uinsu.ac.id)

**ABSTRACT**

*Digital transformation provides significant opportunities for Micro, Small, and Medium Enterprises (MSMEs) to strengthen their brand identity and expand market reach. This study analyzes the impact of digital transformation on brand identity development of unbranded MSMEs in Tanjung Mulia Village, Langkat Regency. Using a qualitative case study method through interviews, observations, documentation, and focus group discussions, the research focused on Handayani Crispy, a traditional snack business without an official brand. The findings show that digital interventions—such as creating a website, providing digital literacy training, and introducing a consistent brand identity—significantly enhanced product visibility, consumer trust, and the owner's self-confidence. Consumers responded positively to the branded products, viewing them as more professional and suitable as gifts. However, challenges remain, including limited digital literacy, unstable internet infrastructure, and the owner's time constraints. This study highlights the importance of integrating digital technology with branding strategies to empower MSMEs in rural areas. Recommendations include continuous digital literacy training, packaging innovation, product diversification, social media utilization, and collaboration with local stakeholders to ensure sustainable digital transformation.*

*Keywords: MSMEs; Digital Transformation; Brand Identity; Marketing; Branding.*

## INTRODUCTION

Digital transformation has become a global phenomenon impacting various sectors, including Micro, Small, and Medium Enterprises (MSMEs). It influences operational processes, marketing strategies, and brand identity development. For MSMEs without established brands, digital transformation provides both opportunities and challenges in building competitive product identities.

In Tanjung Mulia Village, Langkat Regency, many MSMEs rely on traditional marketing strategies, such as word-of-mouth sales, weekly markets, and small shop consignments. This limits their ability to reach wider markets. Branding is crucial to build customer loyalty and differentiate products. Yet, many local entrepreneurs lack resources, digital literacy, and knowledge to develop strong brand identities.

The object of this study is Handayani Crispy, a small snack business owned by Mrs. Srihandayani. Established in 2018, the enterprise produces traditional snacks such as cassava chips, onion crackers, peanuts, and kembang loyang. Despite the product's authentic taste and cultural value, it lacked formal branding and modern packaging, which hindered growth.

This research aims to (1) analyze the impact of digital transformation on MSME brand identity, (2) identify effective digital branding strategies, and (3) highlight challenges faced by rural MSMEs during digital adoption.

## RESEARCH METHODS

This research used a qualitative case study approach conducted in Tanjung Mulia Village, Langkat Regency, over two days. Data collection methods included:

- In-depth interviews with the owner to explore motivations, challenges, and expectations.
- Direct observations of production processes, packaging, and marketing practices.
- Documentation of branding and marketing efforts.
- Focus Group Discussions (FGD) with MSME stakeholders to evaluate perceptions of digital branding.

Indicators of success included:

1. The level of digital technology adoption (e.g., website usage, online promotion).
2. Changes in consumer recognition and trust toward the branded product.
3. Expansion of market reach and sales volume.

Thematic analysis was used to interpret findings, drawing on Creswell's (2014) qualitative methodology.

## RESULTS AND DISCUSSION

Handayani Crispy is a home-based snack business established in 2018 by Mrs. Srihandayani in Tanjung Mulia Village. The business produces traditional snacks such as onion crackers (kue bawang), spicy cassava chips, coated peanuts, and kembang loyang. Production is carried out manually in a simple kitchen using household utensils, with family members assisting in the process. Products use local ingredients with affordable prices ranging from IDR 2,000 to 5,000. Despite quality taste, packaging was plain and marketing relied on weekly markets and word-of-mouth.

Interviews revealed the business started as a pastime but grew due to neighborhood demand. Limited capital and knowledge prevented expansion. The owner wished to brand products but did not know how. Observations showed simple tools, unbranded packaging, no expiration dates, and no sales records. Marketing was entirely traditional. The owner had little digital literacy but hoped her products could become the family's main income.



**Figure 1. Different Types of Snacks**

Source: Author's Processing

Consumers responded positively, stating that labeled products appeared more trustworthy and suitable as souvenirs. The owner experienced increased self-confidence and pride in presenting her products, shifting her perspective from a household hobby to a professional business.

However, challenges included limited digital literacy, unstable internet access, and time management difficulties. These highlighted the need for long-term support, infrastructure improvements, and involvement of younger family members.



**Figure 2. Interviews and Group Photos with MSME Business Actors**

Recommendations for sustainability included continuous training, packaging updates, product diversification, social media utilization, and collaboration with stakeholders. These findings align with previous studies emphasizing the role of digitalization in MSME competitiveness.

Discussion The case of Handayani Crispy shows how digital branding can transform rural enterprises. It expanded consumer trust and competitiveness, though digital literacy and infrastructure issues remain. Findings align with studies emphasizing branding and digitalization as key to MSME sustainability. Even small interventions like websites and labels significantly impact consumer perception and owner confidence.

## CONCLUSIONS

The study demonstrates digital transformation strengthens MSME brand identity. Website creation, digital literacy training, and brand identity improved visibility, trust, and owner confidence. Consumers viewed the products as professional. Challenges remain in literacy, infrastructure, and time. Sustainable transformation requires training, packaging and product innovation, and stakeholder collaboration.

## ACKNOWLEDGEMENTS

The authors express gratitude to Universitas Islam Negeri Sumatera Utara, the community of Tanjung Mulia Village, and the MSME owner Mrs. Srihandayani for their cooperation and support throughout this research.

## BIBLIOGRAPHY

- Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches* (4th ed.). Thousand Oaks, CA: SAGE Publications.
- Kurniawan, A., & Sari, D. (2021). The role of branding in enhancing MSMEs competitiveness in the digital era. *Jurnal Ekonomi Kreatif dan Digital*, 3(2), 45–57.
- Putri, L., & Hidayat, M. (2020). Digital transformation and its application in MSME marketing. *Jurnal Manajemen dan Inovasi Bisnis*, 7(1), 12–25.
- Rahman, F., & Dewi, S. (2023). Digital marketing-based MSME development strategies in rural areas. *Jurnal Pemberdayaan Ekonomi Masyarakat*, 5(3), 88–99.
- Siregar, R. (2022). Digital literacy challenges for MSMEs in the technological transformation era. *Jurnal Pengembangan UMKM Indonesia*, 6(2), 101–113.
- Susanti, N., & Pratama, R. (2021). Brand identity as a product differentiation strategy for MSMEs. *Jurnal Ilmu Komunikasi dan Bisnis*, 4(1), 56–70.
- Wibowo, T., & Ananda, F. (2020). The use of websites and social media in supporting MSME marketing. *Jurnal Sistem Informasi dan Teknologi Bisnis*, 8(2), 133–142.

Yuliana, D., & Saputra, A. (2021). MSME digitalization as an effort to improve competitiveness in Industry 4.0. *Jurnal Ekonomi dan Bisnis Digital*, 2(3), 77–90.