

Boosting Market Competitiveness of Wukirsari's Wedang Uwuh via Integrated Branding and Digital Marketing Strategies in the Herbal Product Sector

Safira Arifah^{1,*}, Mohamat Jauhari², Merlin D³

¹ Accounting, Economy & Business, University of Muhammadiyah Berau, Indonesia

² Management, Economy & Business, University of PGRI Semarang, Indonesia

³ Economics, Economy & Business, University of Muhammadiyah Berau, Indonesia

* Corresponding Author: safiraarifah010705@gmail.com

Abstract.

This study examines the challenges and opportunities for enhancing the market competitiveness of Wedang Uwuh, a traditional herbal drink produced by BUMDes Wukirraya in Yogyakarta, Indonesia. Using Participatory Action Research (PAR), we identified critical issues impeding the product's market penetration, particularly in reaching international tourists. Our observations revealed significant deficiencies in product packaging, branding, and marketing strategies. The current packaging lacks visual appeal, essential product information, and professional branding elements, while marketing efforts remain predominantly traditional with minimal digital presence. Through collaborative engagement with village officials, BUMDes management, and community members from May to June 2025, we developed an integrated intervention strategy focusing on professional packaging redesign and comprehensive digital marketing implementation. Drawing on empirical evidence from recent studies by Satrio et al. (2023) and Harmawan et al. (2023), our recommendations include creating durable, informative packaging with multilingual content, establishing a robust online presence through social media and e-commerce platforms, and building local capacity in digital marketing skills. This community service initiative demonstrates how integrated branding and digital marketing approaches can transform traditional village products into competitive market offerings, contributing to village economic self-reliance in Indonesia. The findings provide valuable insights for policy development supporting BUMDes across the country and offer a replicable model for similar community-based enterprises.

Keywords: *Village-Owned enterprises; BUMDes; Herbal products; Integrated branding; Digital marketing; Economic self-reliance; Community empowerment.*

I. INTRODUCTION

Villages, as the foundational administrative units of any country, play a vital role in national development through their direct connection with communities. The Great Indonesian Dictionary (KBBI) defines a village as a territorial unit where multiple families reside, possessing its own governance, typically led by a village head. A nation's progress hinges on economic independence, and villages, as the smallest entities, are crucial for achieving national stability and advancement.

Indonesia's first president, Bung Karno, introduced the concept of a self-reliant economy (ekonomi berdikari), advocating for a national economy built on intrinsic strengths and capabilities,

free from foreign reliance. This national economic independence can be fostered by maximizing regional revenues, including those at the village level. According to Government Regulation No. 58 of 2005 on Financial Management, regional revenue encompasses all monetary inflows that boost current fund equity and are rightfully owned by the region within a fiscal year, without repayment obligations. For villages, a key mechanism for generating this revenue and promoting self-reliance is through Village-Owned Enterprises (BUMDes), which leverage local potential.

However, in today's digital landscape, many BUMDes continue to rely on traditional branding and marketing approaches. This often results in limited public awareness of their products. For instance, Wukirraya Village in Yogyakarta produces a herbal drink called Wedang Uwuh, which is sold through Bumdesmart, one of BUMDes Wukirraya's business units. Without a cohesive branding strategy and effective digital marketing, the full potential of such village products remains largely untapped.

Research supports the importance of modern marketing techniques. Product packaging design and quality are critical for enhancing the competitiveness of small and medium enterprises (Satrio et al., 2023), while digital advertising has a proven track record of increasing sales (Harmawan et al., 2023). Consequently, implementing an integrated branding strategy, coupled with robust digital marketing, is essential for BUMDes to thrive in competitive markets.

This community service initiative has two main objectives:

1. To enhance the market competitiveness of Wedang Uwuh, Wukirraya Village's signature product, through an integrated branding strategy, with a specific focus on product packaging and digital marketing within the herbal beverage sector.
2. To offer policy recommendations for local governments in Yogyakarta and across Indonesia to support BUMDes development.

The primary hurdle identified is the restricted market reach of BUMDes products due to insufficient branding and digital marketing strategies. This initiative will involve active participation from the community, BUMDes management, and collaboration with local government. It is anticipated that this program will serve as a replicable model for other BUMDes nationwide, significantly contributing to the economic self-reliance of villages throughout Indonesia.

II. METHODS

This study utilizes Participatory Action Research (PAR) as its core methodology to develop and implement solutions aimed at boosting the market competitiveness of Wedang Uwuh, a product from Wukirraya Village. The focus is on integrating branding strategies with digital marketing efforts. PAR was chosen for its collaborative nature and emphasis on community empowerment, which allows the community itself, including village managers, local residents, and other stakeholders, to become active participants in enhancing Wedang Uwuh's market reach. This approach is expected to significantly improve BUMDes Wukirraya's revenue.

The research process unfolds through several key stages:

1. Problem Identification: The initial phase of this PAR study involves collaboratively identifying the challenges faced by the community (Rimadias et al., 2024). This is a joint effort with all participants in the community service program, guided by village officials and local residents.

2. **Joint Planning:** Once problems are identified, the research team and community members work together to devise intervention strategies. These strategies encompass integrated product branding and digital marketing, designed to offer timely and effective solutions that directly enhance market competitiveness.
3. **Reflection and Follow-up Actions:** The community service team will conduct joint reflections with the community to evaluate the program's outcomes and plan any necessary subsequent actions (Erick et al., 2024)

In addition to these stages, the study includes observing and assessing the Wedang Uwuh product produced by the local UMKM. This assessment specifically aims to pinpoint product weaknesses. Observations revealed several critical issues: the packaging was not sturdy, lacked convenient opening and closing mechanisms, provided insufficient protection against damage and external elements, and offered limited product information on its labels. These deficiencies detract from the product's appeal and market competitiveness, highlighting the urgent need for a cohesive branding strategy and improved packaging design, consistent with findings from similar recent studies on Wedang Uwuh packaging and marketing.

Data collection primarily employs qualitative methods, including focus group discussions, in-depth interviews, and direct observations. A qualitative descriptive analysis will be performed to understand the social dynamics at play, reflecting contemporary developments and shifts in consumer behavior. The research is being conducted at BUMDes Wukirraya, Yogyakarta, from May to June 2025. This timeframe is deemed sufficient for comprehensive observations, surveys, and interviews. A key strength of the PAR methodology is its emphasis on community participation as active subjects, which ensures the development of relevant and sustainable solutions.

III. RESULT AND DISCUSSION

Direct observations of the Wedang Uwuh herbal drink product from Wukirraya Village reveal substantial impediments to its market competitiveness, particularly within the lucrative international tourism sector. These challenges span crucial aspects of product development, branding, and marketing, necessitating immediate and strategic interventions to elevate the product's standing.

A. Suboptimal Packaging Quality and Information Deficiencies

A paramount concern is the substandard and non-compliant packaging of Wedang Uwuh. The current design lacks visual appeal, appearing generic and failing to engage consumers effectively. Crucially, it is devoid of essential product information, including a professional logo, comprehensive ingredient lists, clearly articulated health benefits and explicit preparation instructions. This aligns with research by Harmawan et al. (2023), who underscore that packaging design and quality are indispensable for enhancing the market competitiveness of small and medium enterprises (SMEs). Beyond its protective function, packaging serves as a critical communication tool, conveying quality, trustworthiness, and brand identity to consumers (Rundh, 2013). The absence of these fundamental elements significantly diminishes the product's perceived value and credibility, a particularly acute issue when targeting international tourists unfamiliar with traditional Indonesian herbal remedies.

B. Constrained Market Reach and Inadequate Digital Footprint

The prevailing marketing strategy for Wedang Uwuh is overwhelmingly traditional, relying predominantly on direct sales facilitated by BumdesMart, a local unit of BUMDes Wukirraya. This exclusively offline distribution model severely constrains the product's market penetration, rendering it virtually invisible to a wider audience, including the highly sought-after international tourist demographic. Such a limited approach demonstrably overlooks the extensive opportunities offered by digital marketing platforms, which are now fundamental for achieving product visibility and fostering consumer engagement in the contemporary market landscape (Chaffey & Ellis-Chadwick, 2019).

C. Identified Core Challenges

Our analysis has pinpointed several interlocking challenges:

1. **Deficient Product Packaging:** The current packaging lacks sophistication and fails to effectively capture consumer interest. The absence of professional branding elements such as a logo, comprehensive ingredient details, specific health claims, and clear serving instructions significantly detracts from the product's appeal, especially for discerning international consumers who anticipate high standards of product presentation (Harmawan et al., 2023).
2. **Limited Traditional Market Access:** Exclusive reliance on BumdesMart as the sole sales channel restricts market scope to local consumers, impeding expansion beyond the immediate village vicinity and isolating the product from broader tourist markets.
3. **Suboptimal Brand Image:** The lack of a consistent and professional brand identity, encompassing a uniform logo and tagline, impedes brand loyalty and broader product recognition. A strong brand identity is pivotal for establishing a robust market presence (Keller, 2013).
4. **Inadequate Digital Marketing Proficiency:** Managers within BUMDes demonstrate a limited grasp of digital marketing tools and strategies, severely curtailing their capacity to effectively leverage online channels for Wedang Uwuh's promotion.
5. **Human Resources and Technological Constraints:** This situation is exacerbated by broader limitations in human capital and technological infrastructure. BUMDes operates with a small, inadequately skilled staff lacking proficiency in basic digital technologies and e-commerce platforms. Furthermore, persistent issues with internet connectivity within the village significantly impede digital marketing initiatives.

D. Recommendations for Strategic Enhancement

To bolster Wedang Uwuh's market competitiveness and effectively target international tourists, this community service initiative advocates for an integrated branding strategy with a strong emphasis on product packaging and digital marketing. Drawing upon empirical evidence from Satrio et al. (2023), who highlight the critical role of packaging in market competitiveness, and Harmawan et al. (2023), who demonstrate the positive impact of digital advertising on sales, the following strategic recommendations are proposed:

1. **Professional Packaging Redesign:** Develop packaging that is durable, visually appealing, and user-friendly, incorporating convenient opening and closing mechanisms. The redesigned packaging must prominently feature a professional logo, detailed ingredient composition (including English translations to accommodate international consumers),

clearly articulated health benefits, and unambiguous serving instructions. These enhancements are crucial for attracting and assuring foreign consumers of the product's quality and authenticity.

2. Comprehensive Digital Marketing Strategy: Implement a multi-channel digital marketing plan encompassing:
 - a) Social Media Marketing: Create compelling content—including high-quality images, videos, and narrative storytelling—that effectively showcases Wedang Uwuh's unique properties, cultural heritage, and inherent health benefits. Strategic utilization of platforms favored by international travelers, such as Instagram, Facebook, and TikTok, is paramount.
 - b) E-commerce Integration: Establish a dedicated online storefront or leverage established e-commerce platforms (e.g., Tokopedia, Shopee, and potentially international marketplaces) to significantly expand distribution beyond local outlets.
 - c) Search Engine Optimization (SEO): Optimize all online content and product descriptions with relevant keywords to ensure maximum visibility when tourists search for authentic local herbal products or wellness beverages.
 - d) Collaboration with Tourism Stakeholders: Forge strategic partnerships with local tour operators, hotels, and prominent travel influencers to actively promote Wedang Uwuh as an authentic local experience and a desirable, healthy beverage option for visitors.
 - e) Capacity Building for BUMDes Staff: Provide targeted training programs for BUMDes personnel, focusing on digital marketing tools, e-commerce platform management, effective content creation, and fundamental graphic design principles for both packaging and promotional materials. This empowerment is critical for ensuring the long-term sustainability of marketing efforts.
 - f) Robust Brand Identity Development: Establish a strong, coherent brand identity for Wedang Uwuh, complete with a memorable logo and a compelling tagline that resonates with both domestic and international consumers. A well-defined brand identity is essential for fostering brand recognition and cultivating enduring customer loyalty (Keller, 2013).

By systematically addressing these identified challenges through a cohesive approach to integrated branding and digital marketing, Wedang Uwuh can significantly enhance its market appeal and penetration, thereby solidifying its position as a flagship product for Wukirraya Village and effectively capturing a substantial share of the international tourist market.

IV. CONCLUSION

This community engagement initiative unequivocally demonstrates that an integrated branding and digital marketing strategy offers a fundamental solution for BUMDes across Indonesia, specifically for BUMDes Wukirraya, to enhance the market competitiveness of its flagship product, Wedang Uwuh herbal drink. Our initial assessments identified critical challenges, including subpar packaging, limited traditional marketing reach, an unoptimized brand image, insufficient digital marketing understanding, and constraints in human resources and technology. These findings underscore the urgent need for a significant overhaul of Wedang Uwuh's product

packaging and the immediate implementation of an integrated digital marketing approach to boost its market competitiveness. Through meticulous observation, comprehensive surveys, and in-depth interviews, our team formulated relevant and actionable solutions to address these identified issues.

The sustainability of this program hinges on the unwavering commitment of BUMDes to continuously apply the acquired knowledge and implemented solutions. Equally crucial is the sustained support from local government, manifested through supportive policies and comprehensive development programs that enhance both the quality and quantity of resources available. Ultimately, a robust collaboration among BUMDes, the local community, and regional government is paramount. This collaborative synergy is the cornerstone for fostering stable and resilient village economic development.

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