

GREEN PRODUCT: EFFORTS TO MAINTAIN ENVIRONMENTAL SUSTAINABILITY AND MSME PRODUCT DEVELOPMENT THROUGH GREEN MARKETING IN PENJARINGAN DISTRICT, NORTH JAKARTA

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ABSTRACT

Environmentally friendly business activities can be carried out by implementing environmentally friendly products (green products). Modern society tends to choose environmentally friendly products in its consumption activities. So that green products experience rapid development and gain the trust of consumers. Because of the rapid development of green products, business actors if they do not want to lose in their business competition, this condition must be used to start innovating products by making environmentally friendly products (green products), including business units classified as MSMEs.

MSME players want to market products online, but based on surveys and discussions with community groups and owners of several MSMEs, they are constrained by product packaging that is less attractive so they are unable to compete on online selling platforms. Proper packaging can improve the marketing process, because it not only attracts consumers but also has a good impact on the environment by reducing plastic packaging waste which is the latest trend of marketing. By paying attention to the main problems of partners and environmental issues, the application of green products, namely green marketing to MSMEs, is an alternative solution to overcome these problems. This community service activity has contributed in terms of knowledge about green marketing, to improve the marketing process. From this community service program, SMEs in Penjarangan District, North Jakarta, can compete on online selling platforms with attractive and environmentally friendly packaging. So that problems can be resolved through the use of sustainable packaging, green marketing, and digital marketing trends

Kata Kunci : Green Product, Sustainable Packaging, Green Marketing, Digital Marketing Trend, MSMEs Empowerment

1. INTRODUCTION

Environmental damage in Indonesia is getting worse resulting in many natural disasters. The increasing environmental damage raises public concern about environmental problems and has changed the way of view and pattern of human life, people who want comfort and safety in using products require companies to provide information transparently and also be responsible for their business activities to the community. The company is expected not only to focus on increasing its profits, but also to consider environmental factors in its operating activities. This can be seen in the change in business approach patterns that have begun to lead to an environmentally friendly business activity approach (*green business*) in an effort to participate in preserving the environment. *Green Business* or in other words sustainable business (*business sustainability*) is a concept in the business world where companies run businesses not only oriented to the profits obtained but companies also pay attention to how the impact on the environment from the business activities they do. By implementing this environmentally friendly based business, companies in improving company performance measure the environmental impact of their business or allocate costs related to the environment and also make savings derived from appropriate environmental activities. Cost information related to the environment is included in environmental management accounting. Cost information related to the environment is in the environmental management accounting system that helps a manager to improve the performance of his company both in an economic perspective and an environmental perspective.

Running environmentally friendly business activities can be done by implementing environmentally friendly products (*green products*). The emergence of the environmental protection movement which is a manifestation of public awareness to participate in preserving the environment, modern society tends to choose environmentally friendly products in its consumption activities. So that *green products* experience rapid development and gain the trust of consumers. Because of the rapid development of *green products*, *business actors if they do not want to lose in their*

business competition, this condition must be used to start innovating products by making environmentally friendly products (green products), including business units classified as MSMEs.

Green products are products that are not harmful or friendly to the environment and have benefits for consumers and also social benefits that can be felt by consumers. *Green products are* products that are designed and processed in environmentally friendly ways to reduce the effects of environmental pollution, both in the production, distribution, and consumption systems. Measurement of environmentally friendly products consists of aspects: *green input* which is the selection of environmentally friendly materials that are used as a source of raw materials for a product. *Green input* consists of product composition, raw material characteristics, organic agricultural raw materials and the presence of preservatives. Second, *green process* which is a production process that pays attention to the impact on the environment consists of efficient energy use, production process waste, emission reduction, and no animal *testing*. Third, *green output* with product criteria that minimize the impact on the environment. *Green output* consists of the use of *biodegradable* packaging, product durability, *eco label* and product certification.

Micro, Small and Medium Enterprises (MSMEs) are an important pillar in the Indonesian economy. The increase in the number of Micro, Small and Medium Enterprises (MSMEs) has increased the Indonesian economy, but in their business activities, MSMEs have a significant contribution in decreasing the quality of the environment caused by waste products in various forms, inefficient production processes both in the use of raw materials, energy, and the use of other auxiliary materials. Not a few MSME players in running their business are only concerned with sales turnover alone without paying attention to the surrounding environment. There are still many products that use materials or waste that still pollute the environment. This order regarding running a business that pays attention to the environment does not only apply to businesses among companies but Micro, Small and Medium Enterprises (MSMEs) are also instructed to run businesses that not only rely on profits as a business focus, but also pay attention to environmental conditions, especially around their environment, one of which is by socializing environmentally friendly products. The existence of an order to implement an environmentally friendly business with *green products* is a new challenge for MSME players.

Packaging is an important concern because proper packaging can increase consumer interest in the product [1]. in the process of marketing. Packaging is also an environmental issue because packaging is a major component of domestic waste. Reducing packaging waste can reduce the adverse environmental impact of a product [2]. Therefore, we apply Green Marketing to MSME groups in Penjaringan District, North Jakarta based on the problems they face and environmental problems that are happening.

Based on surveys and discussions with MSMEs in Penjaringan District, North Jakarta related to running a business by paying attention to environmental sustainability, the concern is the problem of knowledge about sustainability itself and the level of readiness of MSMEs in carrying out environmentally friendly activities and the high cost of implementing the *green product*.

The use of environmentally friendly raw materials can incur additional costs on business productivity. Environmentally friendly raw materials have a higher price compared to the use of plastic materials. Such as eco-friendly shopping bags that have a higher price compared to single-use plastic bags. And this is one of the problems for MSMEs in implementing *green products*.

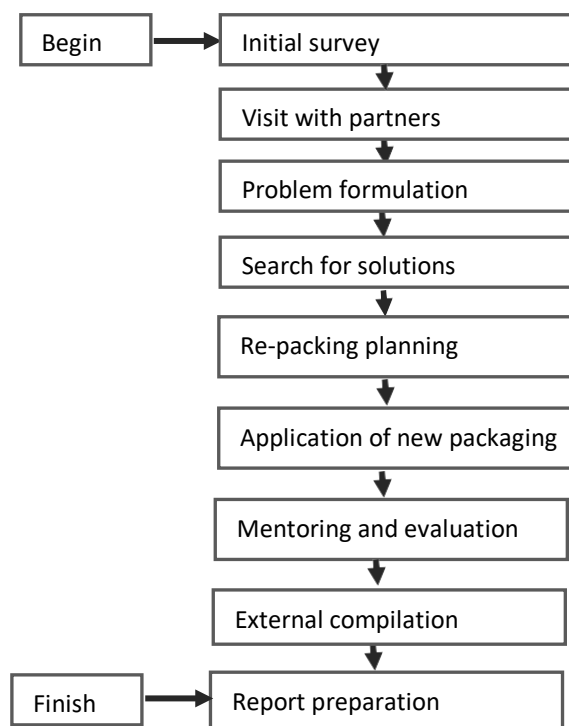
According to observations before carrying out this service, as many as 3,519 MSMEs with various business fields were obtained from the North Jakarta Department of Industry, Trade, Cooperatives, Small and Medium Enterprises (PPKUKM). Most MSME players in Penjaringan District, North Jakarta, have implemented *green products* in their businesses. However, the application of *green products is still not optimal or fully good, especially regarding the issue of packaging (green output), therefore, MSMEs in Penjaringan District, North Jakarta, implementing green products is necessary, in addition to efforts to preserve the environment, this can also be used as an innovation to improve their business performance*

Based on the main problems faced by partners, the Community Service team with expertise in the field of marketing MSME products provides solutions through the Green Marketing program, namely:

1. Providing socialization of the implementation of Green Marketing in the form of packaging redesign that can follow trends and is sustainable (sustainable packaging), meaning providing environmentally responsible packaging for MSME products.
2. Providing assistance by providing environmentally friendly packaging and then repackaging MSME products

2. METHOD

Community service activities in the MSME training and empowerment program will be carried out in several stages of the program. This activity began with an initial survey on MSME actors in Penjaringan District, North Jakarta. The flow of PKM activities can be seen in figure 1 below:



Gambar 1. PKM Implementation Workflow

Data was collected through field surveys, then held visits with representatives of MSME groups and RW Chairmen to find out the problems that occurred. The results of the initial survey become the basis for the formulation of problems and solutions that will be carried out by the implementation team. The Implementation Team will then provide solutions in two stages, namely training on digital market trend analysis to determine the right packaging for the next activity. The next activity is the *Re-Packaing design planning process* in accordance with previously agreed provisions, namely carrying environmentally friendly packaging. The Implementation Team then provided a new packaging solution. After the community is ready, it is followed by assistance and evaluation from the Implementation Team.

The parties involved in this service are:

1. MSME Group: Partners act as parties who benefit from this service program: Here are the MSMEs involved
 - a. MSMEs Traditional wet cakes
 - b. MSMEs Cookies, sponge cake, brownies, peanut cakes
 - c. MSMEs Catering
 - d. MSMEs *Frozen food and Snack*
 - e. MSME Beverages (Coffee, milkshakes, Bottle Milk)
2. Lecturers: The lecturers involved are two people with different fields of expertise. The role of lecturers in this community service program is as a solution provider and guidance on partner problems.
3. Students: The student team plays a role in assisting the implementation in the field for the proposed programs that will be accompanied by a team of lecturers.

3. RESULTS AND DISCUSSION

To find out the problems faced by partners, we held a direct visit with the head of the RW in Penjaringan District, North Jakarta, and the head of the MSME group in Penjaringan District, North Jakarta. From this activity, information was obtained on MSME actors who need assistance because the packaging is not yet attractive. MSMEs selected for assistance are also determined based on the lowest turnover obtained. The following picture shows the process of indept interviews and direct visits with partners.



Figure 2. Visit with MSME Partners

The result of this stage is an agreement on the maximum price of environmentally friendly packaging that suits each product.

Digital Marketing Socialization with a Focus on "Green Marketing"

Socialization of the influence of *green marketing* on the brand image of MSMEs in Penjaringan District, North Jakarta will be held on September 19, 2023. *Brand image* is how consumers understand a brand as a whole, consumer trust in *a particular brand*, and *how consumers perceive a brand*. The application of *Green marketing* to MSMEs is expected to create a positive image of MSME products. By implementing *Green marketing*, MSME products are considered to care about the environment, so that consumers can put trust in these products. The following is evidence of digital marketing socialization activities with a focus on *green marketing*.



Figure 3. Socialization Implementation

Eco-Friendly Packaging

The main mission in *Green marketing* is to reduce / minimize waste by changing the packaging used to create environmentally friendly products, minimizing the risk of packaging to health and the environment during product circulation. The following are the results of the transformation of packaging greening efforts in MSMEs Traditional wet cakes, pastries, sponges, brownies, peanut cakes, frozen food and snacks and drinks.

Transformation of Packaging of Traditional Wet Cakes, Pastries, Sponges, Brownies, Peanut Cakes, Frozen Food and Snacks and Beverages.

Traditional wet cake packaging, pastries, sponges, brownies, peanut cakes, frozen food and snacks and drinks. Using oxo-biodegradable packaging, the packaging is environmentally friendly and definitely decomposes within a period of two to five years in the end of life eaten by microbes. This packaging no longer requires 500-1000 years like ordinary plastic in general. Then oxium technology is a technology derived from Indonesian-made works of the nation's children. Here are the results of the transformation of packaging from old packaging in the form of plastic to more environmentally friendly packaging.







Figure 4. Transformation of Traditional wet cake packaging, pastries, sponges, brownies, peanut cakes, Frozen food and snacks and drinks.

Economic Impact

The benefits felt by partners based on satisfaction questionnaires that have been given to MSME partners in Penjaringan District, North Jakarta are increasing the number of enthusiasts and sales, making partners more enthusiastic in running their businesses, and providing insight into digital marketing and green marketing of MSME products. This can be seen in more diverse partner sales media so as to expand the reach of buyers.

Green marketing activities applied to MSMEs in Penjaringan District, North Jakarta are digitizing promotional activities and transforming product packaging into more environmentally friendly packaging. The results of digitizing promotional activities are carried out using the Gojek, Grab and e-commerce platforms, namely Shopee. The following is a link to digitize MSME promotional activities in Penjaringan District, North Jakarta

Social Impact

Eco-friendly packaging is packaging that is specifically designed so as not to have a negative impact on the environment [5]. Using *eco-friendly packaging* means paying attention to environmental sustainability. This is the answer in reducing packaging waste that is difficult to decompose, besides that it can also increase product marketability because it uses eco-friendly packaging which is important for environmental sustainability.

4. CONCLUSION

The application of green products, namely green marketing to MSMEs, is important because many business people are the same with attractive packaging, MSMEs must be able to adapt to these marketing changes related to consumer tastes [6]. Attractive packaging has been widely used while environmentally friendly packaging is not all used. MSME actors must be able to take these differences as a marketing strategy, as well as a form of concern for the environment, while maintaining their sustainability through responsible selection of security.

The implementation of Community Service for MSME Groups in Penjaringan District, North Jakarta was carried out with a focus on *green marketing* programs, and was attended by 20 MSMEs and communities in Penjaringan District, North Jakarta. From the activities carried out have had an impact, namely:

1. Increased insight into *brand image*
2. Improved marketing process through attractive and environmentally friendly packaging
3. The ability of MSMEs to compete on online selling platforms such as *go food and shopee food*

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