



INCREASING CUSTOMER LOYALTY THROUGH BRANDING AND PACKAGING STRATEGIES IN PADANG RESTAURANT BUSINESSES

Inneke Qamariah¹, Ibn Austrindanney Sina Azhar², Fauziah Kumalasari³,
Dio Agung Herubawa⁴

^{1,2,3,4} Faculty of Economics and Business, Universitas Sumatera Utara, Indonesia

*Correspondence Email : inneke.qamariah@usu.ac.id

Abstract

This community service program aims to improve branding and packaging of Padang restaurants in Medan. The main focus is to develop a strong brand identity and attractive packaging design to improve competitiveness and business sustainability. This program involves intensive training and mentoring for restaurant owners and staff, as well as periodic evaluation of the implementation of the strategies applied. This effort is expected to not only improve the aesthetics of the product but also strengthen emotional bonds with consumers, which in turn can increase customer loyalty. type the English abstract here. Fill abstract or abstract using Times New Roman 11. Abstract consists of subject matter, objectives, methods, results, and conclusions. Abstract is written in the form of one paragraph, without references, without abbreviations / acronyms, and without footones. Abstract is written not in the form of mathematics, questions and conjectures. The abstract is not the result of copying and pasting the sentences contained in the contents of the manuscript. The content of the abstract in English is a maximum of 150-300 words.

Keywords: *Branding, Packing, Brand identity*

INTRODUCTION

Micro, small and medium enterprises (MSMEs) such as Padang restaurants play an important role in the local economy, providing jobs and supporting the regional economy. However, they face challenges in branding and packaging that affect their competitiveness in the market. Weak brand identity and unattractive packaging are often obstacles in attracting customers, especially in the digital era where visuals and aesthetics play a significant role in consumer decisions (Swasty & Mustafa, 2023). In the context of increasingly fierce competition, innovation in branding and packaging is crucial to differentiate their products and services from competitors (Dewi & Ibrahim, 2022; Siswanto & Dolah, 2023). In addition, good packaging not only functions as a wrapper, but also as a communication tool that conveys the quality and value of the product (Muhammad et al., 2021; Wibowo et al., 2023). Therefore, strengthening these aspects is the focus of this community service program, which aims to help MSMEs develop and survive in a competitive industry. This effort is expected to increase the visibility and attractiveness of MSME products, as well as build customer loyalty through a consistent and professional brand image (Azmi, 2022; Mijan et al., 2022; Rantung et al., 2023).

INCREASING CUSTOMER LOYALTY THROUGH BRANDING AND PACKAGING STRATEGIES IN PADANG RESTAURANT BUSINESSES

Inneke Qamariah, Ibn Austrindanney Sina Azhar, Fauziah Kumalasari, Dio Agung Herubawa.



Figure 1 With Restaurant Owner

Furthermore, the challenges in branding and packaging are not only related to aesthetic aspects but also to sustainability. Modern consumers are increasingly aware of the importance of environmentally friendly packaging, which is not only visually appealing but also supports sustainable practices (Resti & Ilmiyah, 2023). Thus, this program also considers the use of recyclable or environmentally friendly packaging materials as part of a broader branding strategy. This approach not only improves the brand image in the eyes of environmentally conscious consumers but can also open up new market opportunities in environmentally conscious consumer segments. In the long term, this strategy aims to create added value for MSME products, increase their competitiveness, and encourage sustainable growth.

LITERATURE REVIEW

1. Problems Faced by Partners

Partners, in this case a Padang restaurant business with the brand name “Intan Sari”, face several major problems related to branding and packaging, including:

- 1) Unclear Brand Identity: The restaurant lacks a strong brand identity, making it difficult to differentiate itself from competitors. This results in low brand recognition among consumers, which can impact sales and customer loyalty.
- 2) Unattractive Packaging: Uninnovative product packaging lowers the product’s perceived appeal and value. Packaging that does not reflect the quality and uniqueness of the product can leave a negative impression in the eyes of consumers, reducing their interest in purchasing.
- 3) Lack of Knowledge about Branding and Packaging: Lack of understanding about effective branding and packaging design strategies makes it difficult for business owners to create added value for their products. Without the right strategy, wider market potential is difficult to reach, thus limiting business growth.

2. Solutions Offered

The solutions offered in this program include:

- 1) Brand Identity Development: Identifying and developing visual brand elements such as logos, colors, and visual styles that reflect the unique characteristics of the business. With a strong brand identity, restaurants can be more easily recognized and remembered by consumers.
- 2) Attractive Packaging Design: Designing functional and aesthetic product packaging to attract customers. Attractive packaging can increase the visual appeal of a product, making it more competitive on store shelves or when marketed online.

- 3) **Integrated Marketing Strategy:** Develop a marketing strategy that involves social media, online advertising, and local promotions. This strategy will not only increase brand visibility but also build stronger relationships with customers.
- 4) **Staff Training:** Training on the importance of branding and packaging to improve understanding and implementation capabilities. With this training, staff can better understand the importance of brand image and contribute to marketing efforts.
- 5) **Monitoring and Evaluation:** Periodic evaluation of the effectiveness of the branding and packaging strategies that have been implemented. This is important to ensure that the strategies implemented are delivering the expected results and allow for adjustments if necessary.



Figure 2, Discussing Business Development

3. Implementation Stages

The implementation of this program is divided into several stages:

- 1) **Initial Analysis:** Identify problems and analyze needs through interviews and observations. This stage aims to understand the current situation and determine areas that need improvement.
- 2) **Strategy Formulation:** Consultation with business owners to formulate branding strategies. Collaboration with business owners is important to ensure that the strategies developed are in line with the company's vision and mission.
- 3) **Brand Identity Development:** Logo creation, color selection, and visual style. These elements will form the basis of all marketing materials and company communications.
- 4) **Packaging Design:** Designing attractive and brand-appropriate packaging. Packaging design not only serves as a product protector but also as an effective marketing tool.
- 5) **Implementation and Testing:** Test the new packaging design in the market. This helps to evaluate the market response to the change and make adjustments if necessary.
- 6) **Training and Capacity Building:** Training sessions for restaurant owners and staff. The training covers technical and strategic aspects of branding and packaging.
- 7) **Monitoring and Evaluation:** Regular monitoring and evaluation of the changes implemented. This evaluation will identify the success of the program and areas for improvement.

The first stage is Initial Analysis, where the problems faced by partners are identified and specific needs are analyzed through interviews and direct observation. This stage aims to gain an in-depth understanding of the current situation and determine areas that need improvement. The second stage is strategy formulation which involves intensive consultation with business owners to

INCREASING CUSTOMER LOYALTY THROUGH BRANDING AND PACKAGING STRATEGIES IN PADANG RESTAURANT BUSINESSES

Inneke Qamariah, Ibn Austrindanney Sina Azhar, Fauziah Kumalasari, Dio Agung Herubawa.

formulate an appropriate branding strategy. This collaboration is important to ensure that the strategy developed is in line with the company's vision and mission, and reflects the core values that the brand wants to carry. The third stage is the development of brand identity, which includes logo creation, color selection, and visual style. These elements will form the foundation for all of the company's marketing and communication materials, so they must be carefully designed to create a strong and consistent image. The fourth stage is packaging design, which focuses on designing product packaging that is not only functional as a protector but also serves as an effective marketing tool. Attractive packaging design can enhance the visual appeal of a product and help differentiate it from competitors.

The fifth stage is implementation and testing, where new packaging designs are tested in the market. This testing is important to evaluate the market response to the changes made and allow adjustments if necessary to achieve optimal results. The sixth stage, training and capacity building, includes training sessions aimed at restaurant owners and staff. This training covers both technical and strategic aspects of branding and packaging, helping to improve the skills and knowledge of participants to support effective strategy implementation.

The final stage is monitoring and evaluation, where the changes that have been implemented are monitored periodically and evaluated to measure the success of the program. This evaluation aims to identify areas that are successful and those that need improvement, ensuring that the program's objectives are achieved and its benefits are sustainable.

RESULTS AND DISCUSSION



Figure 3, Discussing the Results Achieved

Results and Outputs Achieved

This program is expected to result in improvements in several aspects:

- 1) Enhanced Brand Identity: A stronger and more recognizable brand identity, which helps differentiate the restaurant from competitors and attract more customers.
- 2) Better Packaging Design: Packaging that attracts consumers' attention and increases sales, while providing a better experience for consumers.
- 3) Improved Staff Skills: Staff who are more knowledgeable and skilled in branding and packaging, which in turn can improve operational efficiency and service quality.
- 4) Increasing Competitiveness: Padang restaurants that are more competitive in the local market are able to attract more customers and increase market share.



CLOSING

Conclusion

This assistance is expected to have a positive impact on the sustainability of Padang restaurant businesses. With better branding and packaging, these businesses can increase their competitiveness, attract more customers, and increase revenue. In addition, this program also improves the understanding and skills of business owners and staff in managing and marketing their products more effectively.

The changes made not only focus on visual and aesthetic aspects, but also on strengthening brand value and consumer appeal. With a stronger brand identity and attractive packaging, Padang restaurants have a greater opportunity to expand market reach and increase customer loyalty (Rantung et al., 2023; Salleh et al., 2017). Furthermore, through the training provided, it is expected that there will be an increase in service quality and adaptability to changing market trends. This program also emphasizes the importance of continuous innovation and adjustment as the key to staying relevant and competitive in the dynamic culinary industry.

Suggestions

It is recommended that this program be continued with further training and regular monitoring to ensure the sustainability of the positive changes that have been implemented. In addition, collaboration with professional designers and marketing experts can be continuously strengthened to develop more effective branding and marketing strategies. In the long term, it is also important to evaluate and adjust branding and packaging strategies according to changing market trends and consumer preferences.

REFERENCES

- Azmi, E. Ai. AEM (2022). Understanding And Promoting Small And Medium Enterprises' Business Growth Within The Food And Beverages Sector In Terengganu, Malaysia. אָרזאַ.
- Dewi, NC, & Ibrahim, JI (2022). Increasing the Brand Awareness of Heyboba Drinks to Its Target Market Through Instagram. K@ta Kita, 10(2).<https://doi.org/10.9744/katakita.10.2.231-238>
- Mijan, R., Noor, SM, Mustapha, MJ, & Briandana, R. (2022). An Inside-Out Model of Brand Orientation for SME Branding. Journal of Communication: Malaysian Journal of Communication, 38(3).<https://doi.org/10.17576/JKMJC-2022-3803-11>
- Muhammad, SA, Winarno, A., & Hermawan, A. (2021). Branding Strategy in Increasing Purchase Interest for Micro, Small and Medium Enterprises (MSMEs) of Green Bean Coffee Products. Graha Pengabdian Journal, 3(4).<https://doi.org/10.17977/um078v3i42021p369-376>
- Rantung, DI, Mandagi, DW, Wuryaningrat, NF, & Lelengboto, ALP (2023). Small Medium Enterprises Brand Gestalt: A Key Driver of Customer Satisfaction and Repurchase Intention. International Journal of Professional Business Review, 8(6).<https://doi.org/10.26668/businessreview/2023.v8i6.1463>
- Resti, NC, & Ilmiyah, NF (2023). Sales Increase Strategy Through Packaging Label Design and Banners at Surya Makmur MSMEs. Selaparang: Journal of Progressive Community Service, 7(2).<https://doi.org/10.31764/jpmb.v7i2.14637>
- Salleh, M., Sulaiman, M., Haque, E., & Othman, AK (2017). Impact of Branding on Sme Performance. Journal of Islamic Management Studies, 1.
- Siswanto, RA, & Dolah, JB (2023). How SME-scaled branding agencies create a high-quality yet affordable brand identity design for SMEs in Indonesia. In Sustainable Development in Creative Industries: Embracing Digital Culture for Humanities.<https://doi.org/10.1201/9781003372486-14>

INCREASING CUSTOMER LOYALTY THROUGH BRANDING AND PACKAGING STRATEGIES IN PADANG RESTAURANT BUSINESSES

Inneke Qamariah, Ibn Austrindanney Sina Azhar, Fauziah Kumalasari, Dio Agung Herubawa.

- Swasty, W., & Mustafa, M. (2023). Using Multiple Case Studies to Examine the Role of Colors in SME Food Packaging. *Art Discourse*, 22. <https://doi.org/10.21315/ws2023.22.6>
- Wibowo, V., Gautama, I., Kuncoro, EA, & Bandur, A. (2023). Enhancing Sustainability in the Small-Medium Culinary Industry: Exploring the Role of Personal Branding and Corporate Branding. *Journal of Systems and Management Sciences*, 13(6). <https://doi.org/10.33168/JSMS.2023.0628>