

GEOGRAPHICAL INDICATION BRAND AS PROMOTION OF DESTINATION (STUDY OF SAMBAL HIYUNG)

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ABSTRACT

This study aims to determine the use of geographical indication brands as a way to promote a destination. Manufacturers have used place names (geographical indication) as brands for a long time, especially for food and beverage products. This research refers to a startup product, namely Sambal Hiyung, which was made by 4 (four) students in the Hospitour Entrepreneur Club (HEC) program batch 1 In period February to June 2021. Using a qualitative descriptive analysis approach, by conducting observations and interviews during June 2021 to the owners of this startup . The results show that the use of place names can help introduce/promote the place to the wider community, as well as increase product sale. This study was conducted by observations and surveys the development of Sambal Hiyung as start up product, by qualitative descriptive approached . Primary data collection instrument using questionnaire list to the owners and customers. The analysis technique, using Nvivo12 to explore the word frequency.

Keywords: geographical indication, startup product, name of place

INTRODUCTION

Indonesia is one of the archipelago country, that the ocean area of approximately two- thirds of its entire territory. Indonesia's territorial coverage reaches approximately 1,910,931 km². In 2017, the Ministry of Maritime Affairs and Fisheries (KKP) claimed that the number of islands throughout Indonesia reached 16,056 islands. This makes Indonesia as a country that has abundant natural resources (Paramitha, 2021). Agricultural and plantation products are one of the abundant wealth, such as coffee, tea, coconut oil, fruits, vegetables which are superior products from regions in Indonesia. The names of these agricultural and plantation product-producing areas are currently often used as product brands, such as Ubi Cilembu , Apel Malang, Rambutan Binjai, Kopi Toraja, Madu Sumba etc. Name of the place (Geographical Indications) based branding of food is emerging trend across the world (Seal & Piramanayagam, 2018) and as important part of product trading, because they are able to build quality and competitive product positioning (Marie-Vivien & Biénabe, 2017).

Geographical Indications (GI) are intellectual property that is related to the characteristics of the place of origin, as well as product quality that refers to its geographical position (Neilson et al., 2018). One of the Geographical Indication products is Sambal Hiyung, a food product brand, as one of the Hospitour Entrepreneur Club (HEC) program which runs from February to June 2021, as an

incubator business program startup for student at the Tourism faculty of Pelita Harapan University (UPH) Karawaci. Hiyung is a village in Tapin Tengah sub-district, Tapin district, the province of South Kalimantan. Hiyung is a name of cayenne pepper (*Capsicum frutescens*) that customarily developed persistently at swampland of Tapin Locale, South Kalimantan Territory. This cayenne pepper has most efficiency and good advertise prospect and could contribute to increase national cayenne production, besides, this cayenne pepper assortment is empowering agriculturists to utilize a few of the collected seeds for the another planting season.

The problem raised in this study is whether the selection of a place name (Geographical Indication) on a product is also intended to help promote the place as a tourist destination. The purpose of this study was to find out the reasons of product owners in choosing a particular place name as a product name/brand and whether the choice of name was intended to promote the name of the place as a tourist destination.

LITERATURE REVIEW

Geographical Indications for Food Product

The product whose quality and fame can be ascribed to its locale of origin and which is promoted utilizing the title of the locale of origin" (Van Ittersum et al., 2007, p. 2).

Concurring to EU regulations, there are two categories of products to be ensured:

1. Protected Designation of Origin (PDO)
 - a. The item product have to produced entirely in a given geographic area
 - b. The quality or characteristics of the item product ought to basically be the result of the particular geographical environment (counting natural and human components, such as climate, quality of soil, or particular know-how) of the place of origin.
2. Protected Geographical Indications (PGI).

Within the case of PGI items, the necessities are less strict, and it is as it were adequate that at slightest one arrange of the generation process has taken put within the geographic zone to which it is aiming to be joined which there's a connect between the item and the range, which may comprise of a certain level of quality or notoriety. (Fernández-Ferrín et al., 2019).

GI defines as product indication which identifies a goods from agricultural natural or manufactured as originating or manufactured in the area of a country, region or local in that territory, which has quality, reputation and characteristic to particular area (Singh et al., 2007). Under the act of Geographical Indication of Goods Registration and Protection Act 1999, the group of people, organization, company, product makers or any recognized authority will be the legitimate proprietor of GI (Gopalakrishnan et al., 2007).

Gastronomic Tourism

The idea of gastronomic tourism is appropriate to visitors and guests who arrange the trip or somewhat in arrange to taste the local product/food or to involved the activities that are related to gastronomy(Gheorghe et al., 2014).

Gastronomic tourism is activity to visit to gastronomy assets districts, where there are activity related food, such as gastronomic productions, gastronomical festivals, fairs, events, cooking demonstrations, food tastings (Lee et al., 2015).

Gastronomic tourism is an emerging fact, in term of activities of tourist that one third of the trip budget is spent on food consumption. Because of this, local food is an important factor while doing a trip of holiday, and it can be the measurement of quality trip (Gheorghe et al., 2014)

METHODS

The method of study is qualitative method through descriptive exposure, without using statistical figures, as a description of the symptoms and facts that occur, in the form of events and events that are still ongoing today. Qualitative research has the characteristics of, among others, the natural background of the scene and human behavior, does not require theory and the researcher is the main instrument of research and data collection (Creswell, 2013). A case study approach (study case) is used in this qualitative research, which is an empirical inquiry activity by conducting an investigation to search for and find a natural phenomenon, living thing or object, systematically critically, analytically and logically (Yin, 2011).

The focus of this research is on the reasons of product owners in choosing a particular name of place as a product brand and whether the choice of name was intended to promote the name of the place as a tourist destination. This study held from February to June 2021, by online observation and interview of the owners of Sambal Hiyung product, and the location of the research is in Karawaci, Tangerang, where the Hospitour Entrepreneur Club program domicile. Beside interview, this research using questionnaire as the instrument of data gathering. The questionnaire consist of 3 open questions and using Nvivo 12 for data analysis.

RESULTS AND DISCUSSION

Sambal Hiyung is one of the Hospitour Entrepreneur Club product, using geographical indication as a brand of the product. The owners of Sambal Hiyung are 4 students of faculty of Hospitality and Tourism, Pelita Harapan University Karawaci. They are Yola Artamevia Dina Tauhida as CEO, Monica Kendra as CFO, Cindy Huang as CMO and Axel Alexander as COO. Starting point of Sambal Hiyung product is a huge market of sambal as a traditional food of Indonesia focusing in premium product. Hiyung is a name village in south Kalimantan province and become a name of cayenne pepper (*Capsicum frutescens*) which has a very hot spicy taste, it is claimed has 17 times of hot spicy taste. There are 3 purposes of choosing Hiyung as a raw material of sambal and as a brand as well :

1. Creating a #1 (number one) premium product of sambal
2. Promoting Hiyung to wider community as a tourist destination
3. Provide economic benefits for local community of Hiyung village

Market segmentation of Sambal Hiyung is people who live around Jabodetabek (Jakarta Bogor Depok Tangerang Bekasi), age: 18-45 old, all Gender, and positioning of product is people who love hot and spicy food. Value creating of product are Premium Product, Tasteful and Delicious, 17 times Hot and Spicy, Travel Size. As a new startup business (since February to June 2021), Sambal Hiyung grab total 285 customers with 23.3% loyal customers (repeat customer) during 4 months, with the numbers of total revenues Rp. 33.254.000,- and margin profit 53%.

Below is the word frequencies of 3 open question (answer by the owners of Sambal Hiyung) as an output of NVivo 12 :

1. The reason for choosing chili sauce as a startup product



Most of the answer focus that 'popular product' is the most sentence said by the owners to answer of choosing chili sauce as a startup product.

2. The reason for choosing "Hiyung" as a Brand



Most of the answer focus that 'tourism destination' is the most sentence said by the owners to answer of choosing Hiyung as a brand.

3. Reasons for using Geographical Indications as product brands



Most of the answers are Quality Warranty, Ease To Promote and Sale, Economic Benefit, said by the owners to answer of using Geographical Indication as product brands.

Based on the data and results, product selection using place names has several advantages, as seen from the startup product, sambal hiyung, in just 4 months (February – June 2021), able to reach sales of Rp. 33,254,000, - and a profit margin of 53%. With the number of customers that can be reached 285 people, it shows the good productivity of a business startup that has only been running for 4 months.

CONCLUSIONS AND SUGGESTIONS

Conclusions

1. Geographical Indication is a place name that can used as a brand.
2. There are several advantage of using Geographical Indication such as Sales,

Promotion and Economic benefits.

3. Gastronomy product has opportunity to emerge by using place name as a brand
4. There are closed relations between Geographical Indication and Gastronomy Tourism.

Suggestions

1. It is recommended for future research, completing by quantitative method analysis.
2. Development of respondent data by distributing questionnaires to customers not only to the owners
3. Research wider to cayenne pepper farmer in term of economic benefit by local people

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