



Empowering Micro, Small, and Medium Enterprises Through Product Innovation and Packaging Design: A Participatory Workshop Approach in Karya Maju Village

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ABSTRACT

This community service program aims to analyze the effectiveness of a participatory workshop model in enhancing the capacity of Micro, Small, and Medium Enterprise (MSME) actors through product innovation and packaging design. The primary challenges faced by participants included low levels of product innovation, limited production skills, and inadequate packaging quality that failed to create added value or improve market competitiveness. This study employed a descriptive approach with a participatory method involving 35 participants in Karya Maju Village. Activity stages included initial observation, conceptual training, technical demonstration, hands-on practice, intensive mentoring, and evaluation using pre-test and post-test instruments. The analysis revealed significant capacity improvements across all indicators: business opportunity awareness increased by 67%, production skills by 80%, product innovation creativity by 70%, packaging design comprehension by 80%, and entrepreneurial self-confidence by 65%. These findings indicate that an experiential learning-based participatory approach can simultaneously enhance participants' technical and cognitive competencies. Furthermore, the integration of product innovation and packaging design has proven to contribute to product differentiation, strengthen visual identity, and improve perceived value among consumers. Accordingly, the participatory workshop model holds strategic implications as an applicable, adaptive, and sustainable approach to MSME empowerment, capable of driving improved product competitiveness grounded in local potential while broadly strengthening community economic resilience.

Keywords *MSME Empowerment, Product Innovation, Packaging Design.*

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in the national economy, particularly in creating employment and improving community welfare (Tambunan, 2019). Despite this, MSME actors continue to face numerous challenges, particularly in the areas of product innovation and marketing (Sari et al., 2021).

MSME products are generally still conventional with unattractive packaging, resulting in low product competitiveness. From a modern marketing perspective, packaging design does not merely serve a protective

function; it also acts as a visual communication medium that can influence consumer purchasing decisions (Kotler & Keller, 2016).

Karya Maju Village possesses abundant banana commodity potential; however, this resource has not been optimally utilized. This reflects a gap between available resource potential and the community's capacity to process it into value-added products.

The participatory workshop approach has been proven effective in building community capacity by actively engaging participants in the learning process (Pratama & Hidayat, 2022). Therefore, this study aims to strengthen community capacity through product innovation and packaging design in order to enhance MSME competitiveness.

Prior research on MSME empowerment has generally relied on conventional, one-directional training approaches that fail to comprehensively integrate product innovation and packaging design. Moreover, the measurement of participant capacity improvements has often lacked a structured and quantitative framework, resulting in suboptimal assessment of program effectiveness.

The novelty of this study lies in the application of an experiential learning-based participatory workshop that simultaneously integrates product innovation and packaging design, alongside the systematic use of pre-test and post-test instruments to measure participant capacity improvements in a measurable and structured manner.

RESEARCH METHOD

This study employed a descriptive approach with a participatory method, emphasizing active community involvement throughout all stages of program activities (Pratama & Hidayat, 2022).

The program was conducted in Karya Maju Village in February 2026, involving 35 participants. Activity stages comprised observation, training, demonstration, hands-on practice, mentoring, and evaluation.

Research instruments included observation sheets, interview guides, and pre-test and post-test questionnaires developed based on participant capacity indicators: business opportunity awareness, production skills, product innovation creativity, and packaging design comprehension, and entrepreneurial self-confidence. The questionnaire employed a Likert scale of 1–5 to measure participants' levels of understanding and skills.

Instrument validity was established through content validity with the involvement of experts in entrepreneurship and community empowerment. Reliability testing was conducted using the internal consistency approach

(Cronbach's Alpha) to ensure the stability and consistency of the instruments in measuring the research variables.

Activity stages consisted of initial observation, conceptual training, technical demonstration, hands-on practice, intensive mentoring, and evaluation. The evaluation process involved comparing pre-test and post-test results to determine improvements in participant capacity.

Data analysis employed descriptive quantitative analysis by calculating the percentage improvement for each indicator, supplemented by qualitative analysis drawn from observation and interview results to strengthen data interpretation. Improvement calculations were performed by comparing pre- and post-activity scores as percentage changes.

RESULTS AND DISCUSSION

The results demonstrated significant improvements across multiple aspects. Business opportunity awareness increased from 20% to 87%. Production skills improved to the extent that 90% of participants were able to produce independently. Product innovation creativity also improved, evidenced by participants' ability to develop diverse product variations.

Table 1.
Participant Capacity Improvements

Indicator	Before (%)	After (%)	Improvement
Business Opportunity	20	87	+67%
Production Skills	10	90	+80%
Product Innovation	15	85	+70%
Packaging Design	15	95	+80%
Entrepreneurial Confidence	20	85	+65%

Packaging design comprehension showed a significant improvement, with participants beginning to understand the function of packaging as a promotional medium. In addition, participants' entrepreneurial self-confidence also increased significantly.

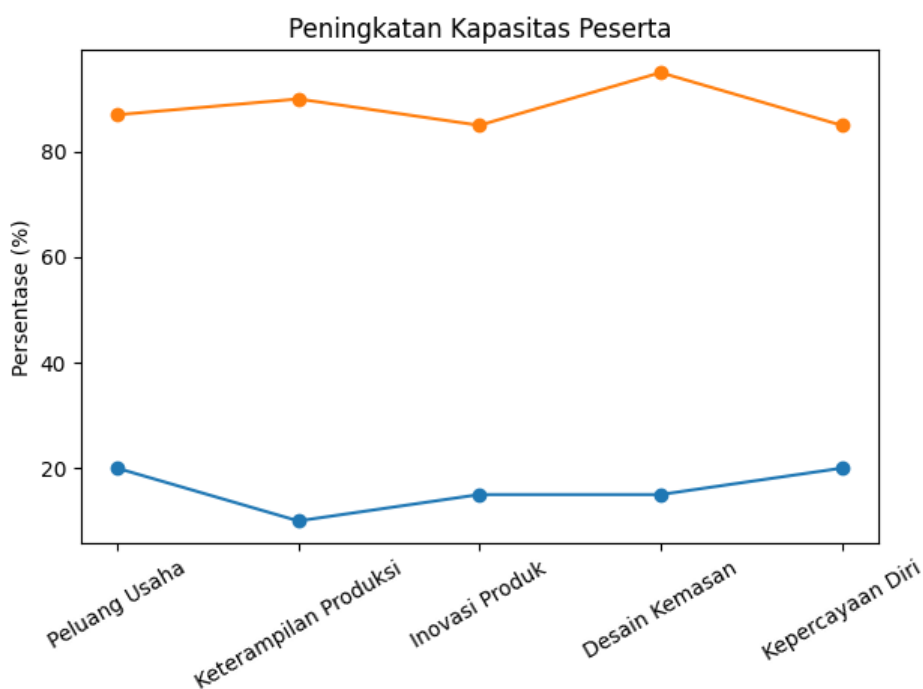


Figure 1.
Graph of Participant Capacity Improvements

These results indicate that the participatory workshop method is effective in enhancing community capacity. This is consistent with competitive advantage theory, which posits that product innovation is a primary driver of improved competitive edge (Porter, 2008).

These findings confirm that the participatory workshop method is effective in building community capacity. Direct involvement in hands-on practice provides a more applicable learning experience compared to conventional training methods.

From a theoretical perspective, these results are consistent with the concepts of product innovation and differentiation, which hold that products offering higher added value will be more competitive in the market. Furthermore, packaging design has been shown to play an important role in increasing product attractiveness.

Nevertheless, the program still has limitations in the areas of marketing and business sustainability. Therefore, continued mentoring is needed, particularly in digital marketing and product branding.

CONCLUSION

The MSME empowerment program delivered through a participatory workshop proved effective in enhancing community capacity. The program successfully improved participants' understanding, skills, creativity, and

entrepreneurial self-confidence. The integration of product innovation and packaging design emerged as an effective strategy for improving the competitiveness of locally-based products. This model can serve as an alternative approach for MSME development across various regions.

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