

## THE ROLE OF NATIONAL BRAND “BANGGA BUATAN INDONESIA” TO SUPPORT MSME RESILIENCE IN COVID-19 CRISIS

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### ABSTRACT

**Purpose:** This study aimed to determine the role of “Bangga Buatan Indonesia” brand nation as the policy to increase the Indonesia MSME resilience in the COVID-19 era.

**Design/Methodology/Approach:** This study was done qualitatively using interactive model analysis to coded the data using MSME resilience indicator, which is: business regulation, financial reform, tax reform, and economic stimulus qualitatively. Data used in this research was Twitter data which contains the hashtag #banggabuatanindonesia since March 2020 - 2021.

**Findings:** The results showed that the digitalization category was the category that most affected MSME resilience in the COVID-19 pandemic era. The magnitude of the influence of digitalization on MSME resilience is caused by the COVID-19 pandemic, which forces MSME actors to digitize their activities to maintain their business. In addition, this study also found two unique phenomena, which are: (1) digitalization is indirectly integrated into other categories such as trade activities, economic stimulus, and financial reform to support local MSME resilience; (2) The high participation of netizens consisting of the Indonesian people to support BBI policies through the use of the hashtag #banggabuatanindonesia.

**Originality:** This study provides new insights and practical contributions about MSME activity in the case of the COVID-19 pandemic using a new perspective through the uses of Twitter data and the maturity of this discussion and suggestion. This study also serves as a guide to the other researcher who will conduct similar research, especially research involving decision support systems and big data in social science.

**Keywords:** D9 micro based behavioral economics, H84 disaster aids, O3 innovation, research and development, technological change, intellectual property rights.

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## O PAPEL DA MARCA NACIONAL "BANGGA BUATAN INDONESIA" PARA APOIAR A RESILIÊNCIA DO MSME NA CRISE DA COVID-19

### RESUMO

**Objetivo:** Este estudo teve como objetivo determinar o papel da nação da marca "Bangga Buatan Indonesia" como a política para aumentar a resiliência do MSME na era da Covid-19.

**Design/Metodologia/Abordagem:** Este estudo foi realizado qualitativamente usando análise de modelo interativo para codificar os dados usando o indicador de resiliência MSME, que é: regulação empresarial, reforma financeira, reforma fiscal e estímulo econômico qualitativamente. Os dados utilizados nesta pesquisa foram dados do Twitter que contêm a hashtag #banggabuatanindonesia desde março de 2020 - 2021.

**Constatações:** os resultados mostraram que a categoria de digitalização foi a categoria que mais afetou a resiliência das MPME na era da pandemia da Covid-19. A magnitude da influência da digitalização na resiliência das MPME é causada pela pandemia de COVID-19, que obriga os intervenientes nas MPME a digitalizar as suas atividades para manter as suas atividades. Além disso, esse estudo também encontrou dois fenômenos únicos, que são: (1) a digitalização está indiretamente integrada em outras categorias, como atividades comerciais, estímulo econômico e reforma financeira para apoiar a resiliência local das MPME; (2) a alta participação de internautas que consistem no povo indonésio para apoiar as políticas de BBI através do uso da hashtag #banggabuatanindonesia.

**Originalidade:** Este estudo fornece novas percepções e contribuições práticas sobre a atividade do MSME no caso da pandemia da Covid-19 usando uma nova perspectiva através do uso de dados do Twitter e da maturidade desta discussão e sugestão. Este estudo também serve como um guia para o outro pesquisador que realizará pesquisas semelhantes, especialmente pesquisas envolvendo sistemas de apoio à decisão e big data em ciências sociais.

**Palavras-chave:** D9 micro baseada em economia comportamental, H84 ajudas de desastre, O3 inovação, pesquisa e desenvolvimento, mudança tecnológica, direitos de propriedade intelectual.

### 1 INTRODUCTION

Coronavirus or COVID-19 is a new type of virus discovered in 2019 and originated in 2020. The virus spread globally and caused thousands of victims causing global economic weakness and uncertainty. This situation has also occurred in Indonesia since March 2020 marked by decrease in economic activity such as stock market uncertainty, the declining purchasing power of the people, and the weakening of labor absorption in certain sectors such as education, tourism, hospitality, transportation, and sports, as well as the high number of companies that have terminated employment (Baker et al., 2020; Nicola et al., 2020). The weakening economic condition in Indonesia is still being followed by the rapid spread of the COVID-19 outbreak in Indonesia due to the large population and weak public awareness of the application of health protocols. Hubner et al., (2020) estimate that Indonesia will receive an enormous negative economic impact



from the COVID-19 outbreak. Indonesia also needs more time to make a recovery compared to other countries in the world.

One of the economic activities affected by COVID-19 is MSMEs (Micro, Small, and Medium Enterprises) (Helgeson & Roa-Henriques, 2020). There are currently 163,713 MSME actors affected by the COVID-19 outbreak in Indonesia, most of which come from food and beverage, creative industries, and agriculture (LPEM FEB UI & UNDP, 2020; Soetjipto, 2020). Most MSMEs in Indonesia experienced a change in income of 88% in 2020. In medium-sized businesses, the decline in revenue occurred by 92%, in small businesses by 88%, and in micro-enterprises by 86% (LPEM FEB UI & UNDP, 2020). This condition will certainly worsen Indonesia’s economic recovery because MSME activities are productive people’s economic activities and dominate more than 99% of the national economic structure (Putri E, 2017). Besides, MSMEs in Indonesia have a big role in driving the national economy because they can improve people’s welfare by providing job opportunities, housing, and other services (Amoah & Jibril, 2021; Samantha, 2018).

The COVID-19 pandemic situation in Indonesia has forced most MSMEs to digitize, especially to promote and sell their products online, such as through e-commerce and social media. It is shown from the number of MSMEs in Indonesia who are members of e-commerce, which increased by 16% in 2020 (LPEM FEB UI & UNDP, 2020). Many MSME actors have started selling their products online to survive in the era of the COVID-19 pandemic by utilizing technology, especially social media and e-commerce. Those two media provide a unique opportunity for MSME actors to interact with the public who are potential consumers without having to meet face to face (Hancu-Budui et al., 2020).

In addition to digitalization, MSME activities must be supported by appropriate policies. Most of the policies or regulations that existed before the COVID-19 pandemic made it difficult for MSME actors to survive and carry out economic activities as usual. So that the government has an important role to develop and establish appropriate policies to help MSME resilience. Through the appropriate policies, MSMEs can carry out basic economic activities because they remain connected to potential consumers and access information related to market opportunities to create a decent income stream (LPEM FEB UI & UNDP, 2020).



One of the government policies to support MSME resilience in the COVID-19 pandemic era is “Gerakan Nasional Bangga Buatan Indonesia” or BBI. The BBI policy is an effort by the government to combine the community, digital market, and government to support the use of domestic products produced by local MSMEs (MA, 2021). Since the launch of the BBI policy on May 14, 2020, business actors, the public, the government, and MSME actors have been using the hashtag #banggabuatanindonesia in their social media content. This activity is carried out as a form of support for MSMEs in the era of the COVID-19 pandemic and to invite the Indonesian people to buy local products. The BBI policy is expected to be one of the main policies and strategies to create quality, sustainable, and equitable economic growth and resilience in the welfare of the people after COVID-19 (Ministry of National Development Planning; Bappenas, 2019).

Based on the background that has been described, this study was conducted to determine the role of the “Bangga Buatan Indonesia” policy on MSME resilience in the COVID-19 pandemic era in Indonesia, using data from social media “Twitter” with the hashtag #banggabuatanindonesia in March 2020 – March 2021. The result of this study is expected to help related parties to maximize the BBI policy to increase MSME resilience in supporting the national economic recovery in the Covid-19 pandemic era.

## **2 LITERATURE REVIEW**

### **2.1 DIGITALIZATION OF MSMES**

Micro, Small, and Medium Enterprises (MSMEs) are small-scale economic activities that have various forms, so they have some definitions to describe it (Prasetyo, 2008). Based on the law number 20 of 2008 concerning Micro, Small, and Medium Enterprises defines MSMEs as individual-owned businesses or individual business entities that are productive and meet the written criteria in the Act. In Indonesia, MSMEs are known as the business group with the largest number that can absorb 97% of the national workforce (Lendong, 2021). In its development, MSMEs have an important role in supporting the national economy's growth and resilience by creating new jobs, new sources of entrepreneurship, and other positive impacts (Hakim, 2020).

Digitalization in the MSME sector refers to the technology used in supporting the development of MSMEs to increase income, business capacity, managerial, and so on (Aldianto et al., 2021). In its application, MSMEs often use e-commerce and social media to introduce company products or services to consumers at low costs, with wider reach,



and more efficient (Amoah & Jibril, 2021; Arianto, 2020). In addition, social media also encourages MSME actors to innovate and increase public awareness of MSME brands and products (Amoah & Jibril, 2021). Through social media, MSMEs can also serve consumers personally in a short time and positively impacted sales within a certain time (Hidayat et al., 2020).

## 2.2 ECONOMIC RESILIENCE

Economic resilience is a dynamic condition of people’s lives in facing immediate threats, disturbances, obstacles, and challenges that interfere with the survival of the community’s economy within a certain period. On a larger scale, such as the national scale, economic resilience is defined as the resilience of the nation’s and state’s economy to maintain good, healthy, and dynamic national economic stability, as well as being able to create economic independence for its people through various instruments (Marlinah, 2017). Examples are creating a healthy business climate and integrated technology, increasing the competitiveness of local products, facilitating the distribution of upstream and downstream products for the community, and so on (Arianto, 2020; Hakim, 2020; Zaelani, 2019).

Egidi & Salvati (2021) define economic resilience on a national scale or national economic resilience as the country’s ability to restore the national economic situation to normal or before the crisis occurs. The condition of the economic factors in every country depends on the influence (United Nations, 2020). When a country has a low economic resilience system during a crisis, the negative impact created by the crisis will also be higher. Examples are the high number of long-term unemployment, the high number of people living below the poverty line standard, and so on (Egidi & Salvati, 2021). Economic resilience in an area can be identified using certain indicators in a limited period.

Currently, many indicators can be used to identify economic resilience in a particular region or country. One of them is the seven indicators used by Hidayat et al. (2020) to identify the resilience of Indonesian business in the COVID-19 pandemic era, which is: the spirit to work hard, innovation and creativity, consumer orientation, and efforts to maintain products quality. Egidi & Salvati (2021) measure a country’s economic resilience based on the variables of macroeconomic stability, microeconomic market efficiency, good governance, and socio-demographic developments in the area.





The International Labor Organization (ILO) (2000) measures the economic resilience of the MSME sector through the six indicators in table 1.

Table 1. MSMEs Resilience Indicators

No.	Indicator	Descriptions
1.	Business Regulation	Most of the business regulations that were effected before the crisis occurred certainly harmed MSME actors to start, develop, or even close their businesses in the crisis era. The government expected to reform business regulations that support the creation of a business framework and ecosystem that is more conducive to doing business and innovating.
2.	Digitalization	Digitalization in MSME activities is important for creating business resilience, especially in the COVID-19 era. It is not only limited to economic activities carried out by MSMEs, such as buying and selling activities, but also to other matters such as tax reporting, business licensing, administrative requirements, etc.
3.	Financial Reform	The crisis was affected by many financial problems in MSME activities, so financial reform has an important role in creating MSME resilience. Through financial reform, MSMEs are expected to get financial support or other waivers to facilitate MSME activities during a crisis, such as low-interest credit, crowdfunding, direct investment, etc.
4.	Tax Reform	MSME resilience can also support through business tax reform. Through tax regulation reform to ease the tax burden of MSMEs within a certain period, it will support MSME's financial condition and increase their income in the crisis era.
5.	Trading Activity	The crisis usually has a direct impact on domestic and international trade activities. To overcome the issue, it is necessary to carry out trade reforms so that MSMEs can still sell their products and the community can still meet their needs.
6.	Economic Stimulus	The crisis conditions have drastically changed the economic conditions of a country, especially at the macro level. Therefore, it is necessary to create supporting policies to encourage economic growth in the crisis-era (economic stimulus). Policies related to economic stimulus are not only in the form of policies in the MSME sector but also in other related sectors such as direct cash assistance for the community to increase their purchasing power, create new productive jobs, etc.

Source : International Labour Organization, processed 2021

### 2.3 NATION BRANDING

Nation branding is a new concept originating from the marketing and branding paradigm (branding) that has economic potential for the country as a whole. Avraham (2020) defines nation branding as a multidimensional concept to introduce a particular region or country in a positive, interesting, and unique way. The purpose of nation branding is to promote a country and its people by developing a positive brand identity that later has a positive economic impact on the country (Hubner et al, 2020). An example of positive economic impact in question is to increase foreign tourist visits and exports of local products, eliminate negative perspectives on certain areas, increase the value of domestic brands, attract investment and increase national welfare (Avraham, 2020; Frig & Sorsa, 2020; Hubner et al., 2020).



The concept of nation branding is often equated with the destination branding concept. There is a clear difference between nation branding and destination branding. Nation branding is not only trying to introduce a particular destination or region but also trying to introduce culture, economic potential, markets, and others globally (Nguyen & Özçag-Toulouse, 2021). In comparison, destination branding refers more to activities to recognize the advantages and uniqueness of a particular destination or area (Real et al., 2020). It shows that nation branding is more multidimensional so it is often initiated and managed by the government because the concept of nation branding is not only limited to marketing elements but also has political elements (Frig & Sorsa, 2020).

The concept of nation branding is now widely used by state and world governments to formulate policies supporting the development and marketing of local brands and products. It is because in practice, nation branding often utilizes local products and brands, local culture, and mass media as promotional and diplomatic channels to open national and international distribution channels for domestic brands and products (Nguyen & zcaglar-Toulouse, 2021). One of them is South Korea, which takes advantage of “Hallyu” to market their creative industry products internationally, especially for the Asian continent market (Nguyen & zcaglar-Toulouse, 2021). Indonesia is also implementing the same strategy by creating a nation branding namely “Bangga Buatan Indonesia” to support the development of local products and MSMEs in the COVID-19 era (Dewi, 2020; Mutiarin et al., 2021). Through nation branding, the government will find it easier to initiate and control the use of local potential in policies related to nation branding (Frig & Sorsa, 2020; Nguyen & zcaglar-Toulouse, 2021).

#### 2.4 BIG DATA

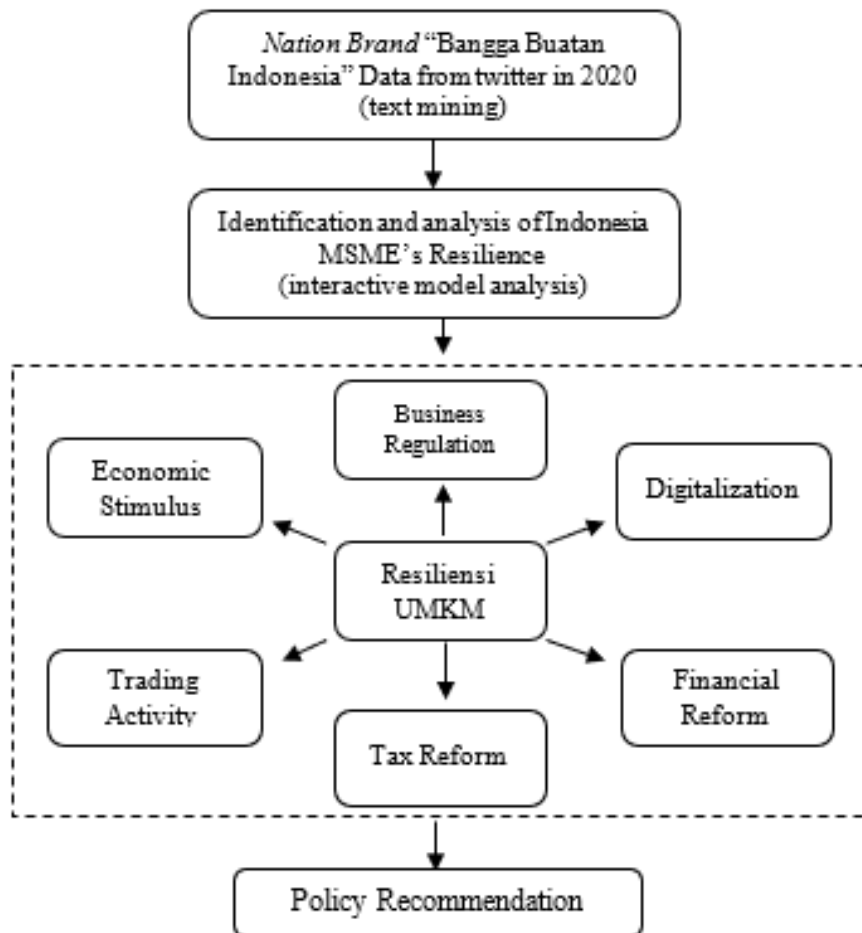
Big data is a large amount of heterogeneous data that increases every day (Grander et al., 2021; Sowmya & Suneetha, 2017) Due to the heterogeneous nature of data, big data can be managed in various ways through special processes according to research needs. However, when big data is processed in a way that is not following research needs, the information obtained from big data will not be useful for research results (Kusumasari & Rafizan, 2018). The use of big data for MSME development is carried out because it has a variety of information needed by MSME to create innovative competitiveness development strategies with minimal risk (Sen et al., 2016). One of them is data related to the business potential that can be developed as well as weaknesses that may be owned

by MSMEs based on consumer reviews. Big data used in the analysis of the MSME sector has three main characteristics, which are flexible and diverse, simple, and has an appropriate price (Ogbuokiri et al., 2015). Through those characteristics, each MSME can have data that is accordance with the needs and available budget to create an appropriate strategy.

### 3 RESEARCH METHOD

The research was conducted using a qualitative approach that is carried out by collecting, analyzing, and interpreting data by observing what people do and say, which refers to the size of various things (Hussein Jaddou, 2007). This research will be further analyzed using an interactive model analysis through a qualitative approach. It is a type of qualitative data analysis that allows researchers to analyze through four stages (data collection, data reduction, data presentation, and concluding) while still in the data collection process or after data has been collected (Milles & Huberman, 1994).

Gambar 2. Research Conceptual Framework



Source: primary data, 2021





Figure 2 is a conceptual framework that will be carried out in this research. The data will be collected in secondary data from Twitter reviews (tweets) in May 2020 – May 2021 related to “Bangga Buatan Indonesia” (#banggabuatanindonesia). The research data was obtained using the text mining method, which is the method of writing analysis to obtain useful information according to the interest of analysis (Sari, 2020). The data used in the study amounted to 13.430 tweets, with the details listed in table 2.

Table 2. Research Data

No.	Time	Tweet amount
1	Mei 2020	1061
2	Juni 2020	788
3	Juli 2020	1383
4	Agustus 2020	2422
5	September 2020	1020
6	Oktober 2020	365
7	November 2020	918
8	Desember 2020	1765
9	Januari 2021	322
10	Febuari 2021	268
11	Maret 2021	1330
12	April 2021	1200
13	Mei 2021	588
<b>Total</b>		<b>13430</b>

Source: primary data, processed 2021

The data that has been collected will be reduced through a coding process (data labelling) into the six indicators of MSME resilience set by the ILO (2020), which are business regulation, digitalization, financial reform, tax reform, trade activity, and economic stimulus. The data that has been coded will be presented in the form of tables, word clouds, and word trees using the help of Gephi, NVIVO 12 Pro, Rapid Miner and Microsoft Excel. The result of the data will be analyzed and concluded according to the needs and objectives of the study. The conclusions of this research will then be used as a basis for developing appropriate policy recommendations.

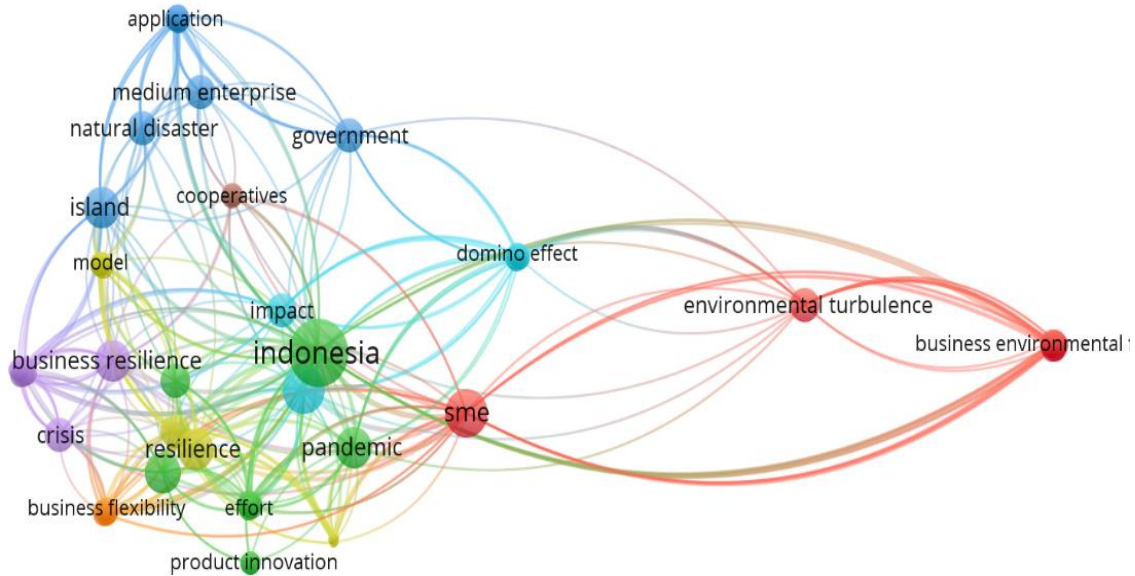
## 4 RESULT, DISCUSSION, AND FINDING

### 4.1 TREND CHANGING IN INDONESIA SMES ACTIVITY IN COVID-19

Since the pandemic in 2020, economic activity, especially MSMEs in Indonesia. It gave a negative shock to the Indonesian economy, where 90% of economic activity was dominated by activities in the MSME sector. Badan Pusat Statistik (BPS) or a central statistic agency in Indonesai (2020a, 2020b) stated that 67.22% of MSMEs closed temporarily in August 2020 and experienced a decline in income of 84.20% in 2020. The

unstable activity of MSMEs and the weakening of people’s purchasing power made it difficult for Indonesian MSMEs to survive in this pandemic era.

Figure 3. Indonesia SMEs Activity Research



Source: primary data, 2021

Based on various studies conducted in 2020-2021 related to Indonesian MSMEs (figure 3), show that MSME activities experience many obstacles due to the COVID-19 pandemic. However, most MSMEs still carry out economic or production activities to be able to survive in the COVID-19 era. The variety of activities carried out by MSMEs such as product innovation and marketing, such as creating or selling new products for home needs or changing the way of marketing which was previously done offline, is now being marketed online only or done hybrid (online-offline) (Hardilawati, 2020; Klyver & Nielsen, 2021)



## 4.2 SMES RESILIENCE ANALYSIS

### 4.2.1 Trading Activities

Figure 4 Trading Activity Word Cloud



Source: Primary Data, 2021

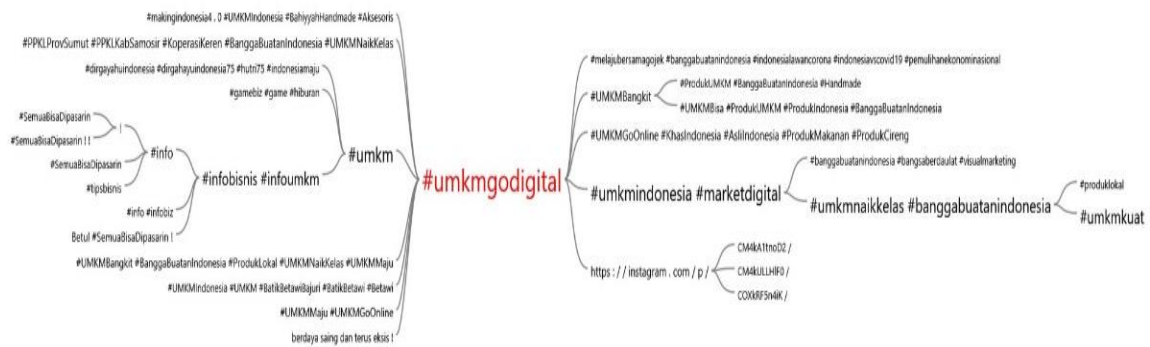
Crises usually have a direct impact on the economic activity of a region, with no exception to the crisis that arose due to the COVID-19 pandemic. Based on Figure 4, it is known that most of Indonesia’s MSMEs suddenly switched from offline trading activities to online or both. This is shown by the names that appear in Figure 4 when searching with the hashtag #banggabuatanIndonesia, which are Tokopedia (4%), Bukalapak (2%), and Shopee (2%).

The increasing number of MSME actors in the digital world is one of the solutions implemented by relevant stakeholders so that MSMEs can still carry out trading activities in the Covid-19 era. It is because digital buying and selling transactions solve the problems that arise in the Covid-19 era, they are transportation and migration (Hardilawati, 2020). In the future, digital trading activities are expected to be one of the activities that can support Indonesia’s resilience and economic recovery in the new normal era. It is because digital trading activities are believed to be able to create a stimulus on the demand side and encourage digital platforms to expand partnerships (Arianto, 2020).



## 4.2.2 Digitalization

Figure 5. Digitalization Word Tree



Source: Primary Data, 2021

Digitalization in MSME resilience is not only limited to selling through e-commerce but also carries out buying and selling activities through various digital platforms that allow such as social media. Figure 5 shows the various hashtags that are often used by MSME actors along with #banggabuatanindonesia in conducting digital marketing activities. The hashtags that most often appear related to “Bangga Buatan Indonesia” are #umkmgodigital, #UMKMBangkit, and #UMKMnaikkelas. Through the use of the hashtag, relevant stakeholders such as MSMEs and the government are trying to support the Digitalization of Indonesian MSMEs. Consequently that they can survive in the crisis-era and restore their economic activities after the crisis ends. In the future, MSMEs are expected to be able to penetrate a wider market share overseas (exports) through online buying-selling activities and absorb new workers who work remotely.





stated that digital-based payment reform has the potential to increase local government and local government revenues, such as levies and regional taxes, as well as regional spending to support regional and national economic resilience. Through ETPD, the government is trying to increase public consumption by providing incentives in the form of gifts/price discounts when conducting digital transactions such as making transactions through QRIS. This activity is carried out to introduce non-cash payments to the community as well as to increase people’s motivation to make non-cash payments.

#### 4.2.4 Tax Reform

Gambar 7. Financial Reform Word Tree



Source: Primary Data, 2021

Tax reform on MSME activities in 2020 is a form of support for the government for Indonesian MSMEs within a certain period to ease the financial burden of MSMEs in the crisis era. Tax-related reforms that are directly implemented by the government are tax breaks. This reform is shown in figure 7, which shows that there are tax incentives in 2020 for sectors affected by the COVID-19 pandemic crisis, such as MSMEs. Tax incentives in Indonesia are applied, referring to the Regulation of the Minister of Finance of Indonesia concerning tax incentives for taxpayers affected by the 2019 Corona Virus Disease (Regulation of Ministry of Finance of Republic Indonesia No. 86/PMK.03/2020 about Tax Incentive of Tax Payers that affected by CORONAVirus Disease 2019). Incentives in the form of levies free, withholding taxes, and tax refunds by the applicable provisions in PMK No. 86 of 2020.

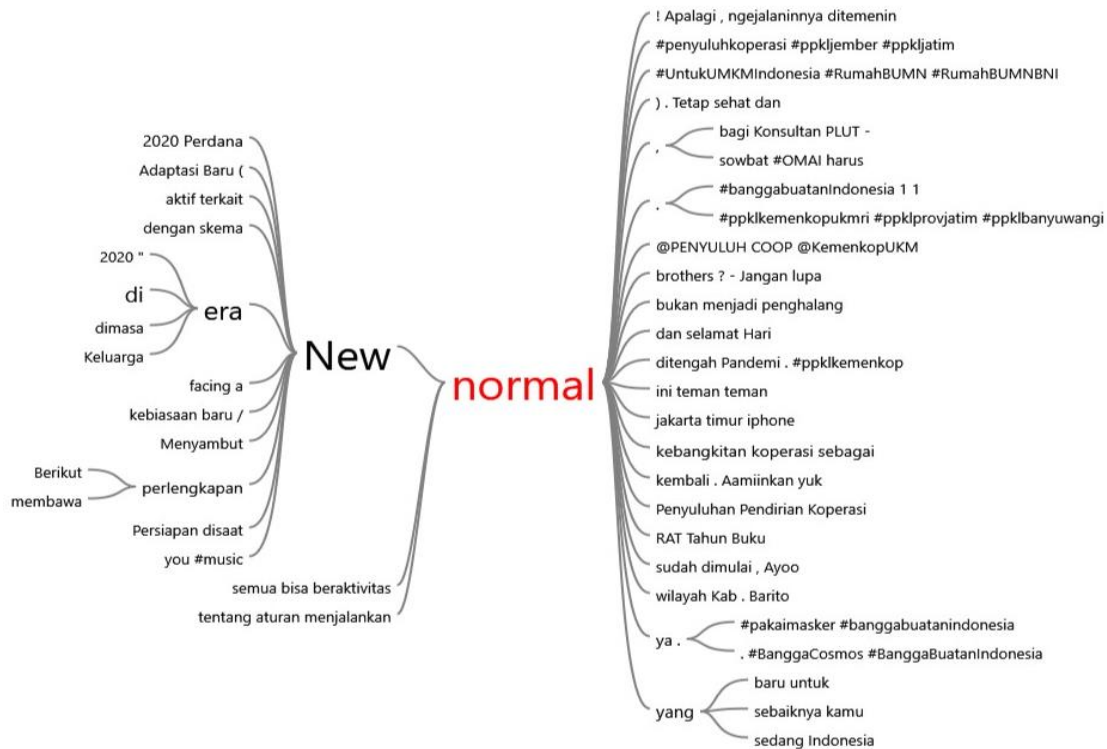
In addition to tax incentives, tax reform in Indonesia also includes reforming cash tax payments to non-cash tax payments as one of the IETPD. Digitalization of the payment of regional taxes and levies is carried out to increase regional income and taxpayer compliance to continue to pay taxes and levies that have been determined. Pancagiono (2020) in his research also states the same thing where reforms in digital tax payments provide opportunities for taxpayers such as MSMEs to pay taxes and levies



wherever and whenever the taxpayer is before maturity. So that positively, taxpayers will be motivated to make timely digital payments of taxes and levies which will indirectly increase regional income and expenditure.

#### 4.2.5 Business Regulation

Figure 8. Business Regulation Word Tree



Source: Primary Data, 2021

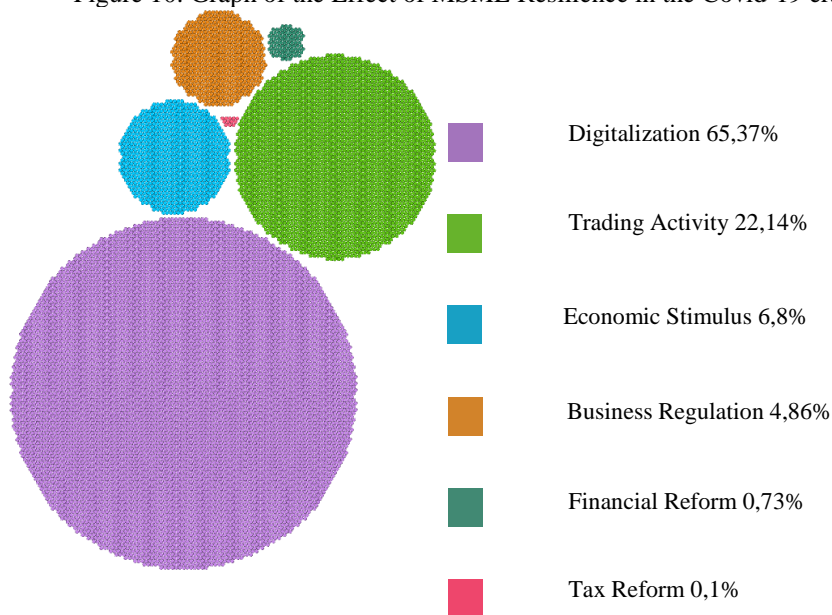
Business regulation on MSME activities in 2020 is a form of adjustment imposed by the national government on Indonesian MSMEs. Based on Figure 8, it is known that one of the regulations that directly affect the resilience of MSMEs in the Covid-19 era is the regulation related to the new normal. New normal is a policy to overcome the impact of Covid-19 and re-start the world economy which is experiencing a slowdown (Hubner et al., 2020; Mutiarin et al., 2021). The application of the new normal policy carried out by the government in the MSME sector is expected to be able to support the creation of a more conducive business framework and ecosystem for MSMEs to do business and innovate adaptively and potentially for MSMEs in the COVID-19 era. Unfortunately, the application of the new normal policy in Indonesia has more negative impacts than positive impacts on MSME activities.



form of non-cash assistance, as well as economic activities in the form of online and offline festivals (events) to encourage sales of national MSMEs. Through stimulus-based policies, the government is trying to regenerate the economy, output employment, and a population that has decreased due to external shocks, that is Covid-19 pandemic (Egidi & Salvati, 2021).

#### 4.2.7 Finding

Figure 10. Graph of the Effect of MSME Resilience in the Covid-19 era



Source: Primary data proceed, 2022.

Based on the data processing result, the digitalization category is the category that affects MSME resilience in the Covid-19 pandemic era. It is shown in Figure 10 regarding the effect of MSME resilience in the Covid-19 era which shows that digitalization has an effect of 65.37% followed by trade activity of 22.14%, economic stimulus 6.8%, business regulation 4.86%, financial reform 0.73%, and 0.1% tax reform. Digitalization plays a big role in MSME resilience because Covid-19 forces MSME actors to digitize their activities to maintain their business.

The digitizing MSMEs practice is indirectly integrated into other categories, such as trading activities that were initially only carried out offline, but now become online or both. Economic stimulation is also carried out online, such as holding a festival in the form of a bazaar with discounts supported by the government and other stakeholders online. The same condition also occurs in other categories that are adjustments to business



regulation to digitally support MSME activities. Financial reforms make all payments can be made digitally through one online payments channel that is QRIS, and tax payment reforms in the form of tax reductions and online tax payments through e-commerce or other partners such as Indomaret and Alfamart.

Table 3. Examples of Non-MSME Society Tweets

No.	Tweet
1	Your recommendation will mean a lot to support local products as well as help foster a sense of #BanggaBuatanIndonesia. Let’s invite your friends to recommend their favorite local shop via the following link <a href="https://forms.gle/WKwLoRSk7dRyPB127...">https://forms.gle/WKwLoRSk7dRyPB127...</a> #TokopediaSaja
2	Love local products, a form of caring for the homeland. Let’s get used to the consumption of local products because by using local products, you contribute to helping the nation’s economy. Via @Kemenparekraf #BanggaBuatanIndonesia #DengerinElshintaDiRumahAja
3	Guys.. Sorry, I posted some products from my friends on the timeline. Not a paid endorsement.. Mutual support for quality local products #IndonesiaBangkit #BanggabuatanIndonesia... <a href="https://instagram.com/p/CAP-IvcBrTd/?igshid=ssalwfbyh80o...">https://instagram.com/p/CAP-IvcBrTd/?igshid=ssalwfbyh80o...</a>

Source : primary data, proceed 2021

In addition to successfully attracting the interest of MSME players to digitize, the hashtag #proud of Indonesia has also succeeded in attracting the interest of local communities as consumers and also relevant stakeholders to support MSME resilience in the Covid-19 era (Table 3). This finding is very interesting because initially BBI’s policy encourage MSME actors to use the hashtag #banggabuatanindonesia when promoting their goods online. In case local people could easily recognize locally made products and motivate them to buy local products. However, in practice, the hashtag #banggabuatanindonesia is also used by non-MSME communities to support Indonesian MSMEs in marketing local products on social media so that locally-made products can penetrate the international market.

In addition to the digitalization category, which has a major impact on MSME resilience, other categories need attention, which is financial reform and tax reform. That two categories only have a role of less than 1% of MSME resilience. Whereas financial reform and tax reform have an important role in the resilience of MSMEs. Through financial reforms, the flow of money for MSME activities will become more liquid and make it easier for MSME actors to carry out buying and selling activities and reduce the risk of business closing because the product does not sell. In addition, through financial reform, it is easier for the government to channel assistance to related MSMEs so that their business can continue in the Covid-19 era.

The development and introduction of QRIS, which was also carried out together with the hashtag #banggabuatanindonesia are expected to solve the financial problems



for MSMEs to conduct buying and selling transactions. BBI’s policy in its development during May 2020 – 2021 does not seek to market goods and services made in Indonesia to the public but also seeks to introduce other supporting infrastructure such as the financial infrastructure QRIS launched by Bank Indonesia and the Indonesian Payment System Association to support economic resilience in this Covid-19 era through related activities such as MSMEs

Unfortunately, there are still many people who do not know or trust QRIS as one of the official payment platforms. Hence often, MSMEs that have been integrated with QRIS do not take advantage of this facility properly and prefer to make transactions with more conventional methods such as bank transfer or even cash payments.

In the tax reform category, it is known that tax reform affected 0.1% only towards MSMEs resilience Indonesia during the Covid-19 era. Even though there have been many tax reforms carried out by the Indonesian government to support MSME resilience in the Covid-19 era as stated by Regulation of Ministry of Finance of Republic Indonesia No. 86/PMK.03/2020, BBI policy has an important role in Indonesia’s tax reform to introduce digitalization of tax payments (ETPD) to the public, especially to taxpayers. However, in practice, most taxpayers are still hesitant to make online tax payments through digital channels that have been provided. This will certainly reduce regional income and expenditure which will later be used to implement policies that encourage the development of Indonesian MSMEs.

## 5 CONCLUSION AND SUGGESTION

Bangga Buatan Indonesia (BBI) policy is an effective way to increase the resilience of Indonesian MSMEs. Through this policy, Indonesian MSME actors are forced to digitize to survive and even develop into a better business because of the new wider market share in the online market. In addition, one of the BBI policy which is the use of the hashtag #banggabuatanIndonesia creates a unique phenomenon, where people voluntarily try to introduce local MSME products that they like / know / are around individuals to be known and bought by the domestic and foreign people regularly online.

However, over time, the BBI policy has several obstacles to increasing the resilience of Indonesian MSMEs, especially in financial reform and tax reform related to public trust in infrastructure supporting BBI policies such as QRIS and ETPD, which are promoted together with the hashtag #banggabuatanindonesia. To overcome the obstacles,



this study provides several recommendations to relevant policymakers and further research as follows:

1. It is necessary to review and readjust BBI policies, especially in the new normal era
2. Conducted outreach and targeted training to MSMEs related to QRIS and ETPD as well as the user of other technologies. Especially for MSMEs that have just digitized during the Covid-19 pandemic.

### LIMITATION

This study also runs into difficulties, and it becomes the limitation of the research. The data used in the research was only obtained from the Twitter site using the hashtag #banggabuatanindonesia. We suggest that future research obtain data from other media such as Instagram or Facebook and get primary data by validating research directly on related stakeholders.

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