Asian Journal of Community Services (AJCS)
Vol. 5, No. 6 2026: 427-436

Branding the Unbranded: Building Market Identity for Nipah-Based Products

Muhammad Dharma Tuah Putra Nasution[1*], Onan Marakali Siregar[2], Yossie Rossanty[3], Ahmad Arief Tarigan[4]
[1,2]Universitas Sumatera Utara
[3,4]Universitas Pembangunan Panca Budi
Corresponding Author: Muhammad Dharma Tuah Putra Nasution
dharma.nasution@usu.ac.id

A R T I C L E I N F O

Keywords: Branding, Place Branding, Brand Authenticity, Rural Entrepreneurship, Nipah

Received : 16, March
Revised : 18, May
Accepted: 20, July

A B S T R A C T

This paper documents a community service mentoring initiative supporting Usaha Nipah Pesisir, a coastal producer group in Langkat Regency, North Sumatera, that sold nipah sugar, vinegar, and handicrafts as unbranded commodities. Delivered jointly by a community learning center and a vocational training institute, the initiative helped the group build a market-ready brand following a retail rejection and a competitor's branded success that exposed the cost of remaining unbranded. Drawing on brand identity, brand equity, and place-branding frameworks, this paper analyzes the authenticity-versus-scalability tensions the group faced, the brand architecture and positioning options available to it, and the certification, packaging, and channel strategy it ultimately adopted under tight capital constraints. The discussion offers a resource-appropriate model that other rural producer groups in emerging markets can adapt, and evaluates the role and risks of mentoring institutions in supporting a small rural enterprise's branding transition.

DOI prefik: https://doi.org/10.55927/ajcs.v5i7.43
ISSN-E: 2962-1496
https://journalajcs.my.id/index.php/ajcs

INTRODUCTION

Emerging-market economies are rich in underutilized natural resources with strong potential for value-added branding, yet many rural producer groups lack the marketing knowledge, capital, or institutional support to move beyond commodity sales (Viswanathan et al., 2010; Gyimah & Lussier, 2021). Indonesia's coastal regions, including Langkat Regency in North Sumatera Province, host extensive stands of nipah palm (*Nypa fruticans*), a mangrove-associated palm found throughout coastal and estuarine Southeast Asia. Unlike its better-known cousin the coconut palm, nipah has historically been treated as a subsistence and construction resource (its leaves for roof thatch, its sap for informally made sugar and vinegar) rather than as the basis for a distinct commercial brand capable of building customer-based brand equity (Keller, 1993; Aaker, 1991).

For generations, the regency's coastal households have tapped nipah for subsistence and craft use, yet these products carry almost no brand identity: they are sold loose, unlabeled, and largely through word of mouth or local markets, priced as raw commodities rather than differentiated goods. Section 2 details the palm's ecology and product range; the point for now is simpler: deep local utility has not translated into market recognition.

This account is told largely through the perspective of Aidil Ilham Lubis, Director of PKBM Mina Center (a *Pusat Kegiatan Belajar Masyarakat*, or community learning center, offering non-formal education and skills training) and a member of the MSME Mentoring Group affiliated with LPK All Com (a *Lembaga Pelatihan Kerja*, or vocational training institute). Lubis has directly mentored a coastal nipah producer group in the regency as part of a partnership between the two institutions (see Exhibit 1). The producer group he supports, referred to here as "Usaha Nipah Pesisir" ("Coastal Nipah Enterprise"), is a small group of households combining nipah sap tapping (for sugar and vinegar) with frond- and midrib-based handicrafts. Section 3 details the group's production baseline; in short, output was modest, entirely unbranded, and sold through informal local channels. That baseline came under pressure in 2025 as synthetic sugar and plastic roofing eroded demand for the group's traditional products, prompting the two institutions to start mentoring the group toward branding as a growth lever.

This paper uses that setting to examine how a rural producer enterprise moved from an unbranded, commodity mindset toward a deliberate, resource-appropriate branding strategy, drawing on place-branding theory (Hankinson, 2010; Andersson, 2014) and the brand authenticity literature (Beverland, 2006; Morhart et al., 2015) to frame the tensions the group faced. The account that follows centers on the moment the group had to decide how to convert that latent value into a functioning brand: what identity to project, how many product categories to cover under it, how much to invest in packaging and certification, and which channels to pursue first. Section 6 reports the outcomes of those decisions and discusses them in light of the frameworks introduced above.

Regional and Industry Background

Langkat Regency lies along the province's northeastern coastline, characterized by extensive mangrove ecosystems, tidal rivers, and fishing and farming communities. Nipah palm thrives in these brackish, tidal environments, and local communities have traditionally harvested:

a. Sap (*nira*), tapped from the flower stalk, consumed fresh or processed into palm sugar (*gula nipah*) and fermented vinegar (*cuka nipah*)
b. Fronds (*daun*), woven into roof thatch, baskets, mats, and other handicrafts
c. Midribs (*lidi nipah*), the stiff central rib of the frond, stripped and bundled into brooms (*sapu lidi*) or worked into small woven crafts
d. Fruit (*buah*), occasionally consumed fresh or processed into snacks and beverages

Across Southeast Asia, nipah-derived products (sap vinegar, palm sugar sometimes marketed regionally as "gula apong," and handicrafts) have been documented as a source of supplementary rural income, but branding and downstream processing remain underdeveloped compared to other palm products such as coconut or arenga (aren) palm sugar. This pattern echoes findings on agricultural products more broadly: regional-origin foods often carry genuine differentiation potential that goes unrealized without deliberate branding and trust-building efforts (Liu & Wang, 2023; Rabbiosi, 2016). In the province specifically, community-development and university outreach programs have begun targeting nipah handicraft and food-processing groups in the regency for capacity building, including product diversification, packaging support, and, increasingly, brand identity development. This reflects a broader push to help small coastal producers escape low-value, unbranded commodity sales.

Regional estimates cited during a 2023 university outreach program indicated that a substantial area of coastal wetland in and around the regency's nipah-producing sub-districts carries naturally occurring or semi-managed nipah stands (roughly 640 hectares), supporting an estimated 900–1,100 households with at least partial nipah-derived income (sap products, thatch, or handicrafts). Fewer than 5% of these households were, at the time, selling under any consistent brand name or packaging. The regency's mid-term development plan lists small-enterprise diversification along the coast as a priority, and the two institutions mentoring the group, based in Tanjung Pura and Stabat respectively, reflect a broader institutional push, spanning both non-formal education and vocational training tracks, to help coastal nipah-based livelihoods move from raw commodity sales toward branded, market-ready products.

Viewed through the subsistence-marketplace literature, this pattern is structural: low-income producer-merchants operate under constrained information, capital, and negotiating power, which locks them into thin-margin, spot-market exchanges even when their underlying product quality is comparable to or better than branded substitutes (Viswanathan et al., 2010). The Langkat account adds a place-based dimension to this argument. Because nipah palm is geographically concentrated in specific coastal ecosystems, the product carries latent place-of-origin equity of exactly the kind theorized in the place-branding literature (Hankinson, 2010; Andersson, 2014), yet that equity remains unrealized as long as the product is sold as an undifferentiated commodity rather than as a good tied to a recognizable place identity. In this sense, the region's problem is best described not as a lack of resource quality but as a failure to convert geographic and cultural specificity into codified brand assets: name, symbol, and consistent quality cues that function as the building blocks of brand equity (Aaker, 1991). The absence of these codified assets means buyers cannot easily distinguish a nipah-based product from lower-quality substitutes at the point of sale, reproducing the information-asymmetry dynamic that subsistence-marketplace scholars identify as a central barrier to price realization for small rural producers (Viswanathan et al., 2010; Gyimah & Lussier, 2021).

IMPLEMENTATION AND METHODS

Coastal Nipah Business is a producer group of twelve households in a coastal village in the regency, combining nipah sap tapping (for sugar and vinegar) with frond- and midrib-based handicrafts (woven items and lidi nipah brooms), now supported through that partnership. As of the intervention baseline (Q2 2025):

(USD figures below use the exchange rate at time of writing, ≈ IDR 17,960/USD as of July 2026, not the rate that would have applied in 2025, when the rupiah was meaningfully stronger against the dollar. Treat these as rough current-day reference points rather than historically accurate conversions; where precision matters, convert using the IDR/USD rate prevailing in Q2 2025.)

Table 1. Coastal Nipah Business Baseline Production and Sales Metrics (Q2 2025)

Metric	Value
Active member households	12
Monthly nipah sugar output	~180 kg
Monthly nipah vinegar output	~300 liters
Monthly handicraft units	~150 items
Average selling price, nipah sugar (unbranded, loose)	IDR 18,000/kg (≈ USD 1.00)
Average selling price, nipah vinegar (unbranded, bulk)	IDR 12,000/liter (≈ USD 0.67)
Average selling price, handicraft item	IDR 15,000–35,000/unit (≈ USD 0.84–1.95)
Estimated combined monthly group revenue	~IDR 8.9 million (≈ USD 495)

Estimated average monthly income per member household	~IDR 740,000 (≈ USD 41)
Primary sales channels	Door-to-door (45%), weekly village market (35%), small sub-district shops (20%)

Aidil Ilham Lubis recounts the moment the group first realized branding mattered: a buyer from Medan told the producers their nipah sugar tasted better than competing products, but he hesitated to buy it because there was no label: he could not tell what it was or how long it would keep.

This anecdote captures the group's core problem: it was a price-taker despite having a genuinely differentiated product. Selling loose, in repurposed containers, with prices set reactively in local buyer negotiations, the group had no mechanism to convert taste, freshness, or authenticity into a price premium; the products were functionally indistinguishable from other informally made palm sugars and vinegars in the market (including those from coconut or aren palm), regardless of any real difference in quality. This is the classic condition that brand equity theory identifies as leaving value on the table: differentiation exists at the product level but is not captured at the point of sale because there is no brand to carry it (Keller, 1993).

The turning point came in August 2024, when a regional minimarket chain's procurement officer visited the sub-district capital scouting for regional specialty souvenirs to stock in a new highway rest-stop outlet. The officer rejected the group's nipah sugar and vinegar on the spot, citing the absence of a brand name, ingredient label, production date, and home-industry food permit, despite praising the taste in a side-by-side tasting. Around the same time, the group learned that a competing producer group in a neighboring Aceh coastal district had launched a branded, cold-brew nipah beverage that quickly sold out at a local trade fair. As Aidil Ilham Lubis reflected on the episode in his mentoring role, the product itself was not the problem: the group was losing on presentation, not quality. This double signal, a lost retail opportunity paired with a peer success story, became the catalyst for formalizing the mentoring partnership around branding later that month.

Taken together, these four tensions are facets of a single underlying problem: the group possesses real product-level differentiation (Keller, 1993) and real place-based equity potential (Hankinson, 2010; Andersson, 2014), but lacks the codified brand assets, credibility signals, and channel-specific brand infrastructure needed to convert that latent value into a price premium. A viable strategy therefore needs to treat identity, architecture, certification, and channel choice as one integrated decision rather than four separate ones.

Stakeholders

Table 2. Stakeholder Interests in the Branding Decision

Stakeholder	Stake in the branding decision
Producer group members (tappers, processors, weavers)	Bear the upfront cost and labor of any packaging, labeling, or quality-consistency changes; stand to gain the most from price premiums but have the least capital cushion if the branding effort fails
Aidil Ilham Lubis (mentor, PKBM Mina Center / MSME Mentoring Group)	Accountable for whether the mentoring investment shows results; has to balance advocating for the group's interests against the practical constraints both partner institutions can actually fund
PKBM Mina Center	Program credibility rests partly on visible outcomes from its handicraft-revitalization mandate; non-formal education focus gives it reach into artisan skill-building but limited reach into retail/commercial negotiation
LPK All Com	Vocational-training mandate gives it a plausible role in formalizing business skills (bookkeeping, digital marketing) but no obvious authority over food-safety certification or retail relationships
Local government (Cooperatives and MSME Office / Industry Office)	Controls the permits and certifications the group needs (the home-industry food permit, potential halal certification); has an incentive to show small-enterprise development results but limited capacity to fund packaging or marketing directly
Local and regional buyers	Traditional traders benefit from cheap, unbranded supply and may resist a price increase; tourism/retail buyers want consistency and volume the group cannot yet guarantee
End consumers	Local households are price-sensitive and buy on habit, not brand; tourists/urban buyers are the segment most likely to pay a premium for an authentic, well-presented product, but the group has no current channel to reach them

RESULTS AND DISCUSSION

Outcomes

By late 2025, the group had adopted the brand name "Pesisir Manis" ("Sweet Coast"), redesigned packaging with a simple coastal-motif label and a QR code linking to a short village-origin video, and obtained a home-industry food permit covering the sugar and vinegar lines jointly. Reported results after two quarters: the average selling price for branded nipah sugar rose from IDR 18,000/kg to IDR 27,000/kg (≈ USD 1.00 to USD 1.50 at current exchange rates), a roughly 50% premium that appears to confirm the earlier diagnosis that the raw product had unclaimed brand value all along. The group also secured placement in two regional minimarket rest-stop outlets, and handicraft items began selling through a shared Instagram/WhatsApp catalog run by one member's daughter, adding an estimated 15% to group revenue. Remaining challenges included whether to pursue halal certification, how to manage quality consistency as more households joined, and whether to formalize as a cooperative to access larger retail and export opportunities.

Brand Identity

Applying Kapferer's (2012) brand identity prism to this account, the physique and culture facets anchor the brand in hand-tapped sap, hand-woven fiber, and coastal heritage, while the relationship and reflection facets depend on reaching a buyer who wants proof of that origin. The tension between them was not resolved by choosing one facet over another, but by reframing the group's limited volume as part of the brand story rather than a constraint to hide, since authenticity-seeking buyers already tolerate, and often reward, scarcity and variability (Bartsch et al., 2022). The QR-linked origin video adopted in the rebrand is a direct expression of this approach: it leads with the physique and culture facets (origin, method, and place) rather than concealing the group's small scale.

Brand Architecture

In practice, the group adopted a single umbrella name, "Pesisir Manis," covering both sugar and vinegar from the outset, while handicrafts continued selling through a separate, less formal channel. This pattern sits between the two options developed in Section 4.2 rather than fully choosing one: sugar and vinegar share a production process and the same certification requirement, which made a joint launch efficient and let the brand carry shared associations of quality and origin across both product lines from day one (Aaker, 1991; Hankinson, 2010). Handicrafts, a categorically distant product with a different buyer, were left outside the formal brand and permit process, consistent with the flagship logic that scarce brand-building effort concentrates where it can build the clearest association first (Keller, 1993). Extending the "Pesisir Manis" name and permit to handicrafts, rather than leaving that category informal indefinitely, is the natural next step once the current buyer relationships mature.

Positioning Strategy

The rebrand followed an authentic/heritage positioning rather than a modern/scalable one: a coastal-motif label and a village-origin video target tourism and specialty-food buyers willing to pay a premium for traceable origin and craft (Beverland, 2006), and align with the tourism-retail channel the group pursued first. A modern/scalable positioning would instead have implied standardized packaging, larger production runs, and broader distribution, demanding more capacity than the group's twelve households could yet meet. Given the group's scale, the heritage-first choice converted a real capacity constraint into a credible narrative advantage rather than competing on a scalability dimension where the group remains structurally disadvantaged against manufacturers with far lower unit costs.

Certification and Packaging Investment

The sequencing the group followed matches the credibility-gap logic developed in Section 4.3: the home-industry food permit came first, since its absence was the explicit reason the group had been rejected by a retail buyer; basic labeling followed, functioning as a low-cost, high-visibility trust signal (Liu & Wang, 2023); modest packaging came next; and halal certification remained an open question, deferred until a specific buyer or channel requires it. This order spent the group's limited capital on the gaps most likely to block a sale, rather than on the improvements that were simply cheapest.

Channel Strategy

The phased plan began with tourism retail, since the group already had a direct point of contact through the earlier procurement rejection, and since this channel's requirements (a permit, a label, a name) aligned with the credibility investments prioritized above. Once quality and supply became consistent enough to support a steady retail relationship, the group extended into online and social-commerce channels, which required an additional layer of capability: product photography, a simple digital catalog, and basic fulfillment logistics, all capabilities the group began building informally through one member's daughter running its social media presence. Sequencing tourism retail before online channels avoided requiring the group to build digital and retail-readiness capabilities simultaneously with the same limited resources.

Role of Mentoring Institutions

The division of labor between the two partner institutions (non-formal skill-building, business formalization, and regulatory gatekeeping, with local government controlling the permits, as detailed in Section 5) reflects a reasonable allocation of roles. The more important question is what external actors should not do: substitute their own judgment for the group's strategic choices, such as identity, architecture, and channel sequencing. Rural producer support programs often show gains only while external mentoring is active, with progress stalling once the program ends (Gyimah & Lussier, 2021). That risk remains open for this initiative for as long as branding decisions stay concentrated in the mentoring relationship rather than becoming capability the group holds itself, which is why the cooperative formalization the group was still weighing at the time of writing matters: a formal cooperative structure would give it standing to negotiate with retail buyers and government agencies directly, independent of whether mentoring continues.

Figure 1. Documentation of a Mentoring Session with Members of the Usaha Nipah Pesisir Cooperative

CONCLUSIONS AND RECOMMENDATIONS

This pattern likely generalizes to any underutilized natural-resource product where genuine quality or place-based differentiation exists at the production level but is not captured at the point of sale, such as aren palm sugar, traditional coconut oil, or natural-fiber handicrafts produced by small rural groups elsewhere in Southeast Asia or other emerging markets. What connects these cases is not the resource itself, but the absence of codified brand assets, market access, and institutional support needed to convert real differentiation into the price premium it deserves.

REFERENCES

Aaker, D. A. (1991). Managing brand equity. Free Press.

Andersson, I. (2014). Placing place branding: An analysis of an emerging research field in human geography. Geografisk Tidsskrift-Danish Journal of Geography, 114(2), 143–155. https://doi.org/10.1080/00167223.2014.895954.

Bartsch, F., Zeugner-Roth, K. P., & Katsikeas, C. S. (2022). Consumer authenticity seeking: Conceptualization, measurement, and contingent effects. Journal of the Academy of Marketing Science, 50(2), 296–323. https://doi.org/10.1007/s11747-021-00813-y.

Beverland, M. B. (2006). The 'real thing': Branding authenticity in the luxury wine trade. Journal of Business Research, 59(2), 251–258. https://doi.org/10.1016/j.jbusres.2005.04.007.

Gyimah, P., & Lussier, R. N. (2021). Rural entrepreneurship success factors: An empirical investigation in an emerging market. Journal of Small Business Strategy, 31(4), 5–19. https://doi.org/10.53703/001c.29470.

Hankinson, G. (2010). Place branding research: A cross-disciplinary agenda and the views of practitioners. Place Branding and Public Diplomacy, 6(4), 300–315. https://doi.org/10.1057/pb.2010.29.

Kapferer, J.-N. (2012). The new strategic brand management: Advanced insights and strategic thinking (5th ed.). Kogan Page.

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. Journal of Marketing, 57(1), 1–22. https://doi.org/10.1177/002224299305700101.

Liu, Q., & Wang, X. (2023). The impact of brand trust on consumers' behavior toward agricultural products' regional public brand. PLOS ONE, 18(11), e0295133. https://doi.org/10.1371/journal.pone.0295133.

Mir Bernal, P., Pecot, F., Hudson, B., & de Barnier, V. (2023). Inducing omni-temporality: Product heritage appropriation in corporate heritage brand construction. Journal of Brand Management, 30(2), 144–156. https://doi.org/10.1057/s41262-022-00303-8.

Morhart, F., Malär, L., Guèvremont, A., Girardin, F., & Grohmann, B. (2015). Brand authenticity: An integrative framework and measurement scale. Journal of Consumer Psychology, 25(2), 200–218. https://doi.org/10.1016/j.jcps.2014.11.006.

Rabbiosi, C. (2016). Place branding performances in tourist local food shops. Annals of Tourism Research, 60, 154–168. https://doi.org/10.1016/j.annals.2016.07.002.

Viswanathan, M., Rosa, J. A., & Ruth, J. A. (2010). Exchanges in marketing systems: The case of subsistence consumer–merchants in Chennai, India. Journal of Marketing, 74(3), 1–17. https://doi.org/10.1509/jmkg.74.3.1.