

LEGAL PROTECTION AND LOCAL POLICY SUPPORT ON THE COMMERCIALIZATION OF EXPORT PRODUCTS AND INNOVATIVE ADVANTAGES OF MSME PRODUCTS

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ABSTRACT

The purpose of this study is to describe the direct and indirect effects of legal protection and local policy support on the commercialization of export products and their implications for the innovative advantages of MSME products. The problems explained are (1) the influence of legal protection support and regional policy support on product commercialization, and (2) the role of stakeholders in increasing innovative excellence for product commercialization. The method used in this research is a juridical approach combined with a quantitative approach, sociological especially correlational. This research was conducted in Yogyakarta and Semarang, Central Java, Indonesia. The research population is MSME actors in the two cities, totaling 300 people with a sample of 76 people. Data collection techniques using questionnaires, observation, interviews, and documentation. The quantitative data that has been collected was analyzed using a structural equational modeling (SEM) approach, used Smart PLS software. Qualitative data only used as complementary analysis. The results showed legal protection support and local policy support significantly influenced product commercialization and innovative advantage. Theoretically, this research provides insight into the product commercialization as a mediator variable. With these findings, it is expected that significant support will emerge from the government as a regulator, academics as an educator, the private sector as a catalyst, and the community as a driver for the development of law literacy as MSMEs in Indonesia.

Keywords: *legal protection, local policy, export products, innovative advantages, MSME*

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ABSTRAK

Tujuan penelitian ini adalah untuk mendeskripsikan dampak langsung dan tidak langsung perlindungan hukum dan dukungan kebijakan lokal terhadap komersialisasi produk ekspor serta implikasinya terhadap keunggulan inovatif produk UMKM. Permasalahan yang dianalisis adalah (1) pengaruh dukungan perlindungan hukum dan dukungan kebijakan daerah terhadap komersialisasi produk dan (2) peran stakeholder dalam meningkatkan keunggulan inovatif guna komersialisasi produk. Metode yang digunakan dalam penelitian ini adalah pendekatan yuridis yang dipadukan dengan pendekatan sosiologis dan kuantitatif khususnya korelasional. Penelitian ini dilakukan di Yogyakarta dan Semarang, Jawa Tengah, Indonesia. Populasi penelitian adalah para pelaku UMKM di kedua kota tersebut yang berjumlah 300 orang dengan sampel sebanyak 76 orang. Teknik pengumpulan data menggunakan kuesioner, observasi, wawancara, dan dokumentasi. Data kuantitatif yang telah terkumpul dianalisis menggunakan pendekatan struktural Equational Modeling (SEM), menggunakan software Smart PLS. Data kualitatif hanya digunakan sebagai pelengkap analisis. Hasil penelitian menunjukkan dukungan perlindungan hukum dan dukungan kebijakan daerah berpengaruh signifikan terhadap komersialisasi produk dan keunggulan inovatif. Secara teoritis, penelitian ini memberikan wawasan mengenai komersialisasi produk sebagai variabel mediator. Dengan temuan-temuan tersebut, diharapkan muncul dukungan yang signifikan dari pemerintah sebagai regulator, akademisi sebagai pendidik, pihak swasta sebagai katalis, dan masyarakat sebagai penggerak pengembangan literasi hukum bagi UMKM di Indonesia.

Kata kunci: perlindungan hukum, kebijakan lokal, produk ekspor, keunggulan inovatif, UMKM

I. Introduction

In 2021, phase I research has been carried out and the results have been published in international journals, while in Phase II (in 2022) research has been carried out with the steps of activities that have been successfully carried out: (1) implementation and monitoring of the model produced in the first year, (2) accompany the process of registering a minimum of 10 trademarks and monitoring the implementation of e-commerce in collaboration with partners and relevant agencies in the region, (3) strengthening marketing through branding (brands) and digital marketing training, (4) advanced technical training on exports and preparation of export products, with a minimum target 1 product has been exported by the end of 2022.

The results of previous studies explain that the majority of MSMEs have a high interest in the protection of their products by registering product marks at the Directorate General of Intellectual Property of the Ministry of Human Rights Law (Purwaningsih: 2021). At this stage the results of research will be continued with a further theme, namely the readiness of MSMEs. to export their products abroad.

Many researchers reveal that many MSMEs have succeeded in exporting their products abroad, and have succeeded in developing their MSMEs into high-

performing MSMEs, while still preserving local content and relying on semi-handmade. All of them can create sustainable products even though the Covid-19 pandemic has devastated the supply chain for MSME products.

Various obstacles that are still encountered by MSMEs when they want to export are product standardization so that they can meet the minimum standards set by the government and destination countries. In addition, the product process requires high efficiency and innovation in order to have good quality that is suitable for export, in the sense of high quality products, affordable prices, high standard production processes, and business management meeting international quality standards.

These various obstacles can be carried out in a systematic, programmed, and directed manner in a sustainable manner, whether carried out by the government, campuses, NGOs, and other parties who care about the development and progress of MSMEs so that they are able to compete at the international level through export activities. With this capability, the position of MSMEs can move up a class that previously only dared to compete at the local and national level, now has the courage to compete at the international level.

The idea of this research was inspired by the thoughts of previous research such as Purwaningsih, et.al. (2017); Tofan, (2020); Hand & Martinez, (2019); Nurhikmawati & Yuhanna, (2019); Dewi, (2011). Miller, Kostogriz, & Gearon, (2009); Prabangkara, (2018); Rinawati, et.al, (2018); Harsama, et.al, (2018); Setiawan, (2016); Spyropoulou, et.al, (2011); Samuels (2015), and others, all of whom are trying to improve MSME products in order to move towards an advanced and more established realm with a high level of technological readiness and even be adaptive to the development of information and technology (IT) as well as global developments. The direction of this research focuses on regulation, support for local government policies, in order to improve the export performance of an MSMEs product based on superior product innovation.

MSMEs have a very large role in supporting the national economy and have an important and strategic role. This role can be seen from data from the Ministry of Cooperatives and MSMEs (2019) which states that in 2019 there were 59.2 million units of MSMEs, and 3.79 million of them have sold their products online, while 8 million of them have made preparations for the process. product sales online.

Gradually, the spirit of SMEs in both Yogyakarta and Central Java, Indonesia, is expected to always improve the real economic sector. All MSME actors can keep trying even though for more than 2 years the Covid-19 pandemic has hit them.

The novelty of this research lies in aspects related to the readiness of SMEs to export in terms of product protection and local government support that have not been studied by previous researchers, as well as contributing to the development of knowledge in the fields of business law, export management, resource competence. MSME actors, MSME product innovation. So it needs to be emphasized that the problem formulation is limited as follows. (1) What is the influence of legal protection support and regional policy support on product commercialization and (2) What is the role of stakeholders in increasing innovative excellence for product commercialization.

II. Method

1. Research approach

This research approach is a normative approach combined with quantitative research, especially the socio-correlational approach. In the correlational study, four variables were included consisting of two exogenous variables, one intervening variable, and one exogenous variable.

2. Population and Sample

The research locations are in the cities of Yogyakarta and Semarang, Central Java. The research population is all MSME actors who are research partners, namely SME actors in Yogyakarta who are members of the ASMAMITRA Association and MSME actors in Central Java who are members of the MSME association "Anugrah Sukses Mandiri" total 300 MSMEs. The sample technique in this study is proportional random sampling, with a sample size of 76 SMEs.

3. Data type

The types of data obtained in this study include primary data and secondary data. Primary data were obtained from: 1) juridical data, containing regulations relating to legal sources that regulate the legality of trading businesses, trademarks, copyrights, other IPR, export, and MSMEs; 2) primary data obtained through the distribution of questionnaires to 76 respondents. Secondary data comes from documentation, data from literature, books, journals, monographs, annual reports, and various official data owned by MSMEs, the Industry and Investment Service, the Cooperatives and MSME Service, and other official sources. Secondary data was also obtained through previous research reports conducted by researchers for 7 years (2012-2019) of research on traditional knowledge & local product themes (MSMEs). Secondary data sources also come from literature studies,

4. Data collection instrument

This research instrument uses an instrument developed based on the research instrument grid. The grid contains the dimensions and indicators of each variable with reference to the theory that has been developed by previous experts who researched the same concept. The research instrument for the variables supporting legal protection (x1) are 6 items, the supporting variables for regional policies (x2) are 5 items, the commercialization variable for export products (Y) are 5 items, the variable for the innovative advantage of MSME products is 6 items.

5. Method of collecting data

The method used for data collection includes distributing questionnaires and interviews to MSME actors who are research partners (Hadi et al., 2019; Hamdan & Basrowi, 2024; Nuryanto et al., 2019). The interview method was conducted by researchers to SMEs when not working or at rest (Alexandro & Basrowi, 2024b, 2024a; Junaidi, Basrowi, et al., 2024; Yusuf et al., 2024). During the visit to the research location, participatory observations were also made to see how the work and production system was carried out by MSME actors when producing goods and services (Junaidi, Masdar, et al., 2024; Miar et al., 2024; Mulyani & Basrowi, 2024).

6. Data analysis method

The data that had been collected were analyzed using a formal juridical approach. Meanwhile, quantitative data from questionnaires were analyzed using the structural method of Equational Modelling. The statistical computer software used is Smart PLS 3.0. Qualitative data sourced from participatory observations and in-depth interviews were carried out in four steps of analysis including data collection, data classification according to themes, data screening, and drawing conclusions. SEM analysis was chosen because there are intervening variables between exogenous and endogenous variables. Smart PLS is not too strict in testing the analysis needs so for legal data it is very suitable.

III. Result And Discussion

3.1. The influence of legal protection support and regional policy support on product commercialization

The author agrees with Hermanu (2016) that the extent to which the product applies technology so that it has high competitiveness, as well as the Job Creation Law and its derivatives which have provided significant support to MSMEs. The author also agrees with Baradono (2019) to increase the commercial value of MSME products to make them more innovative.

Regional policies need to provide supporting capacity that is conducive to an entrepreneurial climate that thrives. Promotion must balance legal protection, and local wisdom is the mainstay of advancing superior products. Based on the need assessment in March (25-30 March 2022) which was attended by 76 SMEs, it is tabulated in Table 1 and Table 2.

Table 1.
Instruments No. 1 to 4

Alternative answer	No 1		No. 2		No 3		No 4	
	F	%	F	%	F	%	F	%
Want it so badly	34	45%	32	42%	30	39%	31	41%
Want	19	25%	21	28%	23	30%	22	29%
Doubtful	14	18%	13	17%	15	20%	12	16%
Do not want	9	12%	10	13%	8	11%	11	14%
Really don't want	0	0%	0	0%	0	0%	0	0%
Amount	76	100%	76	100%	76	100%	76	100%

Based on Table 1, especially item number 1, it is known that the majority of people who want to use digital marketing answered really want as many as 34 people (45%), want as many as 19 people (25%), hesitate as many as 14 people (18%), and don't want to. as many as 9 people (12%). Regarding the desire to innovate products so that they are of higher quality and sell well in the market (column number 2), it is known that 32 people (42%), want as many as 21 people (28%), doubtful as many as 13 people (17 %), do not want as many as 10 people (13%). Regarding the desire to standardize products so that they are suitable for export (column number 3), out of 76 people, who answered that they really wanted 30 people (39%), wanted 23 people (30%), hesitated 15 people (20%) , and do not want as many as 8 people (11%). Regarding the desire to carry out exports or export trials (column number 4) of the 76 respondents who were given the instrument, the majority said they really wanted .31 people (41%), wanted 22 people (29%), hesitated as many as 12 people (16%), do not want as many as 11 people (14%).

Table 2.
Instruments No. 5 to 8

Alternative answer	No 5		No. 6		No 7		No 8	
	F	%	F	%	F	%	F	%
Want it so badly	31	41%	35	46%	34	45%	36	47%
Want	20	26%	18	24%	19	25%	16	21%
Doubtful	13	17%	16	21%	13	17%	15	20%
Do not want	10	13%	7	9%	10	13%	8	11%
Really don't want	0	0%	0	0%	0	0%	0	0%
Amount	76	100%	76	42%	76	100%	76	100%

Table 2 explains that, for column item no 5 relating to the desire to maximize digitization and product design, it is known that, the number who really want is 31 people (41%), wanting 20 people (26%), doubting as many as 13 people 17% , and do not want as many as 10 people (13%). Regarding the desire to register the brand (again) for your product innovation or other new products (Column item number 6), it is known that 35 people answered very much (46%), wanted 18 people (24%), doubted as many as 16 people (21%), don't want as many as 7 people (9%). Regarding the desire to make the brand a well-known brand (column number 7) know that 34 people (45%), want 19 people (25%), doubt 13 (17%), and don't want it. as many as 10 people (13%). With regard to the desire to obtain legal assistance in terms of transactions and completeness of business legality, the number of people who really want is 37 people (46%), wanting as many as 16 people (21%), doubting as many as 15 people (20%), don't want as many as 8 people (11%).

Outer model measurement

This study uses three methods of measuring reliability, namely, convergent, discriminant and composite validity for each indicator in measuring research variables. The convergent method is used to measure the validity of the indicator and is expressed by the value of the outer loading factor. For the initial stage of developing a measurement scale known as an exploratory study, a loading factor value of 0.50-0.60 is still considered sufficient. In this study, the outer loading value of each indicator is between 0.652 and 0.982, fulfilling the requirements of convergent validity (see Table 3). According to the criteria, the HTMT ratio should be less than 0.90 for the establishment of a discriminant validity model (Hair et al., 2013; 2016). Table 4 confirms that all HTMT ratios are less than 0.90. The second step is to test the validity of the discriminant and indicator in a variable, comparing the coefficient of the square root of the extracted variance (AVE) of each latent factor with the correlation coefficient between the others in the model. The recommended AVE value is above 0.5.

The AVE value for innovative excellence is 0.971, greater than the correlation coefficient between other variables, namely 0.650, 0.613 and 0.645. the value of legal protection support is 0.848, which is greater than the correlation coefficient between other variables, namely 0.728 and 0.824. The AVE for legal policy support is 0.882, which is greater than the

coefficient between other variables (0.793). Lastly, the AVE for product commercialization is 0.842. This shows that the indicators that represent the dimensions of the variables in this study have good discriminant validity (Fornell & Larcker, 1981). The third step uses composite reliability to measure the value between variable indicators. The results are said to be reliable if the value of composite reliability and Cronbach's alpha > 0.70(Chin, 1998) (see Table 5).

Table 3.
AVE, $\sqrt{\text{AVE}}$ and correlation of laten variables

Variable	AVE	$\sqrt{\text{AVE}}$	Coefficient of Correlations*			
			IA	LePS	LoPS	PC
Innovative advantage	0.943		0.971			
Legal protection	0.718		0.650	0.848		
Local policy support	0.778		0.613	0.728	0.882	
Product	0.709		0.645	0.824	0.793	0.842

Note(s): *IA = innovative advantage, LePS = legal protection, LoPS = Local policy support, PC = product commercialization

Table 4.
Heterotrait-Monotrait Ratio (HTMT)

Constructs	IA	LePS	LoPS	PC
Innovative Advantage				
Legal Protection	0.644			
Local Policy Support	0.633	0.769		
Product Commercialization	0.663	0.866	0.850	

Note(s): *IA = innovative advantage, LePS = legal protection, LoPS = Local policy support, PC = product commercialization

Table 5.
Instrument reliability test

Constructs	Cronbach's Alpha	Rho_A	Composite Reliability	Avelragel Variance Extracted (AVE)
Innovative Advantage	0.985	0.986	0.988	0.943
Legal Protection	0.922	0.935	0.939	0.718
Local Policy Support	0.929	0.935	0.946	0.778
Product Commercialization	0.915	0.926	0.935	0.709

The results of the composite reliability calculation ranged from 0.935 to 0.988 (>0.70), indicating that the indicators of these variables were reliable. Cronbach's alpha value also ranges from 0.915 to 0.985 (>0.70), meaning that the indicator is reliable and is declared free from random error problems. (MacKenzie et al., 2011).

Inner model measurement

After the outer model is tested, the next step is to test the inner model using three approaches, first, by evaluating the feasibility of the model by observing the results of the R² analysis, second, by testing the model holistically using the predict-relevance method. (Stone, 1974), and finally by calculating the goodness of fit (GoF). Calculation of Q² and GoF using the coefficient R-square (R²). R² shows the strength of the relationship/information between exogenous and endogenous variables. R² value of 0.67 is classified as a strong model, 0.33 as moderate and 0.19 as a weak model (Chin, 1998).

As shown in Table 4, the R² value of innovation advantage is 0.475 and product commercialization is 0.758. Meanwhile, according to Chin (1998), the value of R² shows moderate and strong, because it is greater than 0.33 and 0.67. The average value of 0.617 means that the relationship model between constructs is explained by 60.6%, while 38.3% is expressed by other external factors. The distribution of the Adjusted R² value is smaller than the normal R² value, meaning that it is still possible to change or expand the research model by including other latent variables (Hair et al., 2014).

After understanding that the R² test passed with a good score, the next step was to test it using the relevance predictive Q square (Q²). This is to measure how well the observations produced by the model are. Q² has a value ranging from 0 to 1, and the closer to 1, the better the predictive ability of the model (Stone, 1974). The value of Q² is calculated using the following formula :

$$\begin{aligned} Q^2 &= 1 - [(1-R^2y1) (1-R^2y2)] \\ Q^2 &= 1 - [(1 - 0.475) (1 - 0.758)] \\ Q^2 &= 1 - [(0.525) (0.242)] \\ Q^2 &= 1 - 0.12705 \\ Q^2 &= 0.87230 \text{ (} Q^2 \text{ very good predictive relevance)} \end{aligned}$$

Q² the calculation produces a value of 0.8730, which means that the model is a very good observation, thus explaining 87.30% of the relationship between variables. For comparison, the remaining 12.71% is an error factor or is not included in the research model. After done, the next step is to validate the model as a whole by testing the GoF criteria, with the size and structural type.

$$\begin{aligned} GoF &= \sqrt{com \times R^2} \\ GoF &= \sqrt{0.683 \times 0.617} \end{aligned}$$

$$GoF = \sqrt{0.4214}$$

$$GoF = 0.649$$

The GoF calculation yields a value of 0.649 close to 1 which indicates that the research model is a highly predictive model. This shows that the overall measurement accuracy of the model is outstanding. This is based on the criteria set for the GoF value, namely 0.10 (small), 0.25 (medium) and 0.36 (large). A value of 0.649 indicates that the research model is categorized as having a large GoF.

The next step is to test the effect size (f^2) which aims to obtain more detailed information about the magnitude of the variance in the dependent and independent variables in the structural equation model. The effect size criteria (f^2) are as follows: 0.02-0.15 (weak); 0.15-0.35 (moderate) and >0.35 (strong) (Cohen et al., 1998). If $f^2 = 0.02$ then the research model is classified as weak; when $f^2 = 0.15$, it is medium; when $f^2 = 0.45$ or more, it has a strong effect (Chin, 2010). The results of the analysis in Table 6 show an average of 0.365 which means that there is an indication that a mediation relationship pattern is formed in this study

Table 6.
 R^2 and R^2 adjusted

Variables	R Square	R Square Adjusted
Innovative Advantage	0.475	0.459
Product Commercialization	0.758	0.754
Average	0.617	0.606

Table 7.
Cohen effect size analysis

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
LoPS -> PC	0.293	0.280	0.126	2.316	0.021
LePS -> PC	0.499	0.510	0.105	4.766	0.000
LePS -> IA	0.311	0.304	0.068	4.563	0.000
LoPS -> IA	0.437	0.447	0.099	4.436	0.000
PC -> IA	0.287	0.281	0.088	3.279	0.001
Average	0.365				

Note(s): *IA = innovative advantage, LePS = legal protection , LoPS = local policy support, PC = product commercialization

Testing research hypotheses

After testing the outer and inner models, the next important step is hypothesis testing, which is carried out in two stages, namely testing the direct and indirect effects of exogenous and endogenous variables. In the coefficient path, as shown in table 7, direct relationships between variables are presented in the original sample.

Table 8 presents information on the analysis of the direct relationship between research variables. The path coefficient of the direct relationship between legal protection support and product commercialization is $4.766 > 1.96$, which is significant, and hypothesis 1 is accepted. The coefficient of the relationship between local policy support and product commercialization is $2.316 > 1.96$, which is significant so that hypothesis 2 is accepted. The path coefficient of the direct relationship between legal protection support and product commercialization is $4.766 > 1.96$, which is significant, and hypothesis 1 is accepted. The coefficient of the relationship between regional policy support and innovative excellence is $2.316 > 1.96$, which is significant so that hypothesis 3 is accepted. The path coefficient of the direct relationship between legal protection support and product commercialization is 4.563 , which is significant, and hypothesis 1 is accepted. The coefficient of the relationship between regional policy support and innovative advantage is $4.436 > 1.96$, which is significant, therefore hypothesis 4 is accepted. The correlation coefficient between product commercialization and innovative advantage is $3.279 > 1.96$, which is significant so that hypothesis 5 is accepted. The results of the research with SmartPLS software are presented in Figure 1.

After obtaining the results of a direct relationship between variables, the next step is to determine the position of the mediating factor indirectly (see Table 9). In this research model, there is a mediation pathway that is tested, namely product commercialization. Based on the analysis of the indirect effect, it can be concluded that (1) product commercialization as a mediating variable for legal protection support for innovative advantages is significant, because the probability value = $0.039 < 5\%$, which means that hypothesis 6 is supported. (2) product commercialization as a mediating variable for regional policy support for innovative advantages, because the probability value = $0.010 < 5\%$, then hypothesis 7 is supported.

Table 8.
Path Coefficient

Costructs*	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Decision
LoPS -> PC	0.293	0.280	0.126	2.316	0.021	Support
LePS -> PC	0.499	0.510	0.105	4.766	0.000	Support
LePS -> IA	0.311	0.304	0.068	4.563	0.000	Support
LoPS -> IA	0.437	0.447	0.099	4.436	0.000	Support
PC -> IA	0.287	0.281	0.088	3.279	0.001	Support
Average	0.365					

Note(s): *IA = innovative advantage, LePS = legal protection, LoPS = local policy support, PC = product commercialization

Table 9.
Test of mediation effects

Constructs*	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Decision
LePS -> PC -> IA	0.084	0.080	0.046	1.821	0.039	Support
LoPS -> PC -> IA	0.143	0.145	0.055	2.584	0.010	Support

Note(s): *IA = innovative advantage, LePS = legal protection, LoPS = local policy support, PC = product commercialization

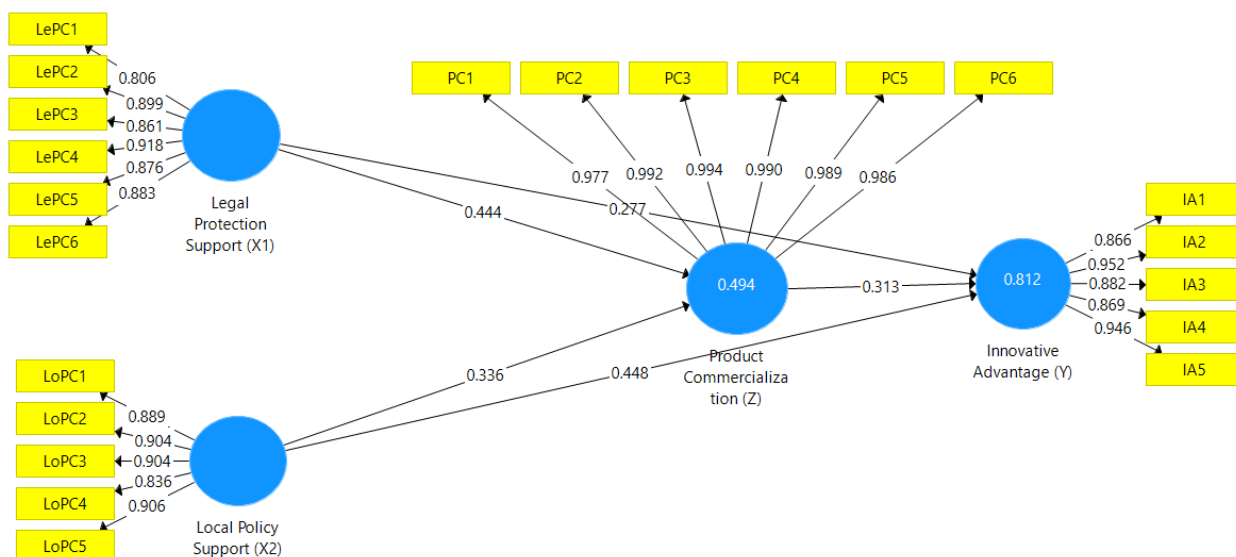


Figure 1.
SmartPLS analysis

3.2. The role of stakeholders in increasing innovative excellence for product commercialization

Based on the FGDs in both Semarang and Yogyakarta (26 and 27 March 2022) followed by a need assessment of export readiness and export technical training and digital marketing, it is known. that a small part of the research subjects are ready for export, from SMEs in Central Java there are 5 products that are ready for export and from SMEs in Yogyakarta as well as 5 SMEs products that are ready to export. The researcher also presented SME players who had succeeded in exporting in 2022 to motivate and share their experiences and technical skills related to export procedures and product readiness and completeness of files.

Interview with Sudaryati MSME from Wonosobo (4 April 2022 in Jakarta) he has carried out the export of herbal drinks (*Jamu*) under the “*Rumpun Padi*” brand, to Suriname and Italy, currently waiting for stable shipping costs and currently saving on packaging contents.

In May, the chairman of ASMAMITRA Yogyakarta (2 April 2022) stated that currently, the urgency of training on product standardization for exports, facilitated by the SME department. For marketing using e-commerce, they choose to join local-owned e-commerce to make it more efficient and effective. He also thanked the research team for providing advanced technical training on exports and digital marketing.

The same thing was conveyed by Sobirin, the chairman of “Anugrah Sukses Mandiri”, Central Java, that several SMEs were ready to advance for the export share. Septi, an SME player in Bantul Yogyakarta (March 28, 2022) stated that his products were ready for export, and he had prepared the legality of the distribution permit for the Food and Drug Supervisory Agency (BPOM) and halal labels. The products are traditional drinks (instant herbs and chopped) as well as soap mask scrubs with the Sekar Jawi brand have also been registered.

Latifudin, an SME player in Yogyakarta (1 April 2022) stated that he still needed capital for lab equipment for product testing, he was ready to export and register Indonesian National Standard (SNI) products. The product is gurah tea and the brand has been registered.

Dian, an MSME player in Yogyakarta (interview 3 April 2022) has also conducted export trials with his turmeric and tamarind products to Japan, Korea and Malaysia, but during this pandemic it was hampered to continue.

He hopes to receive assistance on market surveys for each export destination country and negotiation procedures.

Fajar, an SME player in Pemalang, Central Java (29 March 2022) with a variety of snacks made from pineapple, is ready for export but is still confused because he doesn't have experienced human resources, so he needs export assistance.

Based on the results of the interview, it is known that the respondents' wishes include: 1) completing the legality of products such as S-PIRT, Halal, upgrading the RBA NIB, improving labeling, packaging, etc. I hope that the marketing procedure to overseas will be easier, 2) participate in export training, 3) With quality and supplies for export, we can fulfill it, 4) Can export various types of frozen / dry bread so that it will last a long time when it is exported, 5) Our products still require many stages. Currently we have just completed the legality of the product, because the halal certificate has been fulfilled, only less than BPOM, as a minimum standard, 6) Improving product quality and quantity, 7) PIRT management has not gone down, the list of brands via google foam is still having problems, hopefully it can be done soon resolved, so that they can send products for export, 8) Increase the stock of raw materials for products and maintain the quality of the original taste of the chips in the hope that in the future they can participate in the export of 'melinjo' chips abroad, 9) Try to register for a certificate of Indonesian national standard (SNI)/HACCP , 10) Obtaining a distribution permit, 11) halal certification, product innovation from liquid products to instant products, adding and or updating production equipment, 12) Introducing products through social media, I hope to make exports for MSMEs easier for permits, 13) Improving quality products, 14) increase production capacity, 15) products can be developed abroad, 16) increase production capacity by bro, hope to be able to export.

The results of the above research are in principle in accordance with the findings of Purwaningsih, et.al. (2017); Tofan, (2020); Hand & Martinez, (2019); Nurhikmawati & Yuhanna, (2019) which in essence found that the export of MSME products can be carried out when the product has received legal protection and has good quality.

The results of this study are also in accordance with the findings of Dewi, (2011); Miller, Kostogriz, & Gearon, (2009); Prabangkara, (2018) which states that products with high innovation with the most up-to-date

technology touch are expected to be able to penetrate exports, because they can compete in the global market

The same thing was also stated by Rinawati, et.al, (2018); Harsama, et.al, (2018); Setiawan, (2016); Spyropoulou, et.al, (2011); Samuels (2015), (Baradono, 2019) Yang, et.al (2017); Johansson (2002) who found that, the better the MSME product, the greater the opportunity to seize the international market. Neilson (2018) and Delphine Marie-Vivien (2017) find that patents, copyrights, geographical indications and brands owned by SMEs will be able to provide good legal protection.

So the role of stakeholders is intended to be a pentahelix approach, both central and regional governments, the industrial board as partners, aggregators, campuses, MSME associations, working together to help the growth and development of MSME products. The role of stakeholders is truly beneficial for Indonesian MSMEs

IV. Conclusion

Regional policies need to provide supporting capacity that is conducive to an entrepreneurial climate that thrives. Promotion must balance legal protection, and local wisdom is the mainstay of advancing superior products. The strategy that can be used to improve the quality of MSME products. The strategy that can be used to improve the quality of MSME product innovation in the context of export is to increase the types of legal protection for MSME products such as Copyrights, TRADEMARKS, Geographical indications and others. In addition, it is also necessary to increase support from local governments in the form of providing capital incentives, financing for trademark management, assistance in submitting geographical indications, socialization and export strategies. All of this will motivate the heads of MSME actors to continue to innovate by utilizing technology. When technology-based innovation can be carried out, product quality will increase, competitiveness in local and global markets will increase, MSME performance will increase, and MSME sustainability will be wide open. Legal certainty in the form of business legality supported by the local government will increase the opportunities for MSMEs to export. With the efforts of MSMEs to be promoted as exporters, the motivation to continue to innovate products with a touch of high-level technology will continue to be carried out, so that the independence of MSMEs, product competitiveness, and the welfare of MSME actors will increase.

The role of stakeholders in increasing innovative excellence for product commercialization is expected. The role of stakeholders is intended to be a Penta helix approach, both central and regional governments, the industrial board as partners, aggregators, campuses, MSME associations, working together to help the growth and development of MSME products. The role of stakeholders is truly beneficial for Indonesian MSMEs.

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