

PROMOTIONAL STRATEGY PLANNING AT CV. ARTHA LINE

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ABSTRACT

The purpose of this study is to formulate a promotional strategy plan based on the stages of developing a promotional communication strategy at CV. Artha Line. The problem faced by CV. Artha Line as a company offering modern swimming pool products and services is how to maximize the promotion to end-users. The promotions that have been carried out so far by CV. Artha Line are directed towards B2C. Therefore, it is necessary to formulate a promotional strategy plan to increase sales to end-users. The sources in this study include the marketing manager of CV. Artha Line, two company owners who shared the same sales and promotion system, and two CV. Artha Line consumers. Meanwhile, the data analysis technique used is source triangulation.

Based on the analysis conducted by the researcher, it was found that the stages of promotional communication strategies carried out by CV. Artha Line are different from the theories belonging to Tjiptono and Chandra. This difference is permissible in the verivicative qualitative concept. The stages of CV. Artha Line's promotional communication strategy are as follows: (1) Determining the target audience, (2) determining the promotion goals, (3) designing promotional messages, (4) compiling promotional budgets, (5) choosing communication channels and (6) choosing integrated promotional mixes. This discussion also links the five promotion mixes into the AISAS aspect.

Keywords: *promotional strategy, promotion mix, construction company, swimming pool liner.*

INTRODUCTION

One of the industries that has become Indonesia's flagship in 2018 is the construction industry. Construction industry attracts business people because the Indonesian market provides the best environment for supply and demand, starting from raw materials, labor, and the relatively large number of consumers. The massive development of infrastructure in all fields, both on land, sea and air, which is the current predominant program of the government, also drives the growth of the construction industry and hence this market is now becoming a serious bone of contention for both national and transnational companies.

The development in the construction industry is strengthened by the report of the Construction Executives Association of Indonesia (Gapensi) 2018, which stated that Indonesian construction market is the largest construction market in Southeast Asia. Meanwhile in Surabaya, in the BPS Surabaya 2018 report, the construction industry in 2017 ranked third in the business field that experienced the highest growth, which was 6.92 percent. This figure is predicted to continue to rise as the consuming class's sharp increase of 41.29 percent from the previous 13 percent of the total population of 3.057 million people The predicted increase in growth in the city of Surabaya occurs because Surabaya is used as a reference city for trade in goods and services, shops, industry, education and other activities for the eastern region of Indonesia.

The increase in the construction industry's growth according to BPS 2018 became the main trigger for growth in other sectors, such as the growth and development of various fields,

especially economic, social and cultural, and it ultimately resulted in an increase in people's income. In the 2017 economic growth report, Bank Indonesia recorded an increase in income resulting in consumption adjustments, especially for the middle class. Changes in consumption patterns are also reinforced by the BKPM (Capital Investment Coordinating Board) report in 2018, which stated that the society is entering the era of lifestyle, namely changes in people's lifestyle from shopping for goods to shopping for leisure such as tourism and lifestyle.

By looking at the growth of the construction industry, the population, the economy, and the shifting lifestyle that develops both nationally and locally, the most potential business field in the future is the construction business that is related to lifestyle. One example of this is the swimming pool construction business. Based on the regulation of LPJK (Construction Services Development Board) No. 10 of 2013, pool construction business is included in the classification of business fields of a special nature. The definition of a swimming pool was as an overlay of ceramic or cement coated (terrazzo) soil and was used as a place to channel swimming hobbies. However, nowadays swimming pools have an added value, not just a place to exercise but also a place to gather, relax, and a form of recreation. One of the businesses that runs in the construction of a modern swimming pool in Surabaya is CV. Artha Line. This company was established in 2017 as an official dealer of PT. Artha Royal Mandiri. With an official dealer status, CV. Artha Line gets project area rights covering eastern Indonesia. Pool liner contractors have 5 products and services, namely: Solid Pool Panel structure, Elbe Line liner, Solid Pool filter, maintenance, and liner pool consultant.

For the past 2 years CV. Artha Line has carried out door-to-door promotions, exhibitions, and social media promotions. CV. Artha Line utilizes booklets, pamphlets that are included when promoting door-to-door by visiting contractors, architects, projects in progress, and private homes. The door-to-door method is actually quite effective; this can be seen from the responses received, from 20 times promoting door-to-door, 1-2 targets followed up by conducting consultations and transactions. Architects or contractors even went as far as introducing them directly to the owner to follow up on their own. When viewed from the composition, the highest number of projects resulted from synergies with high-end architects and contractors in Surabaya. Artha Line also participated in 3 exhibitions, namely Mega Biltek 2018 in Makassar, Indo Biltek 2018 in Jakarta, and East Java engineering 2018 in Surabaya.

In connection with the lack of effective promotion, CV. Artha line must look for more effective and efficient promotional strategies to reach a wider market and to achieve the company's turnover target. Therefore, it is necessary to do a comprehensive analysis to formulate promotional strategy plans for CV. Artha Line. According to Kotler (2015), promotion plays a key role in a business. Finance, operations, and other business functions will not run well without the demand for goods and services that make up the profit. According to Tjiptono (2015), promotion is one of the determinants of the success of a marketing program. No matter how high the quality of a product, if the consumers have never heard of it or are not sure that the product will be useful to them, they will not be interested in buying it.

LITERATURE REVIEW Strategy

Walker and Mullins (2014) state that strategy originates from the Greek word strategos that comes from the word stratos, namely the art of planning and directing military operations on a large scale with the aim of defeating the enemy. Strategy is a fundamental pattern regarding both current and planned goals, the distribution of resources and organizational interactions with markets, competitors, and other environmental factors.

Promotional Strategy

Promotional strategies according to Cravens (2006) are planning, implementing, and controlling of communication from an organization to consumers and other targets. Promotion is one of the determining factors for the success of a business marketing program.

Developing an Integrated Promotional Communication Strategy

According to Tjiptono and Chandra (2012) the main steps in developing an integrated promotional communication strategy are as follows:

- a. Identifying the target audience

Determining the target audience will influence decisions about what, how, when, where, and to whom the message will be delivered.

- b. Determining promotional goals

The purpose of communication is directed at developing the expected response in three stages, namely cognitive, affective and conative.

- c. Designing communication messages

In determining the message on a promotion, companies must be able to build a two-way communication with consumers. Tjiptono and Chandra (2012) explain that in planning messages, there are four main issues that are interrelated with each other, namely what is to be conveyed, how to deliver logically, how to convey it symbolically (message format) and who must deliver (message source).

- d. Choosing a communication channel

Communication channels used in a promotion must adjust to the target market or prospective business customers. Broadly speaking, communication channels are divided into two, namely personal channels and non-personal

- e. Preparing a promotional budget

The goals to be achieved must be considered in making a promotion budget. Determining the amount of the promotion budget is carried out to find out various costs in promotional programs, for example incentives, duration of time, means of promotion, range of distribution and other factors. At least, there are four methods for determining promotion budgets, namely Affordable method, Percentage of sales method, Competitive-parity method, and Objective- and-task method.

- f. Choosing an integrated promotion mix

According to Kotler and Armstrong (2006) the promotional mix is a specific blend of advertising, sales promotion, public relations, personal sales and direct marketing, events and experience, online and social media, and word-of-mouth marketing. This promotional mix is used by companies to communicate customer value persuasively and build relationships with customers.

AISAS (*Attention, Interest, Search, Action, Share*)

According to Sugiyama and Tim (2011) AISAS is an online consumer behavior model introduced by the Dentsu group, the largest advertising company founded in Japan. AISAS stands for Attention, Interest, Search, Action and Share. AISAS can be seen from the process of a consumer paying attention to products, services, or advertisements and is interested so that the desire arises to gather information (search) about the item and then this consumer takes action and share.

RESEARCH METHODS

This study uses verificative qualitative methods i.e. research that emphasizes more on data collection and field results. Whereas the relationship with the theory is that verification is more open with field data than with the theory and tends to use an inductive approach to analysis. According to Bungin (2011), the ontological view of verificative qualitative research is post-positivism: view based on the truth of natural law. The epistemological argument in verificative qualitative research involves the researcher both as an object and a subject. The aim is to know the truth in a deeper level. The advantage of this research is to provide corrections to studies and to look at the research in depth. Meanwhile the data collection method used is the

in-depth interview method. In-depth interview according to Bungin (2011), is a face-to-face interview process to obtain information for research purposes by way of question and answer between interviewers and informants or people interviewed. Data analysis was conducted based on the results of interviews with five research informants conducted in April 2019, namely the marketing manager of CV. Artha Line, the owner of Galaxy Alumium, the owner of PT. Fortuna Badja Inti, and two consumers who used the service of CV. Artha Line. Two informants who are owners of companies in similar business field were used in this study as benchmarking reference for CV. Artha Line. Data from semi-structured interviews are processed using Miles and Huberman analysis stages, namely data collection, data reduction, data display and conclusions. Analysis of the stages of promotional communication strategies belonging to Tjiptono and Chandra (2012), namely: (1) identifying the target audience, (2) determining the purpose of promotion, (3) designing communication messages, (4) determining communication channels, (5) preparing budgets, and (6) choosing the promotion mix. This analysis was carried out to identify how the process of communication strategy stages carried out by CV Artha Line. The analysis of the stages of the promotional communication strategy was carried out to identify the promotion process that CV. Artha Line had carried out to formulate the company's strategy. Lastly, it is to identify the link between promotional communication strategies planning with the AISAS concept (Attention, Interest, Searching, Action and Share).

DISCUSSION

1. Identifying the target audience

CV. Artha Line has identified specific and clear target audiences based on the products and services promoted. Target audiences based on the analysis of interview results are as follows: influencers are architects and contractors of luxury homes, the decider is the owner who is categorized by having a large house and or house located in luxury housing in Surabaya.

2. Determining promotional goals

Analysis of interview results lead to the planning of two promotional objectives by CV. Artha Line, namely brand awareness and increasing sales.

3. Designing communication messages

CV. Artha Line is fair in conveying the positive and negative sides and rational appeal. The positive side is conveyed by giving an explanation of product excellence, while the negative side is explained by providing information that the product is expensive because it is guaranteed in quality, has European standards and has a warranty.

4. Preparing a promotional budget

In the case study of CV. Artha Line as a company that is only two years old, the promotion budget is not the main priority. Promotional budgets issued only for the manufacture of print media, namely booklets, pamphlets and when participating in exhibitions. Budget determination on CV. Artha Line uses the Affordable method.

5. Choosing a communication channel

The communication channel chosen by CV. Artha Line as a premium modern swimming pool contractor with a high-end market target is the personal channel.

6. Choosing an integrated promotion

mix

CV. Artha Line chose five promotion mixes, namely (1) sales promotion, (2) personal promotion, (3) direct marketing, (4) online and social media and (5) word of mouth.

CONCLUSIONS AND RECOMMENDATIONS

- (1) Identifying the target audience; based on the analysis of the interview results, the strategy that can be used is to identify the target audience with data mining by means of field surveys and other methods.
- (2) Designing communication messages; based on the analysis of the interview results, the strategy that can be used is to strengthen the rational appeal, namely the concept that CV Artha Line's swimming pool is modern and it has European standard that is environmentally

- friendly. Another rational appeal would be the brand value and country of origin.
- (3) Determining promotional goals; based on the analysis of the interview results, there are two promotional objectives planned by CV Artha Line, namely brand awareness and increasing sales.
 - (4) Preparing a promotional budget; based on the analysis of the interview results, the strategy that can be used is to allocate promotional budgets to increase sales through the Percentage-of-sales method.
 - (5) Choosing a communication channel; based on the analysis of the interview results, the strategy that can be used is to continue to use personal media because communication built through this personal media is proven to be able to increase sales since consumers can get details about the products and services being promoted.
 - (6) Choosing an integrated promotion mix; the promotion mix chosen by CV Artha Line are
 - (1) sales promotion, (2) personal promotion, (3) direct marketing, (4) online and social media, and
 - (5) word of mouth.
 - a. Sales promotion; retain the strategy of price discounts, warranties, and adding a strategy that is diverting discounts to homeowners in the form of longer after-sales maintenance from 6 to 12 visits.
 - b. Personal selling; active at every opportunity can meet potential customers and consumers and maintain ongoing communication. After this project, it is expected that consumers also promote the company by providing recommendations on the satisfaction of CV. Artha Line's products or services, and finally the use of props that are more modern so that consumers can better understand. Hence, sales with the use of these strategies will affect sales volume.
 - c. Direct marketing; develop tools used in direct marketing, namely e-mail, telemarketing, and bid proposals both offline and online. Direct marketing with these tools has been proven in research to be able to increase sales.
 - d. Online and social media/Interactive marketing; begin planning online promotions, namely websites, social media, and blogs, as soon as possible. Online promotion has been proven in research to be able to increase sales.
 - e. Word of mouth; add online promotion by presenting interesting content that is often shared on social media as part of word of mouth.

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