EVALUATION OF PROMOTION MIX ON NASTARKOE COMPANY

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ABSTRACT

Nastarkoe need to evaluate and explain the chosen alternative of promotion mix in order to enhance sales. This research was based on the instability of the company’s revenue, which is relatively going down as it did not get enough promotion. The preliminary survey of this research was conducted to consumers who had already purchased two or more Nastarkoe products from Surabaya. Qualitative method using semi-structured interview, observation, and documentation is used on this research. Validity and reliability of the data in this study were checked by triangulation of data sources, in which the results of data information through different sources are compared. Data analysis using interactive model according to Miles and Huberman, consist of: data collection, data reduction, data display, and conclusion or verification. The results show that Nastarkoe had not been effective and optimal in using the eight elements of promotion mix. Nastarkoe’s promotion mix of advertising, sales promotion, public relations & publicity, and interactive marketing is still considered weak. While the promotion mix of events & experiences, direct marketing, word of mouth marketing, and personal selling were considered good. Therefore, companies need to improve the weakest link of promotion mix, also to maintain and improve the better promotion mix to enhance the effectiveness of Nastarkoe sales. Eight promotion mix are really important to be applied on Nastarkoe firm. However, it is difficult for Nastarkoe to apply them all at once as there were limitation on budget and human resources. Hence, their effectiveness was put in order, which resulted in direct marketing, advertising, and personal selling to be prioritised. On the other hand, events & experiences, public relations & publicity, and sales promotion will be applied in the future alongside the growth of Nastarkoe company.

Keywords: Promotion, Promotional Mix, Marketing Communications, Cookies Promotion

INTRODUCTION

Exactly on January 1, 2016 ago Indonesia entered the open market of Southeast Asia or better known as the ASEAN (Association of Southeast Asian Nations) Economic Community. It is an economic integration of the ASEAN countries aimed at removing the barriers to economic activities across nations such as trade in goods, services and investment (www.ekonomiplanner.com, 2016). ASEAN Economic Community is both an opportunity and a threat to the business world. Its existence create the opportunity for all parties to enter the market both from domestic and abroad without any restrictions, which result in tougher competition in the business. Therefore, every company must be careful on their business environment by doing continuous evaluation of strategy taken in order to survive and compete, amid the tight competition. Indonesia ranks 4th as the most populous country with a population of 258,000,000 in 2016 (www.internetworldstats.com, 2016). The number of population in
Indonesia has increased from year to year with the total population growth in Indonesia starting from 2006 as much as 222,700,000 people until the year 2015 which reach 255,460,000 people. This means that on average every year the population of Indonesia raises about 3,000,000 inhabitants. It is projected that the population of Indonesia will continue to increase to 271.1 million in 2020 and reach 305.6 million in 2035 (kompas.com, 2016). Economic growth of a country is determined by many factors including its population. Indonesia ranks third as the fastest growing country in the world after China and India (World Economic Outlook Database, 2012). One of the factors that trigger economic success in Indonesia is the growth of middle class and its stability on macroeconomics. This leads Indonesia into one of the lucrative opportunity for investors because of its demographic character. Central Bureau of Statistics revealed that the economic growth in Indonesia from 2009-2011 has increased quite sharply. However, after its climax in 2011, GDP (Gross Domestic Product) growth in Indonesia began to slow down. It is the result of less conducive condition of the world economy. Referring to the evaluation of the Indonesian economy in previous years, Bank Indonesia estimates that the Indonesian economy in the next year will improve. One sector of the economy focus for the current government to be the driving force for Indonesia's economic growth is the industrial sector (Inspirasibangsa.com, 2016). In the midst of the economic slowdown, Indonesia is able to maintain the domestic industry sector to continue on growing so that the economic conditions remain conducive. Based on the five largest sectors of industry contributing to economic growth in Indonesia on 2014, the dominating industrial sector is the manufacturing sector (food & beverage) with a percentage of 21.02% with 4.63% growth (Liputan6.com, 2015). Therefore, the processing industry of food and beverages has the highest role for economic growth in Indonesia. The Ministry of Industry said that in the first quarter of 2015 the growth of food and beverage industry in Indonesia reached 8.16% or greater than the growth of non-oil and gas industry by 5.21%, while the national economic growth of 4.71% (www.kemenperin.go.id, 2016). Based on Bsisnis.com (2013), from 2011 to the second quarter of 2013 the formation of GDP in Indonesia is dominated by Java with 58.15%. Java has the largest contribution to economic growth in Indonesia. East Java is one of the provinces in Java that contributes the second largest with a percentage of 15.21% for the national economy (Bisnis.com, 2013). Central Bureau of Statistics (2016) revealed that the business with the highest contribution to the East Java’s Gross Regional Domestic Product (GRDP) is Processing Industry (food and beverages) with a percentage of 28.95% in 2014 and increased to 29.27% in by 2015. The processing industry is also the largest growth by sector in East Java of 1.57% in 2015. According to www.jatim.bps.go.id, East Java’s GRDP that was gained from the food, beverage and tobacco industry subsectors, which continued to increase from 2009 to 45,170,406 to 57,077,658 in 2013. The data indicates that public purchasing power increases alongside the increase in GRDP. It means that there is a lucrative opportunity in the food and beverage industry in East Java. Moreover, the number of residents in East Java continues to increase from 37,566 in the Year 2010, 38,610 in 2014 to 38,847 in 2015 with population growth rate per year (%) of 0.69%. This growth in East Java would certainly have an impact on increasing basic needs. Food is a primary need that is very important and must be met for human survival. The increase in the number of residents had strengthens the opportunities in the food industry in East Java. One type of business of the food industry is the pastry industry, including cookies as one of the type of a snack. Cookies are very popular in Indonesia’s people, considering their love of eating snacks. Pastries are also part of Indonesian society’s culture as a dish for social and religious events. Cookies are not only consumed personally but also given to friends or relatives as gifts. Based on its product’s life cycle, pastry is a kind of seasonal product. So the demand for this product tends to be high on certain months, such as Lebaran and Christmas events. Based on an article submitted by the Ministry of Industry of the Republic of Indonesia (2016), Mrs Eko Marnuariani, a cookies entrepreneur at Solo, usually achieve 4000 jar cookies in Ramadhan sales, while in normal day sales only for around 200-500 jars. This indicates that the pastry product on a typical day is less desirable to consumers, so the demand tends to be low. Nastarkoe is a new company engaged in the food industry with products such as nastar cookies. This company is established since January 2016 by the researcher. The Nastarkoe firm was built based on a huge opportunity in the food industry in East Java. Given the pastry product life cycle described earlier, Nastarkoe as a
pastry company desires its products to exist in consumers minds in every season. In other words, Nastarkoe can be a daily snack for its customers. Therefore, the company performs various ways that begin by determining the positioning of the Nastarkoe product as a premium quality nastar cookies with innovative flavor variants that can be enjoyed by consumers at all times. Nastarkoe company also provides facilities to its customers to be able to customize the selection of their own taste variant and filling as desired by the consumers. Thus, positioning of Nastarkoe’s product might advance from the products’ diversification that creates nastar cookies trends with innovative flavors that can be tailored to the tastes of consumers. Diversification of this product is one of the company's strategy for Nastarkoe products to differ from competitors and attract the attention of consumers to buy not on certain events only. In addition, the nastarkoe company also creates a trend where nastar snack products can be made into souvenirs not only during Christmas or Lebaran but also at events that are not identical with pastries. This was done by designing product packaging for various events such as: birthday, valentine, easter, engagement, etc. Moreover, customers are allowed to request their own packaging design as desired for a particular event. Besides, the company was using additional efforts such as: promotion in social media, establish stand in exhibition, and supply product to distribution agent. Its intention is to be closer to the consumer, and to instill a positioning in their mind that Nastarkoe products are a snack that can be enjoyed at any time. Besides the opportunity of entering the food industry with all the advantages offered, Nastarkoe got its challenges, especially regarding the existence of a new company with the conditions of competing with similar companies that already exist. Nastarkoe company situated as a new business demonstrated a strong consumer bargaining power. It means that consumers are faced with number of food products snack both local and imported products, while Nastarkoe products themselves are new and not widely known by the public. Considering the strong consumer bargaining power, the Nastarkoe company needs to review the marketing aspect. Marketing is the process of planning and conception, pricing, promotion and distribution of ideas, goods, and services to create exchanges that will satisfy the goals of individuals and organizations (American Marketing Association in Setiyaningrum, 2016:7). Nastarkoe marketing activities started from January 2016, it began with implementation of marketing mix strategy, which consists of: determination of product, price, place, and promotion. The Nastarkoe product determined as a nastar pastry snack with a range of innovative flavors. The selling price of Nastarkoe products is from Rp 45,000, - to Rp 80,000, - with profit margin of 50% from the selling price. Nastarkoe products are distributed in Surabaya (East Java) and Semarang (Central Java). In order to reach the consumers, the company uses several ways, namely through social media such as: Instagram, BBM, Line, and Whatsapp which is the main promotion or sales media. Furthermore, it follows exhibitions and supplies its product to the distribution agency. Promotions made by the company Nastarkoe was certainly different from its competitors. According to Kotler and Armstrong (2012: 76), promotion is an activity that communicates the benefits of a product and persuades the target consumers to buy the product. Promotions play a role to inform, to persuade, & to remind consumers to respond the products or services offered with various forms of response ranging from the awareness of the product or service existence to actual purchase (Setiyaningrum et al., 2015: 223). Kotler in Syamsu et al. (2014: 1) added that promotion as one of the four marketing mix processes, is an important aspect considering it is the last thing that a company does after finishing the other marketing mixes. Although the products offered have a good quality or have good distribution channels and strategic locations, they will be meaningless without the support of promotional strategies (Constantine et al., 2016: 147). Marketing mix is one of the tools used to gain market share with promotional mix as one of the most important (Syamsu et al., 2014: 1). According to Kotler and Keller (2013: 500), there are eight promotional mix elements: Advertising, Sales Promotion, Event & Experience, Public Relations & Publicity, Direct Marketing, Interactive Marketing, Word-of-Mouth Marketing, and Personal Selling. Nastarkoe already did most of the elements of promotion mix. However, the company felt that the strategy was not very effective so far. This was presented by the acquisition of the company's sales that were still not very optimal. The company's sales from January to September 2016 were still unstable and mostly could not reach the set targets. Even more, in the period from March to April and July to September tend to decline. Sales that could reach the target and at the same time was the highest
sales by Nastarkoe only existed in June, which is the month before Lebaran. It proved that the promotion mix of the company was not effective by far, so it could not play a maximum role in increasing Nastarkoe’s sales. This is further reinforced by the results of pre-interview that the promotion of the company is still lacking and not optimal. Nastarkoe company realized that promotion is important for a company to run its business. However, Nastarkoe company had not done scientific research on promotions that can increase its sales. Therefore, Nastarkoe company need to focus on the promotional strategies that can lead consumers to choose Nastarkoe products. It needs to evaluate and determine the right mix promotion strategy for the company. Through this research, Nastarkoe’s promotion that had been done was assessed for its effectiveness to be developed or replaced if it is not effective. It must be done so that Nastarkoe can excel from its competitors and can achieve the company's goal of increasing the sales turnover. Furthermore, the researcher wanted to examine deeper on the appropriate promotion mix in order to raise its importance in increasing the sales of Nastarkoe company. Hence, the researcher will conduct a study entitled: Evaluation of Promotion Mix On Nastarkoe Company. It aimed to: evaluate and understand the proper promotional mix for the Nastarkoe company to improve sales.

LITERATURE REVIEW

Marketing
According to the American Marketing Association in Setiyaningrum (2016: 7), marketing is the process of planning and conception, pricing, promotion and distribution of ideas, goods and services to create goals satisfaction from exchanges for either individuals or organization. Marketing mix is one of the tools used to gain market share, and promotional mix is one of the most important part in getting market share (Syamsu et al., 2014: 1).

Promotion
Tjiptono in Constantine et al. (2016: 147) states that promotion is an important contributor to the success of marketing programs. According to Kotler and Armstrong (2012: 76), promotion is an activity that communicates the benefits of a product and persuades the targeted consumers to buy the product. Promotion is useful in informing, persuading, & reminding customers to respond to products or services offered with various forms of response, from the awareness of the product or service to the actual purchase (Setiyaningrum et al., 2015: 223). The tasks and promotional purposes of Setiyaningrum et al. 2015: 223 are explained as follows:

Informing
Informative promotions seek to transform an existing need into a desire or to stimulate an interest in a new product. In general, people will not buy a product or service before it is profitable to them. It usually occurs in the early stages of a product's life cycle.

Persuading
Persuasion is objected to encourage people to do brand switching and to turn them into loyal customer. Promotion and persuasion techniques can be overly encouraging (persuasive), which can lead consumers to buy unnecessary products. This form of promotion usually occurs at the growth stage of a product's life cycle.

Reminding
Promotion is also used to maintain a brand in the minds of consumers. The assumption is that the destined market has been convinced of the goods or services offered to be great. The purpose of this promotion is to remind the existence of certain products in the market. This form of promotion is primarily done at the stage of maturity of the life cycle of a product.

Communication
Communication is a verbal and nonverbal form of information between someone expressing the idea to the one accepting it (Setiyaningrum et al., 2015: 229). According to Setiyaningrum et al. (2015: 229), promotion is a form of communication, so it is necessary to know the effective communication by learning its process. Communication involves seven elements: sender, encoding, message, decoding, receiver, response, and feedback (Kotler and Armstrong in Setiyaningrum et al. (2015: 230)). In delivering the message, there is noise that hinder the process of delivering it correctly, which may result in misinterpretation. In addition, Setiyaningrum et al. (2015: 231) said that in order to obtain effective communication, the sender
must know which consumers are the target, also the expected responses. In the communication process, media should get special attention as it is used to channel the news or promotion.

**Promotion Mix**

Promotion mix is one of the effective marketing strategies of the marketing mix. In selling a product, a company must develop an effective communication program to consumers to communicate the information to lead the customer action to benefit the company. According to Kotler and Keller (2013: 498), promotional mix or marketing communication mix is a tools by which companies seek to inform, persuade, and remind consumers directly or indirectly about the products and brands that are sold. Meanwhile, Kismono in Pondaag (2016: 134) said that promotion mix is providing information about the company's products or services, to influence potential consumers to make purchases, and to get them memorise it, or became loyal to the products offered. The promotional mix designed by each company must vary, depending on the company's goals, promotional strategies, product characteristics, and characteristics of its target market. It is the best strategic combination of the various variables planned to achieve the sales program. According to Kotler and Keller (2013: 500), there are eight promotion mix elements: Advertising, Sales Promotion, Events & Experience, Public Relations & Publicity, Direct Marketing, Interactive Marketing, Word-of-Mouth Marketing, and Personal Selling. A company needs to know the elements of the promotion mix in order to understand the marketing process and develop effective promotional strategies.

**Advertising**

Advertising is a non-personal form of presentation and promotion of ideas, goods or services by someone or sponsor identified in the media, such as magazines, newspapers, posters, direct mail, radio, television, catalog and circular (Setiyaningrum et al., 2015 : 233). Advertising is a promotional mix that is almost done in all companies that sell goods or services. Ads have the advantage of being able to reach not only the masses, but also the small groups which are both potential customers.

**Sales Promotion**

Sales Promotion is a key in marketing campaigns consisting of short-term incentives designed to stimulate faster or bigger purchases of certain products or services by consumers or traders (Kotler and Keller, 2013: 541).

**Event & Experience**

Event & Experience is a company-sponsored activity and program designed to create daily interactions or interactions related to a particular brand (Kotler and Keller, 2013: 500). According to Shimp (2014: 599), event sponsoring including sport events; attractions & entertainment tours; art & cultural institutions; festivals, exhibitions, and annual events; as well as various other forms.

**Public Relations & Publicity**

Public Relations & Publicity is a variety program designed to promote or protect the brand of the company or its individual products (Kotler and Keller, 2013: 500). Meanwhile, according to Setiyaningrum et al. (2015: 233), publication is a promotional act by creating good attitudes and opinions of the company and its products, by developing significant commercial news, or by obtaining a favorable presentation on the radio, television or a show.

**Direct Marketing**

Direct Marketing is the use of mail, telephone, facsimile, e-mail, or the internet to communicate directly or to request a response or dialogue from certain customers or prospects (Kotler and Keller, 2013: 500). In other words, direct marketing is reaching and delivering goods and services to customers directly without the use of marketing intermediaries (Kotler and Keller, 2013: 557). Kotler and Keller (2013: 558) state that direct marketing can reach potential customers at the right time, also read by potential prospects.

**Interactive Marketing**

Interactive Marketing is an online activity and program designed to engage customers or prospects and directly or indirectly raising awareness, improving the image, or creating sales of the products or services (Kotler and Keller, 2013: 500).
WOM Marketing
WOM Marketing is an oral, written, and electronic communication, between community that are related to excellence or experience of buying or using the products or services (Kotler and Keller, 2013: 500).

Personal Selling
According to Setiyaningrum et al. (2015: 233), personal sales is an oral presentation in communicating to one or more prospective purchases, whose purpose is to make sales.

AIDA Concept to Achieve Promotion Objectives
AIDA stands for Attention, Interest, Desire, and Action. It states that consumers will respond to a marketing news based on a series of cognitive (thinking), affective (mind), and conative (action) (Setiyaningrum et al., 2015: 226). AIDA is one of the models to achieve promotional objectives, which is the effort to make someone or a party to buy the product or service (Setiyaningrum et al., 2015: 226).

Selling
According to Marbun in Syamsu et al. (2014: 2), sales is the total goods sold by the company within a certain period of time. Meanwhile, Constantine et al. (2016: 149) state that it is an activity of buying and selling process, in which a transaction occurs, a manufacturer gives the item, and the consumer receives. In other words, the achievement of a target is quantitatively declared from the proceedings. Syamsu et al. (2016: 149) states that sales volume is an important indicator that should be evaluated to prevent the company from losses, and profitable sales volume should be the main objective of a company.

Conceptual Framework

RESEARCH METHODS
This research uses descriptive qualitative approach which aimed at describing and analyzing the phenomena, events, social activities, attitudes, beliefs, perceptions, thoughts of individuals and groups (Sukmadinata, 2011: 60). It is conducted to provide more detailed picture of a symptoms or phenomenon (Prasetyo and Jannah, 2011: 42). This, in accordance with the

Figure 1. Conceptual framework
purpose of this study to obtain complete and in-depth information about the problems that occur. Hence, the researcher can analyze and evaluate the appropriate and effective promotion mix for Nastarkoe company.

**Population & Sample**
Informants in this study involve 6 people, among others: 1 Nastarkoe’s consumer, 2 similar companies, 1 similar companies’ consumer, and 1 marketing expert. The criteria of the informants in this study are as follows:
2. Similar Companies: a company engaged in the bread and pastry industry, has been established for more than 2 years, located in Surabaya.
3. Consumer of Similar Companies: have bought the product ≥ 2 times and live in Surabaya.
4. Marketing Expert: minimum from master degree of management graduate and experienced in marketing for more than 2 years.

**Data Collecting Method**
This study uses primary and secondary data sources. Primary data is data obtained from the primary source either from individuals or others (Umar, 2011: 42).
1. Primary data of this research is the report of company turnover, report of promotion activity, result of interview, observation, and documentation. While secondary data is primary data that has been processed further and presented either by the primary data collector or by other parties (Umar, 2011: 42).
2. Secondary data of this research are theories taken from books, internet, media, and journal.

This research uses data retrieval method as follows:
1. Interview: the type of interview in this research is semi structured interview which is suitable for qualitative research that gave the freedom in asking questions and having liberation in arranging the flow and setting of the interview (Herdiansyah, 2013: 66).
2. Observation: according to Herdiansyah (2013: 131), observation is a planned and focused activity to view and record a series of behaviors or the course of a system that has a specific purpose, and reveal the reason behind a behavior and the foundation of that system.
3. Documentation: Documentation is a method of collecting qualitative data by collecting and analyzing documents, either written documents, drawings, or electronic (Sukmadinata, 2011: 221).

**Data Analysis**
The stages of qualitative data analysis of interactive models according to Miles and Huberman in Herdiansyah (2011: 164) are:
1. Data collection: the data collection process was conducted throughout the study from before the research was conducted until the end of the study.
2. Data reduction: is a process of merging and uniforming all forms of data obtained into a single form of script to be analyzed. The results of interviews and documentation will be converted into script in accordance with their respective formats.
3. Display data: is a process of data processing with three stages, namely themes’ category, themes’ subcategory, and coding process.
4. Conclusion / verification: this is the last stage in the series of analysis which leads to the conclusion to answer the questions of the research.

**Validity and Reliability**
Validity is the degree of accuracy between data that occurs on the object of research with the data that can be reported by researchers (Sugiyono, 2013: 268). Validity test in this research uses triangulation concept. Triangulation aims to increase the degree of trust and accuracy of data.
According to Putra (2012: 103) there are three types of triangulation: triangulation of data sources, triangulation of method, and triangulation of time. This research uses triangulation of data source that explores the truth of certain information through data processing resources comparison to the result from different sources (Gunawan, 2014: 4). While reliability indicates whether a measuring instrument is accurate, stable or consistent in measuring the things it measures (Moh.Nazir, 2012: 127). A measuring instrument is said to have a high reliability or trustworthy if the instrument has stability, dependability and predictability (Moh.Nazir, 2012: 117). This measuring tool will not vary in the results from many times of usage. Due to this research data collection methods is using interviews, the results of the research is said to be reliable if the interview results are consistent although they're done in different time.

RESULTS AND ANALYSIS

Advertising
Advertising is an important promotional mix element used as a pastry business promotion tool. However, it must be adjusted to the company budget. Advertising via electronic media such as television, newspapers, and radio are less effective to be used by Nastarkoe companies in terms of expensive costs, less precise ads viewers, and too wide on market coverage. On the other hand, the effective advertisement used by the Nastakoe company was through brochures, banners, & business cards. It was chosen as the cost of this ads is relatively cheap which is in accordance with the budget of Nastarkoe, also it can introduce and attract consumers to a product to lead to purchase that ultimately increase the company's turnover. The findings of this study are in accordance with research conducted by Pondaag & Soegoto (2016) that promotion through advertising can increase the number of customers and retain existing consumers of a product.

Sales Promotion
Sales promotion is an important promotional mix element used as a cookie promotion tool because it can attract & convince consumers on a product. Forms of sales promotion that can be done by Nastarkoe is in the form of giving samples, gifts / discounts, and free delivery service. Distributing sample can attract and convince consumers to try new products, as they have the chance to taste it before buying. Gifts / discount is a promotional strategy to trigger customers to purchase pastry products more regularly. Sales promotion in the form of free delivery service might be one of the considerations to make a purchase because consumers are given convenience and time saving solution. The findings of this study are in accordance with research conducted by Halim & Radianto (2016) that sales promotion is a promotional mix element which can increase the bargaining power to consumers so they became interested in a particular product.

Event & Experience
Events & experiences are effectively used as a cookie promotional tool because it can introduce products and interact directly with consumers to attract them to buy pastry products not only on certain events. Customers like to look and taste the products especially for food. The form of events and experiences that can be done by Nastarkoe is joining an exhibitions and creating custom hamper / product. Through exhibitions, live experiences of the products offered are coming to consumers. It is also an alternative for a business that cannot afford shops / outlet while it can be customised to enhance the introduction of the product and attract customer to buy it not only in certain events but able to be accustomed to their events. For instance, it is very suitable to target the younger generations. The findings of this study are in accordance with research conducted by Hedynata & Radianto (2015) that the event & experience is a promotional mix element that can increase sales of a product. The exhibition is an appropriate promotion for food products which provide an opportunity for consumers to look and try the products directly. Attracting consumers is not enough only by looking at the promotion in social media, but more on the physical form & taste quality (Hedynata & Radianto, 2015).

Public Relation & Publicity
Public relations & publicity is effectively used as a means of cookie business promotion because by establishing good communication with consumers, they are more likely to remember the existence of our products. However, new small enterprises do not need to hire employees specifically to conduct public relations because it will cause an unnecessary expensive cost. The findings of this study are in accordance with research conducted by Levina & Chairy (2013) about public relations power to encourage consumer’s buying interest, that affect the intensity of their purchases. Public relations can be done with an effort to establish good relationships with consumers & communities, such as quickly respond to complaints, suggestions, or criticism from them about the company's products (Levina & Chairy, 2013).

**Direct Marketing**

Direct marketing is effectively used as a cake pastry promotion tool. The direct marketings form that Nastarkoe used are through telemarketing (Telephone, BBM, Whatsapp, LINE, & Email) and exhibitions. Direct marketing can reach potential consumers directly. This promotion enables consumers to make purchases in their own time. The ability to order a product with ease such with chat only might increase customers interest on it. Direct marketing can be done by a follow-up to potential customer to make an offer or by a promotion og new products and also through broadcast message. Marketers gather potential customer’s contacts info to be updated on social media for the company to promotes via broadcast message. This promotion helps to remind them of the existence of a product. The findings of this study are in accordance with the research conducted by Hedynata & Radianto (2015) about direct marketing as an important promotional mix because it can attracts new customers and increases sales of the company.

**Interactive Marketing**

Effective interactive marketing is used as a pastry business promotion tool. In this modern era most people access social media and internet, in which they actively seeking information. Therefore, social media can enhance the product familiarity to the consumers and ease them on the buying process. Currently, the most effective social media to sell food is instagram and facebook. The use of social media will be effective if the company always maintain or actively update it properly. In addition, the website is effective as well as there is complete information about the product and can reach the wider community. The findings of this study are in accordance with research conducted by Halim & Radianto (2016) about interactive marketing as a promotional mix to be useful on introducing / promoting products sold online to attract consumers, so that it can play a role in increasing sales and the number of company’s customers, also its efficiency on low cost or even for free but still has a high impact.

**WOM (Word Of Mouth) Marketing**

WOM Marketing is effectively used as a cookies business promotion tool. Consumers are more likely to believe in the recommendations of their friends than with other promotional media. In WOM promotion, company have to put a lot of attention maintain the quality of products effectively and to provide good service to bring them satisfaction and happiness. Thus, they willingly update & recommend it to the others. The findings of this study are in accordance with research conducted by Hedynata & Radianto (2016), in which mouth-to-mouth marketing is a useful as it indirectly helps to promote products from one person to another. The promotion of WOM marketing is not only through face to face but can also be done using social media such as testimonials to make WOM marketing easier to gain a wider market (Hedynata & Radianto, 2016). According to marketing experts in this research, WOM Marketing is important to be applied on new companies to inform the product in order to get new customers.

**Personal Selling**

Effective personal selling is used as a pastry business promotion tool. Notably, salespeople must have a good product knowledge and able to establish good communication skill. Sellers must understand well about the products offered in order to convince consumers and help them on deciding the purchase. In addition, establishing good communication to consumers will result in satisfactory service, that make them happy and not hesitated to make a purchase. Satisfying
service enables consumers to make repetitive order. Personal sales have a big role in introducing products, attracting attention, and helping consumers to decide on purchases. The findings of this study are in accordance with research conducted by Halim & Radianto (2016) about personal sales as a promotion mix that are more persuasive to pursue the consumers to purchases the products directly.

**Promotion Mix Evaluation**

Based on the results of the evaluation, the promotion mix consisting of advertising, sales promotion, public relations & publicity, and interactive marketing, Nastarkoe company is still weak compared to the information from other researcher analysis. Therefore, it is necessary and important for the company to improve its promotion mix, thus Nastarkoe's promotional activities can be more effective in increasing sales. As for other promotional mix such as events & experiences, direct marketing, word of mouth marketing, and personal sales were already good but still under other similar companies. Therefore, companies need to maintain and develop the promotion mix to increase the company's sales.

**Managerial Implications**

The results of this study indicate that the implementation of the promotion mix of Nastarkoe company is not maximised so far compared to competitors of cookies company in Surabaya so that sales turnover tends to decrease. Therefore, it is necessary to have an improvement of promotion mix for Nastarkoe company to overcome these problems. Improvements for multiple promotional mixtures such as advertising, interactive marketing, direct marketing, personal sales, and word of mouth marketing will be done in advance as the purpose of these five promotional mixtures is to inform and introduce products to potential customers. This goal is in accordance with the new existence of Nastarkoe company as a start-up. It is also due to the company limitation to do all the promotion mix all at once as there are budget and resources limitation. Therefore, Nastarkoe company will focus on the five mix promotion. Judging from the effectiveness of each promotion mix in terms of both cost and energy required, the promotion mix that will be the focus of the company is ordered from interactive marketing, word of mouth marketing, direct marketing, advertising, and lastly personal sales. While the promotion mix of sales promotion, event & experience, and public relations & publicity will be done in the future when Nastarkoe company is running on larger scale. The solution on the Nastarkoe promotion mix after the research can be seen in Table 1.

**Table 1. Promotion Mix of Nastarkoe, Before and After the Research**

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<th>No</th>
<th>Promotion Mix</th>
<th>Before Research</th>
<th>Improvement after Research</th>
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| 1. | **Interactive Marketing** | 1) Only had two social media namely Facebook and Instagram.  
2) Not very active on maintaining and update the social media.  
3) Had not done any promotion using endorsement nor Instagram advertisement.  
4) Had not designed an interesting promotion on social media such as Instagram.  
5) Had not had any | 1) Focus on using social media of Instagram and Facebook (Most used and recommended by informants).  
2) Actively maintain social media especially Facebook and Instagram, such as routinely & consistently upload products’ photos, testimonial, and interesting promos.  
3) Do some endorsements to social media artists or food blogger to increase followers.  
4) Use Instagram advertisement to raise awareness of the products and the followers quickly.  
5) Engage customers’ social media by giving them an interesting promo such as discount or bonus if they follow @Nastarkoe Instagram and upload their photos of the product by tagging @Nastarkoe and mention it to several friends. |
<table>
<thead>
<tr>
<th></th>
<th>WOM Marketing</th>
<th>6) Start to find and prepare to build an official website for the oncoming promotion plan. Currently, the company already made unofficial site such blogspot.</th>
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<tr>
<td>2.</td>
<td>So far, Nastarkoe had been maintaining the quality of the products and packaging and providing good service to consumers.</td>
<td>Nastarkoe must maintain the quality of its products (consistency of taste, shape, &amp; packaging) and provide good service in order to provide satisfaction to its customers so that consumers willingly recommend it to others.</td>
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<td></td>
<td>1) Not very active of direct marketing through telemarketing. 2) Had not joined any of food bazaar.</td>
<td>1) Owner must be more active in dealing with potential customers through telemarketing (phone, Email, BBM, LINE, and Whatsapp) to make direct offers through personal message or broadcast message. 2) Start to find out the schedule of exhibitions in Surabaya and prepare the necessary things to attend it. 3) Attend food-related exhibitions which is on-budget, with some exhibition equipment such: banners, brochures, business cards, tester, and interesting sales promotions.</td>
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<td>3.</td>
<td>Direct Marketing</td>
<td>1) Had not designed and used brochure as advertising media. 2) Already have a business card but inactive to share it.</td>
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<td></td>
<td>1) Design company brochures with attention to the paper’s quality and attractive design with the contents of: business name, photo &amp; product type, promos, social media and contact person. 2) Distribute flyers actively while attending the exhibition and pass it on to crowded places like campuses, offices, houses, etc. 3) Actively giving or distributing business cards to both consumers and prospective customers.</td>
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<td>4.</td>
<td>Advertising</td>
<td>1) Nastarkoe currently does not have a salesperson either working permanently or non-permanently. 2) The owner of Nastarkoe company who is also a seller already has a good product knowledge but had not establish active and intensive communication with consumers.</td>
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<tr>
<td></td>
<td>1) The seller must have a strong product knowledge, especially if the consumer asks about the cake, its taste, and ingredients. By mastering product knowledge, the seller will be more confident on offering products to consumers. The consumer will also be confident with the products offered if the seller is knowledgeable on it. 2) The seller should be friendly and able to build good conversations with its customers. So the consumers get comfortable and satisfied with the services provided. If the consumer is satisfied then the possibility of consumers to buy the product is higher.</td>
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<tr>
<td>5.</td>
<td>Personal Sales</td>
<td>1) Limited amount of tester. 2) Had not gave any promo through bonus nor discount. 3) Had not made any product bundling.</td>
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<td></td>
<td>1) Actively distributing the tester either during the exhibition or on a direct offer to the consumer / friends. 2) The tester can be awarded as a bonus to the consumer who has purchased the product especially for online purchases. 3) Provide more budget for more tester than before. The tester can be divided into small</td>
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</tr>
</tbody>
</table>
4) Provide promos to its customers in the form of discounts of 10-15% or bonuses for a purchase with certain amount.
5) Bundling product: make packages with cheaper price to attract consumers, for example Rp 145,000, - for 3 cookie jars.
6) Free shipping for a minimum amount of spending.

7. **Event & Experience**
1) Only joined one exhibition so far which was in GBT Kristus Raja Damai
2) Had not done any promo on the exhibitions.
3) Currently only had two event concepts on the hamper on Valentine & Idul Fitri 2016.

8. **Public Relation & Publicity**
1) Not very active in establishing conversation with customer.
2) Communication is done only by requesting criticism & advice to the customer after making a purchase.
3) Had not done any follow-up to customer.
4) Does not have a customer database, which leads to difficulties in further communication.

1) Actively following food-related exhibitions. The company should make preparations in advance to effectively gather the crowd by designing creative promotions to make them come to the stand. Creative promotion can be done by distributing free products to consumers who come to the stand from social media knowledge.
2) Add more designs on hamper to serve more consumer events. In the near future Nastarkoe will make hamper for Christmas and New Year also Lunar New Year.

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**CONCLUSION AND RECOMMENDATION**

**Conclusion**

There are several promotion mix that are considered weak on Nastarkoe based on the evaluation result, namely advertisement, sales promotion, public relation & publicity, and interactive marketing. On the other hand, Nastarkoe’s other promotion mix are considered good, such as event & experience, direct marketing, word of mouth marketing, and personal sales. Therefore, it is important for companies to improve the promotion mix that is still weak and maintain and develop better promotional mix, thus Nastarkoe promotion activities can be more effective and increase the sales of the company. This study leads to a conclusion that the eight promotional mix is very important to be appropriately applied to the pastry business. Especially as one of the company's strategy in order to excel and survive in the increasingly fierce business competition. Through promotion, companies can inform excellence, introduce products, persuade / attract consumers, and remind the existence of the products offered. Therefore, Nastarkoe needs to maximize the eight elements of the promotion mix, with a customisation tailored to the company's budget by its value of effectiveness. However, it is difficult for Nastarkoe company
to run the eight promotion mix all at once due to the limited resources and budget. Hence, in the near future, the first promotion to be done is aimed to inform / introduce the product. This is in line with the existence of the new Nastarkoe company / start-up business, which is still not widely known by the public. Afterwards, the promotion mix element order based on its effectiveness value are interactive marketing, word of mouth marketing, direct marketing, advertising, and lastly personal sales. Meanwhile, for the other promotional mix such as events & experiences, public relations & publicity, and sales promotion, they will be done in the future when Nastarkoe company scale becomes larger. Based on the research described earlier, it can be concluded that:

1. **Interactive Marketing**
   Social media (Website, Facebook, & Instagram) is very important to be used for promotion in this modern era. Products can be widely known by the public, and consumers are at ease to order, which support the sales. Social media becomes effective if maintained and updated.

2. **WOM Marketing**
   WOM Marketing can run effectively if the company maintains the quality of the product and provide good service to the consumers so they feel satisfied and motivated to recommend Nastarkoe products to others. Consumers tend to believe in the recommendations of their friends. WOM marketing is not only by direct communication but also through social media in the form of consumer testimony. Nastarkoe company can combine the form of sales promotion with WOM marketing by giving discounts / rebates on the next purchase with a condition that the consumer have to upload photos of purchased Nastarkoe products in social media and provide a little review / experience after tasting it.

3. **Direct Marketing**
   a) Phone call and social media (BBM, Whatsapp, LINE, & Email) can reach potential customers directly to enable consumers to make purchases / orders in the right time. Consumers are at ease to orders with chat facilities, so it is more engaging to make a purchase. Direct marketing can be done by following-up the customers on new products and on regular offer. It can also be done by broadcast message, where companies gather potential customer contacts (database) into Nastarkoe’s social media. Thus, potential customer of Nastarkoe get product information indirectly from the broadcast message. This promotion helps to remind consumers of the existence of a product and allows them to make purchases at their own time.
   b) Exhibition can reach consumers directly, lower in cost than opening a shop / outlet especially for new business with limited promotion budget.

4. **Advertising**
   a) **Brochure** is indispensable as an advertising media for pastry business. It became effective if it is well made to attract consumers. The quality and completeness of the brochure content to be considered carefully are as follow
      - Brochures’ quality: using thick paper / laminating doff, display an interesting cake photographs with an eye catching colours.
      - Completeness of brochure content: types of products / menu lists, promos offered, inclusion of websites & social media used, and contact person.
      - Once the brochures are designed and printed, the brochures need to be distributed in crowded places such as: campus (to reach young people), homes, offices, and other places of business. In addition, brochures can also be distributed during exhibition or given directly to recurring consumers.
   b) **Banner and business card** are needed for pastry business as supporting media of promotion during exhibition. Banners are on display to introduce products and company profile. While business cards can be easily given for the consumer to keep it if needed at any time.

5. **Personal Sales**
   Personal sales have a big role in introducing products, attracting attention, and helping consumers to decide on purchases. Personal sales will be effective to be implemented as a Nastarkoe promotional mix if:
The salespeople have a good product knowledge such as: types of cakes sold, ingredients, and taste. Sellers should be able to understand well what products are offered in order to convince consumers while deciding on purchases.

b) The salespeople can establish a good communication in order to provide satisfactory service for consumers. So that consumers do not hesitate in making a purchase. Good and satisfactory service enables consumers to make repeat orders.

6. Event & Experience
a) The exhibition is an effective promotional mix to introduce products by interacting directly with potential customers. Through exhibition, consumers can get direct experience of the product. Exhibition is an alternative solution to a business that does not have a store / outlet due to budget constraints. Some things to consider when attending the exhibition:
1) Location / place, area, type & estimated number of visitors (adapted to the target market of the company).
2) Food-related exhibitions.
3) The rental price of the exhibition stand to be adjusted to the budget of the company / Nastarkoe can shares booth for cheaper price. 
4) Supporting promotional media during exhibition: tester, brochure, business card, and banner. Can also be combined with other promotional mix such as: sales promotion.

b) Custom hamper & product can make the product be easily known / famous and attract consumers to buy not only on certain events but also can be tailored to the consumer events. This promotion is very applicable to target young consumers. Some of the events that can be utilized by Nastarkoe in the future for the custom hamper is Valentine, Easter, August 17, Halloween, Mother's Day, and others.

7. Public Relation & Publicity
Public Relations (PR) is done by establishing good communication between sellers and consumers in order to produce a good relationship so that they remember stronger of the existence of the products offered. Small and new companies do not need to hire special PR employees, instead it can be done alone by the owner to save cost.

8. Sales Promotion
a) Samples / tester can attract and convince consumers to buy a food product especially for new / innovative products that often cause questions in their minds. Because the taste is their main consideration when buying food products. So when a consumer tries a product and likes it, it will encourage them to make purchase. Companies need to take account of special budget to provide the tester. The tester becomes effective when the company provides a sufficiently large number of tester & distributes the tester widely during both direct offers and exhibition. To save cost, the tester can be divided into small pieces to reach more consumers. Tester can also be given to the old customer / loyal customer in the form of a bonus of 1 jar / small gift of Nastarkoe’s new product with the aim to introduce and attract them to try / buy it.

b) Rewards / discounts can attract consumers to make purchases more regularly, considering the pastry is a seasonal product. Gifts / discounts can have a special attractiveness because it provide benefits directly to consumers. The form of sales promotion that will be done Nastarkoe is as follows:
1) Discount 10% for every minimum purchase of Rp.250.000, -
2) Gift / Bonus: Buy 5 get 1 free & Free greeting cards at certain events.
3) Bundling product: Rp. 145.000, - for 3 cookie jars (Can be combined with promotional form of custom hamper).

c) Free delivery service is in consumers consideration for making purchases. Consumers do not have to bother on picking up the product while having the benefits of not paying postage fee even with a minimum purchase. Here is the free delivery service promotion that will be done by Nastarkoe:
1) Free delivery service for customers who reside in the area Citraland with minimum purchase Rp.100.000, -.
2) Free delivery service for consumers outside Citraland area (still in West Surabaya area) with minimum purchase of Rp. 200,000,-.

LIMITATIONS AND RECOMMENDATIONS

Limitations
This research is limited to the explanation of promotion mixed used by Nastarkoe and the appropriate one to be applied on improving its sales.

Recommendations

Recommendations for management
1. Management needs to quickly set up a fix budget from the profit to avoid disruption on company's finances.
2. Management needs to have a report of promotional activities plan to be performed with the results of the implementation. Then evaluate it to determine the next step of the company.
3. Management needs to pay attention to product quality to be worthy of being promoted and sold to consumer. Product quality is a very important consideration for consumers to decide on purchases.
4. Management needs to do New Product Development by issuing new products 2-3 times annually. New Product Development is important for Nastarkoe company considering consumers who easily get bored with the same products. By doing New Product Development, the company can continue to attract consumers to make purchases to try the new items. It can further strengthen the positioning of Nastarkoe products.

Recommendations for Other Researchers
1. This research is limited to information from similar companies whose business scale is medium. Thus we need to do further research by studying and comparing the promotion mix of similar companies with a larger scale so that it can be a guide / reference for small and medium enterprises in order to grow and develop into a pastry business with a larger scale.
2. Further research can conduct in-depth analysis of the most important promotional mix elements and is not necessarily for cookies business.

REFERENCES


