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Examining the Implementation of Digital Marketing Strategies through the 4P Framework at a Trading Enterprise in Subang Regency, West Java

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ABSTRACT

Rapid technological breakthroughs, especially in information technology⁴ and the internet, have catalyzed revolutions across diverse sectors and business sizes, including *micro, small, and medium enterprises (MSMEs)*. *Micro, Small, and Medium Enterprises (MSMEs)* are pivotal to national economic development, and their swift expansion underscores their capacity to enhance competitiveness via adaptability to change. PD. Mandiri, an MSME focused on peanut-based snacks, uses digital marketing to adapt to technology advancements, address changes in customer purchasing behavior, and confront the issue of decreasing sales. This research utilizes a qualitative methodology, applying the 4P Model for analysis. Methods of data collection encompass observation, semi-structured interviews, and literature research. PD. Mandiri's digital marketing approach is founded on the 4P framework—Product, Price, Place, and Promotion—and employs social media platforms, including WhatsApp, Instagram, and Facebook, and marketplaces such as Shopee and Tokopedia. The data indicates that PD. Mandiri's implementation of digital marketing has resulted in a substantial rise in sales volume.

Keywords: Digital Marketing, Marketing Strategy, 4P Model.

INTRODUCTION

The significance of MSMEs in Indonesia is growing. Its contribution to GDP amounts to IDR 9.5 trillion, representing 61 percent. In 2023, MSMEs are projected to absorb up to 97% of the workforce, highlighting their substantial importance in labor absorption. The rise in the number of MSMEs in Indonesia, from 64.19 million in 2018 to 66 million in 2023, indicates intensifying rivalry within this market category (KADIN Indonesia, 2024). MSMEs must implement an effective plan to enhance their competitiveness.

Furthermore, the advancement of technology, particularly in the information industry, specifically the internet, poses a problem for MSMEs. Shifts in consumer behavior that once favored traditional purchases increasingly lean toward online transactions. The COVID-19 epidemic in Indonesia, enduring for over three years, dramatically impacted consumer spending behavior (Partini, 2021). Online commerce has increased as individuals seek to minimize direct touch to avert viral spread. By 2024, Indonesia's anticipated number of internet users is projected to reach 221 million, or 79.5% of the population, which signifies a 1.4% rise from 78.19% in 2023 (APJII, 2024). Taiminen and Karjaluoto (as referenced in Suryani et al., 2021) emphasize that MSMEs must grasp digital marketing and utilize the internet for product or service promotion as a crucial strategy for maintaining competitiveness.

Ries and Trout (1993) define strategy as a plan or activity designed to assist an organization in attaining its objectives. Khoo (1992) describes strategy as a commitment paired with action to attain competitive advantage through the exploitation of key skills (Tjiptono, 2015). Strategy necessitates explicit steps to attain organizational objectives. These stages can be attained by essential competencies in self-awareness, customer comprehension, which emphasizes the need for empathy and understanding, engagement, transformation, retention, adaptation to business environment changes, and success measurement (Kingnorths, 2022).

Marketing encompasses numerous definitions. The American Marketing Association (AMA) characterizes marketing as an organizational activity and a series of procedures to generate and convey value for the firm and its stakeholders. Kotler provides a definition that differentiates marketing according to social and management perspectives. Adequate and suitable marketing activities necessitate the abilities known as marketing management. Marketing management encompasses the strategic selection and engagement of target markets, followed by the maintenance and expansion of these markets through actions aimed at producing, delivering, and conveying exceptional customer value (Kotler & Keller, 2016).

Digital marketing promotes items or services conducted by digital technology or electronic devices. It not only promotes and sells goods and services but also pertains to the application and utilization of technology within the marketing process (Zanubiya et al., 2023). Digital marketing is commonly known as electronic marketing (e-marketing), online, or internet marketing (Pires et al., 2024).

The evolution of digital marketing introduces new obstacles for business decision-makers, particularly in selecting appropriate digital tactics. Research by Bala and Verma (2018) indicates that identifying the social media platforms utilized by the target market is crucial for the success of online marketing efforts. Chaffey and Ellis-Chadwick (2019) emphasize that a principal benefit of digital marketing is its capacity to enhance customer engagement, broaden market reach through diverse distribution channels, and elevate sales through targeted marketing campaigns, thereby fostering growth and reinforcing connections (Pires et al., 2024).

Diverse strategies can be utilized in digital marketing, encompassing ² Search Engine Optimization (SEO), Search Engine Marketing (SEM), Social Media Marketing (SMM), Content Marketing, Email Marketing, Online Advertising, website management, Affiliate Marketing, ⁷ Viral Marketing, Influencer Marketing, Content Automation, E-commerce Marketing, Campaign Marketing, Display Advertising, and the utilization

of e-books and optical discs (Bala & Verma, 2018). Digital marketing, when categorized into four primary types, encompasses websites and SEO, social media, digital advertising, and content marketing (Pires et al., 2024).

Digital marketing is integral to the company's marketing strategy. Digital marketing must be integrated into all business decisions and the marketing mix. Consequently, we may observe the use of digital marketing across diverse marketing strategy types. The marketing strategy models under consideration comprise the 4P model (Product, Price, Place, Promotion), ³ Porter's Five Forces, Brand Positioning Mapping, Customer Lifetime Value, Segmentation, Targeting, and Positioning (STP), and the Boston Consulting Group Matrix. The 4P model is a well-established framework for marketing strategy, whereas Porter's Five Forces offers a method for assessing a business's competitive landscape. To examine perception positioning utilizing the Brand Positioning Mapping technique, one must comprehend superior values perceived by customers, which can be evaluated through Customer Lifetime Value. The STP model is employed to comprehend customers. The categorization employs the Boston Consulting Group Matrix approach (Kingnorths, 2022). Digital marketing implementation aims to establish interactive interactions with consumers and foster customer loyalty (Zanubiya et al., 2023).

When we view products from a digital standpoint, a series of crucial questions come to the forefront. Can this offering, whether a product or service, be effectively advertised online? What is its potential for adaptation to changing audience conditions? Does it offer genuine value to consumers, and does it stand out in a crowded digital marketplace? Is it regularly updated, serviced, and maintained efficiently? These questions underscore the importance of understanding client behavior in the digital age. The key to effective marketing lies in comprehending customer motivation and product usage (Kingsnorths, 2022).

Customers are prepared to pay a fixed price contingent upon various criteria, including brand equity, product quality, internet evaluations, etc. Innovative strategies in digital marketing concerning pricing encompass rebates, vouchers, and affiliate programs. Affiliate marketing compensates a third party with a commission or fee for promoting products or services on their website.

Like physical retail establishments, online retailers in digital marketing must be readily accessible. This condition pertains to SEO (Search Engine Optimization) in digital marketing. Comprehending the concept of place in digital marketing entails the accessibility for consumers to navigate and locate information regarding what they want. Moreover, product availability must be sustained to fulfill it. Customers will transition to

alternative marketers more rapidly in online marketing than in traditional or offline sales (Kingsnorths, 2022).

Kingsnorth categorizes promotions according to their objectives into above-the-line and below-the-line. Above the line primarily targets promotions designed to communicate a specific message or to establish a brand for products or services aimed at a broader or mass audience. The employed marketing channels often include television, radio, display advertising, and additional mediums. More robust and individualized promotions within their sectors are encompassed in below-the-line promotions. Personalization may pertain to demographics, interests, or the target market's habits. Examples of broadcast strategies include SEO, direct mail, paid search, email, and direct sales. Both promotional strategies must be combined (Kingsnorths, 2016).

P.D. Mandiri, situated in Cinangsi Village, Cibogo District, Subang Regency, West Java, is an MSME endeavoring to adapt to technological advancements through digital marketing. This MSME specializes in the processing of peanut-based snack products. Established in 2008 by spouses Mr. Arlin and Mrs. Lilis, the company employs five individuals who assist with its operations. MSME PD. Mandiri commenced utilizing digital marketing in 2022. This initiative was motivated by challenges, including a decline in sales volume and a shift in purchasing habits

from traditional methods to internet shopping. In 2015, MSME PD Mandiri attained a monthly sales volume of 600 kg from orders placed by big agents.

In 2021, the sales volume experienced a notable decline, averaging 200 kg per month. Prior research indicates that the appropriate implementation of digital marketing in various MSMEs within the culinary sector can enhance the organization's sales volume (Abdurrahman et al., 2021). A quantitative study on the residential industry revealed that digital marketing significantly enhances sales volume (Wida Rahmayani et al., 2023). Social media utilization inside the digital realm significantly enhances sales volume for MSMEs (Zannah & Mubarak, 2023). Numerous MSME participants in Laut Dendang Village, Percut Sei Tuan District, have augmented their revenue through internet marketing strategies (Siregar et al., 2023).

Nevertheless, MSMEs must enhance their capacity to execute Internet marketing initiatives. Enhanced capabilities can broaden market access and are anticipated to augment the competitiveness of MSMEs within the industry (Susanto et al., 2020). Enhancements in the e-commerce skills of MSMEs must be intensified, particularly in the context of the Industrial Revolution 4.0, to access broader markets and facilitate sales transactions (Dewi & Nasution, 2023). This study seeks to ascertain the execution of digital marketing strategies by

MSME PD. Mandiri, the challenges encountered, the measures used to address these challenges, and the subsequent sales volume following MSME PD's adoption. Mandiri employs a digital marketing strategy that is in contrast to previous methods.

METHOD

This study employed a qualitative descriptive technique to investigate and assess the execution of digital marketing strategies among PD. Mandiri MSMEs in Subang Regency, West Java. This methodology was used to thoroughly analyze the digital marketing strategies employed by these MSMEs, emphasizing both tactical approaches and the obstacles encountered during implementation. The analysis utilized the 4P Model—Product, Price, Place, and Promotion—as a framework to evaluate the efficacy of marketing tactics in attaining corporate objectives, specifically in enhancing sales volume.

The research employed two categories of data: primary and secondary. Primary data were obtained from direct observation and comprehensive interviews with key stakeholders at PD. Mandiri MSMEs. The interviews sought to document experiences, insights, and challenges faced in executing digital marketing plans. Secondary data was gathered through literature reviews from several sources, including journal

articles, research papers, and pertinent documents that elucidate the use of the 4P Model within the realm of digital marketing.

The data collection had three primary phases: data reduction, presentation, and conclusion formulation. Data reduction is conducted to extract pertinent information related to the study topic, discard less significant data, and maintain emphasis on the primary topics under investigation. Additionally, the condensed data is organized more systematically to enhance analysis. The concluding phase involves deriving conclusions, wherein the examined data is utilized to establish essential discoveries concerning the execution of digital marketing strategies in Mandiri MSMEs.

This study seeks to conduct a comprehensive analysis of the digital marketing strategies employed by PD. Mandiri MSMEs identify the obstacles encountered and the measures adopted to address them. This study assesses the influence of digital marketing strategies on sales volume by contrasting sales conditions before and after the method's implementation. This study aims to enhance the literature on digital marketing techniques for MSMEs in the Subang region specifically and Indonesia broadly, serving as a reference for other MSMEs in adopting analogous tactics.

RESULTS and DISCUSSION

PD. Mandiri is a micro, small, and medium enterprise (MSME) that manufactures raw materials from peanuts and processes them into snacks, specifically roasted peanuts and onion peanuts. The enterprise is in Cinangsi Village, Cibogo District, Subang Regency, West Java. It was founded in 2008 and continues to the present by the proprietors, Mr. Arlin and Mrs. Lilis, a married pair. The original business concept was motivated by the family's urgent financial circumstances. Nonetheless, in their initial endeavor, they encountered failure and incurred losses. One contributing factor was the scarcity of knowledge and insufficient facilities. In the second year following the failure, having deemed their funds adequate, they attempted to sell again with somewhat more developed preparations, and the firm has persisted to the present day. Five employees currently support the business—initially, PD. Mandiri employed traditional marketing methods for its products. Since 2022, PD. Mandiri has commenced the implementation of digital marketing. PD. Through digital marketing efforts, Mandiri achieves a monthly revenue of over 14 million Rupiah.

The inaugural roasted peanut product was produced in 2008 by PD. Mandiri. The company's target market comprises the lower middle class, specifically focusing on teenagers and adults of both genders. Interviews indicate that the majority of PD. Mandiri consumers are located on the island of Sumatra.

PD. Mandiri's digital marketing strategy is guided by the 4P Model. This model encompasses the following strategies: product strategy (Product), pricing strategy (Price), distribution/channel strategy (Place), and promotional strategy (Promotion). Each

of these strategies is carefully designed and implemented to ensure the success of PD. Mandiri's digital marketing efforts.

PD. Mandiri's flagship products are roasted peanuts in their skins, packaged and marketed with an authentic flavor devoid of any added seasonings. This unique selling point sets them apart in the market. The variants are distinguished by size, including 120 grams, 250 grams, 300 grams, 500 grams, and the largest option at 1 kilogram. The package consists of clear plastic featuring a sticker that displays the brand, product kind, and the address of the utilized social networking platform. Complimentary product return services are also available on various social media platforms, notably Shopee. If the customer believes the goods is misrepresented, counterfeit, defective, or non-compliant with the relevant terms and conditions, and provides sufficient evidence to the marketplace, they may return the product and obtain a refund.



Source: Instagram owned by UMKM PD. Mandiri

Figure 1. Product Variants of PD. Mandiri MSMEs

Prices are established according to product dimensions. The subsequent table displays the costs for each product size as of July 2024.

Table 1. List of PD. Mandiri MSME Product Prices as of July 2024

Size	Price (Rp)
120 Gram	4.999,00
250 Gram	9.550,00
300 Gram	11.550,00
500 Gram	17.550,00
1 Kg	33.999,00

Source: Instagram UMKM PD. Mandiri. 2024

UMKM PD. Mandiri offers bundled packages at reduced pricing for bulk purchasing. Another price method employed in digital sales is the implementation of promotional sales, typically conducted on dual dates; for instance, the Shopee 7.7 promotion occurs on July 7th. PD. Mandiri also

features customer reviews and subsequent comments on them.



Figure 2. Price Discount Program and Reviews from PD. Mandiri Customers

PD. Mandiri has not initiated its affiliate program or provided commissions/fees to external parties promoting its items despite the existence of third

parties conducting affiliate programs created by the marketplace.

PD. Mandiri sells through both traditional and internet channels. These roasted peanuts are accessible at multiple locations, including numerous prominent cake and snack distributors in Subang Regency, facilitating customer acquisition. Furthermore, PD. Mandiri sells through online retail outlets and prominent e-commerce platforms.

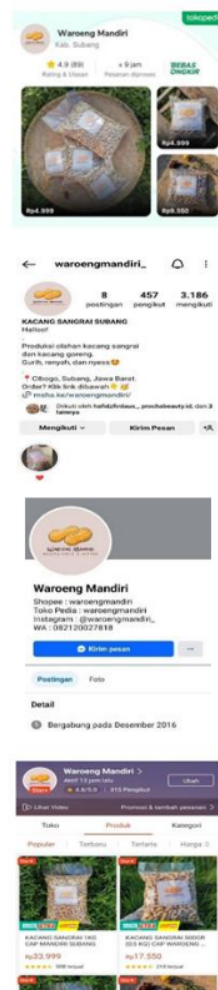




Figure 3. Types of Platforms Used by PD. Mandiri

Following initiatives to enhance sales via digital marketing in 2020, PD. Mandiri had a sales boost, which will be elaborated upon in the discussion chapter. The organization encountered multiple challenges while executing digital marketing. One factor is the equipment for producing high-quality and visually appealing photographs, particularly substandard cameras. From a content standpoint, the ability to generate engaging material can occasionally complicate the identification of themes for social media and marketplace presentations, hindering the accurate representation of products to consumers. Nonetheless, extensive expertise in digital product marketing has enhanced competencies. In contrast to the initial experience, characterized by a lack of followers and zero product sales, garnering consumer attention proved challenging due to the absence of reviews and ratings, which heightened concerns regarding product expectations, potential fraud, and quality issues. Additional challenges are intense rivalry with analogous products that have achieved substantial sales, diminishing the likelihood of people purchasing PD. Mandiri products.

The company's efforts to surmount these challenges involve acquiring devices with superior functionality. PD. Mandiri endeavors to obtain optimal photographs and enhance them for a more appealing

product presentation. Simultaneously, to present themes and content aligned with PD, Mandiri endeavors to enhance its capabilities by persistently seeking information and acquiring knowledge from online tutorials to generate ideas appropriate for social media and marketplace presentations. One strategy to mitigate the challenges encountered in digital marketing implementation is to prepay for advertising inside the marketplace, enhancing product visibility to a broader audience. These initiatives have yielded results, specifically enhancing purchases to date—PD's implementation of a digital marketing strategy. Mandiri, the company's capacity to enhance product development and broaden market awareness has improved, resulting in increased sales volume and, eventually, higher profits.

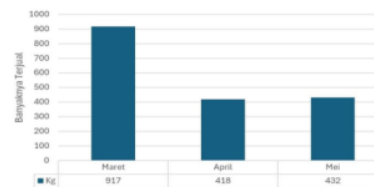


Figure 4. Sales Trend of PD. Mandiri Products from a Marketplace
Period March to April 2024 (in Kilograms)

Since then, orders have been consistently present, facilitated by the substantial capacity for processing roasted peanuts. PD. Mandiri's operations can adequately meet these orders. A notable success was seen in a particular marketplace, where the roasted peanut product achieved sales of 4,700 units and a 4.8-star rating. In March 2024, following the implementation of digital marketing, the roasted peanut product achieved sales of 917 kilograms during the Ramadhan Sale Promotion, a significant increase from the offline retail sales of roughly 200

kilograms each month. Figure 4 shows that the average monthly online sales, excluding the month of Ramadhan, exceed 400 Kg. This success is a testament to the effectiveness of the digital marketing initiative, which significantly influenced sales volume during the Ramadan period, when the demand for snacks prior to Eid al-Fitr surges. PD. Mandiri's ability to capitalize on this opportunity, bolstered by effective production fulfillment, resulted in sales approximately doubling compared to regular days.

The segmentation, targeting, and positioning methods are effective, as the items are well-received across all demographics, given that the Indonesian populace has traditionally recognized and appreciated this snack for an extended period. This product is advantageous from a health standpoint due to its nutritional and natural qualities. As education on nutritious eating via social media becomes increasingly prevalent and accepted, this product can enhance its placement by emphasizing its benefits in packaging and thematic content. It would be advantageous to supplement it with diverse and innovative social media material emphasizing the significance of selecting healthy snacks such as PD. Mandiri roasted peanuts.

Products that are sturdy, easily shipped to consumers, possess a minimal risk of reaching faraway clients, and are not very challenging to store are highly suitable for online commerce. Widespread awareness of this product alleviates apprehensions over public preference. PD. Mandiri's product strategy for selecting items for digital sale is not only appropriate but also effective. The company has successfully represented product differences by size, and while packaging could be enhanced to align more

closely with the target market and positioning strategies, the overall strategy is in line with the company's online commerce suitability and market positioning.

The pricing approach can be enhanced by developing additional programs and diversifying payment options. Third-party affiliate programs can be utilized to expand marketing reach. Frequent product reviews across diverse platforms and themes can influence the escalation of product pricing. PD. Mandiri has implemented an effective promotional and distribution strategy by leveraging many platforms and harnessing the marketplace. To enhance potential, initiatives to expand product promotion via more marketplace platforms, including TikTok Shop, Bukalapak, Bli Bli, and Lazada. They are utilizing brief videos for product promotion to reach a broader audience, including platforms like TikTok, Instagram Reels, and YouTube Shorts. More promotions should be conducted based on established calculations to captivate consumer interest. Diverse platforms require effective SEO to enhance consumer navigation when locating PD products. Mandiri surpasses expectations. This method utilizes appropriate keywords complemented by distinctive items and website names or addresses that align closely with the most frequently searched keywords. Once consumers can readily locate the company's address, the diligent upkeep of the content and utilized platforms is equally crucial. Given the product's established recognition, employing below-the-line promotion through the existing platform effectively enhances personalization.

CONCLUSION

Data indicates that the Digital Marketing strategy implemented by PD. Mandiri has substantially influenced the enhancement of sales volume. Sales volume via digital platforms surpasses that of traditional sales methods. Products characterized by high durability and ease of packaging and shipping are particularly pertinent for online sales. Offering product versions in diverse sizes is an effective way to satisfy demand across various market segments. Enhancing product originality and distinctiveness is essential to distinguish it from similar offerings, accompanied by advances in suitable packaging to reinforce positioning. The pricing strategy involves establishing several price tiers based on product size and implementing a dual-date discount initiative. The promotional approach is executed through below-the-line promotions conducted via the platform to enhance personalization. PD. Mandiri utilizes WhatsApp, Facebook, and Instagram for its promotional operations. The utilized marketplaces are Shopee and Tokopedia.

PD. Mandiri is not without its challenges, particularly in managing the diversity and capacity of material and display storage on each selected platform, which remains constrained. However, the company's commitment to overcoming these obstacles is evident in its continuous study of these difficulties, facilitated through online tutorials.

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