Marketing Strategy for Griya's Micro-small Medium Enterprises' Product in Tanjung Jaya Village

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ARTICLE INFORMATION

ABSTRACT

The marketing mix is a tool to increase enterprise sales and engage consumers to purchase the products. The purpose of this study is to analyze the internal assessment and the relevant marketing mix strategy's application to boost sales at Griya in Tanjung Jaya Village. This study employs a qualitative descriptive-analytic approach, gathering information from the firm directly through observations and interviews tailored to the research topic. The results of this study indicate that the strategy applied by Griya products in Tanjung Jaya Village has been going well, where the four marketing strategy elements play distinct marketing roles while supporting and complementing one another. We found that it would be better if the Griya MSME in Tanjung Jaya Village were improved with the marketing mix that has been implemented. Given that many of the company's rivals are releasing goods that are comparable to its own, the company's approach is solid and many contributing marketing aspects should be re-examined in order to increase the number of consumers as well as maintain sales and increase their consumer intention to purchase the services.

Keywords: Griya Tanjung Jaya Village, Marketing Mix, Micro Small Medium Enterprises, MSMEs
INTRODUCTION

The increasingly rapid economic development in Indonesia makes competition increasingly fierce, starting from the development of technological advances, trading systems, and increasing consumer interest. Today the marketing of products or services within a company becomes a separate obstacle because of the many new businesses that have sprung up, and it is not uncommon for these companies to provide similar products or services. Therefore every company must be able to determine the suitable method and strategies so the company can compete in the dynamic market environment. Technology is becoming ever more advanced, and business is expanding at an accelerated rate. Therefore, the community itself must be able to distinguish quality products and adapt to the current situation in changing consumer preferences to prevent companies into the decline phase of the product life cycle. The domestic and regional economies, such as the Micro, Small And Medium Enterprises (MSMEs) business entities, are an inseparable part. Empowering MSMEs is a very strategic move since it has the ability to significantly boost local economic activity and serve as the main source of income for most people, therefore increasing their welfare.

The MSMEs sector greatly contributes to the nation's economy, opening various job opportunities to prevent more unemployment and an economic slump. Throughout 2019, MSMEs in Indonesia contributed 60 percent to the GDP, 97 percent of the nation's workforce, and 14 percent to total national exports (The Jakarta Post, 2020). According to BPS (as cited in Fataron, 2022), MSMEs in Indonesia were able to make a considerable contribution to the national economy by making up 99.9% of business establishments and 96.92% of all employment, although their contributions to GDP (60.51%), investment (60.03%), and the export were less significant (15.65%). As the data provided, MSMEs are being intensively carried out in various regions in Indonesia. One area that runs this business is Tanjung Jaya Village, where many MSMEs have been established and run certain businesses, one of which is in the Homestay business for tourists. The flexible role of MSMEs is able to open more job opportunities quickly regardless of the education level of the workforce. MSMEs contribute significantly to the national economy as well as the fight against unemployment. However, SMEs have a rather extensive network of markets in the global marketplace.

One approach for businesses that produce goods or services to have a long-term competitive edge is through marketing strategy. A comprehensive company plan's foundation may include a marketing strategy. MSMEs must have a marketing strategy to deal with the competitiveness amongst MSMEs, given the fiercer competition they face in general. MSMEs must pay close attention to marketing, particularly when choosing a plan that will be able to break into the market (Assauri, 2013).

One of the problems that MSMEs must face and is one of the opportunities to develop MSME businesses is to expand market access, both domestically and abroad. The retail industry is well known for growing fairly quickly from year to year. In recent years, Indonesia has seen a rise in the number of MSMEs. As an illustration, the MSMEs are in great demand because it does not require large capital but have future prospects due to a shift in people's spending patterns who are looking for convenience, speed, affordable prices, and quality (Delmayuni, Hubeis, & Cahyadi, 2017).

According to the description above, this study aims to determine the marketing technique used by the community MSMEs Griya in Tanjung Jaya Village in increasing sales volume as the output of this research can be used as an insight and consideration for MSMEs.
MSMEs Empowerment
According to Sedyastuti (2018), a five-finger approach is used by Bank Indonesia to grow and empower MSMEs in Indonesia. According to the five-finger theory, each finger has a distinct function, may be used alone, and increases in strength when used together (Syaiful, 2016). The first thumb illustrates the function of financial institutions in financial intermediation, particularly in lending money to development organizations, MSMEs, and microloans. The forefinger stands for the regulatory body, the Government, and Bank Indonesia; it controls the tax and legal sectors, grants permits and land certificates to be used as collateral for MSMEs, and has a friendly atmosphere. Moreover, it is also creating a source of funding. The third finger represents a catalyst supporting banks and MSMEs, mostly microbusinesses, in obtaining bank funding, helping the bank with credit monitoring, and providing advice on MSMEs’ development. The little finger on the fifth finger stands for MSMEs acting as employers, taxpayers, and business actors.

Marketing Concept
With the help of other individuals, freely developing, supplying, and adjusting product value may satisfy their needs and fulfill their desires through the social and management process of marketing (Kotler & Armstrong, 2018). The principles of needs, wants, exchange items, transactions, and marketplaces serve as the foundation for this marketing definition.

A marketing channel is the path that products and services go from producers through marketing companies before being distributed to consumers. The distance between the producer and the consumer, the amount of time the goods are damaged, the size, the producer's financial situation, the number of buyers among consumers, and the profits all affect how long the marketing channel takes to move the product through (Nitisemito, 1982). According to Kotler and Keller (2016), push and pull tactics are two that are frequently utilized in marketing channel management. The corporation or entrepreneur's choice to employ these tactics depends largely on how well-liked the business’ product is.

Marketing Mix
Marketing is a process carried out by groups or organizations to communicate, promote, and distribute their products and services (Tjiptono, 2020). The marketing mix is a crucial aspect of any marketing strategy as it refers to the strategies and guidelines that dictate the optimal combination of four key marketing variables - products, prices, locations, and advertising, in an attempt to reach the target market and fulfill the business's objectives. Furthermore, it also focuses on companies' methods to attract customers and develop their motivations for acting or making purchases through the brand's distribution channels (Ganatra et al., 2021). These four variables are the building blocks that make up a comprehensive marketing strategy and need to be carefully considered when developing a marketing plan.

The first variable in the marketing mix is the product. This includes the features and benefits of the product, its packaging, branding, and any warranties or guarantees offered. The product must be designed and developed to meet the needs and wants of the target market. The second variable is the price, which must be set at a level that is competitive and attractive to the target market while also providing a reasonable profit margin. The third variable is the location or distribution of the product. This includes the channels and methods used to make the product available to the target market. The fourth variable is advertising which includes the communication methods used to inform and persuade the target market about the product. According to Kotler and Keller (2016),
these four variables constitute the traditional marketing mix. By effectively managing and optimizing these four variables, businesses can increase their chances of success in the marketplace.

**Product Quality**

Products refer to the goods and services offered to consumers (Assauri, 2013). When developing a product, there are several factors that consumers expect to be included, which are:

1. Quality/Performance: Consumers expect the products they purchase to be of high quality and perform as advertised. This includes factors such as durability, reliability, and functionality.
2. Appearance and Product Selection: Consumers also consider the appearance of the product and its suitability for their needs. They may consider factors such as color, design, and features when making a purchase decision.
3. Model/Style: The model or style of a product can also be a deciding factor for consumers which includes; the latest trends, fashion, and the overall aesthetic of the product.
4. Brand: Consumers often have a preference for certain brands, which can influence their purchasing decisions.
5. Packaging: The packaging of a product can also be an important factor for consumers, as it can influence the perceived value of the product, and the ease of use and storage.
6. Size: Consumers also consider the size of the product, whether it is appropriate for their needs, and whether they have the space to store it.
7. Species: Consumers also consider the type of product, whether it is a commodity, product, or service.
8. Warranty: Consumers also expect products to come with a warranty, which can provide protection against defects or issues that may arise after purchase.
9. Service: Consumers also consider the service they will receive when purchasing a product, such as customer service, after-sales service, and return policy.

**Price**

Price is the monetary value that consumers are required to pay for a product or service. The business should be careful to charge the best price for its goods in order to gain the maximum market share (Fikri, Aidil, Amir, Nadzhri, & Sengar, 2022). Literature by Kotler and Keller (2016) indicates four aspects that characterize the price of a product are affordable price, comparable to product quality, competitive price, and consistent with product quality. Affordable price means that the price must be reasonable and affordable to the target market. Due to this, the price must be in line with the income level of the target market and should not be too high for them to afford. Meanwhile, comparable to product quality means that the price should be compatible with the quality of the product. High-quality products should have a higher price than lower-quality products. Moreover, competitive price means that the price of the product should be competitive with similar products offered by other businesses. It concludes that the price should not be too high compared to similar products in the market. Lastly, consistent with product quality means that the price should be consistent with the quality of the product. As a result, the price should reflect the product's value to the consumer.

**Promotion**

Advertising is a marketing activity aimed at informing consumers about an offer with the goal of generating interest in the product or service (Kotler & Keller, 2016). Advertising is a tool that plays a vital role in communicating information to consumers through various channels of communication. As Kotler and Keller (2016) suggested, the promotional mix includes several aspects, including direct sales, sales promotion, and good relationships. Direct sales means that advertising can be used to directly sell products or services to consumers. This can include methods such as television commercials, billboards, and
print ads. Sales Promotion means that advertising can be used to promote sales by offering discounts or coupons to specific customers. This can include methods such as sales, coupons, and loyalty programs. Good Relationships mean that advertising can be used to foster good relationships with all components of the organization. This can include methods such as public relations and corporate social responsibility.

**Position**

A place is a physical location where business activities and transactions take place. According to Adiwijaya (2013), there are several categories that can be used to determine strategic locations. The first one is proximity to the target market. A site is said to be strategic if the target market is nearby and it is simple to get to the area. Furthermore, visibility means a location is considered strategic if the purchaser can easily find it. This can include factors such as street visibility and signage. Accessibility: A location is considered strategic if it has easy access for customers, such as ample parking and public transportation.

In a strategic location, there are benefits for the seller, such as an increase in visibility, foot traffic, and proximity to the target market, as it will attend to increase sales and revenue for the business. In addition, to guarantee customer satisfaction, a business must create a focused marketing strategy developed from a consistent marketing mix, each of whose elements must be consistent and supportive of the others (Wolok, 2021).

**RESEARCH METHOD**

This study will employ qualitative research methods. The choice of qualitative research method because it allows for a deep understanding of the research problem and is beneficial for exploring and understanding participants’ subjective experiences. Qualitative research methods are suitable for this study because they allow for direct data collection that is closely related to the researchers and participants and provide nuanced and detailed answers to the research questions.

This study describes the data in the form of meaningful statements from the participants and their observed behaviors. It aims to provide a comprehensive and in-depth understanding of the topic under investigation by using a flexible and open-ended approach. Qualitative research allows the researcher to gather rich, detailed, and context-specific data, which can provide a deeper understanding of the research problem.

The data collected in this study are from facts gathered in the field by the researchers (Sugiyono, 2017). The researcher will collect data through various methods such as observations, interviews, and document analysis. The data will be analyzed and interpreted to understand the research problem comprehensively. The use of qualitative research methods in this study allows for an in-depth exploration of the topic and provides a more holistic understanding of the research problem.

**Observation and Interview**

The use of observation techniques in research allows for the collection of more comprehensive, accurate, and meaningful data (Sugiyono, 2017). Direct observation involves systematically observing and recording the behaviors and events of the object of study in real-world conditions. In this study, the researcher conducted direct observations of the owner of the Griya product business in Tanjung Jaya Village, Susan Stainback. In addition, according to Sugiyono (2017), interviews can provide researchers with a deeper understanding of the participants and their experiences, which cannot be obtained solely through observation. Interviews involve direct dialogue between the researcher and research participants, allowing for the collection of in-depth information
related to the study's problem. In this study, researchers conducted direct interviews with employees in the village of Griya Tanjung Jaya.

**Lecture and Discussion**
This method was chosen so that the writers and the speakers could easily present important concepts to reach them, and participants could easily master them. The lecture method is through presentation presentations by displaying attractive pictures and a relatively compact, fast, and easy display that attracts the attention of participants so that they are actively involved in the discussion.

**Demonstration and Practice**
This method is to do a checklist on the questionnaire sheet that the researcher has prepared so that it can be more objective in giving it. Therefore, the MSMEs actors can fill in and the results can be used and compared with the researcher's assessment.

**RESULTS**

Griya in Tanjung Jaya Village provides services including guest rooms with 18 rooms, 30 beds, AC, television, breakfast facilities, and free Wi-Fi services. For the price of the product itself, they divided for weekends and weekdays. For instance, they set the price for weekdays IDR200000 and for the weekend IDR300000. In the process of ordering, the customer directly contacts the owner by booking a room with the down payment, and this house provides open trips for customers at a price of 1 million for one family. The specification of this house is a rhinoceros as the symbol of Tanjung Lesung. Consumer satisfaction and trust in Griya SMEs in Tanjung Raya Village would be impacted by preserving the quality and goods of Griya SMEs. Not only that but the addition of product design models by SME Griya in Tanjung Jaya Village was also carried out in order to increase product improvement. The Griya MSME in Tanjung Jaya Village also tries to produce by combining one product design with other products so as to produce new products so that there are new variants of the product at the Griya MSME Tanjung Jaya Village. Moreover, combining these designs can also increase consumer interest in using products from SMEs themselves.

The qualities, traits, styles, designs, brands, packaging, services, and guarantees are the factors in the product mix. Products must be original, practical, and well-designed for consumers. This is in line with what the Griya MSME manager in Tanjung Jaya Village said “When creating items, we always emphasize quality, starting with raw materials, colors, and batik motifs, and we tailor them to the needs needed by consumers. We must constantly enhance our offerings in order to get more clients”.

The Griya MSME manager in Tanjung Jaya Village made a remark that demonstrates the compatibility between the produced goods and the researchers' proposed hypothesis. Products from that firm that consistently uphold product quality and use originality in their designs might pique consumer attention. In addition to the company's objective of producing profits, meeting customer demands is another factor in garnering customer attention.

The approach to pricing used in the marketing mix plan significantly affects the satisfaction of consumers. Customers are drawn to the business by its reasonable prices and high-quality goods. Consumers are charged according to the quality of a product based on the cost of the raw materials and the difficulty of the production process by Griya SMEs in Tanjung Jaya Village. The price level that the corporation sets is also influenced by the various raw materials and the complexity of producing the product.

Tanjung Jaya Village’s MSME Griya uses high-quality raw materials that may provide customers with low pricing for customers to accept the cost. This is in line with the Griya
MSME manager's assertion that their facilities, which are now in high demand and are bought by customers for a majority of low and medium rates, are affordable.

The statement above is in line with the researcher's idea, according to which Griya SMEs in Tanjung Jaya Village may enhance sales volume and generate consumer interest by charging a suitable price. The Griya MSME in Tanjung Jaya Village sets prices by taking into account the caliber of the raw materials utilized and the difficulty of the production process. By taking into account the difficulties of manufacturing them, the price level of items that are costly, medium-priced, or inexpensive is also adjusted to the desired raw materials by customers.

Promotion is an activity carried out by Griya SMEs in Tanjung Jaya Village to try to introduce products so that they can be known by the wider community. In this case, product introductions carried out by the company include promotions through local product exhibitions, in collaboration with the Department of Industry and Trade, and word-of-mouth promotion. Meanwhile, exhibitions or bazaars are organized by the Department of Industry and Trade, cooperatives and so on. A series of events, both exhibitions and bazaars are one of the promotions carried out to introduce and attract consumer interest.

The number of consumers who can purchase the final product is anticipated to rise as a result of this promotional activity. This fact is in accordance with the previous study by Wijayanti (2012) found that one of the key marketing strategies for the success of a product, service, or business is promotion. The goal of promotion is to draw customers’ attention to the goods and services that a company provides, either directly or indirectly. Promotion is a key element in marketing, and it is the art of persuading customers and potential customers to buy more of a company's products. Griya SMEs in Tanjung Jaya Village promote their products through effective communication and personal selling. One of the ways they do this is through word of mouth, where satisfied customers share their positive experiences with others. This allows the products and services offered by Griya SMEs to be quickly heard and spread among consumers.

Another way that Griya SMEs promote their products is through direct communication with consumers which is personal selling, a face-to-face interaction. It is applied when the front liner can explain the benefits of their products and services to potential customers. Direct contact helps a company develop a connection with clients and earn their confidence, which may result in repeat business and strong word-of-mouth referrals. In conclusion, promotion is an important aspect of a business that helps to persuade customers and potential customers to buy more products. Griya SMEs in Tanjung Jaya Village promote their products through effective communication, personal selling, and word-of-mouth. By communicating directly with consumers, they are able to convince them about the advantages of the company's products and build trust and establish a relationship with customers.

**DISCUSSION**

Considering the outcomes of the interviews with one of the MSME in Tanjung Jaya Village named Griya, the employee work system is multifunctional, meaning that employees help each other with various tasks and responsibilities. Griya's business allows for a more efficient and effective workflow and helps create a positive work culture. However, the Covid-19 epidemic has significantly impacted the industry, resulting in the temporary closure of the business in compliance with government regulations. Thus, government regulations have significantly impacted the business's revenue and operations and have required the business to adapt and find new ways to continue operating.
Regarding home marketing, the business utilizes various online platforms such as Traveloka, Agoda, and tiket.com. These platforms allow the business to reach a wider audience and effectively promote its products and services. The platform is essential during the pandemic, where traditional face-to-face marketing is impossible. Utilizing online platforms has helped the business to continue operating and generating revenue.

Furthermore, MSMEs are defined as productive firms owned by people or legal organizations that satisfy the requirements for micro-enterprises as set forth in Article 1 of Law No. 20 of 2008. According to this definition, MSMEs are companies that fulfill certain requirements for size, revenue, and staff count and are owned and controlled by individuals or small groups. Understanding this definition is essential for businesses like Griya as it helps them to understand the regulations and guidelines that apply to their operations. A good strategy (including marketing strategy) in Market Followers must have five main components as follows:

a. Scope, specifically the extent of strategic dominance, including the number of different market categories, product lines, and industry types that have been or are scheduled to be penetrated.

b. Goals and objectives describe the expected degree of performance for each business and product market, as well as for the organization as a whole, over a specified time period based on one or more job dimensions (sales volume growth, profit contribution, or Return on Investment).

c. The distribution of resources, particularly human and financial ones, among joint ventures, product markets, functional divisions, and activities within each venture or market.

d. Finding a sustainable competitive advantage that can be used to define how the company competes against both current and future rivals.

e. The synergy between business, product market, resource allocation, and competence.

Not all runner-up companies are interested in challenging the market leader. The market leader will definitely respond to every attempt to win the market customers. Suppose a market challenger’s strategy is to lower its price. In that case, the only solution is to improve customer service or add product features that will inevitably match or even outperform them. The market leader is likelier to hold out in an all-out competition that weakens all parties involved. Therefore, market challengers should think twice before competing with the market leader. Many companies prefer to follow rather than attack the market leader.

D’Aveni and Gunther’s (1994) research shows that about 60% of successful patented innovations can be copied in an average of four years, and the development costs incurred by imitators are at least 35% lower than that of innovators. Market follower strategies can be categorized into four types (D'Aveni & Gunther, 1994). Thus are imitation, added features (value), disarm, and flanking. Imitation means that market followers offer the same product at a lower price. This strategy demands lower production/operating costs, research and development costs, and marketing expenditures. Furthermore, added features (value) mean that there is an additional feature that can serve as relevant product differentiators for consumers. Moreover, disarm includes reducing or eliminating certain features so that market followers only offer simpler products at lower prices. The last is flanking, and this strategy can take the form of stripping down and/or adding features to develop products that are more suitable for smaller market segments.

As stated by Coviello, Milley, and Marcolin (2001), digital marketing involves using the internet as a technology to connect Small And Medium-Sized Enterprises (SME) product marketing strategies through two-way communication between companies and consumers. Because it enables companies to engage with customers in fresh and creative ways and reach a larger audience, this sort of marketing is gaining popularity.
Kotler and Keller (2016) also indicate that digital marketing, which frequently includes social media, is known for its broad reach and cost-effectiveness. Businesses frequently utilize social media sites like Facebook, Twitter, and Instagram to advertise their goods and services. These platforms make it possible for companies to advertise to a wide audience at an affordable cost. Social media platforms also provide companies the chance to communicate with consumers instantly, which is advantageous for fostering a sense of loyalty and trust among them.

Furthermore, social media platforms offer consumers a means to share information in various forms, such as text, images, audio, and video, with a broad audience, which includes both companies and other consumers. This allows consumers to share their experiences with a product or service, which can influence the purchasing decisions of other consumers. Additionally, social media platforms can be used by businesses to gather feedback and insights from customers, which can be used to improve products and services.

In conclusion, digital marketing is an effective way for micro, small and medium-sized enterprises to promote their products and strategies through the internet. It allows for broad reach and cost-effectiveness, which is why it is commonly used with social media platforms. Social media platforms offer a means for consumers to share information and influence purchasing decisions, as well as gather feedback and insights from customers. Rapid advancements in technology may be leveraged to enhance a business. One such approach is using digital marketing to communicate and promote products to gain a competitive advantage in the market. The idea behind digital marketing is to utilize a wide range of media channels, such as television, radio, and the internet, to disseminate information about a company’s products through infographics. The reach of digital marketing is vast and can target audiences anytime, anywhere, and through any medium.

CONCLUSION

Based on the author's study findings and interviews with Griya staff members in Tanjung Jaya Village, the most common marketing mix strategy used are Price and Product, with a relatively affordable price already utilized by Griya in Tanjung itself. Despite that condition, many contributing marketing aspects should be re-examined in order to increase the number of consumers as well as maintain sales and increase their consumer intention to purchase the services. Griya Tanjung Jaya Village should thrive much beyond the current environmental condition in rapidly changing consumer preferences. Griya SMEs should also continue to diversify their offerings, closely monitor current technological development, and how to attract consumers to acquire purchases, for instance, adding several platforms to engage prospective customers (Traveloka, Agoda, and tiket.com).

In addition, marketing strategies can beneficial by the effect of word-of-mouth and using media promises through television, attending bazaars, etc. With an increasing number of customers in the future, Griya SMEs in Tanjung Jaya Village must be properly organized and continue to keep up their personalized consumer approach, which distinguishes their brand and encourages customers to return.

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