



IMPLEMENTATION OF THE MARKETING MIX STRATEGY TO INCREASE SALES VOLUME IN THE COVID-19 PANDEMIC

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The importance of small and medium-sized enterprises (MSMEs) is reflected in their contribution to the national economy. Although MSME contributes significantly to the national economy, it faces many problems. While these MSMEs are being strengthened, Indonesia and the world are facing an unexpected catastrophe, the emergence of the outbreak of COVID 19. This outbreak certainly poses new short-term challenges for MSME support. The biggest challenge for MSME is the decline in demand. Declining activity and economic growth at both national and global levels have affected the decline in public demand, including the products and services produced by MSME. MSME Arin Bakery is also experiencing this. During the pandemic period from 2020 to 2021, sales declined significantly. In addition to this, there is the emergence of competitors in the same place as rising raw material prices. Community service activities are conducted in the form of mentoring and counseling to support UMKM Arin Bakery. This activity can be divided into several stages. That is the observation and question stage, the situation analysis stage, and the stage of providing input or alternative solutions. The result of this activity is in the form of a 4P marketing strategy proposal (product, price, location, promotion).

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1. Introduction

SME competition is intensifying because new companies of the same type are characteristic. These small businesses are competing with each other for market share to keep consumers away from the same competitors from different entrepreneurs. SMEs' fierce business competition enables them to carry out productive and efficient business management processes as efficiently as possible and produce products or services that meet market preferences with better quality standards than their competitors. It is necessary to make it. It is not enough for SMEs to gain a competitive advantage. SMEs provide (1) products for sale on a regular and continuous basis, (2) products for sale of high quality and consistency, and (3) product variations as needed.

An entrepreneurial company means emerging from good intentions that never die from disability, disability, or challenges. Active and dynamic attitude is the keyword. A risk-taker can be defined as an opportunity-minded person within the uncertainty of the decision-making context. Risk barriers are an important factor. Distinguish the company from entrepreneurship, it's not. The main function of high entrepreneurial orientation is the optimal integration of risk measurement and risk-taking (Looy et al. 2003). Competitiveness is a winning strategy by companies that work together to compete more effectively in the market. Companies experience a competitive advantage when actions in an industry or market create economic value, and when multiple competing companies take similar actions (Barney, 2010: 9). Competitive advantage is expected to generate profits as planned, increase market share, increase customer satisfaction and keep the company alive (Saiman, 2014: 128).

Marketing, in general, is one of the major activities of entrepreneurs in their efforts to grow and maintain their lives to make a profit. Marketing includes activities that may help create, develop, and distribute products that are manufactured according to the needs of potential buyers based on the product's ability to manufacture. Marketing strategies play an important role in the success of your business. Therefore, the marketing department plays an important role in executing the business plan. This can be done if you want to maintain and increase sales of the products or services your company produces. You can improve or maintain your company's position or reputation in the market by implementing targeted marketing strategies that take advantage of sales growth opportunities.

A marketing mix is a marketing strategy that combines several elements of the marketing mix itself, executed in an integrated manner. Achieving business success requires complex skills in business processes. A high-quality product does not have to be a high-quality product. There are many other factors to consider. One of them is a marketing line that implements a mature marketing strategy that will impact the profitability of a successful business.

Home Industry Arin Bakery is an MSME positioned in Section Ketok, Tunggal Pager Village, Pungging District, and Mojokerto Regency. It became based on Nurul Aini and Ahmad Rosidhi in 2015. Pioneering the enterprise from 2015 with the primary order of 800 packing containers till now withinside the variety of heaps of packing containers, about 5,000-8,000 packing containers every day earlier than the pandemic. But currently, MSME Arin Bakery is having issues with assembly calls because of growing expenses and a shortage of goods. As all of us recognize that in pandemic covid-19, the authorities limit the large-scale social at the least such as the scattering of faculties and offices and regulations on sports out of doors the home. Then, the nearby authorities additionally imposed an obligatory PSBB (*Pembatasan Sosial Berskala Besar*). When the worldwide marketplace has suffered a first-rate blow because of the pandemic outbreak, corporations need to reduce jobs (layoffs) personnel and be laid off because of the coronavirus. As an effect of the coronavirus pandemic, corporations need to lessen personnel because calls have reduced considerably and manufacturing problems because of delays in acquiring uncooked substances because of PSBB. To live to tell the tale the sort of scenario pressured MSME Arin to lessen its personnel. Some findings in the course of the remark period:

Production activities had been well organized from order recording to consumer service.

- a. Marketing strategy still relies on word of mouth.
- b. A very significant decline in sales due to the pandemic.
- c. Unable to accept orders in large quantities due to manual production and low cooperation in the production team.
- d. Continuous increase in raw material prices during the pandemic.
- e. Does not yet have a business vision and mission.

The matters noted above are preferred situations skilled with the aid of using nearly all MSMEs in Indonesia. Based on the description above, we selected the title "Application of the Marketing Mix to Increase Sales throughout the Covid-19 Pandemic".

2. Method

In this provider interest, the primary aspect to do is to make observations on the MSME Arin Bakery. Observation is deemed important and vital to offer an immediate description of the item of research. The outcomes of observations had been then endured through undertaking interviews with proprietors, managers, and personnel. Structured interviews had been given to proprietors and managers. The intention is to dig up in-intensity records approximately the cutting-edge situation or particular description of MSMEs.

In this based interview, a hard and fast of questions is requested in a series that has been organized by the interviewer, and the solutions are recorded in a standardized form. Meanwhile, interviews with personnel had been performed by the use of the unstructured interview approach, which means that the interviews had been performed spontaneously and informally. The motive of undertaking interviews with personnel is to discover the problems confronted by their work.

After the observations and interviews had been completed, the following step changed to investigate the situation. At this stage, MSME issues are analyzed and answers are sought. It is understood from the outcomes of observations and interviews that the issues of MSMEs are declining sales, growing uncooked fabric costs, and the emergence of recent competitors. The degrees withinside the approach of imposing this interest are as follows:

Picture 1



3. Result and Discussion

a. Result

This MSME is engaged in the production of bakery products. A total of 24 employees are employed: 9 in production, 8 in packaging, 2 in delivery, and 4 in cardboard. The production operator consists of two bakeries, two ovens, and five operators in a bread slicer and jam filling machine. MSME Arin Bakery accepts and supplies a wide range of orders for torn bread pans for various occasions, both in bulk and in small quantities. The price of the product is of premium quality, which is quite affordable for the Indonesian market.

The Marketing Zone includes Mojokerto and its surrounding areas (Sidoarjo, Jombang). Before the COVID-19 pandemic, the demand for Arin Bakery was about 5,000 to 8,000 boxes a day. Arin Bakery regularly declines some order requests from consumers because, in certain months, crowded celebrations can over-order orders. But if in a quiet month the celebration is about 500-1500 per day. Demand for orders decreases, especially during Ramadan.

Entering 2020, Arin Bakery MSMEs experience fluctuations due to the Covid19 pandemic which affects increasing the price of raw materials and PSBB policies prohibiting activities or events in the community. This situation forced the owners to take steps to save their business. Previously described several findings regarding the conditions being experienced by MSMEs Arin Bakery. Findings at MSMEs Arin Bakery found results that MSMEs have implemented a 4P marketing mix but are still not optimal and effective because there is no special division of marketing all just from the owner's idea.

Moreover, online marketing is considered not effective and efficient on social media. MSMEs Arin Bakery has several social media accounts such as WhatsApp, Facebook, and Instagram but has not been utilized optimally. In the MSME process, Arin Bakery applies the 4P Principle, namely:

- a. According to the principle of the product, Mr. Nurul Aini is doing various things so that it can have different characteristics from other products as an owner. This can be seen in the wide range of bread options on offer, a selection of brands, and high-quality raw materials that set them apart from the competition. MSME Arin Bakery always pays attention to the quality of the product, starting with the selection of raw materials and the selection of subsidiary materials of different quality, and always pays attention to the sales potential of the product. Products that are not worth selling are classified.
- b. Arin Bakery Bread option prices are relatively cheap with various prices such as 7 Rasa Bread IDR 9,000, 9 Rasa Bread IDR 10,000, 4 Rasa Bread IDR 6500, Big Boy Bread IDR 10,000, and Bread IDR 10,500, 5 Rasa Bread IDR 6,500, IDR 13,000 for 4 sandwiches. This price is very affordable for people in other circles. Although it offers a low price in terms of quality, it is still a top priority. The selling price of the product was also determined by examining the market price of nearby bread.

- c. MSME Arin Bakery's promotions are conducted online/offline. Offline systems are carried out either directly or by word-of-mouth systems of consumers. This product is provided directly to customers who visit the MSME store with various bread samples. For the online MSME system, Arin Bakery uses WhatsApp, Facebook, and Instagram to deliver products. However, in the case of online promotion, Facebook and Instagram were not optimally utilized, so WhatsApp media became more active. Some become Arin Bakery's resellers both inside and outside business areas such as Ngoro, Krembung, Mojokerto, Prambon, Surabaya, and Lamongan areas. Although Arin Bakery does not recruit these resellers themselves, some people want and register to become Arin Bakery resellers. Most of these resellers are regular customers of Arin Bakery who want to sell their products to others.
- d. Place means Arin Bakery MSMEs are located in Ketok Hamlet, Single Pager Village, Pungging District, Mojokerto Regency. The location of the business although not on the side of a big road but felt it was quite strategic with easy access to reach. The location of the business is also quite crowded and densely populated so it is easy for people to know. The distance between the business location with the provincial road is also close. MSME Arin Bakery does not open a bakery and only takes orders, so it is believed that there is no need for a seat on the main road.

The location of Arin Bakery can also be found on Google Maps. During the Pandemic, rising, and fluctuating prices of bread ingredients and other ancillary products have confused owners, forcing these small businesses to set product selling prices so that they do not lose money and maintain customer loyalty. In certain months during the festive season, there are several rejections of customer order requests due to the maximum capacity limit of 3,000 – 4,000 orders per day. This is due to the limited capacity of employees and there are no auxiliary tools in the production process. In this problem, MSMEs must miss many opportunities and can cause a loss of consumer loyalty.

Table 1

Raw Materials	Prices before the pandemic (2019)	Prices during pandemic (2021)	Unit
Flour	IDR 160,000	IDR 188,000	25 kgs / sack
Sugar	IDR 520,000	IDR 555,000	50 kgs / sack
Butter	IDR 250,000	IDR 270,000	15 kgs / box
Margarine	IDR 270,000	IDR 295,000	18 kgs / box
Salt	IDR 55,000	IDR 60,000	1 bal
Bakerine Plus	IDR 720,000	IDR 740,000	25 kgs / box
Milk powder	IDR 500,000	IDR 520,000	25 kgs / box
Mauripan	IDR 515,000	IDR 540,000	25 kgs / box
cheese	IDR 640,000	IDR 664,000	15 kgs / box
Chocolate jam	IDR 390,000	IDR 415,000	20 kgs / box
Jam of flavors	IDR 115,000	IDR 135,000	10 kgs / box
box	IDR 1,050	IDR 1,610	1 box

b. Discussion

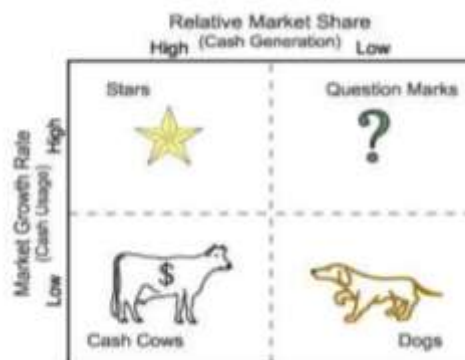
Based on the above problems, it can be observed that the problem solving carried out by the company is:

The company implements a more optimal marketing mix 4P marketing strategy, especially in the field of promotion, especially online promotion using social media to increase sales volume to achieve expected sales targets.

- a. MSMEs Arin Bakery buys a large enough stock of raw material supplies to cope with the price increases that continue to rise and change. In this case, MSMEs Arin Bakery must make a capital turnover in stocking raw materials in sufficient quantities. The second action option of MSMEs Arin Bakery imposes an increase in product prices so that there

- b. are no losses. The price increase is only IDR 500 - 1,000 per unit, but it can help prevent losses.
- c. MSME Arin Confectionery conducts recruitment and addition of manpower to cope with the manpower shortage when the demand for orders increases in a particular month. In addition, a shift system is introduced so that the labor force is not too poor when the demand for orders increases. It is also a choice for more qualified human resources than ever before.
- d. The ability to analyze is needed by a businessman in starting to raise the business he is engaged in. SWOT analysis can simply be done when going to start a business as a strategy in making decisions about the business you should run. Other analyses besides SWOT can also be used in developing and growing businesses, for example using other strategies, namely BCG, and Boston Consulting Group. It takes the right time in implementing a business strategy when you want to raise a business amid fierce business competition. Implementing the right strategy is essential during the business development phase to meet expectations. The implementation of business strategies must also match business conditions that occur in the real world.
- e. BCG Matrix, presented by BCG as a consulting firm, selects an approach through market share and market growth of the business. The matrix has four quadrants, each consisting of a question mark (question mark), a star (star), a cash cow (cow), and a dog (dog). The BCG matrix considers the current business situation in a quadrant model that combines market growth and market share. More specifically, the BCG matrix can be viewed as follows.

Picture 2



- f. One of the skills an entrepreneur should have is the ability to analyze events. The event you are facing may be a case of progress or it may be a case of adversity. This brief discussion will help you analyze the challenges you face when running your business. However, tools like the BCG Matrix aren't the only ones, and prices are falling. One of the most important is that in addition to the tools used to analyze business difficulties, the business intuition you have will be very helpful in determining what to do when faced with difficulties. The next strategy you can use to tackle your business challenges is McKinsey's 7S.

Picture 3.
Model McKinsey



The first “S” is a strategy that is now becoming an important factor in organizing businesses in a highly competitive environment. The second “S” is the structure. Long structures of decision-making make it more difficult for the business to move forward. The third “S” is the system. The more reliable the system, the faster it can make decisions. The fourth “S” is a skill or ability. Human resource management skills are essential to running a business so that it can continue to grow. This technical improvement is ideally updated annually or always as needed. The fifth “S” is a staff or employee. Ownership of employees is closely related to the fourth “S” (skills). Without the right skills and staff or human resources, a business organization would be a bunch of people looking like robots. Creativity that doesn't come, ideas that don't evolve, lack of initiative, fear of making decisions (though not always).

The fourth and fifth “S” are closely related. This is because the skills employees have will stimulate business development well, and conversely, employees without skills will put a burden on the business organization. “S” is the sixth style related to leadership style.

A leadership style that only presents an image that is not supported by good performance only creates false efficiencies. Conversely, a visionary leadership style that follows diligence creates a positive climate in an organization's business environment and positively affects the organization's performance. The last "S" has a general meaning.

The value that arises and is created in a business organization shapes the organization's culture. A strong organizational culture also leads to good performance and vice versa. The sixth and seventh "S" is the same as the fourth and fifth "S" and is closely related. Leadership style and the values created by leadership style will be organizational values that lead to organizational culture because they are believed and applied consistently (result-driven culture).

4. Conclusion

In the above discussion of marketing mix strategies to increase sales during the COVID-19 pandemic (global pandemic), it can be concluded that the implementation of the 4P (product, price, promotion, location) strategy promoted by Arin Bakery MSME is appropriate. . However, it is not optimal due to the lack of qualified marketing personnel. The marketing mix strategy pursued by MSME Arin Bakery has a huge impact on increasing product sales, especially in this all-limited pandemic era. MSME continues to operate during the pandemic but is more focused on WhatsApp as a way to engage with consumers and buy and sell merchandise. Arin Bakery MSME said she didn't use social media optimally for her marketing.

5. Recommendation

Entrepreneurs must acquire the skills to recognize the problems of the business. It not only recognizes problems but solves them in a variety of ways. With an administrative approach, known methods can be used to solve existing problems. With the BCG matrix and 7S, McKinsey can be applied to solve existing problems as well as analyze new cases. Creative approaches to problem-solving are not limited to the BCG Matrix and 7S McKinsey. Breakthroughs through a local experiential approach can also be applied to solving problems faced by business challenges.

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Attachment

